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Islamic Human Development Index in line with Islamic –Iranian Progress Patterns Design

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ABSTRACT

Background: An Islamic state requires a developed Islamic model. It cannot expect that the capitalist development model leads to prosperity and excellence in Islamic countries; since the theory of capitalism is inconsistent with the principles of Islam. Therefore, it is necessary that a new model be designed to fit into the historical, social and cultural conditions. For years, the country's economic policy makers use capitalist patterns in the development plans and have less attention to the Islamic pattern of economic development. So, however, we need to take steps toward Islamic pattern and engage in economic planning based on the principles of Islam. **Objective:** In this paper we study the human development index from the perspective of Islam. **Results:** In designing the economic indicators of human development, specific components of the system should be studied in which functioning in accordance with the terms of Islamic human development. **Conclusion:** For this purpose, the main economic indicators of human development will be as follows: adequacy and reliability in providing basic needs (essential), sustainable prosperity, active participation (economic), Halal livelihood, justice and fairness (in the distribution of material values and economic opportunities), construction, development and charity.

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INTRODUCTION

One of the main approaches to development is human development approach. To assess, measure and compare the degree of development of countries, three major indexes have been designed by experts of the United Nations which "Human Development Index" (HDI) can be achieved from their weighted average. These indexes are as follows:

- A) The per capita income index: that measures economic status and access to material prosperity;
- B) Life expectancy at birth: that measures health status;
- C) Literacy rate: that assesses the level of knowledge and wisdom (Michael Todaro).

The criticism on concepts of human development and human capital that can be made from the standpoint of capitalism is that these indicators may be material. Methodology of economics capitalism is an individualistic methodology.

On the one hand, methodological individualist can be linked to "Rational Man" assumption; and on the other hand, is linked to the basic assumptions of economic theory-rationality. The measurement that merely seeks to maximize self-interest is instrumental. But the effort to protect the personal aspects of human and social benefits is non-instrumental rationality. Methodological individualism is an analysis method that assumes only the individual and the individual behavior is true.

In other words, since the principles of conventional economics is based on methodological individualism as well as based on the principle of profit maximization; therefore it cannot reflect the methodology of Islamic economics because the Islamic economy is based on Islamic philosophy; and concepts like sacrifice and social benefits and satisfaction of God do not have compatibility with personal interests and material. So it is necessary to draw attention to the concepts of economic indicators from the perspective of Islam. In other words, spiritual concepts of Islam should be embedded in economic indicators.

So, one of the key questions that need to be answered to the realization of the Islamic ideal society and the pursuit of religious development is that "what are economic indicators of human development from the perspective of Islam and the Quran?"

Answers to these questions are based on the assumption that Quran is a book for guiding human being and is true happiness and perfection for a guaranteed and secured manner. Thus, the concept of human development, which represents a condition of access to a better life, can be derived from the Holy Quran context and fitted indices with Islamic thought are designed and delivered based on the Quran for different aspects of human development, including its economic dimension.

The developed Islamic community is a society that Islam has been fully implemented in the society and its people. Thus, it will be a society with the following features:

- A) Religion- belief: its dominant philosophical system is based on religion;
- B) Religion- orient: its legal system is based on the teachings of religion;
- C) Religion- referee: its normative system and function are according to the religion and its demands;
- D) Religion- desirable: its ideal system and the ultimate goal are based on religion.

Such a society will have the following general characteristics:

- A) It has structurally grown; that is, the structure is complete, harmonious, and is based on knowledge and wisdom.
- B) Discursive space and the prevailing culture, and the culture is monotheistic discourse;
- C) Its context (all systems and sub-systems) is based on justice and its various systems are in equilibrium and settlement;
- D) Its public function is dynamism;
- E) For other countries its considered as pattern and control samples
- F) Internal cohesion, solidarity and harmony are within itself.
- G) There are honor, power and authority on outside the self
- H) Member relations and the nature of leadership is based on the province
- I) It has independence, self-reliance and self-possessed in all dimensions
- J) Its overall objectives and main orientations is to provide hereafter in the context of the world

People, who developed the concept of community living, have the following general function of behavioral specification:

- A) The self; purification.
- B) Concerning God; knowledge and devotion.
- C) God's followers; knowledge and practice.
- D) Regarding other humans; responsible cooperation and benevolence.
- E) Towards community and social affairs; participation and responsible reforms.
- F) The nature and its grace, substituted capturing and exploiting contour (to avoid environmental damage, waste and etc.).

Methodology of Islamic Economics:

The concept of alternative ego instrumental rationality: the basic philosophy of Islamic economy

Muslim economists have accepted wisdom, but the concept of instrumental rationality prevailing paradigm of the traditional economy and introduced certain rationality as Islamic rationality. Muslim economists are questioning the instrumental rationality from different aspects, including:

- Some believe that rationality is incompatible with Islamic values; therefore they reject it.
- Some believe that rationality is based on the philosophy of capitalism; therefore they reject it.
- Some believe that rationality is not included Islamic norms and ideals; therefore it is not tenable.
- Due to personal profit exclusion criteria in Islam, some people reject instrumental rationality.

Alternative explanations for the rationality of some Muslim economists:

In one view, Islamic rationalism is expanded in terms of personal interests, social interests and otherworldly aspects rather than the instrumental rationality. They include the use of any kind of rationality and they link it to the enjoyment of Revelation and the decision stems from a revelation alongside personal standards is considered as rationality. According to this view, principles of Islamic rationality are considered to be related to the basic principles of rationality and based on that; economic rationality can be adjusted. So; the concept is called as "adjusted rationality".

In another viewpoint, the assumption of rationality is Seeking salvation or success in this world and the hereafter. This will be achieved when individual behavior is consistent with Islamic norms. It is compatible with the assumption of rational behavior.

In another view, the main elements of Muslim rational behavior are as follows:

- A) Concept of success and expediency;
- B) A combination of altruism and selfishness;
- C) A broad perspective of behavior;
- D) The concept of wealth and goods.

Satisfaction is a proper alternative for utility (from the perspective of Muslim economists):

Human is looking for consent in its behaviors. The consent can be obtained through acquiring desirable at the present time, hoping to gain acceptance in the future to ensure the future of this world and the hereafter, hoping to earn God's satisfaction. Therefore, the concept of consent is more comprehensive notion than the desirable concept and including goals and benchmarks of Islam.

A human (as a Muslim) is looking for consent in its behaviors. More gratification of the consent is preferred rather than less consent. This is in accordance with human nature.

Sagacity is a mean to distinguish the good from the evil; so human beings use this capability in deciding about its behaviors.

Human in some cases are non-saturation and in some cases saturation is achieved. However, assuming that decisions about desaturation can be allowed in our analysis, the assumption is acceptable from Islam perspective.

Human preferences for consent which are resulting from the consumption of goods and acts are transmissible.

Thus, rationality means keeping tools and targets are incompatible with Islam, but it is not compatible with instrumental principle. Defined benefit also extends the concept of adjusted rationality which is compatible with some Muslim and non-Muslim economists. In other words, according to the moral core of the economy along with revealed wisdom, adjusted rationality is along with friendship, community, life, spirituality which can indicate that rationalism is consistent with Islamic concepts.

Methodology of Islamic Development Index Design:

To define and develop the Development theory from Islam perspective, it is necessary that to draw attention to the two sets of Theology, namely Islam and Development. As was mentioned, Islam can be defined as a religion which is including Education consists of assumptions, value propositions, and propositions prescriptive and descriptive statements in connection with the duties of man towards nature and God and other human beings. To promote sociological research methods, this knowledge can also be divided by the development of education and other educational concepts. In this case, linking the development of Islamic sciences and education set can be shown as follows:

The subset (1) includes several Islamic assumptions and propositions that do not have clear relationship with development. An example of this subset includes:

- 1- Assumptions: Human is caliph of God on earth (Surah al-Baqarah, verse 30).
- 2- Normative or prescriptive statements (Surah Anfal, verse 29)
- 3- Descriptive statement (Surah Nahl, verse 16).

Subset (3) includes several assumptions and statements that are developmental in nature; and it is not considered as teachings of Islam.

The following are examples of components of this subset:

- 1- Assumptions: Humans typically seek to maximize the utility (Mill, 1863).
- 2- Normative or prescriptive statements: to achieve the development, Doctrine should be applied to the mixed economy (Lewis, 1984); or to realize the growth, innovation and development, the allocation of tasks should be delegated to Bazaars
- 3- Descriptive propositions: free trade based on comparative advantage will lead to development

Subset (3) is composed of elements that are common between Islam and development. Basically, these common elements are Islamic rule and have a development nature; or typically they are categories that are primarily developed or approved by Islam. The following are examples of the elements of this subset:

- 1- Pre- assumptions: human is the ultimate goal and the development instrument (Surah Isra, Verse 70, Surah Baqara, verse 29, Sura Mojadeleh, verse 13).
- 2- Normative or prescriptive statements: to fulfill the development needs of the poor will share in the property of the rich (Surah Alzaryat, verse 19).
- 3- Descriptive propositions: Distributive justice will lead to the realization.

Due to the nature of the subsets, assumptions, judgments and related concepts are not related directly to the development of Islam. It is possible that some of these elements indirectly supervise general behavioral principles which also cover the field of development. In this case, the explanation may be that these principles are applied to the development of theories.

All the components of subset (2) are used as elements of development theory. These sets are collected according to the formulation of appropriate scientific theories. Undoubtedly, there can be commons between the developmental teachings of Islam and developmental theories derived from the collective wisdom. An important step in the development process and theory of development can gained by expanding the educational setting in the form of scientific theories. Subset of (3) should be analyzed scientifically. Some of these teachings are in conflict with Islamic principles and should not be used in the Islamic development process. Although some of the teachings of human wisdom (like many economic provisions signature) that are inconsistent with the

principles of Islam, are accepted and signed by Legislator and can be applied as a part of the components of development theories.

Therefore, all components of the subset (2) and some components of the subset (3) are applicable in Islamic development theories according to the general rule of conduct basics of Islam. There is no doubt that the difference in the depth and breadth of scholars' knowledge in terms of Islam and development (and other considerations affecting cognitive processes) leads to different theories of Islamic development. All these theories should be subjected to public criticism. Some of these theories gradually achieve strength and validity in the competition field and some others will be forgotten. The opinions which have scientific strength, reputation and popularity can be presented according to the different approaches, as a set of developed ideas.

RESULTS AND DISCUSSION

“Human development is a process of expanding the human capacity to modify the instincts and providing material and spiritual needs by practicing the comprehensiveness of Islam to foster faith and good works in the context of universal justice, in order to achieve the pure existence”.

The process is shown in Figure 2.

In designing the economic indicators of human development, specific components of the system should be studied in which functioning in accordance with the terms of Islamic human development. For this purpose, the main economic indicators of human development will be as follows:

- Adequacy and reliability in providing basic needs (essential),
- Sustainable prosperity,
- active participation (economic),
- Halal livelihood,
- Justice and fairness (in the distribution of material values and economic opportunities)
- Construction, development and charity.

Adequacy and reliability:

Due to explain that the economic system was in the process of human development in view of the Quran, the system is responsible for providing the necessary material basis of the blessings of the world to start, sustain and enhance the spiritual life of man. The required necessary material is providing basic human needs which offer possible environmental and sustainable activities. In addition, Islam's goal is to resolve issues and concerns on this matter to address real-life issues and spiritual growth. These parameters can be studied with the following sub-indices:

- A) Population status (in terms of ratio, clothing and housing);
- B) Ability of individual to provide educational expenses;
- C) Economic security status (Protection laws, investment security, job security, stability, law and property rights);
- D) The basic expenditure share of GDP.

Sustainable Prosperity:

The Islamic human development is to enjoy divine blessings so that all things must be lawful and dignity of the Islamic community and Muslim nations should be against other nations and countries. The strict recommendations of the religion is beneficial sport activities, devoted healthy and productive times to rest and leisure, exploring the land for gaining knowledge, increasing experience of life and the fate of predecessors and other nations. Thus, having sustainable prosperity is of other indicators of human development. These indicators can be assessed with the following sub-indices:

1. Coefficient coverage and insurance variation (certainty about the future);
2. Recreational space per capita;
3. Space sport per capita;
4. Resources allocation percentage of the general budget to welfare issues.
5. Sport exploitation percent and recreational facilities;
6. Pilgrimage tourism activities percent costs from household income.

Active participation:

In the culture of Islamic economics, lawful and legitimate labor is considered “working on the way of Allah” and include highest worship and deeds. On the other hand, unemployment, sluggish and poverty have been heavily criticized. Sense of duty and responsibility to self, family, relatives, neighbors, Islamic community and construction and development of land and other human features are all developed in pure (Halal) existence. In addition, the confinement property is a clear evidence of wasted and ruined blessing. Thus, active

participation in economic activities and contribute to the dynamic generation of wealth and economic growth are signs of human development in Quranic's view. Active participation in the economic can be studied as follows:

1. The rate of employment of the active population;
2. The ratio of underground economic activity to illegal activities;
3. Rate of economic crimes (theft, bribery and smuggling) to the economic actors;
4. The ratio of false and unproductive to productive employees
5. Caught and stagnant capital ratio to working and productive capital

Halal livelihood:

Of the doctrines and precepts of Islam on economic arguments is emphasis on halal livelihood. In Quranic culture, there is a strict emphasis on halal livelihood and the way of living, so that unlawful livelihood is heavily proscribed. In any case, lawful livelihood is according to the livelihoods of Sharia and law and whereby the person will not committed any unlawful act. Halal livelihood indices can be studied and measured with following sub-indices:

1. Economic crime in the state courts;
2. Economic corruption status;
3. Monopolization
4. The percentage of spread usury in businessmen
5. Legal payments (Khums, Zakat, taxes and duties);
6. Required quality standards in the production of goods and services.

Justice and Fairness:

With economic justice and righteousness in the entry standards, tough competition and the imposition of a boundary that is observed in the free market economy and greedy and profit-driven exploitation of nature as well as social discrepancy between the various would not occur anymore. The discrepancy between female and male groups and different social classes and different regions of a country, access to equal opportunities between people of different countries to benefit from the natural resources from a generation to other many generations in a country would be destroyed. Following indices can be considered in the below provisions:

1. Gender balances (ratio of women to men in their business);
2. Regional balances (economic growth rate and other indicators in different areas);
3. Ethnic balances (use equal opportunities for all ethnicities);
4. Class balances (Gini coefficient among different population deciles);
5. Economic competition status (cooperative and public organizations and institutions);
6. The intergenerational balances (environmental damage)

Development and Construction:

In Quran perspective, the important implications for the development of human is its substituted seized his land, colonialism and its prosperity and sense of responsibility towards all creatures on earth. In this form of development, improve the provision of infrastructure and basic welfare constantly continues and along with development and human excellence, the resulted tenure and functions are completed. Therefore, the increase of wealth, reform and development infrastructure and cities, creativity and economic innovation (science, technology, and products) as well as increased productivity improvement and optimization of the blessings of God are due to human development outcomes in economic dimension bring about economic growth and economic independence. Civil and modification index can be studied in the following sub-indices:

1. Development budget compared to the current budget;
2. The per capita income;
3. Inflation rate;
4. Utilization rate;
5. Foreign trade balance;
6. Production of indigenous knowledge and technology in economic and industrial activities;
7. Patent rate;
8. Self-reliance and reduce dependencies factors.

Charity:

Charity is to dictate part of the own income to meet the needs of others which is a way to reach to the development of religion. Devotion to others is a must anyway. Charity index can be studied in the following cases:

1. people's participation in charity activities;
2. Registration of endowments;
3. Degree of public participation in remedies of natural disasters.

Conclusion:

An Islamic country requires a developed Islamic model. Cannot expect that the capitalist development model contributes to the prosperity and progress of Islamic countries because of capitalism theory is inconsistent with the principles of Islam. Capitalist economy theories which have been developed based on self-interest while Islam promotes loyalty and justice. A true Muslim seeks the satisfaction of God, not self-interest. Thus, however, Western theories cannot be good model for growth and excellence in an Islamic country and it is necessary to design theories compatible with Islam to grow and achieve true excellence. Historical experience has shown that mere imitation of Western models or other developed countries do not meet the overall needs of the community to achieve economic progress. Therefore, the new model is designed in accordance with the Islamic community and its cultural historical and social conditions. For years, the country's economic policy makers have used capitalist patterns in formulating development plans and have less attention to the pattern of economic development. So we need to take steps toward the development of an Islamic model based on the principles of Islam to engage in economic planning. In this paper we study the human development index from the perspective of Islam. "Human development is a process of expanding the human capacity to modify the instincts and providing material and spiritual needs by practicing the comprehensiveness of Islam to foster faith and good works in the context of universal justice, in order to achieve the pure existence" (Naghipour & Ahmadi, 2009).

In designing the economic indicators of human development, specific components of the system should be studied in which functioning in accordance with the terms of Islamic human development. For this purpose, the main economic indicators of human development will be as follows: adequacy and reliability in providing basic needs (essential), sustainable prosperity, active participation (economic), Halal livelihood, justice and fairness (in the distribution of material values and economic opportunities), construction, development and charity. Following suggestions are offered with regard to the issues raised in this study:

1. National development plans based on Islamic patterns with emphasis on excellence in human development – Islamic index;
2. Developing Islamic economic indicators from the Statistical Center of Iran and annual gathering indicators in order to use by country's scholars and planners;
3. In future studies, indicators such as the growth of Islam, Islamic social capital, indicator of business climate index and Virtue can be examined.

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