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CIRCULAR ECONOMY FROM AN ISLAMIC PERSPECTIVE

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Introduction

- Linear model (extract – produce – consume – dispose) is unsustainable: limited SS but unlimited DD
- Increase in environmental problems ie: resource depletion, biodiversity loss, air pollution & waste generation
- Circular economy: A study on 7 European countries - moving towards circular economy reduce $\approx 70\%$ GHGs & increase workforce by 4%



Objectives

- To discuss:
 - Concept
 - Limitations
 - Islamic point of views

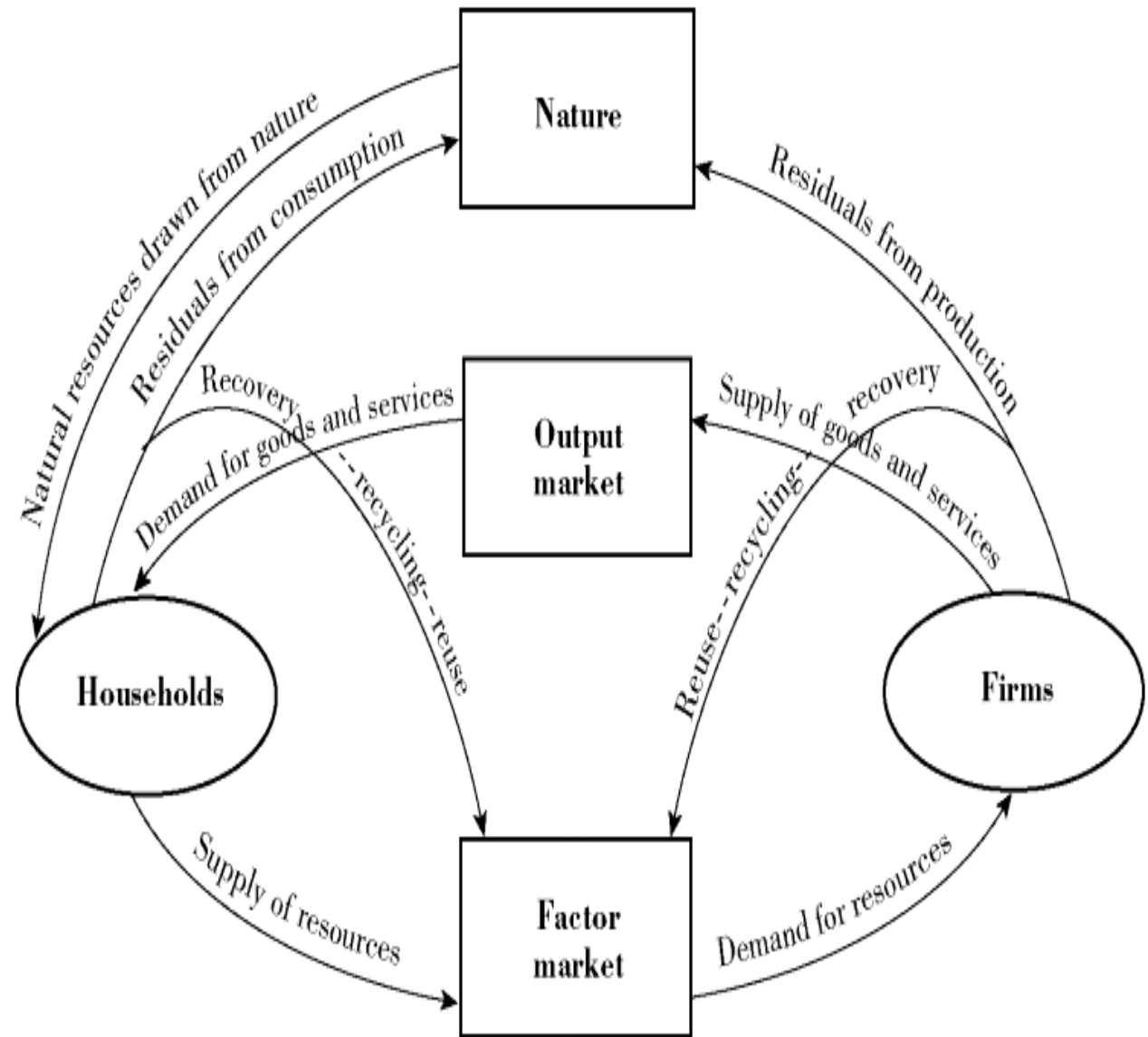
Discussion: concepts

MacArthur (2013):

- Product-life extension – high quality products, durable & long-lasting
- Reuse – high quality = preserve resources
- Remanufacturing – to improve performance
- Recycling – to be reused for other purposes

Reduce consumption, resources used, waste generation

- Refined concept of material balance model



Discussion: limitations

Sustainability of circular economy is questionable!

1) Implicit costs:

- **Extending products' life time: chemical used = harmful + difficult to decompose**
- Cost of maintaining: diminishing quality + stigma of owning outdated goods + new products can be produced at cheaper prices
- Recovering: not worth of materials extracted from the end-products . Ie: REEs
- Recycling: not perpetuity + some cannot be recycled + if recycle, quality?? + certain point difficult to recycle = high cost, low benefit

Cont...

2) Invalid assumption

Assumption 1: When lifecycle is extended & high quality products, consumption & resource used decrease

- Not applicable to those who have/have no purchasing power
- Rich will purchase anyway
- Poor will be less likely:
high quality goods = high price



Cont...

- **Assumption 2:** Prolong products life-span reduces the need of raw materials & waste creation & hence minimum waste generated can be absorbed by the earth
- However, durability will affect earth capacity to absorb the waste

Cont...

3) Rebound effects

- Aims to preserve natural resources & reduce environmental footprint through efficient use of raw materials, water and energy
- When efficiency improved = cheaper production costs & prices. Result?? Boosts up production & consumption = high DD for resource extraction & increase waste generation.

Cont...

4) Silent on social aspect

- Emphasize on redesigning waste/efficiency improvement in production requires engineers & skilful workers
- Low skilled workers: waste collection & sorting activities, but more on professional job = widening intra-generational inequality

Cont...

5) Invisible hand

- Assumption: market can run perfectly w/o cooperation from three main players
- Consumers: w/o DD, goods will not be produced
- Producers: manages in a least cost way = expenses of the environment
- Government: economic initiative, policy or regulation

Circular economy from Islamic perspective

Al-Akhlaq

- English meaning: morality & refers to character, nature, and disposition.
- Mission of Prophet Muhammad s.a.w. was to perfect human moral standard
- In the context of circular economy: **nurturing high moral standard that would guide a person to utilize earthly resources efficiently, caring for others and avoiding all forms of bad *akhlaq* such as greed that would lead to waste**

Cont...

- Ibn Khaldun in his Muqaddimah on the rise & fall of civilizations argued that the development of society depends on the moral

120, 000+ wasted food in Ramadhan



Cont...

Imarah al-Ardh (developing the earth) and Khilafah (Succession)

- Ibn 'Ashur (1984): mission of Prophet Adam a.s., as Khalifah is to develop this earth either through a direct revelation from Allah or guided inspirations.
- Operational : **as Khalifah - develop the earth to enhance individual's r/ships with their Creator, reform & invest earthly resources, and in the process observe Divine laws & principles that sustain these resources & avoid waste & ecological imbalances.**

Cont...

Al-Mizan

- Literal: measuring or weighing
- Technical: weight that Allah uses in the Day of judgement to weigh and measure the deeds of people.
- Operational: **applying a just, fair and balanced measures and weights when dealing with nature, its ecosystem and the related activities.**

Cont...

Al-'Adl [Justice]

- Literal: striking a balance btw 2 things or situation, sustainability & moderation
- Technical: establishing rights to the owners of rights directly or through agents or putting things in their right places
- In the context of circular economy:
establishing equity, fairness, balance & stability in the status quo & nature of things & in their use to ensure their sustainability.

Cont...

Israf and Tabthir

- Al-Raghib al-Asfahani (2011): Israf occurs when spending on/ consuming things that are permissible. It is the excess beyond the legitimate need that is considered a waste and hence Israf. Tabthir is related to spending or consumption of unlawful G&S regardless of the amount.
- In the context of circular economy as follows:
Wasting earthly resources when consuming or spending beyond one's legitimate needs or when spending or consuming items that are not required as needs.

Conclusion

- Circular economy focuses on designing long-lasting products & minimising use of scarce resources & environmental problems via reduce, reuse, recycle and recover.
- Despite various potential benefits, it has limitations: discounting of implicit costs, invalid assumptions, rebound effects, and silence of social aspects.
- Islamic perspective of the concept:
Mizan , Adl , khilafah , Ta'mir al-Ardh , Tayyibah , Wasatiyyah , Akhlaq , Israf & Tabthir are also discussed.