

Economic Philosophy of Allama Iqbal

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Prelude

Allama Muhammad Iqbal, the thinker of Pakistan, was born on November 09, 1877. His poetry in Urdu (30 percent) and Persian (70 percent) inspired Muslim Ummah and played a vital role in the establishment of Pakistan. Of Course, the great and dedicated work done by Quaid-i-Azam Mohammad Ali Jinnah, the father of our Country, enabled the dream of Allama Muhammad Iqbal to crystallise in reality.

ECONOMIC PHILOSOPHY: TWELVE POINTS

Based on research undertaken on his speeches, books, poetry and letters written to the father of the nation by him, this piece has been prepared on the theme of his Economic Philosophy. Areas covered include:

1. *Ilmul-Iqtisad*—the first book on Economics authored by Allama Iqbal in Urdu in 1903.
2. Economic Thinking.
3. Pakistan Movement—Economic Genesis.
4. Call for New International Economic Order.
5. Socio-economic Changes.
6. Socio-cultural and Economic Strategy.
7. Rural Development.
8. Industrial Development.
9. Poverty.
10. Land Reforms.
11. Austerity.
12. Manual Work glorified.

Annex “A” presents his biographical sketch at a glance.

The above points are now explained as twelve point economic philosophy.

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1. ILMUL-IQTISAD

Ilmul Iqtisad was the first book on economics in Urdu authored by Allama Iqbal in 1903. During the years in around 1903, books authored by Adam Smith, J. S. Mill, Riacrdo, Alfred Marshall were being taught all over Europe. In the then British Sub-continent not even many teachers had any idea of economics. Except for three Universities, economics had not been introduced as a subject. The talent poet-philosopher and thinker of Pakistan not only studied the above subject in extenso but also familiarised it to Urdu-knowing public. Consequently, the above publication established him as the first Muslim Economist of the then British Sub-continent. Thus his work served as a beacon light for the next generation of writers on Economics.

2. ECONOMIC THINKING

He delivered three speeches on Budget in the Punjab Legislative Council of those days, namely, 1927-28 to 1930-31.¹ He also delivered a speech on the resolution regarding application of the principle of assessment of income tax to the assessment of land revenue on February 28, 1928 in the Punjab Legislative Assembly. His two historical presidential addresses of Allahabad (December 29, 1930) and Lahore (March 21, 1932) are of significant importance and present outlines of the strategy for his economic thinking.

3. PAKISTAN MOVEMENT—ECONOMIC GENESIS

Pakistan emerged as an Islamic State on August 14, 1947. Islamic ideology was the basis of its establishment. However economic genesis of Pakistan movement points need to taken as a logistic to Islamic ideology.

Since the Muslims had been driven to this plight by the exploitive maneuvers and discriminatory attitudes of the domestic and the foreign rules the only way out Iqbal proposed in his Allahabad address, was that the Muslim majority areas of the sub-continent should be separated from the main sub-continent. Muslims and Hindus are two separate nations and could not live together, he pointed out. Excerpt from his address² is quoted below:

“I would like to see the Punjab, North-West Frontier Province, Sindh and Balochistan amalgamated into a single state. Self Government within the British Empire or without the British Empire, the formation of a consolidated North-West Indian Muslim state appears to me to be the final destiny of the Muslim, at least of North West India.

¹1927-28 Budget, March 5, 1927, pp. 61-63. 1929-30 Budget, March 4, 1929, pp. 81-85. 1930-31 Budget March 7, 1930, pp. 85-89. (Pages are of “Shamloo”, *ibid*).

²1930 Presidential address of the Annual Session of the Muslim League at Allahabad, delivered on December 29, 1930.

These words of Iqbal created a flutter in the circles of vested interests, but the Muslim nation found a powerful leader in the person of Quaid-i-Azam Mohammad Ali Jinnah who made a great political issue of this reasonable proposal and after 17 years of relentless struggle Pakistan was achieved. Iqbal, too, did not sit idle. He pursued the idea vigorously and continued fighting for the economic cause of Muslims till his demise in 1938. A few months before his death when negotiations were still going on between Quaid-i-Azam and the then British Government, he expressed his views emphatically on the subject and said that the only solution lay in the establishment of separate homeland for Muslims. On May 28, 1937 he wrote:³

“*The problem of bread is becoming more and more acute*”. The Muslim has begun to feel that he has been going down and down during the last 200 years. Ordinarily he believes that his poverty is due to Hindu money-lending or capitalism. The perception that it is equally due to foreign rule has not yet fully come to him. But it is bound to come”.

This realisation came to the Muslim masses through Quaid-i-Azam who waged the twin battle against the Hindu bourgeoisie and the British Imperialism and, in the end, succeeded in creating Pakistan where the Muslims were free to tackle with their problems in any manner they liked.

It was Allama Iqbal who issued a clarion call for the creation of a separate homeland for the Muslims of Indo-Pakistan sub-continent, and it was this call which initiated the long, arduous, and historic struggle for the achievement of Pakistan. His verses, speeches and letters stand testimony to the fact that it was he who first hit upon the two-nation theory which led logically to the idea of two separate homelands.

It may be observed here that Allama Iqbal had not yet clearly proposed a separate and independent state for Muslims. In the beginning he formulated the two-nation theory and later he proposed sovereign Muslim states in the Muslim majority areas as the only definite goal of the long, persistent and glorious struggle for Independence. It was emphatically stated by him between May 1936 and November 1937 in his correspondence with Quaid-i-Azam.

Following are the important excerpts from his correspondence with Quaid-i-Azam, between May 1936 and November 1937.

“The character of a Muslim State can be judged from what the *Times of India* pointed out sometime ago in a leader on the Indian Banking Enquiry Committee”.

“In ancient India”, the Paper points out: “the State framed laws regulation the rates of interest, but in Muslim times, although Islam clearly forbids the

³Allama Iqbal wrote thirteen letters to Mr M. A. Jinnah. (Four in 1936 and Nine in 1937). The extract is from his letter dated May 28, 1937.

realisation of interest on money loaned, Indian Muslim States imposed no restrictions on such rates". I, therefore, demand the formation of a consolidated Muslim state in the best interest of India and Islam. For India it means security and peace resulting from an internal balance of power; for Islam and opportunity to rid itself of the stamp that ARABIAN imperialism was forced to give it, to mobilise its laws, its education, its culture, and to bring them into closer contact with its own original spirit and with the spirit of modern times".⁴

Iqbal provided a framework for an individual and for the Muslim national identity through his philosophical doctrine of *Khudi* which he expressed in his captivating poetry.

4. CALL FOR NEW INTERNATIONAL ECONOMIC ORDER

Allama Iqbal was conscious of the exploitation which the rich Western nations forced upon the poor and underdeveloped Eastern Countries of the World. He seems to have foreseen a new international economic order which is being hotly debated and discussed today in international forums.

Iqbal thought that the policy of capturing new colonies and markets was at the root of the sharpening antagonism among Western countries. His sense of justice was outraged by the colonial system which permitted developed nations to subjugate the less developed ones. Condemnation of the exploitative nature of Western Civilisation frequently appears in his poetry during this period. In the 1936, he wrote:⁵

"One nation pastures on the other,
One sows the grain which another harvests,
Philosophy teaches that bread is to be pilfered from the hand of the
weak, and his soul rent from his body, Extortion of ones'
fellowman is the law of the new civilisation. And it conceals itself
behind the veil of commerce".

He strongly stood as a valiant champion of the economic emancipation of Muslims as is testified by the following excerpts from one of his speeches made at Lahore:

"I am opposed to nationalism as it is understood in Europe, not because, if it is allowed to develop in India. It is likely to bring less material gain to Muslims. I am opposed to it because I see in it the germs of atheistic materialism which I look upon as the greatest danger to modern humanity".⁶

⁴*Speeches and Statements of Iqbal*: Compiled by Shamloo, Lahore: Al-Manar Academy, Second Enlarged Edition, September, 1948: Presidential Address Delivered at the Annual Session of the All-India Muslim League at Allahabad on December 29, 1930, pp. 14-15.

⁵Iqbal, *Pas Cheh Bayad Kard Aqwam-I-Sharq*, (1936), pp. 58-59.

⁶*Speeches and Statements of Iqbal, ibid*, Presidential Address delivered at the Annual Session of the All-India Muslim Conference at Lahore on March 21, 1932. p. 38.

“The people of Asia are bound to rise against the acquisitive economy which the West has developed and imposed on the nations of the East. Asia cannot comprehend modern Western capitalism with its undisciplined individualism”.⁷

Translation of a well known verse from his poetry indicates the frame of his mind about his feelings towards the exploitive attitude of the West:

O-Residents of the West! God’s earth is not a shop;
The gold you think to be genuine will now prove to be debased.
Bang-i-Dara (Urdu) p.150.

5. SOCIO-ECONOMIC CHANGES

Iqbal believed that socio-economic changes were necessary for the establishment of social justice. At the same time he qualified the implementation of these changes dependent on the moral perfection of man, in which Islam must have a deciding role.⁸

What they call Commerce is a game of dice;
For one, profit, for millions swooping death,
Their science, philosophy, scholarship, government
Preach man’s quality but drink man’s blood.⁹

6. SOCIO-CULTURAL AND ECONOMIC STRATEGY

The five-point plan which Iqbal proposed in his presidential address on March 21, 1932 at Lahore is summarised below:

- (1) The Muslim should join one all embracing political organisation with provincial and district branches all over the Country.
- (2) He recommended to the conference to raise a national fund of Rs 50 lac for setting up Muslims political Organisation.
- (3) Formation of youth leagues and well-equipped volunteer corps throughout the country under the control and guidance of the central organisation.
- (4) Creation of male and female cultural institutes in all the big towns of British India.
- (5) Creation of “an assembly of ulema” including also Muslim lawyers well versed in modern jurisprudence.

⁷Shamloo, *ibid*, pp. 54.

⁸Ideology of Muslim Nationalism, L. R. Gordon Polonskaya (a prominent Soviet Ideologist), p. 121, Chapter 5, Book edited by Hafeez Malik.

⁹Kieran, Poems from Iqbal (1955), pp. 42-43.

7. RURAL DEVELOPMENT

The development of rural areas is at the heart and crux of the economic development of a country. It does not mean merely agricultural growth but it also calls for improving the economic and social conditions of the rural population by raising their incomes and providing them with necessary amenities like good houses, paved streets, water supply and sewerage, health services, education, roads, power, communication, etc.

On March 05, 1927, while speaking on the 1927-28 budget in the Punjab Legislative Council, he wanted allocation of more provision for village sanitation and for medical aid to women.¹⁰

Excerpts from another speech are quoted below:

“Thirdly, I suggest the formation of youth leagues and well-equipped volunteer corps throughout the country under the control and guidance of the Central Organisation. They must specially devote themselves to social service, custom reform, commercial organisation of the community and economic propaganda in towns and villages specially in the Punjab where enormous indebtedness of Muslim agriculturists cannot be allowed to wait for the drastic remedies provided by agrarian upheavals. Things appear to have reached the breaking point as in China in 1925 when peasant leagues came into being in that country. The Simon Report admits that the peasant pays a ‘substantial portion’ of his means to the State. The State, no doubt, gives him in return peace and security, transport and communication. But the net result of these blessings has been only a kind of scientific exactitude in taxation, destruction of village economy by machine-made goods and the commercialisation of crops which makes the peasant almost always fall a prey to money-lenders and commercial agents. This is a very serious matter especially in the Punjab. I want the proposed youth leagues to specialise in propaganda work in this connection and thus to help the peasantry in escaping from its present bondage. The future of Islam in India largely depends, in my opinion, on the freedom of Muslim Peasants in the Punjab. Let then the fire of youth mingle with the fire of faith in order to enhance the glow of life and to create a new world of action for our future generations”.¹¹

8. INDUSTRIAL DEVELOPMENT

The cause of industrial development was very dear to the heart of Allama Iqbal. He considered the development of industries essential for mitigating the curse of unemployment. On many international platforms there is a talk of Indigenous Technology which is being wrongly associated with Mahatma Ghandi. The historical fact is that Allama Iqbal was the author of this concept.

¹⁰Thoughts and Relections of Iqbal, Lahore: Sh. Muhammad Ashraf, 1964, p. 311.

¹¹Shamloo, *ibid*, pp. 57-58.

Examine this excerpt from his speech:¹²

“We spend practically nothing on industries. And as I have said before, and as many other speakers have pointed out, industrial development alone can save us from the curse of unemployment. There is a good future for weaving industry in this province, and for shoe-making industry also, and if we encourage these industries I think we shall be able to save the province from unemployment, provided we protect these industries against Cawnpore and Ahmedabad”.

The modern struggle, Iqbal believed, was conditioned by trade and industry. “Among the Asian nations, the Japanese were the first to comprehend the secret of revolution. They dedicated themselves to industrialising their national economy. Today, they are recognised as one of the industrially advanced nations of the world. They had achieved this distinction because of their highly industrialised economy and not because of the contributions of any national philosopher, poet or literature”.

9. POVERTY

Poverty alleviation is a hot agenda of developing countries. The developed world has moved out of the poverty alleviation trap to move to poverty elimination. Allama Iqbal underscored the relationship between economic activity and human psychology and raised the question of the effect that a man would have on his body and mind if he/she is unable to ensure both ends meet. Accordingly he opined that poverty affected human soul very deeply. The mirror of soul is tarnished and man is reduced to nonentity both morally and socially. He felt deeply at the poverty the people in the then British sub-continent in the post – 1857 war period. He identified the following searching questions:

- (a) Is poverty indispensable in the present day world economic order?
- (b) Is it not possible to free each individual from the shackles of poverty?
- (c) Is it not possible that the heart-rending bewailings of the poor in the streets of British India are silenced for ever?
- (d) Is it not possible that heart moving and pathetic scenes of poverty are removed from the world map for ever.

The above questions were raised in his book—*Al-Iqtisad* in 1903. He found the answer in 1930 when he delivered the historic address at the Allahabad session of all India Muslim League. At that time, the poverty of India and specially of Muslims had touched the rock-bottom due to British Policy of Imperial Preferences to shift the burden of the world economic crisis, namely, Great Depression of 1929-30 to the colonies.

¹²Shamloo, Speech on the Budget 1930-31, delivered in the Punjab Legislative Council on March 7, 1930, pp. 87-88.

10. LAND REFORMS

It is generally believed that feudalism continues to rule Pakistan. Feudal lords are generally in league with other vested interests and continue to rule rather than serve. Several land reforms were announced in the history of Pakistan till now. Most of these turned out to be lip service. Consequently the basic problems of poverty, unemployment, sub-standard of living, particularly in rural Sindh continue to dominate and their solution appears to be a wish list of distant tomorrow.

It is interesting to note that Allama Iqbal had long visualised to tackle the land reform issues. In this respect, based on research, his thoughts are now shared to ignite interest of our democratic Government to draw lessons and introduce genuine land reforms to solve the socio-economic problems facing Pakistan.

During Montagu-Chelmsford Reforms era, all the three Legislative Councils were dominated by the feudal class whose basic aim was to protect and promote their vested interests in the Country.

Allama Iqbal stood for the oppressed classed of peasants and advocated land reforms. It will be a befitting tribute to the memory of Allama Iqbal if we develop an equitable system of agriculture in which the cause of peasants is well looked after for ensuring social justice for the peasants and for making a major break-through in boosting agricultural production.

The memory is still fresh in our mind when in the Nili Bar colony the Government had decided to sell 3¼ lac acres of land to big land-owners. Iqbal justifiably proposed that ½ of this land should be reserved for peasants.¹³

Iqbal came to realise that in a just polity, land as a means of production should be owned by the society for the benefit of all. "Al-Ardo Lillah" (The Earth is God's), a poem in Bal-i-Jibril, succinctly sums up the idea of ownership of land:

"Landlord: this earth is not thine, is not thine Nor yet thy fathers'; no, not thine, nor mine".

On February 23, 1928, he made a thought-provoking speech on land revenue. He maintained that the charging of land revenue on the theory of state-ownership of land was wrong in principle, and in this connection he said:

"Let me tell the honourable representative of Simla that the first European author to refuse this theory was the French man Perron in the year 1777. Later in 1830 Briggs made a very extensive inquiry as to the law and practice in India and relating to the theory of State-ownership of land. He gave in his book an accurate description of the laws of Manu, of Muslim law, and practices prevailing in various parts of India—Bengal, Malwa, the Punjab etc., and arrived at the conclusion that at no period in the history of

¹³ Studies in Iqbal, Syed Abdul Wahid, Lahore. Sh. Muhammad Ashraf, 1967, p. 278.

India the State ever claimed the proprietorship of land. In the times of Lord Curzon this theory was put forward, but Taxation Committee's report, which was published some time ago, had come to a very clear finding that this theory had no basis at all However, we have to see, in the first place, how far the present system of assessment is just, workable and sanctioned by a very old tradition; but we have first to see whether or not it has justice on its side. My submission is that it is not at all just. The injustice of it is perfectly clear. If a man happens to be a landowner, big or small does not matter, he has to pay land revenue. But if a man earns from sources other than land less than Rs 2,000 a year, you do not tax him at all. This is where injustice comes in."

"We do not apply the principles of Progression in the case of land revenue whereas we apply that principle in the case of income-tax".¹⁴ "Whether a man holds two kanals of lands, he is liable too pay the land revenue. In the case of income-tax the principle of ability or the principle of progression is applied, that is to say, there is a graduated scale and some people do not pay income-tax at all".

11. AUSTERITY

The vital issue which one debates in economics is that resources are limited and possible avenues of uses are unlimited. Austerity economics is generally recommended for tackling fiscal deficits, reducing conspicuous expenditure and leading simple life. Developing countries are all caught up in the crises of underdevelopment in the face of vast unlimited resources and in the face of steadily rising curve of needs and ambitions. Caught in this paradox, one important strategy for them is to adopt austerity as a guiding inflexible rule to allow resources to go into economic construction. Allama Iqbal was a great champion of this cause and recommended it time and again. Examine the following statement:¹⁵

"(my) Father was not very fond of European clothes, He always advised me to wear our national dress. Similarly he disapproved of expensive material for clothes, and rebuked me if I spent money unnecessarily".

12. MANUAL WORKER GLORIFIED

His advice was unequivocal: Muslims must take to industry and Craftmanship, "*In my eyes*", declared Iqbal, "*the hands of a carpenter, rough and*

¹⁴Shamloo, *ibid*, Speech on the Budget 1927-28, delivered in the Punjab Legislative Council on March 5, 1927, p. 62.

¹⁵Chapter 3: Iqbal My Father, by Javaid Iqbal, p. 61, Iqbal – Poet – Philosopher of Pakistan, Edited by Hafeez Malik (Studies I Oriental Culture – Number Seven – Iqbal, New York: Colombia University Press (1971).

coarse due to the constant use of the saw, are far more attractive and useful compared to the soft and delicate hands of a scholar, which never carry more than the weight of a pen”.

CONCLUDING COMMENTS

It is time now that we made an intensive research on the economic philosophy of Iqbal and, in the process, not only learn from his great ideas but also implement them to ensure acceleration of the pace of economic development in such a manner as to ensure prosperity of the people of Pakistan and for establishing a New National Economic Order in which social justice is not given lip-service alone but is also implemented in letter and spirit. Only then we can succeed in emancipating the cause and lot of our rural and urban poor whose interest was supreme in the great poet’s mind all the time.

Annex “A”

BIOGRAPHICAL SKETCH OF ALLAMA MOHAMMAD IQBAL AT A GLANCE

Date	Event
November 09, 1877	Born in Sialkot
1897	Passed B.A. from Government College, Lahore.
1899	Passed M.A. from Government College, Lahore.
1899	Teacher of Philosophy in Oriental College, Lahore.
1903	Wrote <i>Ilmul-Iqtasad</i> – First Book of Economics in Urdu.
1905	Went to England for higher studies.
1913	Wrote <i>Tarikh-e-Hind</i> (Urdu)
1915	Wrote <i>Asrar-i-Khudi</i> (Persian)
1918	Wrote <i>Ramuz-i-Bekhudi</i> (Persian)
1923	Wrote <i>Payam-i-Mashriq</i> (Persian)
1923	Knighthood Conferred
1924	Write “ <i>Bang-i-Dara</i> (Urdu)
1926	Became a member of Punjab Legislative Council
1927	Wrote <i>Zabur-i-Ajam</i> (Persian)
1930	Became President of All India Muslim League
1930	Carved the idea of Pakistan
1930	Attended the Second Round Table Conference
1930	The Reconstruction of Religious Thought in Islam (English)
1932	Wrote <i>Javid-Namah</i> (Persian)
1936	Wrote <i>Bal-i-Jibril</i> (Urdu)
1936	Wrote <i>Zarb-i-Kalim</i> (Urdu)
1936	Wrote <i>Pas Cheh Bayad Kard</i> (Persian)
1938	Wrote <i>Armagan-i-Hijaz</i> (Persian and Urdu)
1938	Died on April 21.