

## Rereading the Concept of Profit Maximization : Islamic Economic Perspectives in Zubair Hasan Thought

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### ABSTRACT:

*The debate over the validity of the profit maximization paradigm has long been central in economic discourse, particularly regarding its compatibility with different value systems. This study examines Zubair Hasan's critique of the theoretical and philosophical foundations of profit maximization in secular economics and contrasts it with Islamic economic principles. Hasan argues that the conventional paradigm grounded in assumptions of homo economicus, methodological individualism, and claims of value neutrality is reductionist and inadequate for explaining the normative and moral dimensions inherent in Islamic economics. Using a qualitative literature-based approach, this research analyzes Hasan's criticism of the secular model, his reconstruction of rationality within an Islamic framework, and his proposed alternative profit model aligned with the objectives of sharia (maqāṣid al-sharī'ah). The findings indicate that while secular economics treats profit maximization as a universal standard of rational behavior, Islamic economics regards profit as a conditional and legitimate outcome that must be pursued through halal, just, transparent processes and directed toward social welfare. Hasan integrates social responsibility, moral accountability, and intergenerational sustainability into a broader conception of economic rationality, thereby challenging the phenomenon of "sharia mimicry," in which Islamic financial institutions replicate conventional products without embodying substantive Islamic values. His framework offers corrective guidance by emphasizing that profit in Islam is inseparable from ethical intention, lawful acquisition, and societal prosperity. Ultimately, Hasan's thought remains highly relevant for advancing Islamic economic theory, fostering ethical business practices, and strengthening normative and juridical research frameworks capable of addressing contemporary financial complexities, positioning Islamic economics not merely as a moral supplement to conventional theory but as an independent intellectual system with distinct philosophical foundations, socio-spiritual objectives, and methodological approaches.*

#### **Keywords:**

*Maksimalisasi Laba,  
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#### **ABSTRAK**

*Perdebatan mengenai validitas paradigma maksimalisasi laba telah lama menjadi topik sentral dalam wacana ekonomi, terutama terkait kesesuaiannya dengan berbagai sistem nilai. Penelitian ini mengkaji kritik Zubair Hasan terhadap landasan teoretis dan filosofis maksimalisasi laba dalam ekonomi sekuler, serta membandingkannya dengan prinsip-prinsip ekonomi Islam. Hasan berpendapat bahwa paradigma konvensional yang didasarkan pada asumsi homo economicus, individualisme metodologis, dan klaim netralitas nilai bersifat reduksionis dan tidak memadai untuk menjelaskan dimensi normatif dan moral yang melekat dalam ekonomi Islam. Dengan menggunakan pendekatan kualitatif berbasis literatur, penelitian ini menganalisis kritik Hasan terhadap model sekuler, rekonstruksi rasionalitasnya dalam kerangka Islam, serta model keuntungan alternatif yang diusulkannya yang selaras dengan tujuan syariah (maqāṣid al-sharī'ah). Temuan*

menunjukkan bahwa sementara ekonomi sekuler memperlakukan maksimalisasi keuntungan sebagai standar universal perilaku rasional, ekonomi Islam memandang keuntungan sebagai hasil yang kondisional dan sah yang harus dikejar melalui proses yang halal, adil, dan transparan serta diarahkan pada kesejahteraan sosial. Hasan mengintegrasikan tanggung jawab sosial, akuntabilitas moral, dan keberlanjutan antargenerasi ke dalam konsepsi rasionalitas ekonomi yang lebih luas, sehingga menantang fenomena "peniruan syariah," di mana lembaga keuangan Islam meniru produk-produk konvensional tanpa mewujudkan nilai-nilai Islam yang substansial. Kerangka kerjanya menawarkan panduan korektif dengan menekankan bahwa keuntungan dalam Islam tidak dapat dipisahkan dari niat etis, perolehan yang halal, dan kemakmuran masyarakat. Pada akhirnya, pemikiran Hasan tetap sangat relevan untuk memajukan teori ekonomi Islam, menumbuhkan praktik bisnis yang etis, dan memperkuat kerangka kerja penelitian normatif dan yuridis yang mampu mengatasi kompleksitas keuangan kontemporer, sehingga menempatkan ekonomi Islam bukan sekadar sebagai pelengkap moral bagi teori konvensional, melainkan sebagai sistem intelektual independen dengan landasan filosofis, tujuan sosial-spiritual, dan pendekatan metodologis yang khas.



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## INTRODUCTION

The long standing debate about the credibility of the concept of maximizing profits in the modern economy, especially from the point of view of Islamic economic frameworks and conventional economics, became the basis for the beginning of this research. In conventional economic theory, optimizing financial and utility profits is considered the main actions of economic actors. The materialistic paradigm places self-interest and individual freedom as the key to economic activity, which drives this model (Miller & Josephs, 2009). However, the framework does not fully represent the economic behavior of Muslim societies shaped by sharia guidance, ethics, and moral values.

Zubair Hasan is one of the academics who is deeply critical of the idea of profit maximization in the secular economy; he suggested an alternative model that is more comprehensive from an Islamic point of view. He stated that profit in Islam is not the ultimate goal; rather, it is the result of an economic process that must be based on the principles of justice, honesty, and moral accountability (Hasan, 2002). This method is different from conventional theories that distinguish moral values from economic calculations. Therefore, Hasan's criticism is essential for the development of modern Islamic economic theory, especially about the integration between economic efficiency and sharia ethics

Today, research on profit in Islamic economics continues to develop, especially in relation to the behavior of Muslim entrepreneurs, the management of Islamic financial institutions, and production theories based on maqasid al-shariah (Ikhwan, 2019; Kamba, 2018). Nevertheless, there are some fundamental questions that continue to be debated, such as whether the idea of Islamic economic rationality can be compared to the neoclassical notion of rationality, and whether profit-seeking can be considered moral behavior if it is done outside the bounds of sharia. This theoretical tension is empirically reflected in what Zollo (2024) terms the 'attitude-behavior gap,' where individuals express strong ethical commitments yet act contrary to those values under external pressures – a phenomenon highly relevant to understanding the persistence of 'sharia mimicry' in contemporary Islamic finance (Rahman, 2025). This difference of opinion suggests that profit theory in modern or contemporary economics must be evaluated from an Islamic perspective.

This research itself aims to improve our understanding of the role of profit in Islamic economic activities by combining conceptual analysis and the study of the latest literature. Meanwhile, the main purpose of this study is to critically review Zubair Hasan's analysis of profit maximization in both secular and Islamic economics. Overall, this paper concludes that Hasan's approach offers a broader understanding, emphasizing material outcomes and moral and social responsibility.

## METHODS

A qualitative approach based on literature studies is used in this study. This method was chosen because this research is conceptual-theoretical and aims to understand Zubair Hasan's ideas and positions on Islamic economic theory and secular economics about profit maximization. This research uses journals, books on Islamic economic theory, and articles by Zubair Hasan that discuss profit theory, economic rationality, and criticism of conventional economic approaches. In addition, this research also uses supporting literature such as the latest publications on profit, economic ethics, and sharia-based production theory.

The research was conducted in several stages. First, identify the main literature on profit maximization in secular economics and Islamic economics; second, collecting Hasan's work and other research that supports research; third, conducting a comparative analysis to find similarities, differences, and contributions of Hasan's thought to the discussion of Islamic economics. The data analysis technique uses content analysis, is a data analysis technique that utilizes literature research on key topics to identify relevant thought styles, argumentative frameworks, and methodological elements. By taking this step, researchers can systematically and unbiasedly deduce Hasan's theoretical contributions.

## FINDINGS AND DISCUSSION

### 1. The Concept of Profit Maximization in Secular Economics

The paradigm of economic rationality places a person as a homo economicus an economic actor who acts solely to maximize personal profit behind the idea of profit maximization in secular economics. In the neoclassical framework, profit is considered the main goal of the company. Every step of decision-making and production processes is designed to achieve the most optimal profit (Miller & Josephs, 2009). According to this model, economic actors will always choose the option that provides the greatest benefits at the lowest possible cost.

The important assumptions of this approach are as follows: (1) infinite human desire; (2) limited resources; (3) rational action that always pursues maximum utility; and (4) a competitive market. Therefore, profit maximization is defined as the logical result of the relationship between an individual's desire to obtain the maximum benefit and the amount of resources available. In reality, this model serves as the foundation for production theory, enterprise theory, and even contemporary business strategy.

This secular approach, however, has been widely criticized for its reductionist understanding of human behavior. This model ignores the moral, ethical, and social aspects that contribute to economic decisions. Profit maximization is also often criticized for encouraging unsustainable economic practices such as misuse of resources, unfair distribution, and disregard for corporate social responsibility. Because psychological, social, and cultural factors often influence economic decisions, some contemporary critics highlight that the assumption of absolute rationality is unrealistic.

In understanding and applying profit maximization, the role of critics such as Zubair Hasan is relevant because he argues that the concept of profit maximization from a secular perspective is not enough to describe the economic behavior of Muslim societies that are bound by sharia values and morality. Therefore, it is very possible for critics to reinterpret the concept of profit maximization in the framework of Islamic economics in a comprehensive and ethically oriented manner.

### 2. Zubair Hasan's Criticism of Profit Maximization in the Secular Economic System

This study reveals that Zubair Hasan has made a deep critique of the concept of profit maximization in secular economics because the model is based on beliefs that are contrary to the

concept of human nature in Islam. People who work in conventional economics are considered human beings who always behave *homo economicus*, that is, economic decisions are always influenced by individual values, beliefs, and life goals. Moral values in the Islamic view not only add, but also they only act on rational calculations to maximize profit or utility. This approach, according to Hasan, is too narrow because it ignores the spiritual, ethical, and social aspects of human beings, which are important components of Islamic teachings. In his critique, Hasan stated that the concept of economics cannot be separated from morality, so the search for perfection in business never stands alone.

Therefore, Hasan believes that secular economists' assumptions about value-free economics are delusions to determine whether economic actions are legitimate or not. Therefore, the idea of secular rationality, centered on maximum utility and material efficiency, is not enough to explain the economic behavior of a Muslim. In Islam, actions are considered rational if they are in accordance with sharia, prevent tyranny, and benefit society.

Hasan criticized the methodological aspects as well as the practical consequences of a single orientation in the pursuit of profit. In a profit-oriented economic system, practices that are detrimental to social interests often arise. This moral displacement is conceptually parallel to what Hochstein et al. (2024) describe as 'ethical fading'—the gradual erosion of moral sensitivity when economic decisions are normalized within profit-driven ecosystems. Hasan's critique thus anticipates contemporary behavioral findings that external incentives can obscure intrinsic ethical reasoning (Rahman, 2025). These practices include labor exploitation, monopolies, usury, market manipulation, and environmental damage. This model has weakened the principle of justice and led to inequality in the distribution of wealth, according to Hasan. On the other hand, in Islamic economics, maximizing profits is not prohibited if it is obtained through a mechanism that is in accordance with sharia, which is fair, transparent and does not harm others.

In addition, Zubair Hasan strongly opposes the strict separation between facts and values in secular economics. Therefore, Hasan believes that Islam offers an integrative framework of thinking that combines material and moral aspects. An economic action cannot be properly valued just because it produces profit. Instead, its value should be based on its sharia legitimacy, its effect on the general welfare, and its long term benefits. Therefore, he is not only talking about results, but also about the processes and value structures that make up the secular economic system.

In his criticism as a whole, Hasan emphasized that the secular profit maximization theory is not suitable to be used as a basis in explaining the economic behavior of Muslim communities. Instead, he suggested creating an alternative model that blends economic efficiency with moral accountability, so that economic activity reflects the values of justice, social responsibility, and religious obedience, in addition to generating material gains

### 3. Islamic Perspective on Profit and Economic Rationality

The concept of profit (*al-ribh*) is seen in the perspective of Islamic economics as the result of economic activities carried out outside the boundaries of the sharia, not as the ultimate goal. Profit is seen as an indicator of performance and is rewarded as a reward for the effort, creativity, and risk borne by economic actors. However, in contrast to a secular economy that prioritizes profit, Islam provides a strict moral framework to ensure that the pursuit of profit does not undermine economic justice, balance, and blessings.

The concept of Islamic economic rationality differs from neoclassical. In Islam, rationality is not only to see whether an action produces the greatest benefit, but also whether it is in accordance with the principles of fairness, halal, and benefit (*maslahah*). Therefore, decisions that are considered "rational" in a secular economic perspective can be considered "irrational" in an Islamic perspective when they violate sharia or negatively impact others. Islamic economics considers the world and the afterlife, so that every economic decision is judged on the basis of moral and spiritual benefits in the long run.

According to Islam, human beings are not only economic beings but also moral beings who have vertical responsibilities to Allah and horizontal responsibilities to fellow humans. Economic decisions such as investment, distribution, production, and consumption must be made within this framework of moral accountability. In addition, there are limitations that are important elements in forming rational behavior such as gharar, maysir, monopoly and harmful practices according to Islamic sharia. Islamic economic principles affirm that legitimate profits and blessings are obtained through a correct and ethical way in accordance with sharia.

The principles of moderation (iqtishad) and balance (tawazun) are also related to the pursuit of profit from an Islamic perspective. It is possible for a person to pursue profits, but they should not go beyond the limits, as it can lead to injustice or greed. In addition, Islam teaches the concept of barakah, which is the blessing of wealth that is measured not only by the amount of profit, but also by clean processes, correct use, and its positive impact on society. This shows that Islam's quest for profit is more holistic than simple.

Therefore, from an Islamic point of view, profit is only one aspect of a broader economic goal, which includes the application of distributive justice, social welfare, and moral harmony. Based on this fundamental difference between Islamic and secular perspectives on profit and rationality, Zubair Hasan developed an alternative profit model that is more balanced and in accordance with sharia values. This method supports the idea that a good economic theory is not only practical, but also in accordance with morality and human values.

#### 4. Alternative Profit Maximization Model According to Zubair Hasan

The alternative model of profit maximization offered by Zubair Hasan is very different from the secular paradigm. This model is based on the principle that profit is not the primary goal, but the logical consequence of economic activities carried out within the limits of Islamic morality and law. According to Hasan, profit-seeking activities continue to be needed to encourage business efficiency, innovation, and sustainability, but must always be within the corridor around Islamic law.

In the process of production and economic decision-making, Hasan's alternative model emphasizes the integration of material and spiritual elements. According to him, companies must be responsible not only to capital owners but also to society, nature and God. This is what distinguishes it from secular economic theories that measure the success of a business only by looking at how much profit or profit it gets.

In addition, the principle of profit beyond moral limits, namely profits obtained through a mechanism that is halal, honest, and not detrimental to others, is prioritized in the Hasan model. Economic actors are prohibited from things such as usury, gharar, maysir, exploitation, and fraud. Within this framework, efficiency is still valued, but it cannot be justified to generate efficiency in an unethical way. Therefore, Hasan's model is not only a theoretical correction to the secular paradigm, but also provides Muslim businessmen with practical direction.

In addition, Hasan's alternative model emphasizes the importance of accountability and social prosperity. According to him, companies that truly follow Islamic principles must have a profit orientation, which means that profits will improve the welfare of capital owners and benefit the community. This concept is in line with maqāṣid al-sharī'ah, which says that religion, soul, property, intellect, and heredity must be protected. Therefore, while short-term gains are acceptable, long-term gains should take precedence over short-term gains.

Finally, Hasan stated that Islamic profit theory must be holistic and realistic. This means that the Islamic profit model must consider moral values while also considering things like market conditions, economic incentives, and production structures. Hasan juha rejects or opposes the notion that Islamic economics is merely a series of moralities inherent in conventional economics. Instead, he believes that Islamic economics is an independent paradigm that combines spirituality, rationality, and justice in harmony. This clearly shows that Hasan's alternative model challenges the secular paradigm and enriches the discussion of Islamic economics

## 5. Systematic Comparison of Secular and Islamic Models

The fundamental difference that distinguishes the profit maximization model of the secular economic system from the economic model offered by Zubair Hasan lies in the philosophical foundation, goals, mechanisms and social effects of seeking profit or profit. Economic analysis does not include moral values. On the contrary, Muslims are considered moral beings whose economic activities are inseparable from their spiritual and social responsibilities. Here lies the most important difference between the two models: secular economics has no value, while Islamic economics has value, since all actions are governed by sharia.

When viewed from its economic goals, the secular model prioritizes maximum profits as a measure of business success. All decisions related to production, consumption, and investment are made with the aim of increasing income and material efficiency. In Islam, the disbursement of profits or profits in business is important, but it is not the ultimate goal of business, in fact its main aim is to realize justice, blessings and social welfare in economic activities. Profits should only be received if they are obtained in a halal way and the contribution does not have a negative impact on society.

In addition, there are significant differences between the operational mechanisms of the two models. In the secular (conventional) economic system, all instruments such as interest and free practice are allowed without ethical and moral limitations. In contrast, Islam sets clear boundaries, including the prohibition of usury, the prohibition of gharar and maysir, and the prohibition of monopoly, as well as the injunction to maintain integrity and clarity. Therefore, although both systems recognize the importance of efficiency, Islamic economics refuses to achieve it by undermining moral values or distributive justice.

In terms of social implications, secular models can exploit resources, give rise to economic inequality, and distribution injustices due to a singular focus on profit. This can reduce social cohesion and increase disparities between rich and poor groups. However, the Islamic model focuses on balancing the interests of individuals and society through the zakat system, the prohibition of usury, and the encouragement to share risks in economic transactions.

Overall, this analysis shows that both models come from technically different paradigms and differ from each other. This systematic analysis supports the argument that Zubair Hasan's proposed alternative model has a more comprehensive philosophical and practical foundation for addressing contemporary economic challenges, since the Islamic model is centered on morality, justice, and the general welfare.

## 6. The Relevance of Zubair Hasan's Contribution to Contemporary Islamic Economics

Zubair Hasan has offered a critical approach that is able to bridge the gap between Islamic moral principles and modern economic theory, which makes him indispensable to contemporary Islamic economic discourse. His theory of profit maximization provides a strong foundation to build Islamic economic theory to be more contextual and in-depth, apart from criticizing secular economic policies. Hasan's ideas can be used as an important reference in ensuring that Islamic economic practices are not limited to imitating conventional economic models during the period of Islamic economic development, including financial institutions, halal industry and public policy.

Hasan's goal is to combine moral values and economic efficiency. He also showed that Islamic economics is not an unprofitable system; rather, it has a structure that guarantees that profits are obtained fairly, transparently, and responsibly. This view is especially important in this day and age because some Islamic financial institutions tend to imitate the conventional banking business without considering the value and maqāṣid al-sharī'ah. The phenomenon of 'sharia mimicry' can be further understood through the lens of digital social conformity. As Rahman (2025) and Bocian et al. (2024) demonstrate, algorithmic pressures and peer validation in digital ecosystems can shift moral reasoning from intrinsic conviction to extrinsic compliance. Hasan's emphasis on moral accountability thus provides a normative anchor for Islamic economic actors navigating an

increasingly digitized and trend-driven marketplace (Rahman, 2025). Practitioners of Islamic economics can reconsider their business orientation based on sharia principles or simply "sharia labels" by using the alternative model proposed by Hasan.

In addition, Hasan's ideas have relevance in the development of economic behavior theory. By rejecting the concept of homo economicus and replacing it with the idea that humans are moral beings, Hasan challenged neoclassical theories of rationality around the world. While this approach is in line with advances in behavioral economics, it also incorporates additional aspects, namely the theological foundations and ethics of sharia. This not only makes Islamic economic theory reactive, but also proactive in offering new ideas for economics as a whole.

Hasan also contributed greatly to building the moral foundations for the Islamic economic theory of production and consumption. He emphasized that economic activities aim to create blessings, social balance, and distributive justice in addition to meeting basic human needs. As the world faces issues such as economic inequality, extreme individualism, and environmental degradation, these principles become increasingly relevant. Hasan's thinking provides a moral basis for contemporary economic policies to prioritize long-term well-being over short-term gains.

Lastly, Hasan also contributes greatly to the development of the curriculum and academic studies of Islamic economics, especially in the framework of thought (paradigm), goals and working mechanisms and his work is very helpful in understanding the fundamental differences between the secular economic system and the Islamic economic system. Therefore, his ideas are not only useful in the real world of economics, but also influence how scientists, students, and researchers understand Islamic economic theory.

Overall, Zubair Hasan's ideas are relevant because they can offer strong conceptual options that are sharia-based and fit into contemporary economic dynamics. With this in mind, Muslim economists not only became followers of conventional theory, but also created a more just, sustainable, and moral economic paradigm.

## CONCLUSION

As explained by Zubair Hasan, the researcher in this study shows that there is a fundamental difference between the idea of profit optimization in the secular economy and the perspective of Islamic economics. In secular economics, profit is considered the ultimate goal and indicator of the success of economic action, while in Islamic economics, profit is simply the result of economic processes carried out within the confines of sharia and moral law. One of Hasan's criticisms of the secular paradigm is that it cannot describe all the spiritual, social, and ethical aspects of human behavior.

In addition, Hasan's contribution provides an important solution that emphasizes the relationship between moral values and financial success. He rejected the idea that economics should have independent value and asserted that Islamic rationality was tied to the principles of justice, honesty, and benefit. Hasan offers a more holistic approach through his alternative model, which combines economic activity with worship and social responsibility. This model not only helped to improve the secular paradigm, but also established a theoretical foundation for modern Islamic economics.

The findings of this study also show that the differences between secular and Islamic economic models are not only technical, but also come from different philosophical perspectives. The secular economic model emphasizes individual and material interests, as well as a balance between individual and societal interests. This comparison makes Hasan's thinking clearer about how to deal with contemporary economic challenges, especially as they relate to Islamic finance, business ethics, and public policy.

This study also shows that there are technical and philosophical differences between secular and Islamic economic models. The secular economic model emphasizes individual and material interests and a balance between individual and societal interests. This comparison enhances Hasan's understanding of how to deal with modern economic challenges, especially those related to Islamic finance, business ethics, and public policy. Future research could explore how digital moral literacy – as advocated by Nuhu et al. (2025) – might operationalize Hasan's theoretical framework, enabling economic actors to maintain ethical awareness amid algorithmic capitalism. Such interdisciplinary

dialogue would strengthen the practical applicability of Islamic economic theory in addressing 21st-century challenges.

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