

## **Economic Foundations of Functioning the Muslim Community in Tatarstan**

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**Abstract:** The study deals with the study of the factors that influenced the formation of Islamic financial infrastructure in the Republic of Tatarstan from mid 1990-2000 years. Tatarstan is a subject of the Russian Federation where the representatives of 73 different nationalities reside. The republic has been a part of the Islamic civilization for more than a thousand years. For 70 years of the policy of atheism carried out by the Soviet authorities, Muslims have lost the traditions of business activity based on the norms of Islam. The study describes the process of revival of self-financing sources (waqf, zakah, goshar, charity, etc.) of Muslim organizations under conditions of religious taboos to be lifted. Against the backdrop of the globalization of Islam, increasing is interest in the study of its impact on the formation of the Islamic Financial Model at the regional level. On the basis of the analysis of documents, content-analysis, it has been determined the tools of self-sufficiency of Muslim community of the region, revealed the course of the Muslim Religious Board for Tatarstan on recreating the historical forms of economic activities. The mechanisms of participation of the countries of the Islamic world in the process of Islamic revival in the republic have been described. The mechanisms of support of temporal power of Muslim infrastructure have been determined. It has been concluded that special attitude to work, based on Islamic business ethics, is a resource for integration of Muslims into the social and economic spheres of the Russian society.

**Key words:** Islam, Russia, Islamic economics, Muslim business ethics, donations, tax, mosques, social partnership

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### **INTRODUCTION**

A marked increase of the role of religion in contemporary Russian society leads to the use of a confessional factor in such fields as politics, social relations, the economy and education. Islamic values and culture in Russia have deep roots and are the example of consolidation of efforts of Muslims to strengthen the stability of the socio-political development. The Russian Muslims living in the Volga region have developed their own economic model to be harmoniously integrated into the legal space of the Russian Federation.

The analysis of the processes of revival of Islam in the Russian regions, its impact on the social practices based on the rules of Islam allow to determine the direction of the business activity of Muslims which will contribute to the conservation of Islamic traditions, strengthening the positive image of the Russian Muslims, which is especially important in countering extremism because of religion.

Based on the analysis of the documents, discourse-analysis of media, content-analysis of the site of the Muslim Religious Board for Tatarstan for 2013-2015 years, the possibilities of implementing the Islamic business ethic son the example of the Republic of Tatarstan have been considered which gives an indication

of the problems facing the government, civil society in stitutions, business, the solution of which are aimed at maintaining inter-religious harmony in the region.

### **MATERIALS AND METHODS**

The Muslims of the Volga region in different historical epochs supported interfaith and inter-ethnic dialogue, protecting the interests of the Russian State. The Republic of Tatarstan is one of the leaders of innovative development in the Russian Federation, at the same time, it is a rapidly developing Islamic center in Russia. The republic has established equal opportunities of revival of all confessions of which the main ones are Islam and Orthodoxy. The Capital of Tatarstan Kazan is the venue for large-scale Muslim international events.

The qualitative type of content-analysis of various sources-reports of documents of the Congresses of Muslims of Tatarstan for 2002, 2006, 2010 and the official site of the MRBT will demonstrate the dynamics of the model of financial self-sufficiency of the Muslim community in the post-Soviet period.

The Muslim Religious Board for Tatarstan (hereinafter the MRBT) emerged in 1998 in the capital of region and is a centralized organization of Muslims of the republic representing their interests, creating the

conditions to meet the religious needs. The structure of the MRBT has several hundred mosques, there are regional kazyih and 45 district of muhtasibats. Under the MRBT the system of higher and secondary Muslim madrasah have been organized. The Muslim segment of Tatarstanis presented by the mosques and parishes, the market for halal products, the charitable foundation "Zakat", an association of Muslim entrepreneurs, elements of Islamic economics.

The Muslims of Tatarstan in Russia today seek, to recreate the historical forms of conducting economic relations subject to Islam. At the present stage, in Tatarstan, it is profoundly used the historical experience of the self-financing of the Muslim community and the enormous demand for the stability of the Ummah in crisis situations are both Waqf and Zakat (mandatory payments) and goshar and proceeds from the production of Muslim attributes, halal and publishing production, fees from educational, religious services (hajj, ritua" (Nafigov, 2010a).

Legal foundations for activities of parishes and mosques were first discussed at Congress II of the Muslims of Tatarstan, being held in 1998. In his speech, President Mintimer Shaimiyev (1991-2010) noted that, although the "religion is separated from the state, the representatives of different religions are its citizens and serve and government responsibility is to meet the needs of its citizens" (Anonymous, 2002a).

The adopted in 1999, the Law of the Republic of Tatarstan "On Freedom of Conscience and Religious Associations" Article 10, the Muslim Religious Board for Tatarstan designates, it as the highest centralized organization of Muslims of the Republic, Article 18 prescribes the use of the waqf property.

The recognition of the legal status of the Waqf, happened in 1999 has not entailed yet the introduction of the waqf real estate in social practice of the Muslims. To revive it, it is needed" the study of past experience, the more important achievement of ascertain level of religious culture and on the whole, a new generation of Muslim believers should grow" (Nabiyev, 2014a).

After the meeting of the President with the Muslim clergy in 2001, it was decided to assist in the development of the waqfas an instrument of self-financing and maintenance of social stability of communities. Holding the Seventh All-Russian Conference of the leaders of the Religious Board of Muslims, devoted to the theme "Waqf and prospects of its development in the modern Russian society", indicates the importance of the problem of restoring the mechanisms of the waqf for the Muslim community in Russia.

In 2007, the Russian Islamic University hosted the All-Russian Scientific-Practical Conference "Sources of Existence of Islamic Institutions and the Russian Empire" which considered the ways to ensure that Muslim organizations, goshar, zakat, waqf, mahalla (parish) and others. The revival of traditional institutions "will accelerate the process of deepening their social partnership with the state" (Nafigov, 2010b).

An important event in the life of Muslims in 2011 was the opening of the center of waqf, and in 2012 the MRBT established the Fund "The Waqf Republic of Tatarstan". The money fund may be used for financing Muslim educational institutions, children's Muslim organizations, for assisting low-income groups as well as promoting the restoration of buildings of cultural significance.

For two decades, there was a scientific understanding of this institution, attempts to create a leading center but the Muslims have not reached the stage of implementation of the labor-intensive mechanism so far. It is connected with the fact that the actors being ready to transfer their property (land, buildings, objects of trade) at the disposal of the Ummah have not been found.

Characterizing the development of the Muslim community at Congress II of Muslims of Tatarstan, held in 2002, Mufti Gosmanhazrat Iskhakov (1998-2011) stressed that "one of the main challenges facing the Religious Board today is a financial situation of our parishes" (Anonymous, 2002b).

G. Iskhakov appealed to the leadership of the republic with the request to consider the possibility of providing financial support to Muslim governance structures. In response to a request of Muslims the Council for religious affairs under the cabinet of Ministers of the Republic of Tatarstan said that "today, the government assistance should conceptually be focused on the integration of Muslim organizations in the social processes through their being involved in social partnership with the state" (Nabiyev, 2014a). The Council for religious affairs among the areas for cooperation between the Muslims and the authorities suggested such areas as religious education, publishing, cultural and educational, charitable activities, participation in social projects, social service.

Mufti admitted that in a secular multi-confession society, the state cannot incur an obligation on the costs of all religious associations of various confessions. In this connection, he appealed to the Muslim clergy to evaluate own resources and efficiently use the proceeds of the implementation of Shariah law. In particular, G. Iskhakov raised the question of development of mechanisms for collection and effective use of these funds stressing that unclaimed remains such type of receipt of funds as goshar (tithe, Arab).

We believe that as a result of information campaigns on the part of the clergy, Muslims raise their awareness of the essence and form of religious tax that will lead to generation of funds for mosques and rendering assistance for the needy.

An important factor that exerted influence on the formation of the MRB, was cooperation with charitable organizations and various funds of the Arabian world, the which had acted until the end of the 1990s and "their funds were used to build many of our mosques to organize training and educational activities in madrasah, to publish many books to educate our students abroad" (Anonymous, 2002c).

The republic has had close business relationship with the Islamic Development Bank which "allocated about 17 mln. rubles for the reconstruction of the new building of Russian Islamic University and construction of madrasah in Zelenodolsk".

Charity has a particular significance in the system of self-sufficiency of parishes and in this regard, in the year of its inception of 1998, MRBT established the Islamic fund.

It became a good tradition to hold republican bump suppers (iftar-arab. first meal after fast) in the month of Ramadan in all major towns and villages in the region.

It should be highlighted the mechanisms of state support of the federal and local Muslim organizations. At the initiative of the administration of the President of the Russian Federation in 2007, the Fund for support of Islamic culture, science and education was established. The help of the fund in supporting Islam in Tatarstan expressed in material incentives for the clergy and the financing of the festival of Muslim youth of the Volga, festival of Muslim media, etc.

In 2007 and 2008, the Republic of the Fund "received 125 grants for mosques and in 2009, they were allocated 115" (Anonymous, 2010). The leaders of Muslim educational establishments do not have permanent sources of financial support and seek the funds. One manages to positively solve these problems" with assistance of the state which finds means to provide financial support for the system of religious education" (Anonymous, 2006).

A striking example of the involvement of regional authorities in the revival of Islam was the opening of a magnificent mosque Kul-Sharif which is one of the largest in Europe. The solemn event was timed to celebrating the 1000th anniversary of Kazan. For the contribution of the President of the Republic of Tatarstan, M.Sh. Shaymiyev to the religious revival, he was first in Russia to be awarded with the international prize of the King Faisal, a high award. He sent the received funds "to the Moscow and Russian Islamic University in the

amount of half a million rubles for each of the universities" (Nabiyev, 2014b). The mosque was built on the donations of many organizations as for example, "Tatneft" and the citizens. Building the mosque "Eniler" under Russian Islamic University took place at the financial support of the "Ak Bars" bank. These examples are indicative of social partnership of the Muslim clergy and power business.

The role of the mosque in the spiritual and social life of the Tatars-Muslims can hardly be overestimated. The mosque has become a focal point, where day-to-day affairs consider, the needy are assisted. Today, when the mosques run courses on Islam, the stores of Islamic literature and attributes, halal cafes, custom clothing shops, etc. are built mainly due to contribution of citizens, organizations and institutions.

Since 2009, Kazan is the venue for the International Summit of Islamic business and finance Kazan Summit. Since 2010, the fair Kazan Halal takes place in the capital, combining domestic and international manufacturers of halal products and services. Within the framework of the exhibition, the issues of development of the industry "Halal" in Russia and the world, voluntary certification of "Halal", logistics, marketing and promotion of halal products are discussed, in general, for the exhibition time, its visitors were experts in halal certification from 100 countries (ICRIC).

The organization that collects donations is the Foundation "Zakat", emerged in 2011. Forms of collecting donations are rather various boxes for donations, sms, payment terminals. The analysis of income reports for three years is an evidence of increase in funds collected. The total amount of donations (zakat and sadaqah) of the fund in 2013 amounted to 2,882,034.46 rubles. In 2014, they collected 5372,941.21 rub., the amount of receipts collected for short 2015 is 3,329,366.89 rubles.

The latest development being indicative of the growth of religious consciousness in the business environment was the establishment of the Association of Entrepreneurs-Muslims in 2012 which consolidates entrepreneurs doing business according to the canons of Islam. Business men also set the goal of creating a single information field for further coordination.

## **RESULTS AND DISCUSSION**

**Summary:** The analysis of the documents, content-analysis, discourse-analysis of the subjects in the Islamic economic model in Tatarstan allowed to conclude that in the period of 1990-2000, it was formed in institutions of civil society in the Muslim world which recreated the

institutions of self-financing under Russian Law. In 1990s, the focus of the Muslims was on the processes of spiritual and moral revival, organizations parishes, the construction of mosques, opening Muslim secondary and higher educational institutions. The RT Law "On Freedom of Conscience and Religious Organizations" confirmed the status of the MRBT as a single supreme body of the Muslims, which allowed the clergy to concentrate on important social issues.

In the 2000, it was necessary to strengthen the Muslim infrastructure, ensure financial stability and provide high-quality training. Values of Islam were needed by the Muslims and embodied in various forms of support and self-reliance.

The mosques of the Republic, existing mainly on charitable donations and proceeds from the rites adopt new ways of self-financing, reviving around social life and establishing contacts, in order to achieve self-sufficiency.

The problem of financing of Muslim educational institutions finds ways to be solved. Getting teachers and imams the grants from the government becomes an element of increasing the motivation and healthy competition in the educational environment, strengthening activities of schools, keeping the composition of qualified teachers, contributing to the upbringing of the younger generation the Muslims with high tolerance.

Fruitful cooperation between the secular government and the Muslim clergy is aimed at spiritual and moral revival of religious traditions and is the key to inter-religious and confessional dialogue. In the republic there successfully function the committees for the collection of zakat, according to the standards of "Halal".

For 20 years, attempts have been made reviving waqf which until the revolution of 1917 was the economic basis of the functioning of the Ummah. Today, it could become a financial guarantee of the Muslim community, but after its destruction in the 30 years of 20 century, it is more difficult to rapidly restore.

## CONCLUSION

Islamic tools (zakat, waqf, goshar, charity) of the self-financing of mosques, madrassahs, parishes are the basis for sustainable development of Muslims. Social responsibility, emerged in Muslim community of the republic, allows to support vulnerable groups of population, assisting the needy, provide religious security of the younger generation, reducing the risks of globalization of Islam and there by cultivates and

strengthens the Muslim intellectuals. Islam is not only a cultural factor that consolidates Muslim community as representatives of the Russian people, it contains a set of ethics, maintaining social stability in the Russian society.

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