ISLAMIC ECONOMICS

Annotated Sources in English and Urdu
Volume 4

(1997-2002)

By

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2012
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Islamic Economics: Annotated Sources in English and Urdu (Vol.4)

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Preface

This is fourth volume of the annotated bibliographies on Islamic economics and finance for literature in English and Urdu consisting of a list of over 600 documents. Prior to this I had published three volumes. The Islamic Foundation (Leicester, UK) published its first volume in 1983 and second volume in 1991. The first volume covered publications up to 1982 and the second volume up to 1988. The International Institute of Islamic Economics of International Islamic University (Islamabad, Pakistan) published its third volume in 1998 that covered literature up to 1997. After the publication of these volumes, I continued working on the fourth volume and completed reading and annotation of the literature by June 2003. I had the intention of offering its publication by end of 2003 but then suddenly I had to change my job. I joined the United Nations for the next four years which hardly left any time for finalizing the manuscript. Next five years, while I had come back from the United Nations were extremely engaging and eventful. I was working for most of the time during this spell on my seminal work on Islamic economics and finance which I completed in the first quarter of 2012. Despite desire and sporadic efforts to finalize the fourth volume, I could never get enough time to do so. All along this period, I had the guilty feeling of making the whole product badly out of date. Now that I am able to present the fourth volume, I realize that the value of the work may be severely undermined by delay in its finalization. Then the thought that ‘better late than never’ overpowered me and I decided to finalize the volume. Here it is with all the limitations that a work of this nature that could not keep pace with time would have. I feel that the literature annotated in the volume would be of value to researchers and historians of Islamic economic thought.

Some documents in the book appear as ‘unpublished’. This was status of these documents in 2002. It is possible that some of these have been published since then. It was not possible for me now to locate the publication data for such documents.

Internet has made information on Islamic economics and finances, as in other areas, widely available to everyone. But the present book covers a period when Internet was not that common and most of the documents in this volume do not appear in any Internet search since digital copies of the documents were not commonly made in those days.

I hope the present volume would be of some help to researchers and students of Islamic economics and finance.

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1 August 2012

1 “What is wrong with Islamic Economics? Analysing the present state and future direction” is being published by Edward Elgar, Gloucestershire, UK in 2013.
Classification System

000 GENERAL ECONOMICS; THEORY; HISTORY; SYSTEMS

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012 Nature of Islamic Economics
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920 CONSUMER ECONOMICS
   921 Consumer behavior in the Islamic framework
000 General Economics, Theory, History, Systems

010 General Economics

011 Need for Islamic economics


For general readers. Based on primary sources. Documented.


Discusses the need for and nature of Islamic economics and how does it differ from the conventional economics. Criticizes the conventional economics and analyzes reasons for economic backwardness of the present day Muslim states by applying the framework developed by Ibn Khaldun. Summarizes lessons learnt from this analysis and points to a way forward both for the Muslim economies as well Islamic economics.

A highly thought-provoking book for economists and scholars. Based on primary sources of Islam and contemporary economic literature. Documented.


Presented to the Seminar on Teaching Islamic Economics at University Level held at Dhaka during 23 July to 5 August 1991.

Distinguishes Islamic economics from the conventional economics. Argues that the worldview of Islam and basic assumptions of Islamic economics do not fit squarely into the conventional economics. Thus there is need and justification for developing a distinct discipline under the name of Islamic economics.

For economists. Based on primary sources and contemporary literature. Documented.

012 Nature of Islamic economics


The role of private and public sectors in economic development within an Islamic perspective is based on behavioral norms, prospects and institutions. Altruism is a substitute for innate selfishness found in human economic behavior.
For economists. Based on contemporary literature. Documented.


The values of Islamic economics are explicit. They are: Tawhid, Khilafa, Adl, private property with a scheme of halal and haram. These values are translated into institutions such as zakah, inheritance, etc. These values and institutions lead to a new economic paradigm, known as Islamic economics.

For economists. Based on primary sources. Documented.


Critically reviews various definitions of Islamic economics and feels that all of them are inadequate. Emphasizes need for a more comprehensive definition.

For Muslim economists. Based on Islamic economics literature. Documented.


Discusses nature, scope and methodology of Islamic economics and compares it with conventional economics.

For economists. Based on contemporary literature. Undocumented.


Critizes the conventional economic paradigm as being internally inconsistent. There is a conflict between the microeconomic analytical tools and macroeconomic goals of the conventional economics. The Islamic economics presents a paradigm which is internally consistent. It gives a mechanism of dual filter, accountability in the hereafter and a positive role for the state. Also discusses differences in methodology of the conventional and the Islamic economics. It is revised version of the Islamic Development Bank Prize Lecture given in 1990.

For economists and general readers. Based on primary sources. Documented.


Explains the Islamic concept of man, universe and religion. Due to a different vision, the Islamic economic thought differs from the western economic thought. Islamic economics should be evaluated within its own framework in light of its own criteria. Argues that within acceptable parameters determined by revelation varying opinions are possible.

Philosophical. Based on primary sources. Documented.

Reviews critically some of the earlier definitions of Islamic economics and tries to formulate a new definition.

For Muslim economists. Based on primary sources. Documented.


Enumerates achievements of Islamic economics during the last two decades. Identifies shortcomings of the method, scope and approach. Thinks that the international scene is quite conducive to ideas presented by the Islamic economics and that the Muslim economists should avail of this opportunity and do serious hard work for promoting their cause. Proposes an agenda for research in the future.

For Muslim economists. Based on primary sources. Documented.


Argues that there is need for an Islamic economic model. Delineates the nature of Islamic economic model in light of four ethical maxims. Constructs a dynamic model based on these maxims. Derives policy considerations for an Islamic states. These policy considerations involve giving preferential treatment to the less privileged, giving greater weight to the wage-goods in the total output, minimizing production and consumption of luxuries and redistributing the wealth from the rich to the poor.

Mathematical. For economists. Based on primary sources. Documented.


Discusses the need and nature of Islamic economics. Reviews definitions of Islamic economics in the literature and develops his own definition. Argues that there is need for a distinct branch of knowledge to be known as "Islamic Economics". Discusses ethical foundations of Islamic economics.

For economists. Based on primary sources. Documented.


Gives an overview of the primary sources of Islamic economics and how they can be used to develop suitable financial instruments.

For non-Muslim financial analysts and bankers. Based on primary sources. Documented.


It is possible to have markets without having capitalism. It is possible to conceive a market mechanism not embedded in the value system of capitalism. This could also be within the
ethical system of Islam. The task before the Muslims should be to identify those conditions of market operations that conform to their ethical system and their concept of social justice. They need not invent a new economic system or even a new science of economics.

For economists. Based on contemporary economic thought. Undocumented.

014 Research in Islamic economics


Presented to the Seminar on Teaching Islamic Economics at University Level held at Dhaka during 23 July to 5 August 1991, it is report of a workshop held during the seminar. The panelists discussed areas for empirical research. Some of these are: consumer behavior, effects of implementation of zakah, effects of Islamic values and moralities on the producer and testing theoretical models of Islamic economics, especially in the areas of banking and finance.

For economists. Undocumented.


Proceedings of a symposium held on 24 April 1986 in Amman, Jordan jointly by the Royal Academy of Islamic Civilization and Islamic Research and Training Institute of the Islamic Development Bank Jeddah. Contains four papers, one each by N. Yalcintas, Anas Zarqa, Khurshid Ahmad and Abdel Salam el-Abbadi on different aspects of research in Islamic economics. Highlights problem areas and proposes agenda for further research.

For researchers and teachers of Islamic economics. Based on contemporary literature. Documented.


Summarizes the economic challenge of the 21st century in terms of globalization, privatization, and explosion of IT, role of World Trade Organization, and the international capital movements. Proposes a set of research topics and practical measures for the Muslim economists.

For Muslim economists. Undocumented.


Reviews literature on Islamic economics for deriving principles of Islamic financing. Section one concentrates on early works of the Muslim scholars. Section two reviews the contemporary literature on Islamic economics. Section three deals with justification of a return on financing. The last section derives conclusions.

For researchers and economists. Based on primary sources and contemporary literature.
on Islamic economics. Documented.


Gives a brief introduction to the Bureau. Enumerates its activities. or general readers. Undocumented.


Emphasizes need for setting up an international centre for Islamic economics which should be responsible for collecting and disseminating documents relating to Islamic banking and finance. The centre should collect all books, journals, PhD dissertations, documentation of Islamic banking products, fatwas, etc and act as a storehouse for providing the information to researchers and scholars.

For Islamic scholars and policy makers. Undocumented.

015 Bibliographies on Islamic economics


Gives a list of writings in English language on history of Islamic economic thought. The subjects covered are: Economic history, public finance, partnership, mudaraba, property rights, money and banking, riba, hisba, agriculture, land management, and trade and commerce.

For researchers. A comprehensive source document.


A list of publications on interest and insurance in Urdu and Arabic languages.

A research source in Islamic economics. For researchers.

017 Teaching Islamic economics


Report of panel discussion during the Seminar on Teaching Islamic Economics at University Level held at Dhaka during 23 July to 5 August 1991.

For educationists. Undocumented.


Critically examine the course program of the economics department of the International Islamic University Malaysia (IIUM). Concludes that the program has not been able to
provide students with the Islamic worldview or vision necessary for integrating Islamic teachings with contemporary economics. IIUM has not achieved its objective in this program.

For economists and Muslim scholars. Based on study of program of studies at the IIUM. Documented.


During the evolution of Islamic economics, some methodological and philosophical foundations have been overlooked. Until these foundations are given due attention, there cannot be an authentic Islamic economics. Any attempt to teach Islamic economics should incorporate possible differences of opinion which depict various acceptable interpretations of economic problems and their solutions. The worldview of Islam must first be emphasized to all lecturers and students before any fruitful understanding and interpretation of economic problems and their solutions from Islamic perspective are put forward. Our only action should be to put forward policies to change 'what is' to 'what should be.' Thus the Muslim economists should be agents of change.

For academics, teachers and researchers. Based on contemporary economic literature.


Presents the experiences of three pioneering schools of teaching Islamic economics: faculty of Islamic economics at Imam Muhammad bin Saud University, Riyadh; School of Economics at IIU Islamabad, and College of Economics at IIUM.


Contains 26 chapters in six parts. Part one deals with the Shari'ah foundations of Islamic economics. Part two studies methodology of Islamic economics. Part three looks into technical analysis of Islamic economics at macro and micro levels. Part four covers public and private finance. Part five deals with international economics from Islamic perspective. Part six deals with issues and problems connected with arising from research and teaching of Islamic economics. Individual chapters have been annotated in the present volume.

For economists and teachers. based on primary sources. Documented.

017:6 KHAN, MUHAMMAD AKRAM, "Teaching Islamic Economics at University Level," in R. I. Molla, et.el. (eds.), Frontiers and Mechanics of Islamic Economics, Sokoto:
Critically reviews the present approach toward teaching of Islamic economics as an adjunct of conventional economics. Identifies the objective of developing Islamic economics as a separate discipline and suggests an approach to Islamize the existing conventional economics.

For Muslim economists. Based on contemporary literature on Islamic economics. Undocumented.


Gives an overview of the courses on Islamic economics offered by various universities. Suggests a number of additional courses with proposed readings. A useful source of information for researchers and teachers.

Based on the prospectuses of various universities.

018 Review of Islamic economics


Summarize the Conference papers and makes general comments on direction and status of research and thinking on Islamic economics.

For economists. Based on the conference papers. Documented.


Summarizes main principles of Islamic economics. Also gives an abstract of the main criticism on Islamic economics. Concludes that if Islamic economics were to resolve its theoretical and practical problems, its economic policies would be functionally equivalent to those in the capitalist West, but tailored to the sensibilities of Islamic culture and ready to replace the now-ineffective central governments held over from the state-capitalist era. Like the Japanese and East Asian forms of capitalism, Islamic economies could function as successfully and competitively as those of Europe and its offshoots, yet claim their own socio-cultural distinctiveness based on the "Islamic ethics."

For economists. Based on contemporary literature. Documented.

020 General Economic Theory

022 Microeconomic theory

022:1 IQBAL, MUNAWAR, "Organization of Production and Theory of the Firm", in

Studies the theory of firm in the Islamic framework. Discusses forms of production on basis of *musharaka*, *mudaraba* and *ijara*. The Muslim producer devotes his activities with certain positive non-financial targets in mind as distinguished from profit maximization motive.

For economists. Based on contemporary economics. Documented.


Discusses organization of the Islamic economy. Argues that the Islamic economy encourages enterprise and discourages rents and debt-finance. Proposes a strategy for the present-day Muslim economies for encouraging enterprises.

For economists. Analytical. Based on contemporary literature. Undocumented.


Discusses the rationale of small business and constraints to its development. Derives policy implications for small scale business in Islamic perspective. Prescribes a *modus operandi* to promote small scale business in Islamic countries.

For economists. based primary sources and contemporary literature. Documented.


Critically reviews the traditional classification and definition of different factors of production and the way their returns are determined under neoclassical framework. Also analyzes some suggested changes in these definitions made by contemporary Muslim economists. The issue of land ownership, land-rent and share-cropping is discussed in historical and Islamic perspective. An attempt is made to synthesize competing theories of demand and supply of labor and wage determination. The issue of physical and monetary capital is discussed both in the traditional and an Islamic context. Finally, the importance of the role of entrepreneurship, particularly for an Islamic economic system, is emphasized.


A collection of 22 published papers on various aspects of microeconomics. The individual chapters have been annotated in the first three volumes of the present bibliography.
023 Macroeconomic theory


Develops a macroeconomic model of an interest-free Islamic economy incorporating *zakah* as a variable. Assuming a higher marginal propensity to consume of the low income groups who receive *zakah* from the higher income groups, the model establishes a higher level of income for given values of other parameters. The model also demonstrates that an investment function based on profit-loss sharing ratio in place of the rate of interest generates a stable equilibrium between savings and investment. Before explaining determination in an Islamic economy the different systems of income determination in a capitalist economy are also reviewed.

Mathematical. For economists. Based on contemporary


After a brief introduction to profit-loss sharing, develops a mathematical macroeconomic model of an economy practicing profit-loss-sharing instead of interest-based financing.

For economists and financiers. Based on contemporary economic literature. Documented.


Applies analytical epistemology to money and political economy in Islam. Takes up the treatment of money in general equilibrium framework. Develops a theory of endogenous money. Analyzes role of financial institutions, stock markets, financial instruments and capital market in the Islamic economy.

For professional economists only. Mathematical. Based on primary sources of Islam and contemporary economic literature. Documented.


Deals with participating term certificates introduced by commercial banks in Pakistan in the 1980s. Thinks that the financing technique does not conflict with the *Shari’ah*. Develops a mathematical model of the participating term certificates using general equilibrium theory for risk-averse investors.

For economists and financial analysts. Based on contemporary literature. Documented.


Tests the hypothesis that non-interest bearing money is more stable than
interest-bearing. Uses 1970-89 time series data for 15 countries and employing two different types of econometric techniques, proves that the non-interest-bearing money was more stable than the interest-bearing one. However, the hypothesis was supported only weakly.

For economists only. Based on contemporary literature. Documented.


Argues that the popular assertion that zakah would increase consumption in Islamic economy is not conclusive as Islamic injunctions against israf and for simple living may neutralize it. The effect of zakah on consumption is indeterminate.

For economists. Based on contemporary literature. Documented.


Develops demand function for investment based on profit-loss sharing.

For economists. Used graphs. Based on contemporary literature. Documented.


Argues that the Islamic writers have attempted to formulate macroeconomic models on basis of famous IS-LM model with two variations: elimination of interest and introduction of zakah. Calls for clear and explicit identification of variables and presentation as well as definition of assumptions.

Mathematical. For economists. Based on contemporary literature. Documented.

030 History of Thought

031 History of economic thought


An anthology of the Qur’anic verses with English translation classified into various economic subjects. Begins each chapter with a short note for providing the context.

For Muslim economists and researchers. Documented.

Section one deals with economic thinking in the Christian West up to Middle Ages. Sections two and three discuss beginning of economic ideas in Islam. Sections four and five deal with economic ideas of different thinkers on specific aspects of economics like taxation, public finance, interest, business market mechanism, prices, wealth, poverty and socio-economic development.


Introduces *Kitab al-Amwal* by Imam Abu Ubayd. After a brief life sketch, analyses the contents and methodology of the book. Summarizes important ideas of the Imam.

For Muslim economists. Based on primary sources. Documented.

032 Methodology of Islamic economics


It is an analytical treatise consisting of six volumes on the methodology of rule formation in economic, social and scientific fields. The focus is on general principles relating to development of a universally comprehensible and applicable Qur’anic knowledge-based scientific inquiry. Presents the subject-matter of a knowledge-based universal model and methodology that is found to emanate from the Qur’an. Shows that the methodology is uniquely applicable to diverse areas in economics, other social sciences. Argues that the methodology is based on three axioms only: *Tawhid, Sunnah* and *ijtehad*.

For scientists and economists only. Mathematical. Based on primary sources and contemporary economic literature.


Examines methodological development of the principles of Islamic political economy in general equilibrium framework using the theory of social choice. Develops Islamic theories of cost-benefit analysis, and *mudaraba*. Discusses economic problems of the present day in the Islamic economic framework. Studies the economy of Malaysia and highlights various macroeconomic relations in it with reference to Islamic economic system. The last chapter consists of policy conclusions.

Mathematical. Uses diagrams and charts. For professional economists only. Based on contemporary economic literature and primary sources of Islam. Documented.


A collection of ten papers on the concept and methodology of Islamic economics. The
papers have been individually annotated at appropriate places in the first two volumes of the present bibliography.


Explains the significance of the popular Shari‘ah maxims for Islamic economics and shows their relevance to the contemporary economic scene.

An invaluable guide for the Muslim economists. Juridical. Based on primary sources. Documented.


Islamic economics relies on normative and positive methods of analysis. The conventional economics claims to be positive but has strands of normative thought. However, it does not make its normative content explicit. Islamic economics explicitly makes normative and positive assumption clear.

For economists. Based on primary sources and contemporary literature. Undocumented.

040 Economic History of the Muslim People

041 Pre-Islam and early Islam


Highlights the arrangements for collection and spending of revenues in the early days of Islam extending up to Abbasids period. Shows how the centre-provinces relationship existed for fiscal administration.

For economic historians. Based on historical sources. Documented.


The Prophet signed a treaty with the Jews, Christians and non-Muslims of Medina. He set up the market of Medina and promulgated two laws: 1) No taxes would be imposed on it; 2) No enclosures would be monopolized within it. He also established the institution of hisba to oversee the market. We should also establish chambers of commerce, trade unions, and economic communities, where the Muslims would be dominant.

For historians. Based on primary sources. Documented.


Scrutinizes establishment and operation of the "real estate market" in the Muslim world during the second half of the 7th century together with factors which played their part in
that, like demography, economic structure, tax considerations, etc. Also tries to relate, in order to find out real rates, the increase in land prices to that of camels which may be held, as an index for that time period.

For historians. Based on primary sources. Documented.

042 Umayyad, Abbasid, Fatimid, Mamluk Periods


Describes the economic policies of Saladin. Concludes that besides being a great warrior, Saladin had a profound sense of economic management. He was able to run his war effort only by adopting appropriate economic policies which provided him resources to fight. This is, perhaps, the first-ever, essay that highlight this aspect of Saladin's life and times.

For economic historians. Based on primary sources. Documented.


Originally a PhD dissertation submitted to the near Eastern Studies Department of the Princeton University. By focusing on Mamluk Cairo, the author explores the attitude of medieval Muslims to poverty and the experiences of being poor in an Islamic society. He considers the role of pious endowments (awqaf) in providing food, education, and medical care to the poor of the medieval Egypt. Compares the scene of poverty of the same period with that prevalent in Europe and China.

Historical and sociological. Based on primary sources. Documented.

043 Medieval Islam


Introduces the text of Umar b. Muhammad al-Sunami on al-hisba written in Indian socio-political milieu of the early 14th century. The author was a Hanafi jurist. Gives annotations on the text. Introduces the authors. Provides a glossary of Arabic words.

For economic historians. Based on primary sources. Documented.

047 Muslim economies under colonial rule


Traces the history of programs for poverty alleviation in the Ottoman empire during three centuries prior to the Ataturk’s revolution. Spends a lot of space in explaining the institution of cash waqf. Concludes that the Ottomans intervened in the economy to ensure smooth supply of food. People devised the mechanism of waqf for evading the
state intervention. The waqf provided several social services.

Based on original research into Topkapi documents. For economic historians. Documented.

048 Contemporary situation


Based on writings of Shehu Uthman, Shehu Abdullahi, and Muhammadu Bello, describes the role of government and basic principles of public finance. The caliphate tried to implement the classical version of the early Islam and restricted its sources of income to only those taxes which were explicitly sanctioned by the Shari‘ah.

For historians of Islamic economics. Based on the writings of Sokoto leaders. Documented.

050 Economic Systems

051 Critique of the capitalist system


An Islamic critique of the theoretical foundations of capitalist system. The capitalist system is devoid of moral filter and thus ignores the humanitarian aspects. Whatever we see in the name of human welfare is strictly a deviation from the capitalist theoretical foundations. It is necessary that the capitalist theory is broadened to accommodate the Islamic axioms of Unity, Justice, Equilibrium and Responsibility, as proposed by Nawab Haider Naqvi.

For economists. Based on primary and secondary sources. Documented.

054 Islamic economic system


Summary of a book published in Cairo in 1960 entitled "Theory of Islamic Economics: Philosophy and Contemporary Means." Starts off with some methodological issues. Lists down the basic framework of Islamic economics consisting of *Tawhid, Khilafa* and *Rububiyya*. Derives basic principles of Islamic economics such as private property, *riba*, distribution of income, inheritance and international exchange of factors of production. Comes up with several innovative ideas. For example, considers that *riba* is not only interest on loans. It involves all such exchanges of resources where one party gets something without giving anything. Because of this rent of plain land is *riba*, as it is a reward for the original creative power of land created by God. No human being can claim a reward for this. However, if land is developed, then a reward can be claimed. Other innovative ideas: gold and silver were meant by the Prophet to act as a medium of exchange. The rules of *riba-al fadl* were government policies of the day and not
permanent divine instructions. While dealing with foreigners, interest on capital will not be *riba*.

For Muslim economists. Based on primary sources. Documented.


A collection of eight essays by the author on the basic principles and values of Islamic economic system. Subjects covered are: philosophy, objectives, mechanics, nature of Islamic economic system; role of state in economic development; factors of production and income distribution.

For the beginners. Based on primary sources. Documented.


Presents main features of a software program developed to solve problems relating to distribution of inheritance in the light of the Islamic law.

For practitioners of law. Undocumented.


Based on S.N.H. Naqvi’s model of four axioms, tries to show how ethical values can be translated into economic policy and still keep the system efficient and competitive. Cites three case studies: Iran, Kuwait and Singapore. The first two refer to the case of Islamic economies while the third refers to a non-Islamic economy with its own set of ethical values and norms.

For economists. Based on contemporary literature. Documented.


Discusses distribution of wealth and income. The market mechanism creates some form of income and wealth distribution. However, this distribution alone is not sufficient to create equity based on justice, efficiency or basic needs. Therefore, two schemes of redistribution are required. These two schemes are introduced by the socio-legal framework of the Islamic economy.

For economists. Based on primary sources. Documented.


Focuses on the concepts and underlying issues of Islamic economic system, especially in countries with Muslim minorities. That the work is of contemporary relevance is evident
from its treatment of such current issues as *riba*, insurance, *waqf* management and financial management in general.

For general readers. Based on primary and contemporary sources. Documented.


Translation and notes by el-Sayed M. H. Omran from the Arabic edition published in 1989 in Lebanon. Traverses a wide range of subjects like, property rights, forms of business organizations, contracts, interest, inflation, stock exchange, speculation, role of government, taxes, *zakah*, etc. On all these subjects presents a legal point of view which is mostly orthodox.

For general readers. Based on primary sources. Documented.

056 Islamic theory of ownership


Discusses the basic principles of law of property in Islam.

For jurists. Based on primary sources. Documented.


Focuses on comparative analysis of Islamic and other thoughts relating to proprietary right. Reviews the Islamic law of property and its application in post-Revolution Iran. Questions the treatment of ownership throughout Iranian history. Concludes that Islamic philosophy, private ownership is neither considered the unlimited right of people nor does it totally deny it.

For economists. Based on contemporary sources. Documented.

057 Basic principles of Islamic economic system (including economic values)


Compares the basic principles of Islamic economic system with capitalism. Argues that the performance of capitalism has been so discouraging that it justifies looking for another more robust economic system. The Islamic economic system provides an answer to that search.

For economists. Based on primary sources and contemporary literature. Documented.

057:2 MIRAKHOR, ABBAS, "General Characteristics of an Islamic Economic System," in

A comprehensive and concise statement on the basic principles of . Explains the philosophy and operations of the Islamic economic system.

A valuable contribution on the subject. Based on primary sources. Undocumented.

**058 Comparative study of Islamic economic system and other systems**


Summarizes the main argument of Maxim Rodinson as presented by him in *Islam and Capitalism* (1974). Although criticizes him on some points but agrees with the main thesis that Islam does not identify itself with any particular economic system. On this account disagrees with Weber.

For general readers. Based on primary and secondary sources.


Discusses relationship of ethics and economics. Introduces the Jewish, Christian and Islamic economic thought on the basis of primary sources of these religions. The last chapter discusses the subject of business ethics as understood in the contemporary academic world and also as prescribed by these religions.

A thought provoking and original work. For researchers and economists. Gives a detailed bibliography. Based on primary and secondary sources. Documented.

**059 Criticism of Islamic economics**


Argues that the Islamization of economy project in Pakistan was basically a political instrument of social control for maintaining the *status quo*. The term 'Islamization of economy' is a contradiction in terms. Criticizes the methodology and contents of Islamic economics. Pleads for a liberal western capitalist style economy.

For economists. Based on contemporary writings. Documented.


Criticizes Islamic economic theory and practice. Argues that the Islamic banks have brought in only cosmetic changes. They deal in interest but in a disguised form. The existing Islamic economics does not differ materially from the conventional economics. It is a vague discipline and its vagueness allows the Islamists to place any interpretation that suits the occasion. Islamic economics has not solved any problem. Islamic economics is only an inferior option for economic management. It is a real threat to the
global economy, since it will lead to sustained backwardness of a set of countries who will then pose danger to the world economy.

For economists. Based on contemporary literature on Islamic economics. Documented.


Islamic economics emerged from the writings of Mawdudi who fought for a separate identity of Muslims. Although he justified Islamic economics as a sin qua non for a separate ummah, yet the very concept of Islamic economics as a separate discipline was Western. It was renewal of the earlier campaigns run by thinkers like Iqbal. The concept of separate ummah was more imagined than real. The idea of the golden age of Islam was a myth and not supported by any historical evidence. The idea of Islamic economics was embedded in the historical concept of a clash between the West and Islam. The genesis of Islamic economics lay not in any economic imperative but in an effort to define a distinct Muslim identity.

For economists and social scientists. Based on contemporary literature. Documented.


Islamic economics has made no progress in developing a set of behavioral norms suited to modern economic conditions. Muslim economists are effectively transforming economics into an application of general equilibrium theory. The interpretations of Islamic economists reflect the biases of their cultures, backgrounds and circumstances. Much of what passes as Islamic economics is principally motivated by a desire to cultivate a distinctly Islamic economic outlook - a desire that has a tendency to hinder intellectual openness, creativity and realism. The Islamic banks, though a success, has nothing inherently Islamic. They deal in interest, though in a hidden manner.

For economists. Based on contemporary literature. Documented.


Islamic economics has emerged as a practical demonstration of the desire of the Muslims to keep their identity distinct. There is a little economic content in it. The prohibition of interest does not exist anywhere nor has it existed anywhere throughout history. The system of zakah is full of leakages, corruption, and inefficiencies and also irrelevant to the times. The so-called Islamic banks are resorting to mere ruses in so far elimination of interest is concerned. There is no agreement among the Muslim economists themselves about the basic framework of the discipline. However, since most of the Muslims do not lead a strictly Islamic life, they like to reduce their guilt. For this purpose they operate in an environment of mutual trust. As a result a sort of Islamic subeconomy emerges among the Muslim businessmen.

For economists. Based on contemporary literature. Documented.

Explains the evolution of Islamic economics in the recent times. Criticizes the, approach, and framework of Islamic economics. Argues that it is inconsistent, incoherent, narrow-based and unproven. It does not make its case, though it is successful in condemning the economic doctrines.

Based on contemporary literature on Islamic economics. For economists. Documented.


Islamic economics emerged not because of its economic content but because of the urge of the Indian Muslims to have a separate identity. Most of what is being touted in the name of Islamic economics is not relevant to the problems of the contemporary life. The origin of Islamic economics lies close to the Huntington's thesis of clash of civilizations. The Muslims cherish this thesis. The other objective of Islamic economics is to integrate the Muslim states politically. The appeal for Islamic economics among the Muslims lies in the fact that it provides a framework for reducing their guilt as sinful Muslims. To the extent that Islamic economics is an instrument to preserve the Muslim cultural identity, Mawdudi has succeeded.

For economists. Based on contemporary literature on Islamic economics. Documented.


Compares the fundamentalist thought of Islam, Christianity, Buddhism and Hinduism. Thinks these fundamentalisms have several similarities. But they do not interact with one another. All of them consider their breed as superior to others. None of them is coherent and comprehensive nor are they able to meet the challenge of present day complex societies. They have internal inconsistencies as well. As a result, they are capable of justifying almost any economic agenda. They have tried to invent a whole host of ruses and semantic twists to survive.

For economists and social scientists. Based on contemporary literature. Documented.


Reviews Islam's position on interest, *zakah* and economic development. Argues that the position taken by the majority of Islamic economists is untenable theoretically. It is also not practicable. As a result, the Muslims have invented a series of ruses to conceal dealings in interest. Criticizes Islamic banking. The system of *zakah* in selected Muslim countries is inefficient, corrupt and ineffective. It has neither redistributed wealth nor alleviated poverty. The Islamic economic ideas regarding development and poverty are not practicable in a large complex society of the present day.

For economists. Based on contemporary literature. Documented.

Recently, economics and religion, which had evolved in separate straitjackets, have started crossing borders. The proponents of religious economics are trying to take over the secular economics and imbue it with religion. The secular economists, on the other hand are trying to explain the religious behavior in terms of economic analysis. But the religious economics, like Islamic economics, has not produced any ideas that economists will take seriously.

For economists. Based on contemporary literature. Documented.


Argues that the endeavor to develop Islamic economics is only an apology by the Islamists as they were unable to frame proper response to the challenge of modernity. The Islamic theory of *riba* is defective and forces the Muslims to adopt subterfuges. Similarly, the treatment of *zakah* and inheritance law requires innovative thinking. The subject of Islamic economics is merely a restatement of neoclassical economics couched in Islamic terminology and jargon. Extremely critical of the subject and its application.

For economists and general readers. Based on secondary sources. Documented.


Islamic economy is an empty concept. It draws inspiration from the Western classics. Illustrates the point with citations from the Qur’an and positions Islam as solution to all problems. The Muslim economists have never defined what an will look like in the present age. The Islamic banking concept is in fact a reconciliation of capitalistic practices and the Islamic prohibition against interest. In practice also, Islamic economy did not exist anywhere. Its experiment in some countries has not borne fruit. The efforts to eliminate interest have resulted in multiplication of ruses. There is a total absence of economic analysis. Islamic economy is the filling in of a matrix borrowed from the West with legal terminology based on an ethical anthropology.

For general readers. Based on contemporary literature. Documented.
100 Growth; Development; Planning; Fluctuations

110 Economic Growth, Development, Planning Theory and Policy in Islam

111 Concept, objectives and motives of economic growth in Islam


Takes a critical view of the existing literature and points out that the earlier approach neglects certain historical characteristics of development process. Suggests that there is no inherent conflict between the Islamic values and the values required for economic growth and development.

For economists. Based on contemporary literature. Documented.


Development of man's ethical economic resource along religious lines and brotherly caring behavior among individuals adds a utility function norm which contributes to the creation of a growth-devoted economy.

Mathematical. For economists. Based on contemporary literature. Documented.


Examines capitalist and Islamic approaches to development in historical perspective. Each approach is grounded in its respective worldview. The capitalist approach is materialistic. The Muslim countries have adopted the capitalist approach with similar consequences as the Western countries have faced. The paper does not construct a development model nor does it give any analytical framework. However, it delineates the two approaches. In the final analysis, it is not the search for technical solutions that is of primary importance. It is the political will that is of importance. The Muslim countries should demonstrate the will to adopt the Islamic approach and benefit from it.

For general readers. Based on contemporary literature. Documented.


Argues that the Islamic economic system encourages entrepreneurship. But the present day Muslim states lag far behind the Islamic ideal. They should invest in teaching entrepreneurship to their people.

For Muslim economists. Based on contemporary literature. Documented.

Section one presents existing views of the conventional and Islamic economists about economic development. Re-states the Islamic concept of development in section two. Section three defines the role of government in an Islamic economy. Derives policy implications in section four.

For economists. Based on primary sources. Documented.

112 Critique of the Western growth theory and specific models


Suggests that development models influenced by capitalism overlook non-material dimensions of development and underdevelopment. Social sciences shaped by capitalist concerns do not examine the negative consequences of colonization on underdeveloped societies. The problem is not just ideological; it is also epistemological. Positive social science is also unable to comprehend the most important consequence of colonization other under-development: under-development of the cultural symbols, psychology and language of colonized societies. The author advances a model that will help include analysis of cultural-symbolic under-development in the study of development and under-development of societies.

Sociological. Based on contemporary literature. Documented.

113 Planning in Islamic framework


Gives an overview of Islamic banking. Discusses case histories of al-Baraka International Bank Ltd, Jordan Islamic Bank for Finance and Investment, Special Finance Houses of Turkey, Bank Islam Malaysia, Islamic Development Bank, Jeddah and Islamic banking in Pakistan. Discusses the question of derivatives and options in the framework of Islamic banking and various challenges faced by the Islamic banks.

For bankers and economists. Based on primary and contemporary sources. Documented. Contains a glossary of terms as well

116 Alleviation of poverty in Islamic framework


Gives a framework for measuring poverty. Describes the Islamic framework for fighting poverty.

For economists and general readers. Based on primary sources. Documented.


Focuses on basic tenets of Islamic ethical system. Suggests that the policies to eliminate
poverty should not lead to greater dependency or amoral activities. Policies based on transfers that do not lift the poor from dependency status should not be adopted except in cases where such shift is not feasible. Concludes that Islamic ethics support a poverty-alleviation strategy based on the principle of promoting economic growth with productive equity.

For economists. Based on contemporary literature. Documented.

120 Economic Development Studies

121 Economic development studies of Muslim countries


Contains one theme paper by Monzer Kahf titled, "The role and importance of private sector in Islamic perspective." Rest of the book contains eight case studies from Philippines, Singapore, Thailand, Malaysia, and Indonesia. The last chapter is a paper by the editor that sums up the whole debate. The focus of the book is to highlight the condition of private Muslim enterprises in the South East Asia.

Based on field research and primary sources. Documented.


Nigeria inherited political economy based upon secular perspectives of capitalism. The military's performance in Nigeria in the secular framework was not enviable. Recommends that the Government should facilitate emergence of Islamic political economy in Muslim majority countries. The individuals and leaders should comply with the ethical values of Islam. The leaders should encourage the good and prohibit the evil. They should not rule by coercion. Instead they should adopt consultation.

For economists. Based on contemporary literature. Documented.

122 Evaluation of development experience from Islamic perspective


Economic development has been the focus of many studies in Islamic economics. While these studies have rightly brought out the holistic nature of the concept of development in Islamic perspective, they also suggest a change in the present strategies of development. Takes a critical look at the literature. Points out shortcomings in the approach. Suggests integration of Islamic values in the theory of economic growth. The reasons for dismal performance of Muslim countries must be sought elsewhere. Instead of advocating an Islamic strategy of development, integration of Islamic institutions into a development strategy is pleaded.
For economists. Based on contemporary literature. Documented.


Based on empirical data of 30 member countries of OIC for 1960-1985 and a mathematical model, argues that government policies that favor inflation and tax revenues tend to increase demand for money by lowering the profit-sharing ratio. Such policies discourage investment and eventually reduce growth. Empirical data testifies the hypothesis.

For economists. Based on published data and contemporary literature. Documented.


Challenges implications of the sociological analysis of religions developed by Max Weber. Seeks to address lack of contemporary evidence by citing the development experience of Malaysia-based Islamic movement, Dar-al-Arqam. Argues that the movement's model of a self-sufficient Islamic society shows that Islam may be helpful in the processes of modernization and development.

For economists. Based on contemporary literature. Documented.


Evaluates the implementation of zakah and interest-free banking in Pakistan. Concludes that both the programs have been quite unsuccessful. Gives suggestions to remedy the situation and to proceed further in the right direction.

For economists and policy makers. Based on published sources of the government of Pakistan. Documented.


Finds that Iran's strategy of heavy reliance on central planning and the public sector failed to achieve the goal of Islamization of its economy. There was need for a balance between growth of private sector and the public sector. Also emphasizes the need for imposing zakah and abolishing interest from the economy.

For economists. Based on contemporary literature. Documented.
Capitalism and socialism have failed to provide precise solutions to the Nigerian economic predicaments. This inevitably necessitates call for the third order option: Islamic economic system. The Islamic system emphasizes justice among other things. The Islamic model promises to solve the economic problems of Nigeria.

For general readers. Based on primary sources. Documented.

123 Poverty in the Muslim states


Uses the nisab of zakah as poverty line and analyses the incidence of poverty. Amazingly, the analysis shows that the poverty is decreasing in Pakistan.

For economists. Based on analysis of published statistical data. Documented.


Poses the question why the Muslim countries have been underdeveloped for centuries now? Examines and criticizes various explanations. Argues the real cause is inhospitable environment to innovative thinking and ideas. People with innovative ideas, for fear of reprisals, do not make their ideas public. The public discourse, therefore keeps on revolving around false or static ideas. The new generations also accept the situation as given. As a result, the society loses its vitality to interact with changing situations and in building an appropriate response. Closing doors of ijtehad was also not challenged by the then intelligent Muslims. Even now, innovative Muslim minds, for fear of punishment, do not make their ideas public. It leads to a static society which remains backward.

An original thesis. Based on contemporary literature. For social scientists. Documented.

130 Strategy and Mechanism of Development for Muslim Economies
(Establishment of Economic System of Islam)

132 Allocation of resources in Islamic framework


Argues that the neoclassical models are ethically as well as methodologically inapplicable to Islamic economies. Introduces a knowledge-based worldview of economic development and resource allocation. Gives an empirical analysis of characteristics of Islamic countries among the commonwealth of independent states.
Discounting for project appraisal involves comparison of or various options. It is not like discounting of loans. The first one is permissible and second one is prohibited. The most appropriate rate of discount is the expected rate of return on investment in the private sector. But for public sector projects, the objectives of Shari’ah will also have to be kept in view. Social benefits within the overall framework of Shari’ah will be aim of discounting.

For economists. based on primary sources. Documented.

**133 Investment decision-making and capital budgeting in Islamic framework**


After discussing main features of Islamic economy, gives a survey of literature on Islamic welfare function. Sums up debate on project appraisal. The main issues addressed are: enumeration of costs and benefits, market versus shadow prices and discounting.

For economists. Mathematical. Based on contemporary literature. Documented.


Explores application of Islamic principles to three major areas: (i) cost of capital and capital budgeting; (ii) working capital; (iii) dividend policy. Argues that elimination of fixed income and debt securities will result in hardship in performance of managerial finance function. Instead, the use of straight equity will accelerate the process of economic development.

For financial analysts. Based on contemporary literature. Documented.


Considers the possibility of alluring investment on interest-free basis by providing some extra benefits to investors. Examples are: allowing investors for a road project to buy state land at cheaper rates around the road for developing into housing or business estates and then selling these estates at commercial rates to public; allowing a railway construction company the right to collect platform ticket charges or the right to sell to vendors space on the railway platforms, etc.
For Muslim economists. Undocumented.


Gives a general formula for working out the cost of capital for an Islamic bank.

Mathematical. For economists only. Documented.


Discusses need for developing a benchmark like that of interest rate or LIBOR for use as a discounting factor in the Islamic framework. Proposes that such a benchmark can be developed by using the rate of return being paid by banks to depositors or by using an index like that of DJIM on equity capital. The former can be used for investment through Islamic banks and the latter for investment through stock market.

For economists and financial analysts. Based on primary sources and contemporary literature. Documented.


Applying the Islamic concepts of *bai’ salam* and *bai’*, explains how an independent power producer (IPP) can avail of finance in the Islamic framework. The model is applicable to other investment proposals also.

For bankers and financiers. Based on contemporary literature. Undocumented.


Discounting is acceptable if the rate of discount is not rate of interest but expected rate of return of the project.

For economists and accountants. Based on contemporary literature. Undocumented.


In absence of an interest rate mechanism there is no benchmark against which the cost of capital can be measured and the efficiency of investment projects evaluated. Proposes a method by which the cost of capital can be measured without resorting to a fixed and predetermined interest rate. The suggested procedure is simple and is based on the well-known Tobin's 'q' and can be used in the private as well as public sectors to obtain a benchmark with reference to which investment decisions can be made.

Analytical. Uses mathematics. For economists only. Documented.

134 Islamic economic institutions

A general introduction to the evolution, organization and operation of Tabung Haji - the Malaysian institution for collecting savings and facilitating the *hajj*.

For general readers. Based on the organization's internal documents. Undocumented.


Introduces the Malaysian institution of Tabung Haji, its evolution, history and progress. Highlights its role in mobilizing resources and making them available for *hajj*. Suggests the Muslim *ummah* should try to develop the institution of *Hajj*. It should make this occasion a place for exchanging information on prospective projects. Ultimately, the Muslim *ummah* should develop a central village for exhibiting the products of the whole *ummah* at the time of Hajj.

For general readers, policy makers and economists. Based on secondary sources. Documented.

### 135 Islamic economic development Management


Asserts that Islamic development management presents a comprehensive approach to social change as compared to Western economic approach that revolves around per capita income or output. Basic purpose of development in Islam is to enhance human welfare not only in terms of material requirements but also with respect to spiritual development.

For economists. Based on primary sources. Documented.


Clarifies the concept of Islamic economic development management and compares it the with western concept of economic development. Discusses various issues relating to the concept of Islamic economic development management.

For economists. Based on primary sources. Documented.


Attempts to evaluate modernization ideals along with the ethical and noble value standards which Islam has revealed. Observes that planning of any development program should not break any of the established ethical standards and values expounded
by Islam. It should, rather, encourage them in order to bring about a truly emancipated man.

For economists. Based on primary sources. Documented.

140 Economic Fluctuations

143 Indexation


Discusses implications of inflation for purchasing power. Argues that indexation of loans to inflation is necessary for doing justice to creditors.

Based on everyday examples. Undocumented.


Clarifies his earlier contention about indexation of loans. Insists that indexation of loans will not be riba.

For general readers. Based on primary sources. Documented.
200 Economics Statistics

220 Economic and Social Statistics

223 Cooperation for statistical information


The OICIS-NET is a project aimed at setting up a global information network which will eventually interlink the national, regional, and international information systems and services. Presents the project in terms of its nature, purpose, structure and main features. Describes the steps taken by Islamic Development Bank in implementing the project in accordance with the strategy and guidelines adopted in April 1994.

For information scientists. Documented.


Stresses the importance of statistics as a branch of knowledge. Gives an account of the progress made by the SESRTCIC in its efforts to enhance co-operation in statistics among the OIC member countries.

For statisticians and information scientists. Documented.
300 Domestic Monetary and Fiscal Theory and Institutions

310 Domestic Monetary and Financial Theory and Institutions

311 Riba and its prohibition (including riba al-fadl)

311:1 Journal of Islamic Banking and Finance, Karachi, (18:3-4), Jul 01, 192 pp.

The entire issue of the journal is devoted to the problem of riba and its elimination from economy. Includes 14 articles on various aspects of riba and Islamic banking. All these papers have been taken from earlier publications of the authors and have been annotated in the present or earlier volumes of the present bibliography.


Judgment of the Shari’ah Appellate Bench of the Supreme Court of Pakistan decreed on 23 December 1999. The judgment was on a number of appeals lying with the Supreme Court of Pakistan against the Federal Shari’ah Court Judgment of November 1991 that had declared all types of interest as riba. The present judgment upheld the FSC judgment and ordered the Government of Pakistan to take a number of measures including new legislation and setting up of a Commission for Islamization of the Financial System by June 2001.

Juristic. For bankers, government policy makers and lawyers. Based on primary sources and contemporary literature. Documented.


Report prepared under the chairmanship of Raja Zafarul Haq. Reiterates the basic teachings of Islam relating to economy. Reviews the efforts earlier made with regard to elimination of interest from the economy of Pakistan. Proposes a strategy to proceed further and rectify the mistakes made so far. Presents a draft law for the prohibition of riba. Also analyses probable effect of the prohibition of riba on various macroeconomic indicators of the economy.

For government policy makers, legislators and bankers. Based on primary sources and contemporary literature. Documented.


Riba allocates resources inefficiently. It distorts income distribution. It encourages idleness. Prohibition of riba would not affect the rate of savings.

For economists. Based on primary sources. Undocumented.


Analyzes reasons for non-implementation of interest-free banking in Pakistan. Concludes
that the political leadership in the country is neither serious nor sincere in abolishing interest from the economy. There exists a sizeable literature which shows the way for the change-over. The practical experience of Islamic banks also testifies to the same conclusion.


Critically examines the theory of interest as expounded in conventional economics. Argues that there is no sound basis for keeping interest as a basis for credit. Expounds the concept of Time Multiple Counter Loans (TMCL). Gives a detailed description of the operations of a commercial bank on the basis of TMCL.

Based on contemporary economic theory. For economists. Documented.


Argues that the present day capitalist system that is based on interest has failed to bring prosperity to the humanity, which is searching for another order. The Islamic economic system provides that alternative.

For lay readers. Undocumented.


A reply to questionnaire circulated by the Supreme Court of Pakistan on the concept of *riba*. Defines the term *riba*. Holds the orthodox position. However, thinks that indexation of loans equal to actual inflation is lawful. Similarly, to the extent the government is unable to pay back the domestic debt, taking of interest on these loans would remain an unavoidable sin.

Juristic. Based on primary sources. Undocumented.


Since the Islamic Revolution in Iran, the government has taken a number of legal measures for abolishing interest. The law allows an increase over principal of a loan if it is not pre-determined and binding and is purely voluntary. We should distinguish between "net interest" and "gross interest", where the latter includes such things as bank charges and rate of inflation. It should be the "net Interest that is prohibited and not the "gross interest." Stipulation of interest is void, but it does not make the whole contract void. The loan contract remains valid, of course, without interest.

For general readers. Based on contemporary literature on Iran. Undocumented.

Discusses evolution of interpretation of the Torah and Gospel (Injil) prohibiting usury. The Jewish and Christian religious scholars gradually gave way to a more secular interpretation, which resulted in legitimization of capitalism. As compared to earlier books, the Qur’anic verses relating to usury are quite clear and applicable to all societies and all people.

For jurists. Based on primary sources. Documented.


Analyzes implications of decision of the Supreme Court of Pakistan's Shari’ah Appellate Bench on prohibition of riba.

For general readers. Undocumented.


A descriptive report of the main arguments presented to the court by various scholars against interest.

For general readers and jurists. Based on published reports of the court proceedings. Undocumented.


Argues that the prize schemes announced by various banks in Pakistan do not conform to the Shari’ah. They involve interest, gambling and uncertainty, all prohibited by the Shari’ah.

For jurists. Based on legal documents. Documented.


Reinterprets the Qur’anic verses relating to riba. Thinks riba means any wealth surplus to one’s need. Seen in this perspective only hoarding of wealth is prohibited. The prevalent interest on loans is permissible. Similarly indexing of loans to inflation is also allowed.

For general readers. Based on primary sources. Undocumented.


A comprehensive treatise on teachings relating to usury in Judaism, Christianity, and Islam. Traces origins of theory and prohibition of usury in the three great religions and the evolutionary process through which it came to be rationalized in Judaism and Christianity. Similarly, traces the teachings of Islam relating to riba and its present day implementation in the form of Islamic banking. Concludes that the three religions have a lot of common ground and it is only the present effort of the Muslims to institutionalize prohibition of interest that gives hope to the humanity. The non-Muslims can learn a lot from the serious
effort being made by the Muslims in this age.

For theologian, economists, bankers and general readers. Based on primary sources. Documented.


Originally presented to Appellate Bench of the Supreme Court of Pakistan and also a modified version of author's chapter 7 of Future of Economics: An Islamic Perspective (The Islamic Foundation, Leicester, 2000). Argues that the Islamic Shari'ah has certain goals like other civilized societies. Islam has prohibited interest as it is an obstacle in realizing those goals. Points out negative role of interest in promoting unemployment, inequalities of income, wastefulness of consumption, and reduction in savings and investment.

For economists. Based on primary sources and contemporary literature. Documented.


Interest is hardly justified on purely rational ground. The present day banking system is based on fractional reserve system, which is the root of all evils in the modern day economies. The banking system should be organized on 100 per cent reserve for the current accounts and profit-loss sharing for the investment accounts. In this scenario, there will be no monetary instability or inflation. There will be no need for a monetary policy. The money supply should be fully backed by gold. It will put an end to spurious expansion in the money supply. The Islamic business ethics and value judgments supplement the above model and create an environment where money becomes subordinate to human beings.

For economists. Based on contemporary literature. Documented.


A compact thesis on harms of interest to a present day economy. Argues that a system based on profit rather than is more stable and workable than an interest-based system. Refutes various arguments in favor of interest. Part two of the booklet compiles a set of decrees on the prohibition of interest by various Islamic institutions and jurists.

A very valuable document. For economists and jurists. Based on primary sources. Documented.


Raises the important question whether interest rate can be used as a point of reference for fixing profit-sharing ratio of Islamic banks, as most of the existing Islamic banks are doing. Suggests that Muslim depositors should not expect any return from Islamic banks and the banks should not fix their return with reference to the market rate of interest. In this way, the cost of funds to banks' clients will be substantially lower than the prevalent market rate.
For bankers and economists. Based on contemporary literature. Undocumented.


Discusses verses of the Qur'an relating to riba and highlights their meanings in light of various commentaries. Repudiates the assertion that riba pertains to consumption loans only. Also discusses the concept of riba al-fadl in the light of hadith and fiqh literature.

For jurists and Muslim economists. Based on primary sources. Documented.


Examines the impact of interest on economic, social, political and international affairs of Bangladesh. The study is based on the opinion survey of a total of 40 scholars. The study reveals that there is a remarkable difference of opinion among Islamic and non-Islamic scholars as regards the impact of interest.

Based on opinion survey. For economists and general readers. Supported by statistical tables.

311:22 HUQ, ISMAT ARA, "An analysis of Some issues Relating to Riba from an Islamic Perspective," in Proceedings of International Conference on the Theme of Accounting, Commerce and Finance: The Islamic perspective. Organized by the University of Western Sydney, Macarthur, Australia during 18-20 February, 1997, pp. 75-83

Argues that preference shares and debentures are more akin to interest and thus not legitimate from the Islamic point of view.

For general readers. Based on primary sources. Documented.


In a question-answer form, argues that all types of interest are riba. Explains the Islamic rationale behind prohibition of riba. Mark-up is also a form of riba. Interest from non-Muslims is also riba. The theory of riba-al fadl needs to be understood properly. Its prevalent understanding is not correct. In fact, riba in barter transactions also arises only when there is a loan transaction.

For general readers. Based on primary sources. Documented.


Defines the term riba and concludes that it is equivalent to exploitative and usurious rates of interest. The prevalent commercial interest is not riba. Those who are trying to equate the two are in the process of turning the wheel of progress back by a few centuries.

For economists and general readers. Based on primary sources. Documented.

311:25 KEEN, STEVE, "From Prohibition to Depression: The Western Attitude to Usury," in Proceedings of International Conference On the Theme of Accounting,
Commerce and Finance: The Islamic Perspective organized by the University of Western Sydney, Macarthur, during 18-29 February, 1997, pp. 55-74.

Traces the history of usury in the West. Argues that usury was criticized and condemned in the West but gradually it became acceptable. Introduces the theory of Fisher (1930) on interest. Argues that the modern economies under capitalism are susceptible to crises due to over-indebtedness. The fact that interest remains due even though the enterprise has not made any profit, leads to mass scale bankruptcies. Because of this, the ancient criticism on usury is still valid. As compared to this, the Islamic concept of profit sharing saves the enterprises from bankruptcy. It also saves the economy from collapse.

Uses diagrams. For economists. Based on original resources. Documented.


Examines three areas: analytical or theoretical aspects of Islamic banking; central banking and experience of Islamic banking. Enumerates challenges in implementing the Islamic banking.

For bankers and economists. Based on contemporary literature and practice. Documented.


Comments on Sayyid Tahir's paper on the same subject and published in the same journal (2:3, July-Sep 1997). Argues that gradualism should be adopted in eliminating the interest from the economy.

For economists and jurists. Undocumented.


Argues that riba is an economic phenomenon. It should be eliminated from the economy through economic imperatives. It is not a legal phenomenon. The Shari'ah did not promulgate any law for prohibiting it. Instead, it should be left to the free will of the people. The state should try to eliminate it through an economic mechanism. It should facilitate development and evolution of Islamic financial system and people should be persuaded by the operation of Islamic financial institutions to adopt them and to leave riba-based transactions. Proposes institutional mechanism for eliminating riba.

For economists and policy-makers. Based on primary sources. Undocumented.


Surveys the arguments in favor and against interest. Argues that the orthodox Muslim opinion, which equates interest and riba, has not been practiced by the Muslims throughout history. Nor are they practicing it these days. They are relying on a number of ruses in the garb of Islamic banking.
For economists. Based on primary sources. Documented.


The Christian objection to usury was almost identical to the Islamic viewpoint. Many of the legal devices used to hide interest were borrowed by the Christians from the Muslim merchants. Some were similar to the Muslim *musharaka* and *mudaraba*. Differences included: severity of penalties in Christianity. It also lacked an overriding injunction on the topic like that in the Qur’an.

A scholarly paper for economists and theologians. Based on primary sources. Documented.


Critically examines the concepts and definition of *riba* presented by Ziaul Haq, Imran Niyazee and Sayyed Tahir. Disagrees with all of them since their concepts are at variance with the majority of the *Shari’ah* scholars.

A scholarly paper. For jurists. Based on primary sources. Documented.


Develops a critique of interest-based debt finance. Argues that the Islamic analysis of banking and finance is a viable option as compared to interest-based finance. Seen in light of actual experience of Islamic banking and finance, it shows a way for considering the possibility of introducing non-interest bearing finance in the Western economies. Develops a model of profit-loss sharing. Argues that the non-interest bearing finance brings in greater stability as compared to interest-bearing finance. Identifies key issues in Islamic finance that need to be resolved. Outlines a survey of interest-related ideas in the Western tradition, religions and literature.

For economists. Based on primary sources as well contemporary literature. Documented.


Examines the concepts of *riba al-nasi’a* and *riba al-fadl*. Integrates the two concepts by re-interpreting *riba al-fadl*. Considers that in exchange of commodities, quality should also be considered for determining the equivalence. The Prophetic injunction regarding simultaneous exchange is only meant to give the two sides an opportunity for inspection.

For jurists and economists. Based on primary sources. Documented.

311:34 PERVEZ, IMTIAZ A., "What is the Islamic View on Time Value of Money and How Does It Differ from That of the Traditional One?", *New Horizon*, London, (65), July
The Western concept of time value of money is the anchor on which the theory of interest is based. In the Islamic framework, the time value of money on purely financial transactions is not recognized. Time value may be applicable only on asset-based transactions such as *ijara* rentals where the use of asset is relevant to its period.

For economists. Based on contemporary literature. Undocumented.


A comprehensive statement on the classical concept of *riba* and its relationship with the prevalent interest in commercial transactions. Argues that *riba* and interest are identical. Refutes the arguments of Sheikh Tantawi and Sheikh Shaltut of Egypt.

Based on primary sources. Documented.


A reply to the questionnaire issued by the Federal Shari'ah Court of Pakistan. Deals with the basic issues relating to definition, scope of *riba* and strategy of eliminating interest. Argues that *riba* covers all types of interest and the government should enact laws to abolish it. Considers that interest on provident funds is not *riba*. Similarly, difference between cash and credit prices is also not *riba*.

For jurists. based on primary sources. Documented.


Argues that some of the present day scholars have devised a number of subterfuges to legalize interest in disguise. Lists those subterfuges and explains their mechanism. Thinks that these tricks cannot help legalize interest. People should beware of them.

For general readers. based on primary sources. Documented.


Discusses the concept of *riba*. Also discusses various alternative modes of finance like *mudaraba*, *musharaka*, *ijara*, time-multiple-counter-loans, and *bai' mu'ajjal*. Traces the history of Islamic banking in Pakistan. Points to need for necessary legal changes for making this change effective.

For general readers. Undocumented.


In the background of Pakistani efforts to Islamize the entire financial sector during 1980s, surveys the various alternatives to *riba*-based banking. Analyzes the setback to the
efforts in Pakistan.

Based on first hand experience of the author. Undocumented.


The author, while being the Chief Justice of the Federal Shari’ah Court in Pakistan prepared this judgment and retired from service before he could deliver it. The judgment remained undelivered. Deals with the question whether an Islamic government or its corporate bodies could lawfully enter into agreements with other governments or corporate bodies for the payment of interest on loans. Explores the question in the light of fiqh, hadith and Qur’anic literature. Concludes that the Islamic governments or other bodies cannot lawfully enter into agreements for paying interest on their loans. Thus section 19 of the Shari’ah Act of Pakistan was also ultra vires the Shari’ah.

For jurists. Based on primary sources. Documented.


Argues that the issuance of the bond is a mode of deferred payments arising from murabaha. If they are at par value, they are covered by the Shari’ah. Discounting of these bonds by investors to the issuers is also covered by the Shari’ah. However, discounting by third parties is not covered. In general, the bond should be avoided as a debt-based economy is not in the spirit of Islam.

For jurists and economists. Based on primary sources. Documented.


Argues that omitting the rate of interest as price of money is not possible. Suggests that deposits may be treated as a kind of purchasing power which it has received from the owners of the deposits and must at the time of repayment pay its equal. Due to this, a new variable called, "Compensation Rate" has been introduced. This rate would create a proportional stability of the purchasing power with a coefficient adjustment. During periods of inflation it protects against diminution in value.

For economists. Based on contemporary economic literature.


Criticizes the Islamic banking in Pakistan and concludes that it is both un-Islamic as well as exploitative. Proposes the formation of a Model Islamic Bank.

For general readers. Based on contemporary sources. Undocumented.

311:44 SIRAJ, M. A. HADI al-"Qu'rud, Buyu, and Riba", in Monzer Kahf (ed.), Lessons in

Discusses basic rules relating to *riba*, *riba al-fadl*, and sale transactions in Islam.

For jurists. Based on primary sources. Documented.

311:45 TAHIR, SAYYID, "Strategy for the Elimination of *Riba* Error! Bookmark not defined. With Special Reference to Existing Debts", Qur'anic Horizons, Lahore, (2:3), July 97, pp. 70-95.

Argues that the strategy for eliminating *riba* from the economy should be instantaneous and not gradual. Gradualism is against the *Shari'ah*. For foreign debts, the lenders should be taken into confidence for some sort of settlement. For domestic debts, proposes a number of drastic measures to eliminate *riba* conclusively from the economy.

For economists and general readers. Based on primary sources. Documented.


It is part of the judgment of the Supreme Court of Pakistan delivered on 23rd December 1999 on appeal of the Federation of Pakistan against the Federal *Shari'ah* Court Judgment of 1991 on the question of *riba*. This part was written by the author, being judge of the Supreme Court *Shari'ah* Appellate Bench. Deals with the whole question of *riba*, its legal, economic and financial aspects and declares that all forms of interest are *riba*. Discusses various related issues and refutes all arguments offered for the legitimization of interest.

For jurists, economists and financial experts. Based on primary sources as well as contemporary economic literature. Documented.


Points out changes required in monetary and fiscal policies due to abolition of interest. The central banks will need to adopt profit-loss sharing as a tool to adjust credit supply. For substituting interest on treasury bills, the central bank can use opportunity cost of banks on inter-bank call money. Alternatively, such bills can be issued against the administrative cost of the banks only. Similarly, for public debt, the government can offer average profit on public enterprises or average profit on corporate sector during the preceding year. For widows, orphans and pensioners who like to have risk-free investments, various mutual funds can be established where investment in carefully selected equities can be a good substitute of interest.

For bankers and economists. Undocumented.


Part one covers Islamic law of finance and has five chapters: Islamic finance as an
application of Islamic law; Qur’an and Sunnah on contract and commerce; Islamic law of usury; Islamic law of contract; Islamic law of financial institutions and instruments. Part two has three chapters: Islamic financial instruments; opportunity rates and Islamic capital; derivatives in Islamic finance. The first part is legal while the second part is analytical. Part three deals with case studies of Islamic financial innovations.

For jurists, financial analysts and economists. Based on primary sources. Documented.


Summarizes efforts made in Pakistan for abolishing interest from the economy. Makes suggestions regarding a suitable strategy to abolish interest.

For general readers. Undocumented.


With reference to the debate on elimination of interest from the economy of Pakistan, argue that it would not cause any economic disruption in the economy. The business community prefers to rely on equity. The savings, investment and distribution of income and wealth would improve. Government would be able to finance its activities on the basis of interest-free alternatives.

For economists and policy makers. Based on contemporary economic literature. Documented.


A summary of the report submitted by the International Islamic University Islamabad to the Commission for Islamization of Economy, Pakistan in July 1987. Some of the interesting ideas are as follows:

a) The country should be on a flexible exchange rate system with fully convertible currency.

b) The Shari’ah rule relating to bai’ al-sarf do not apply to the present day paper currency.

c) Forward trading of currencies does not violate the Shari’ah.

d) The exporter or his bank can sell their collection rights against cash payments like bai’ mu’ajjal based tradable securities. To this extent, the bills of exchange are tradable instruments.

For bankers and economists. Based on primary and contemporary sources. Undocumented.

312 Riba-free commercial banking: Theory and practice

312:1 Directory of Islamic Banks, International Association of Islamic Banks, 1990,
Provides basic information on Islamic banks regarding their functions, activities, progress, social scope and future outlook. Two chapters present fundamentals of Islamic banking and an introduction to International Association of Islamic Banks.

A source book for the Islamic financial institutions. Consists of two parts: English and Arabic. The Arabic part is more elaborate.


A list of Islamic financial institutions. Gives name, address, telephone, fax and names of board of directors for each entry.


It is an interim report by the Commission for Transformation of Financial System set up by the Government of Pakistan in response to the decision of the Appellate Bench of the Supreme Court on the appeal of the Government against a Shari‘ah Court Judgment announced in 1991. The report reviews previous work on the subject and makes proposals for transforming the financial system of the economy on riba-free basis. It specifically deals with Islamic financial markets and instruments of monetary policy. Makes proposals for implementing the recommendations.

For policy makers. Based on primary sources and built on the previous work on the subject.


Consists of two papers. The first paper is by Waqar Masud Khan on the Pakistan's experience of Islamization of banks and financial institutions. The second paper is by Fariduddin Ahmad, Muhammad Sharif Hussain and Shah Abdul Hannan on the experience of Islami Bank Bangladesh. Waqar Masud Khan summarizes the story of failure of the experience in Pakistan. The second paper documents the success story of Islamic banking in Bangladesh.

For economists, bankers and policy makers. Based on published reports. Documented.


Text of the law on interest-free banking in Iran as approved on 30 August 1983.

For economists, bankers and financial analysts.


Proceedings and papers of International Seminar held in Dhaka on 27 October 1989 organized by the International Association of Islamic Banks and Islami Bank Bangladesh.
Some papers in the volume have been annotated in the third volume of the present bibliography (312:101, 312:24). Others have been included in this volume at appropriate locations.


Gives a brief account of various financing modes adopted by Islamic banks in practice. Case study of Pakistan and Iran.

For economists and bankers. Based on published literature. Documented.


Gives theoretical basis of various concepts relating to deposits in banks from the Islamic point of view. Analyzes the deposits of ten top Islamic banks and concludes about their operations. Contains a statistical appendix.

For bankers and economists. Based on published statistics. Documented.


Within the existing world financial scene, conceives the model of Islamic banking and gives reasons for its evolution. Argues that the concept of Islamic banking is more equitable, more profitable and more stable in the long run. Outlines the progress made so far. But concedes that there is still a long way to go. Identifies the challenges and prospects.

For general readers and economists. Based on contemporary literature. Documented.


Originally a keynote address to the First International Conference on Islamic Finance and Banking held at Houston, USA, in July 1998 under Islamic Society of North America. Reviews the progress made by Islamic banks in the recent decades. Islamic banking stands for equity-sharing and stake-taking. It is opposed to exploitative, unjust and crisis-generating Western economic system. Based on religious and moral premises, the Islamic finance and banking model has to address many challenges and tasks ahead, ranging from an efficient and equitable system to complete restructuring of the economy. The Islamic banking movement is a positive development which bears great promise for the future.

For economists. Based on contemporary literature. Documented.


A elementary essay on Islamic banking and Islamic modes of finance.

For general readers. Undocumented.

Discusses the rationale of Islamic banking in brief. Gives in detail the method to convert interest-based transaction of banks into Islamic format. Takes up balance sheet of the bank and discusses each item of liability and asset sides.

For economists, bankers and policy makers. Based on primary sources and contemporary literature. Undocumented.


Compares the performance of Islami Bank Bangladesh with three conventional banks: Agrarian Bank, National Bank, Arab Bangladesh Bank. The period covered is 1986-1999. Concludes that on a number of productivity indicators the performance of the Islamic bank was higher than the conventional banks.

Analytical. For economists and bankers. Based on published reports. Documented.


Compares the performance of Arab Bangladesh Bank (secular bank) and Islamic Bangladesh Bank for the period 1988-95. Concludes that on all indicators the performance of the Islamic bank was better than the secular bank.

For economists and bankers. Based on published data. Documented.


A critical review of the Islamic banking movement as it stood in the mid-half of year 2000. Warns Islamic bankers that if they did not take enough innovative measures to adhere to the Shari'ah and kept themselves busy with cosmetic changes, the whole movement of Islamic finance would wither away.

For Islamic bankers and general readers. Based on author's direct observation. Undocumented.


Argues that Islamic economists have not been able to find a satisfactory solution to the problem of inflation and the way it affects the relationship of borrowers and lenders. Thinks a compensation equal to inflation rate should not be considered riba. Discusses the methodology of handling interest-bearing loans on the eve of conversion of conventional banks into Islamic banks. Suggests that debt-servicing of existing interest-bearing loans could be linked to rate of growth of economy, rate of inflation or rate of
average profitability of the sector in which funds were invested. Other alternatives are debt-debt swap by providing the lender incentives such as tax holidays. Another option could be debt-equity swap.

Based on contemporary economic literature. For bankers and economists. Documented.


Reports that Islamic banks have not made much progress in mobilizing resources and floating new products. Whatever is being done in the Islamic banking is far from true Islam. The financial institutions have been working on periphery of Islam. Analyses reason for this state and pleads for adopting the pristine Islam if Islamization process has to succeed and if it has to have a justification.

For general readers. Undocumented.


Discusses the experience of Islamic banking in Pakistan and analyses reasons for failure of the experience.

Based on the practical experience of the author. A first hand account. Undocumented.


A general overview about the history, evolution and current status of Islamic banking.

For general readers. Undocumented.


Reviews the evolution and growth of Islamic banking around the globe. Critically examines the progress made so far. Replies to the criticism on Islamic banking and traces reasons for not achieving the ideal. Makes a number of proposals for proceeding further. Thinks there is little room for despondency, though more could be done in the last two decades.

For bankers, policy makers, researchers and general readers. Based on primary sources and contemporary literature. Documented.


Traces evolution of Islamic banking and finance movement around the globe. Takes stock of the criticism on Islamic banking and refutes most of it. Critically examines the experiment of Pakistan, Iran and the Sudan. Makes useful suggestions to improve the existing Islamic banks.
For general readers, economists and bankers. Based on primary sources.


Gives a brief description of the role of Islamic Development Bank Jeddah in alleviating poverty from Muslim countries. Mentions the two programs of scholarships and technical assistance for education.

For bankers and general readers. Based on IDB's published reports. Documented.


There is need for developing Islamic financial institutions in the newly emerging Muslim states in Central Asia. The Islamic banks should sponsor venture capital companies (VCC). These companies should deal with entrepreneurs on basis of *mudaraba*. Also makes several other proposals to make Islamic banks more efficient and more acceptable to the *Shari'ah*.

For Islamic bankers, policy makers and economists. Based on contemporary literature and published reports. Documented.


Expresses concern at the relative lack of imagination in devising Islamic financial products which rely on simple modes of finance. Encourages creation of a central regulatory *Shari'ah* board. Recommends that the range of financial products should be widened for viable competition with conventional finance.

For Islamic bankers. Based on personal experience. Undocumented.


Islamic banking should compete with conventional banks in security of funds, return on investment and efficiency of operations. They should invest in technology, marketing and innovative financial engineering. They have a bright future.

For Islamic bankers. Based on practical experience of the author. Undocumented.


Reviews scene of Islamic banking and its inter-relationship with conventional banks. Asserts that many conventional banks are getting attracted toward Islamic banks. They are marketing Islamic financial products, offering training to Islamic bank staff and sharing results of their R & D with the Islamic banks.

For bankers and general readers. Based on author's practical experience. Documented.

Argues that the present day Islamic banks are not "banks" in the sense they are understood in the contemporary world. Their functions and operations differ considerably from the banks. Therefore, they should be termed as "financial institutions". Once it is done, the regulatory bodies would not apply same rules to them as they apply to banks. As a result, the "Islamic banks" will be relieved of some unnecessary regulatory requirements.

For bankers and economists. Based on the experience of the author. Undocumented.


Points out that in the wake of post-September 11 events, the Islamic banks have come under wider scrutiny. It has revealed interesting facts. The Islamic banks suffer from poor banking practices. In effect, they are an inefficient way of doing the same thing as conventional banks do.

For Islamic bankers. Based on practical experience of the author. Undocumented.


Discusses the basic concept of Islamic banking. Proposes that Islamic banking be made to conform to the Shari'ah by adopting a regime of fee for the banks for providing various services, such as managing funds. The fee would cover all expenses of the bank but would not be time related.

For researchers and academics. Based on the experience of the author. Undocumented.


Proposes that instead of creating Islamic financial instruments a simpler version of Islamic banking can be adopted. The investors should pool funds in a fund to be managed by a bank. The bank should provide those funds to entrepreneurs on basis of mudaraba. The entrepreneurs can use these funds in a permissible manner. The profit and loss should be shared by all three groups in a pre-agreed arrangement. For this arrangement, no Shari'ah supervisory board is required.

For economists and bankers. Based on author's study and knowledge. Undocumented.


Presents an evolutionary game theoretic model in which PLS banks, conventional banks and banks with Islamic windows interact. In this model, an ideal PLS regime would be the most prosperous, even from a purely financial standpoint. However, the PLS banks are in jeopardy if they have to compete with conventional banks. In the face of competition with interest-based institutions, a critical mass of hybrid type is necessary not only for the
survival but also efficiency of the PLS in a heterogeneous environment. Mathematical. For economists. Based on contemporary literature. Documented.


Islamic banking being a recent phenomenon requires ijtehad in several areas. Gives examples of ijtehad for making the present practice of Islamic banking feasible. This should continue.

For jurists and bankers. Based on primary sources. Documented.


Introduces the Islamic banking schemes started by Muslim community in Australia on cooperative basis. The introductory effort has the genesis of blooming into full-fledged Islamic banks.

Based on personal experience. Undocumented.


An elementary essay on the concept and practice of Islamic banking.

For general readers. Based on Primary sources. Undocumented.


Studies the performance of three Islamic banks in Bangladesh and evaluates their performance against the criteria of expectations and reality. Raises the difficult issue of whether the Islamic banks have in fact succeeded in eliminating riba and achieving the objective of socio-economic development. Concludes that on both counts the performance does not meet the expectations. Makes suggestions for improvement.

For economists and bankers. Based on secondary sources. Documented.


Traces evolution of Islamic banks in Bangladesh. Highlights some of the important financing schemes and programs of four Islamic banks in Bangladesh. The impact of Islamic banks is that they have been able to mobilize considerable savings and provide finances for a host of economic activities. The banks have become acceptable socially.

For economists and bankers. Based on published reports of the banks.


Examines the practices of Islamic banks from eleven Muslim countries. The selected
areas include usage of Shari’ah principles and uses and sources of funds. Disparity exists especially in areas such as number of Shari’ah principles employed and its usage in banking activities. There are also differences in the sources and uses of funds. All the banks concentrate on use of mark-up financing activities.

For economists. Based on published sources. Documented.


Gives a broad overview of Islamic modes of financing. For a successful transition to Islamic financial system, it is essential that effective controls against fraudulent statements of profit and loss are devised. Besides, the government should stop deficit financing so that inflation is controlled and value of money is not depleted. Comprehensive legal changes in support of Islamic financing techniques should be introduced.

For bankers and economists. Based on contemporary literature. Undocumented.


The rationale of Islamic banking lies in prohibition of riba. Islamic banking is based on three approaches: buying on cash and selling on credit; profit-sharing; and rental of assets. Traces the evolution of Islamic banking from 1973.

For economists and general readers. Based on primary sources. Documented.


Using data for the period of 1990-98, several hypotheses and common perceptions about the practice of Islamic banking have been tested. Uses trend and ratio analysis. For this purpose, some objective ‘benchmarks’ for various ratios have been developed. Compares the performance of the Islamic banks with a control group of conventional banks. Concludes the Islamic banks have done fairly well during the period under study.

Based on published data. Empirical. For economists and bankers. Documented.


Summarizes the concept of Islamic banking. Argues the Islamic banking faces several problems such as instruments for short-term investment, regulatory mechanism for oversight, cooperation among the Islamic financial institutions, moral hazard, relatively high emphasis on fixed return modes of finance, innovative financial instruments, lender of the last resort, uniform Shari’ah supervision, etc. Makes suggestions to overcome these problems.

For economists and bankers. Based on empirical evidence and contemporary literature.
Reviews the progress of Islamic banking and Islamic financial markets. Presents the fundamental principles of the Islamic financial system in the light of developments in modern financial theory. Identifies the challenges ahead for the development and future growth of a non-interest based financial system. Concludes that the Islamic banking has established itself as an emerging alternative to interest-based banking and is gaining roots. Research in Islamic economics and finance has further enhanced our understanding of Islam's vision of an economic and financial system. Developments in modern financial theory lead to the inference that, under certain conditions, a financial system based on Islamic principles can be more efficient than an interest-based system.

For economists and financial analysts. Based on secondary Shari'ah sources and contemporary literature. Documented.

Evaluates the success of interest-free banking by examining and comparing the performance of interest-free banking in Pakistan in terms of source and uses of funds, profitability, and rates of return on deposits and finance, in the pre-nationalized commercial banks and selected foreign banks. Banking added a buy-back feature that is considered un-Islamic.

For economists and bankers. Based on published data. Documented.

Reviews the evolution of Islamic banking and thinks that it has not achieved its real objective. The Islamic bankers have mainly aped the Western banking operations and have done little innovative work. If it goes like that Islamic banking will wither away. Suggests that Islamic banks should create a mechanism of control by depositors. The legal framework of Islamic banks should also undergo a change. It should discard the form of joint stock companies and adopt the form of partnership.

An innovative paper with many original insights. For Islamic bankers and economists. Based on author's experience as owner of a large Islamic banking chain. Undocumented.

Gives a background of judicial activism in Pakistan. Discusses the judgment given by Justice Tanzilur Rahman on riba. Concludes that this decision has created a real dilemma for the Government and has a threat for the economic system of Pakistan.
For general readers and jurists. Based on contemporary literature. Documented. 


Argues that the distinctive feature of the Islamic banks is their contribution toward social uplift of the societies and to promote justice and benevolence. Analyses the data of 9 Islamic banks which responded to the author's questionnaire and concludes that there is a strong case for inviting the attention of the Islamic banks toward their social responsibility. Proposes a framework to build this aspect of the Islamic banks.

For bankers and economists. Based on primary sources. Documented.


Proceedings of a seminar held in Jakarta, Indonesia in September 1990. Consists of three conceptual papers and four case studies. The conceptual papers deal with concept and operation of Islamic banks, practical requirements for establishing an Islamic bank, and development of financial institutions in an Islamic framework. The case studies deal with al-Baraka experience in the UK, survey of contemporary experiences of Islamic banks, Faysal Islamic bank, Bahrain and an evaluation of al-Baraka group of companies.

For economists, bankers and policy makers. Based on published literature. Documented.


Analyses reasons for failure of the program of Islamization of financial institutions in Pakistan. Argues that the whole program should be conceived in a long term scenario and modern concepts of change management should be applied to it. Proposes to create a high-powered multi-pronged Commission for Islamization of economy with a powerful organizational set up.

For policy makers. Undocumented.


Traces the history and evolution of Islamic banking in Pakistan. Discusses the failure and its causes. Draws lessons for the future strategy. Emphasizes that the effort should be comprehensive and determined.

For economists and bankers. Based on contemporary literature. Documented.


A practical handbook on Islamic banking, it explains the concepts and operations of Islamic banking from practitioners' point of view. The last part gives advice on setting up and operating an Islamic bank. The annexes give model agreements on Islamic finance
such as *mudaraba, musharaka, ijara*, etc.

For bankers and scholars of Islamic economics and finance. Based on primary sources and practical experience.


Explores the Islamic law and religious and ethical principles relating to prohibition of interest and Islamic banking. Considers analytical basis of Islamic banking and finance in the light of modern theories of financial intermediation and identifies conceptual issues to be resolved. Cites case studies of Islamic banks in Bahrain, Bangladesh, Egypt, Jordan, Malaysia, Australia, Iran, Pakistan and Sudan and defends it against unjustified criticism.

For economists, financial analysts and non-Muslim general readers. Based on primary sources and contemporary literature. Documented.

312:52 MARTIN, JEREMY, "Enhancing the Competitiveness of Islamic Banks," in Asma Siddiqi (ed.), *Anthology of Islamic Banking*, London: Islamic Institute of Banking and Insurance, 2000, pp. 111-113

Islamic banks need to enhance their competitiveness as compared to conventional banks. It would require political stability, investment in human resource development, innovation in product development, and creation of a central registry of Islamic legal opinions on banking transactions; create systems to compensate banks for delays caused by the customers in paying back the funds. Countries can change laws to enable the banks buy properties.

For bankers. Based on practical experience. Undocumented.

312:53 MEENAI, ANWAR, "Islamic Banks and Deposit Mobilization, "in Asma Siddiqi (ed.), *Anthology of Islamic Banking*, London: Islamic Institute of Banking and Insurance, 2000, pp. 259-266

The Islamic banks cannot mobilize deposits like conventional banks since they cannot ensure return of the principal nor can they guarantee a predetermined return on the principal. For financing trade and industry the Islamic banks should adopt any of the following methods: equity, *murabaha, salam, istisna* and *ijara*. They will also need changes in the macroeconomic and fiscal management of the economy by government. For financing in terms of loan, the banks will not be able to charge any interest. However, the loan should be denominated in terms of a basket of currencies.

For economists and bankers. Based on contemporary literature. Documented.


Re-examines the objections raised against *murabaha* in light of actual practice of Islamic banking in Pakistan. Thinks these objections are valid. However, the banks can overcome these objections by adopting a more careful approach, which is strictly in conformity with the *Shar’iah* as well as profitable for the banks.

For bankers. Based on practical experience of the author. Undocumented.
312:55 MEENAI, ANWAR AHMED, "Islamic Banking - Where are we Going Wrong?" NewHorizon, London, (72), Feb 1998, pp. 3-5.

Gives a critical account of the effort made in Pakistan to transform the financial system into the Islamic mould. Analyses the factors leading to failure and makes suggestions to redeem the situation.

For bankers and general readers. Based on contemporary literature. Undocumented.


Reviews briefly the progress in developing Islamic banking and discusses the prospects and challenges. To this end, the paper provides a historical overview of developments in the theory and practice of Islamic banking. This is followed by a discussion of analytical developments and financial theory. These sections provide basis for assessment of the remaining operational challenges and prospects for Islamic banking.

For economists and bankers. Based on contemporary literature. Documented.


Reviews the evolution and present status of Islamic banking and finance. Argues that in this age of global instability, Islamic finance gives a hope. However, the Islamic finance should develop its own products. For this purpose, the Muslims should set up research and development institutions to be financed by endowment funds.

For general readers and economists. Based on contemporary literature. Undocumented.


Despite the fact that the Nigerian government issued the Banks and Other Financial Institutions Decree in 1991 that gave legal recognition to the profit-loss-sharing system, and provided unprecedented support for the operations of Islamic banks, six and half years later there was no Islamic bank in Nigeria.

For general readers. Based on Nigerian law. Documented.


Islamic banking has made remarkable progress in the last quarter of a century. However, in recent years the financial services have undergone a massive transformation. As it enters the 21st century, the industry is taking a new shape which poses new challenges. The authors review some of these challenges and advance some strategic suggestions to enable the Islamic banking industry keep pace with recent developments.

For economists and bankers. Based on contemporary literature. Documented.

Discusses the question of liquidity of banks. Proposes that the Islamic banks should adopt the following formula for working out liquidity requirements: after including the maturity factors of running assets, reserve assets and investment assets but excluding those relevant to restricted mudaraba, minimum one-month liquidity level of an Islamic bank should be fifty percent of which reserve assets must comprise 30 percent. When there is stability in the system and factors that affect a financial institution's credibility, lower levels can also be supported. But in case of volatility even fifty percent may be inadequate. But the formula needs to be debated further.

For bankers. Based on practical experience of the author. Undocumented.


An elementary essay on the basic concept of Islamic banking.

For general readers. Based on contemporary literature and practice. Undocumented.


Points out inadequacies in the existing Islamic banking practice from the Shari'ah perspective. Highlights tricks of Islamic banks for concealing interest without actually changing the substance. The practices of different banks also differ from each other making the Islamic position dubious for an ordinary person. The Islamic banks have also not played any role in economic development of social sectors and agriculture or for alleviation of poverty.

For bankers and economists. Based on contemporary literature. Documented.


Critically reviews the efforts of the Government of Pakistan in eliminating interest from the economy. Concludes that the Government has not been sincere all along in this respect.

For general readers. Undocumented.


Describes the history of efforts made in Pakistan to transform the economy on interest-free basis. Enumerates Islamic modes of finance. Thinks that a gradual approach will be appropriate.

For general readers. Based on primary sources. Undocumented.


Originally a PhD dissertation completed under the supervision of Professor Andrew Hess of Boston’s Fletcher School of Law and Diplomacy, the book contains a review of Islamic banking concepts as well as experience. Argues that the existing literature on Islamic
banking does not give a detailed financial analysis of an Islamic bank in comparison with conventional banks. It concentrates mainly, on juridical rules. Gives a critical review of Islamic financial modes as being practiced by the Islamic financial institutions. Analyses extensively balance sheets of Islamic banks. Raises several new issues relating to Islamic financial law.

For economists, jurists and bankers. Based on primary sources and published accounting reports of the Islamic banks. Documented.


Argues that the dual banking system of Malaysia where the Islamic banking co-exists with the conventional impacts adversely on the performance of Islamic banks. The reason is that the conventional banks are more flexible in adjusting the rate of interest as compared to Islamic banks which cannot change their rate of mark-up that quickly.

For Islamic bankers, policy makers and economists. Based on primary sources. Documented.


Uses ratio-analysis for analyzing performance of Bank Islam Malaysia Berhad during 1984-1997. Concludes that the bank made significant progress on basis of return on assets and return on equity. The bank was no different as compared to conventional banks on these regards. However, the Islamic bank was more liquid as compared to conventional banks.

Analytical. Based on published information. For economists, accountants, bankers and financial analysts. Documented.


Based on contemporary data, argues that about 80% of the business of Islamic banks is around mark-up financing. Analyzes reasons for this. Suggests that the Islamic banks must move toward mudaraba and musharaka if they have to play the intended role.

For general readers. Based on contemporary literature. Undocumented.


*Musharaka* and *mudaraba* have not taken root in Islamic banking. One suggestion is that the Islamic banks consciously adopt the policy of setting aside a certain percentage of their funds for investment through these modes. However, this would also require training of the banking staff in various trades other than financing.
For bankers. Based on practical experience of the author. Undocumented.


Discusses development of Islamic banking in Malaysia from a legal point of view. Points out some of the deficiencies in the Malaysian law on Islamic banking. Makes proposal for amending the law.

For jurists. Based on Malaysian statutes. Undocumented.


A collection of 111 articles on various aspects of Islamic banking. Covers twelve areas as follows: concept, evolution, monetary policy, financial markets, financial products, accounting and taxation, insurance, zakah, Shari'ah supervision, research and development, reflections and future challenges. The articles are written by scholars and practitioners of repute.

A very valuable compendium of research work on the subject. For researchers, policy makers and practitioners.


Originally presented to a seminar organized by the Research Centre, al-Rajhi Banking and Investment Corporation in June 1996. Updated for the present publication.

Emphasizes the role of Islamic banks as financial intermediaries. Argues that Islamic banks' entering directly into trade, industry and agriculture, etc. is not beneficial because it means leaving the role of financial intermediation for others. Islamic banks can adopt the Islamic modes of finance such as mudaraba, murabaha, salam, istisna, and ijara on the pattern of two-tier mudaraba, without banks directly entering into the real sector. Emphasizes need for innovation by the Islamic banks for enhancing liquidity, transferring risk and generating revenue.

For economists and bankers. Based on primary sources and contemporary literature. Documented.


A general introduction to the Islamic Development Bank Jeddah. Discusses its various financing modes and the progress made. Points out various challenges with respect to complete Islamization in an un-Islamic world.

For general readers and economists. Based on published sources. Documented.


Criticizes the present state of Islamic banking in Pakistan. Considers that true modes of financing compatible with Islam are mudaraba and musharaka. Point out
inadequacies of other modes of finance being practiced by the Islamic banks. Proposes design of a model Islamic bank.

For general readers. Based on contemporary literature. Documented.


The Islamic banks exist in 54 countries but none has developed innovative products or designed schemes for the common man. Some of the Islamic banks were facing problem of excess liquidity. Recommends measures for success of Islamic banking.

For general reader. Based on contemporary literature. Documented.


Criticizes the present practice of Islamic banking because of various subterfuges which it has adopted. Proposes a model Islamic banking on ideal islamic lines.

For general readers. Based on practical experience of the author. Undocumented.


Thinks that the political will to eliminate interest from the economy in Pakistan has been weak all along. The system of banking after the so-called Islamization has become more exploitative. The Government should regulate the banks and protect the interest of savers.

For general readers. Based on published statistics. Undocumented.


Emphasizes the need for the introduction of computerized systems in Islamic banks.

For Islamic bankers. Based on the experience of the author. Undocumented.


An interview of the author. Compares Islamic banking in Pakistan and Malaysia and makes proposals for remedying the situation in Pakistan.

For general readers. Based on contemporary and primary sources. Documented.


A collection of thirteen papers of the author on various aspects of interest-free banking. Also includes author's earliest paper "interest-less banking" written in 1955.

For bankers, researchers and general readers. Based on primary sources. Documented.

Compares ethical banking with Islamic banking and draws several parallels. Cites the case of Cooperative Bank of UK as an example of ethical bank. Suggests improvements in dissemination of information, marketing and governance of Islamic banks.

For bankers and economists. Based on contemporary literature. Undocumented.


Islamic finance has become increasingly significant in financial centers in the West, notably in London, despite regulatory hurdles. It reflects demand from Muslim residents and non-resident clients for Islamic deposit facilities and fund management services which involves Shari’ah compliance. At the same time Islamic financing methods are viewed as a challenge and opportunity by industry. In client driven societies there is a willingness by those in financial services to listen and learn from the experience of Islamic banks, which in the longer run may bring a major breakthrough for Islamic banking at the retail level in the West.

Descriptive. For economist and bankers. Based on contemporary literature and reports. Documented.


Postulates that the Islamic banks can fill the gap of Islamic finance but that American Muslims' attitudes toward Islamic finance must be favorable for these ventures.

For bankers. Based on field survey. Documented.


Discusses the requirements that a conventional bank must fulfill if it wants to start Islamic banking. The requirements are: complete segregation of funds; existence of a Shari’ah supervisory board; management committed to Islamic financial concepts; safeguarding of Muslim investors' funds from negligence, trespass and fraud; and compliance with AAOIFI standards of accounting and auditing.

For practitioners. Based on experience of the author. Undocumented.


A brief introduction to Muslim Community Cooperative Australia an organization involved in Islamic housing finance on a voluntary basis.

For general readers. Based on the published reports of the organization. Documented.
313 Riba-free financial systems and financial markets


Discusses the main features of a financial instrument designed by a consulting company using the musharaka option as a mode of finance. Argues that such instruments can be developed provided there is a will.

Based on the practical experience of the author. For businessmen and bankers. Undocumented.


After giving a general introduction to Islamic financial market and financial instruments, describes evolution of Islamic banking in Malaysia. Discusses the salient features of the Islamic financial market as it exists in Malaysia.

For bankers and economists. Based on primary Shari’ah sources and published data. Documented.


Discusses conventional Islamic financial instruments and criticizes them as most of them have an element of interest. Proposes some modifications in these instruments to bring them into the fold of the Shari’ah. Also proposes some new financial instruments which the Islamic financial institutions can adopt.

For bankers and economists. Based on contemporary literature and Islamic primary sources.


Proceedings of a seminar held in Kuala Lumpur during 28 April to 5 May 1986 under the auspices of Islamic Research and Training Institute, Jeddah and the Ministry of Finance of Malaysia.

Contains six papers and five case studies. The papers relate to financial intermediation, financial instruments, capital market operations, resourcemobilization and mechanics of financial markets under Shari’ah. The cases pertain to Egypt, Sudan, Malaysia, Bangladesh and Pakistan.

Most of the papers are based on primary sources. The cases are based on published data.


The Islamic financial markets are merging but as yet there is not much progress in the
development of financial instruments and Islamic capital market. Proposes a number of new financial instruments which are compatible with the Shari'ah but about which the general perceptions are that they are not. For example, forward contracts can be framed within the framework of bai’ al-salam. Similarly, commodity-linked notes can be issued. There is a possibility of using commodity price swaps within the Islamic parameters.

For financial analysts. Based on secondary Shari’ah sources. Documented.


Examines contemporary derivative instruments and the Islamic viewpoint of the new instruments. The validity and permissibility of these instruments appears to vary by scholar. The Islamic scholars have examined derivatives within narrow confines of contractual arrangements and thereby miss the broader picture of why instruments like futures and options are needed in modern business environments. Analyzes forwards, futures and options, their unique benefits and makes a case for their need. Islamic financial instruments with derivative-like features such as bai’ al-salam and bai’ al-istijrar are also examined. Suggests mechanism to Islamize futures and options trading.

An original paper with several insights. For financial analysts and jurists. Based on primary sources. Documented.


Gives a summary review of papers presented in a conference held in Kuala Lumpur during March 10-11, 1997. While doing so makes several pertinent and interesting comments.

For Islamic bankers and economists. Undocumented.


Points toward recent and rapid development of Islamic equity products. Concludes there is a need for concerted efforts in expanding solutions to seemingly insurmountable problems that have previously hindered the innovation of equity investment.

For Islamic bankers and financiers. Based on practical experience. Undocumented.


Presents a theoretical model of an alternative fund-raising scheme for Muslim governments which are restricted by religious regulations against fixed-interest debt-financing techniques. The proposed instrument is developed using the principle of partial equilibrium theory for risk-neutral as well as risk-averse investors. Concludes on efficiency of the financial instrument proposed.
For economists. Mathematical. Based on contemporary.


Gives a brief introduction to the role of leading law firms based in London in dealing with legal issues relating to Islamic finance.

For general readers. Based on published information on law firms. Undocumented.


Reviews several legal issues relating to financing through murabaha and ijara and interest-based financing and points out the additional risks involved in Islamic financing.

For bankers and businessmen. Based on contemporary experience. Undocumented.


Examines functional and operational activities of sector. Describes contemporary modes of finance to rural sector by Islamic banks. Assesses the possibility of financing through Islamic financial instruments. Makes recommendations in the closing section.

For Islamic banks and economists. Analytical. Based on contemporary literature and primary sources. Documented.


Gives a brief introduction to equity financing in Islam and need of Islamic equity markets. Describes the development of Islamic equity market in Malaysia.

For bankers and economists. Based on practical experience of the author. Undocumented.


Presents a viable approach for designing an instrument of government finance in an Islamic economy where conventional transaction-based on an ex-ante promise of a risk-free rate of return are forbidden. Resources to finance government infrastructural and development projects can be mobilized through the issuance of national participation paper (NPP) and this instrument can also serve as an instrument of monetary management. Various conceptual issues underpinning the introduction of an instrument and methods of calculating a corresponding rate of return are discussed. In this approach has been accepted in Iran.

For financial analysts and economists. Based on secondary sources and contemporary literature. Documented.

A comprehensive introduction to Dow Jones Islamic Market Indices.

For financial analysts and general readers. Based on secondary sources. Documented.


Stresses the need for developing and publishing an acceptable index of Islamic equities around the world stock exchanges. This should be done by an existing organization with proven and widely accepted credibility.

For financiers and economists. Based on contemporary literature. Undocumented.


Gives a case study of the development of a financial instrument for raising finance for a textile industrial unit. The author had been a consultant for the development of this instrument. Argues that it is quite feasible to design such instruments which are in conformity with the *Shari'ah*, provided there is a will.

Based on the practical experience of the author. For businessmen and bankers. Undocumented.


Reviews the Islamic financial landscape in Malaysia. Describes various approaches undertaken by the Malaysian authorities for developing an Islamic banking system. Identifies issues and future directions in implementation of Islamic banking in Malaysia.

Based on practical experience and published information. Undocumented.


Introduces the concept of securitization and shows how it is an increasing mode of investment. Suggests a mechanism for adopting securitization in the framework of Islamic finance.

An original paper. For economists and bankers. Based on contemporary literature. Documented.


A general introduction to the Islamic financial system and financial markets. Highlights the present position of Islamic funds and capital markets. Spotlights the challenges being
faced by Islamic financial markets.

A good introduction for western readers. Based on contemporary literature. Documented.


Asserts that Islamic finance is emerging as a rapidly growing part of financial sector in the Islamic world. It is not restricted to Islamic countries, but is spreading wherever there is a sizeable Muslim community. Introduces Islamic modes of finance. Identifies issues and challenges and indicates future direction of Islamic finance.

For economists and bankers. Based on contemporary literature. Undocumented.


Financial innovations -securitizations and derivatives - play a vital role in global financial markets. Availability of marketable and liquidity-enhancing instruments expands opportunities for investors and financial institutions. The future of Islamic banks lies in resorting to these innovations. They must consider all options. Contrary to common belief, the Islamic financial system provides a flexible scenario to adapt to various Western financial innovations.

For bankers and economists. Based on contemporary literature. Documented.


In absence of a well-developed benchmark that would facilitate macro and micro level decision-making with regard to cost of capital and opportunity cost of investments in comparative projects of similar risk, Islamic financial institutions are relying on LIBOR for lending decisions. This is unacceptable from Islamic point of view. Proposes a benchmark based on Tobin's q theory of investment. Maintains that unlike existing benchmarks which are limited to macro-level applications only q-based benchmark would be useful for firms and banks (micro-level) as well as governments and institutions (macro-planning).

Mathematical. For economists. Based on contemporary literature. Documented.


Depicts the scenario of Islamic finance. Argues that Islamic financial rules permit new financial instruments. For this purpose, the contemporary discipline of financial engineering can be used. However, care must be taken that no compromise is made on basic principles. Gives examples of commodity swap securities that can be developed within the Islamic framework.

For financial analysts. Based on contemporary literature and secondary Islamic sources. Documented.

Introduces the concept of equity and debt in Islam. Explains the manner in which Bank Islam Malaysia (BIMB) operates. Also highlights the activities of BIMB Securities, which is a subsidiary of BIMB. Discusses salient features of some financial instruments being managed by the BIMB Securities.

For bankers and economists. Based on practical experience of the author.


Argues that the contemporary understanding of futures trading by the Shari'ah scholars and their ruling to prohibit it requires re-consideration. The futures trading does not involve riba, gambling or any other type of exploitation. The futures trading should be considered lawful. However, we should develop sufficient safeguards against excessive speculation or any other means of misuse.

For jurists. Based on primary sources. Undocumented.


Identifies the need for developing a capital market for those Islamic investors who like to have a fixed income. Proposes a number of financial instruments carrying fixed income. These instruments revolve around the concept of securitizing income from ijara, murabaha and other similar Islamic contracts. Makes several proposals for institutional development like Islamic Investment Opportunities Information Centre, Islamic Corporate Trust, Islamic Entrepreneurs and Capital Development Centre, Research and Training Centre, etc.

For economists and bankers. based on primary sources. Documented.


Critically reviews operations of futures market in the contemporary Western world. Points out that the Islamic contracts of bai’ salam, bai’istisna’ and bai’ju’ala have the potential to accommodate development of an Islamic futures market. Proposes a mechanism to develop such a market and argues that it will be free from the shortcomings of the Western style futures market.

For financial experts. Based on primary sources and contemporary literature. Documented.


Argues for a special need to redesign some Islamic financing products to accommodate
securitization. The IFIs should be able to offer total solutions through financial packaging of their products tailored to the needs of customers. The products should not only be meant for Muslims but equally attractive to all business community. The world-wide deregulation and privatization has opened up new opportunities for cross-border financing and IFIs can play an active role. The IFIs should reappraise themselves in light of prevailing market to exploit the available opportunities. Contains five case studies also.

For bankers. Based on practical experience of the author. Documented.


A gives a general description of various Islamic financing techniques adopted by the financial institutions. Summarizes their practical application and procedures.

For students and practitioners. based on secondary sources. Undocumented.


Discusses main features of a new financial instrument introduced by the Muslim Commercial Bank of Pakistan. It is a contract which involves financing by the bank over an extended period for procurement of goods and supplies. The re-sale price of the goods is not fixed beforehand. Instead, it is determined in light of market price over the period of contract. The final settlement price is taken as average of market prices during the contract subject to the condition that both the bank and the client will have the option to opt for a pre-determined price if the market price exceeds a lower or an upper limit. In case of a party exercising the option, the opted price will become basis of resale and calculation of profit. Also discusses the factors which will determine the behavior of the two parties.

A highly useful paper. For economists and bankers. Based on contemporary literature. Undocumented.


Islamic banks and financial institutions are exposed to various forms of risks. However, unlike conventional banks, they can pass on risk to their depositors, namely, the holders of unrestricted investment accounts. Like capital, unrestricted investment accounts can absorb potential losses on assets of Islamic banks. This is a unique feature of Islamic banks. Hence, there is a strong case for inclusion of unrestricted investment accounts in capital adequacy measures. These measures computed for Islamic financial institutions are, in general, found to be extremely high, much higher than the minimum required as per Basle Committee norms. The robustness of Islamic financial institutions further improves as they do not indulge in speculative transactions, like investment in options and derivatives.

For economists and bankers. Based on contemporary literature. Documented.

Attempts to undertake an Islamic assessment of financial contracting in global currency markets. Examines some basic currency-related contracts in the mainstream finance in light of Islamic norms. Highlights views of some Islamic scholars on various conventional as well as Shari'ah-based contractual mechanisms. In cases where there is some degree of divergence of views, the study examines the nature and sources of disagreement as also implications and economic significance of the arguments. In view of the overwhelming importance of currency risk management in volatile markets, the study undertakes an assessment of the various financial contracts as risk management tools.

For financial analysts and economists. Based on primary sources. Documented.


Examines some of the mutual funds and securities floated in India which appear to have an Islamic character. Concludes that none of the investment products is fully in line with the Shari'ah. However, some of them have features which are acceptable to Shari'ah and nearer to what Islamic finance will prescribe.

For general readers. Based on the Indian law and practice. Documented.


Discusses technical details of the process of securitization for developing Islamic financial instruments.

For bankers and investment brokers firms. Based on contemporary literature. Undocumented.


Provides a critical overview of Islamic debt securities in Malaysia and ways to make them more attractive to global Islamic funds. Attempts to design an Islamic convertible bond. Explains strengths and advantages of the proposed bonds.

For bankers and investment brokers firms. Based on contemporary literature. Documented.


Financial contracts involving use of bai' al-inah and bai' al-dayn have been extensively used in design of Malaysian Islamic bonds. Argues that both these mechanisms have been found unacceptable by the majority of Islamic scholars and proposes the use of financing based on muqarada and musharaka principles as genuine alternatives to interest-bearing financial instruments.
For financial analysts and economists. Based on contemporary literature. Documented.
Addresses the question of mismatch of maturities faced by the Islamic financial institutions. They do not have assets for very short periods such as one day, one week or one month. Perforce, they have to face the problem of liquidity surplus. Makes a number of suggestions for handling the problem.

For practitioners. Based on the practical experience of the author. Undocumented.
Discusses salient features of a financial instrument developed by a firm of chartered accountants for the author's company for raising finance on basis of Shari’ah-approved mechanism.
Based on practical experience of the author. For businessmen and bankers. Undocumented.
Argues that the Islamic banks must de-link themselves from such benchmarks as LIBOR and develop their own benchmark, based on an interest-free framework.
For bankers. Undocumented.
A comprehensive report on the Islamic financial system. Covers Islamic banking, government transactions, central banking, money market, and legal aspects of the Islamic financial system. Propose a number of new Islamic financial instruments. Introduces an innovative definition of riba. Consider difference between cash and credit prices as legitimate. Also, allow discounting bills of exchange and forward trading of foreign exchange. Make a comprehensive statement for practical implementation of the system. Propose a time frame-frame but do not agree with gradualism.
For economists, bankers financial analysts and policy makers. Based on primary sources. Documented.
Argues that in absence of any other benchmark, Islamic banks can use LIBOR as an acceptable benchmark for their transactions in murabaha.
For bankers. Undocumented.

Argues that the sales contract involving forward or future sales, options contracts and swaps are unlawful. The investment should be based on equity and dividend should be based on actual results of the business. Predetermined rate of dividend is unlawful.

For general readers. Based on primary sources. Undocumented.


Gives juridical opinion on various forms of financial contracts such as sale and purchase of company shares, swaps, options, futures and direct investment in equities.

For general readers and jurists. Based on primary sources. Undocumented.


Discusses the law of Islamic finance as in the primary sources and as practiced by the Islamic financial institutions. The subjects covered are riba, law of contract, mudaraba, murabaha, musharaka, ijara, salam, and istisna'. Applies the theory of modern finance to the Islamic law. Highlights the problems that the Islamic law has yet to resolve if it has to provide a well-functioning basis for Islamic financial institutions in the present day world. Of special significance are problems relating to forwards, futures, options, swaps and various derivatives. Make highly valuable suggestions for innovative financial re-engineering.

An analytical source book. For economists, financial analysts, and jurists. Based on primary sources. Documented.


Based on practical experience of fund management in Jeddah and London, discusses the fund management in the Shari'ah framework. There are two approaches to fund management: (i) how to screen equity investments in stock markets throughout the world to identify companies which are potentially acceptable to Islamic investors; (ii) stresses the importance of investing in emerging stock markets of Muslim countries, even where companies themselves are not necessarily specifically run in accordance with the Shari'ah. In both cases, a degree of compromise and pragmatism is involved as none represents an ideal Islamic solution. The paper reviews both approaches in the light of experience in Europe and Gulf.

For bankers and fund managers. Based on published information. Documented.
314 Riba-free stock exchange and commodity exchange


The hadith sources on the legitimacy or illegitimacy of bai’ al-urbun are confusing and unreliable. On rational basis, the realities of market place compel us to accept it as a reasonable form of transaction. Examines the role of bai’ al-urbun in murabaha, salam and istisna. Based on this discussion, examines the application of bai’ al-urbun in relation to options purchase and sale. Concludes that bai’ al-urbun can be used a valid form of transaction in both a call option as well as put option.

A stimulating paper. For economists and financial analysts. Based on primary sources. Documented.


After a general description of the main features of capital and stock markets takes up the analysis of the so-called 'Islamic' securities introduced recently in Malaysia. Concludes that these securities contain elements of interest and cannot be termed as 'Islamic'.

For economists. Based on contemporary literature. Documented.


Insider trading leads to destabilization. Besides legal and economic implications, Shari’ah also condemns such behavior on basis of various ethical rules.

For general readers. Based on primary sources. Documented.


Discusses normative rules governing exchange in an Islamic stock market and evaluates free market capitalist economy model from an Islamic perspective. Concludes that efficiency in financial markets cannot be ensured by leaving it free and unregulated. It is necessary to reinforce the Islamic rules. Indicates some regulatory measures from the Islamic point of view.

For economists. Based on primary sources and contemporary literature. Documented.


Debt creation by deferring payment on sales is a predominant form of financing, and is allowed by the Shari’ah. However, sale of debts through conventional procedures is prohibited in Islamic finance. Explores Islamic quasi equity (debt) instruments and argues that such instruments can empower the Islamic financial system to manage important risks and enhance the provision of long-term funds. The premises discussed are based
on sale of debts against real assets, which facilitates embedded options and convertible Islamic financial instruments.

For Islamic bankers and financial analysts. Based on contemporary literature and primary sources of Islamic finance.


Describes functioning of the Karachi Stock Exchange. Refers to the Term Finance Certificates and leasing instruments on the Karachi Stock Exchange.

For general readers. Undocumented.


Studies the nature and characteristics of various securities in light of the Shari'ah. Argues that the framework of Islamic securities market can be developed on basis of mudaraba, musharaka, and murabaha concepts. Proposes a set of financial instruments in the Shari'ah framework. Highlights some of the nagging and unsolved issues in the area. Closes with a set of suggestions for policy makers.

For economists, financiers and policy makers. Based on secondary sources. Documented.


Identifies the norms of Islamic ethics generally applicable to financial contracts and undertakes an assessment of various option-based financial contracts that are created and transacted in the conventional markets in light of these norms. Examines the notion of options (khiyar) forming part of the theory of contracting in Islamic jurisprudence and discusses possibility of designing financial instruments incorporating such options. Discusses some real life examples of options in use by Islamic financial institutions.

For financial experts, bankers and jurists. Based on primary sources. Undocumented.


In exchange of currencies, if one side defers payment, it would involve riba only in the following situations: when gold or silver function as thaman; when exchange involves paper currency belonging to the same country; when the exchange involves currencies of different countries following a fixed exchange rate system. In case the exchange rate is fluctuating, deferring one currency would not involve riba, as the fluctuation in the exchange rate introduces an element of risk that takes the transaction from out of the genus of riba. If both the currencies are deferred to a future date, it could involve gharar. However, Islamic scholars need to devise a system to hedge against the risk due to
fluctuation in the exchange rates.
Based on primary sources of Islam as well contemporary theory of finance. For economists. Undocumented.

Discusses the factors responsible for efficiency of stock exchange. Also recognizes positive role of speculation but emphasizes need for controlling it. Gives several suggestions to discourage unwholesome speculation in a stock exchange.
For economists and financiers. Based on contemporary literature. Undocumented.

Discusses legality of options on the stock exchange. Considers that some forms of options are legal and some others can be made legal with slight modifications. Points out the un-Islamic features of some of the options contracts.
For economists and financiers. Based on primary sources. Documented.

Investigates into the permissibility of conventional options in light of various fiqh issues. Concludes that options as independent contracts may not be suitable forms of hedging risk as they are not compatible with the Shari’ah. The problem of managing risk can be tackled by designing instruments in the Islamic framework of khyiar shart. Shows how a specific instrument can be designed by combining khyiar shart with bai’ al-istijrar.
For economists and financial analysts. Based on primary sources. Documented.

Examines the Islamicity of speculation on stock exchange. Suggests how we can establish an alternative for speculative transactions.
For economists. Based on primary sources and contemporary literature. Documented.

Provides the question: Are the Muslims allowed to participate in stock market transactions which everywhere these days? If not, what is the alternative Islam offers? Arguments that speculation is akin to gambling and hence not permitted in Islam. The Muslims must invest the money through stock market but should not gamble. The government should regulate the stock market in such a manner that it becomes impossible to speculate.
For economists and financiers. Based on primary sources of Islam. Documented.

Reviews Kotby's book. Concludes that Kotby's position on the permissibility of forward and futures is doubtful from Islamic point of view. Also considers that the options trading is not permissible from the Islamic point of view.

An original paper. Based on primary sources. Documented.


Develops a framework for analyzing gharar based on economic aspects of game. The framework is consistent with Shari'ah maxims as well as individual gharar transactions widely studies in classical fiqh resources. In addition, the framework brings insights into explaining different fiqhi positions on controversial gharar contracts. When extended to contemporary practices, the measure helps in understanding logic of instrument design, where violation of Islamic rules exactly lies. Argues that the modern contracts of insurance, forward trading, options sale are not in conformity with Islamic law. However, supports bai’ al-arbun and revenue sharing rather profit-sharing in bank financing. The Islamic law on gharar leads to a more stable and consistent economy.

For economists, jurists and financial analysts. Based on primary sources and contemporary financial and fame theory. Documented.


Incisive comments on Sami Suwailem's paper published in the same issue. Thinks that the author's conclusion about insurance is not correct. Digresses into a few highly insightful observations relating risk and compensation of risk.

For jurists and economists. Based on contemporary economic theory and primary sources of Islamic law. Documented.

315 Riba-free financial intermediaries and investment banks


Emphasizes the need for innovating new financial products in Islamic banking. Argues this is possible if the right type of environment is created.

For bankers. Based on practical experience of the author. Undocumented.


Gives a summary of the recent initiatives taken by the Jeddah for promoting Islamic banking and its related institutions.
For general readers. Based on author's experience. Undocumented.

315:3 KNIGHT, W. DONALD, "Islamic Investment in the US", in Asma Siddiqi (ed.), *Anthology of Islamic Banking*, London: Islamic Institute of Banking and Insurance, 2000, pp. 536-543

Discusses the tax law of the US with reference of investment and highlights its implications for Islamic investment. Suggests how non-resident US investors can structure their financial instruments to minimize the tax bite.

For bankers, tax consultants and investors. Based on practical experience. Undocumented.


A brief description on incorporation and performance of Islamic banks' Portfolio scheme launched by the Islamic Development Bank Jeddah. The data is up to year 1418 AH.

For general readers. Based on published reports. Documented.


Discusses the state of Islamic investment products. A brief description of the role of HSBC in the UK is followed by discussion of manzil scheme of United Bank of Kuwait. There is brief description of various Islamic investment funds based in the UK.

For general readers and Islamic bankers. Based on practical information. Undocumented.

316 **Riba-free credit to business and consumers, etc. (including mortgages)**

316:1 ABDALLAH, AHMAED ALI, "Forms of Investment in Real Estates in Islamic Perspective" in Mahdi, Mahmoud Ahmad (ed), *Islamic Banking Modes for Building Financing*, Jeddah: Islamic Research and Training Institute, 1995, pp.43-54

Presented to a workshop on housing finance held at Khartoum during 27-29 October 1991 by Islamic Research and Training Institute and the Sudanese Estate Bank. Explains how various forms of Islamic finance can be used to finance house building. Thinks that in case of rent-sharing the value of the property which is considered the basis of rent-sharing should also be determined by the market. This value should not be the book value of the shares of the bank and customer.

For bankers and Muslim economists. Based on primary sources and practical experience of the author. Documented.


Presented to a workshop on housing finance held at Khartoum during 27-29 October 1991 by Islamic Research and Training Institute and the Sudanese Estate Bank. Explains with practical examples the methods of housing finance followed by three financial
institutions of India: Bait-un Nasr Urban Cooperative Society, Bombay; al-Ameen Islamic Financing and Investment Corporation, Bangalore; and All-India Council of Muslims' Economic Upliftment, Bombay.

For bankers and Muslim economists. Based on practical experience and published documents. Documented.


Explains the special nature and profitability of microenterprises. Discusses various modes of Islamic finance. Argues that microenterprises could be easily financed through these modes. Proposes establishing Microenterprise Development Bank. Thinks that cooperative societies can play an active role in this area.

For Muslim economists. Based on contemporary literature. Documented.


Lays down the main axioms that govern the consumer credit in an Islamic framework. Discusses economic implications of each one of them and derives the demand function for consumer credit using the *murabaha* mode of financing. Shows that this demand function depends explicitly on the *murabaha* rate, on the income structure size, and on the above axioms which are embodied in the first partial derivatives of the utility function of the consumer. Builds a simple econometric model that can be used to estimate the demand for consumer credit in an Islamic setting.

Mathematical. For economists. based on contemporary literature. Documented.


Presented to a workshop on housing finance held at Khartoum during 27-29 October 1991 by Islamic Research and Training Institute and the Sudanese estate Bank. Explains the mechanics of housing certificates issued by a governmental body called Mass Housing and Public Partnership Administration.

For policy makers and bankers. Based on practical experience. Undocumented.


Proceedings of a workshop organized in Khartoum (Sudan) during 27-29 October 1991 by the Islamic Research and training Institute of the Islamic Development Bank Jeddah and the Sudanese Estate Bank Sudan. Contains three theoretical papers and eight case studies. The theoretical papers discuss the economic and *fiqhi* aspects of various modes of house building finance. The case studies explain how various financial institutions practice house building financing.
For bankers and Muslim economists. Based on primary sources and published data. Documented.


Presented to a workshop on housing finance held in Khartoum during 27-29 October 1991 by Islamic Research and Training Institute, and the Sudanese Estate Bank. Explains the practice of housing finance by the Islamic Cooperative Housing Corporation Canada. The practice is based on rent-sharing. Explains the method with examples.

For bankers and Muslim economists. Based on practical experience and published data. Documented.

316:8 SALAMA, ABDIN A., "Housing Finance In Islamic Countries" in Mahdi, Mahmoud Ahmad (ed.), Islamic Banking Modes for Building Financing, Jeddah: Islamic Research and Training Institute, 1995, pp.27-36

Presented to a Workshop on housing finance held at Khartoum during 27-29 October 1991 by Islamic Research and Training Institute and Sudanese Estate Bank. Discusses Islamic methods of financing for house building such as murabaha, bai' istisna', and decreasing partnership. Also discusses the problems relating to registration fee, and housing certificates being used in Turkey. Recommends the use of these certificates.

For bankers and Muslim economists. Based on primary sources. Documented.


For bankers and Muslim economists. Based on practical experience. Documented.


Presented to a workshop on housing finance held at Khartoum during 27-29 October 1991 by Islamic Research and Training Institute, and the Sudanese Estate Bank. Explains how various modes of Islamic finance can be used for house building. Discusses the question of pledge in great detail and also how various segments of the contract should be handled from a legal perspective.

For jurists and Islamic bankers. Based on primary sources. Documented.


80
Presented to a workshop on housing finance held at Khartoum during 27-29 October 1991 by Islamic Research and Training Institute and the Sudanese Estate Bank. Based on data for 1987-1990, explains the housing finance operations of the bank. Attaches various forms for agreements to illustrate the nature of contracts with the customers.

For bankers. Based on practical experience and published data. Documented.

**317 Riba-free central banking and monetary policy**


Text of the criteria issued by the State Bank of Pakistan for issuing a license to a private bank for doing Islamic banking business in Pakistan.

Legal source document. For bankers and investors.


Report of the seminar organized by Islamic Institute of Banking and Insurance, London on *Regulatory Issues Relating to Islamic Banks*. The UK regulator explained the requirements for Islamic banks. Other participants discussed what had been achieved and what was in the process.

For Islamic bankers. Based on practical experience. Undocumented.


Discusses from theoretical angle the question of regulation of Islamic banks by the central banks in the absence of interest. Gives practice of central banks in relation to Islamic banks in various scenarios. For example, how central banks regulate Islamic banks where they operate in competition with conventional banks? The other scenario is where the whole financial system is under transformation like Pakistan and Iran.

For economists and bankers. Based on published literature. Documented.


Formulates in the context of Islamic economy a practical model in which monetary management could be practiced in the absence of interest rate. Carries out a simulation exercise of money creation for Pakistan by applying the said model to the existing data.


Deals with the structure and operation of an Islamic stock exchange. Though speculation is often blamed for the volatility of share prices, the paper contends that a reasonable
degree of speculation is still required in an Islamic stock exchange. To regulate speculation in an Islamic stock exchange, several methods have been suggested. Regarding price mechanism, argues that the price fixation should be avoided. Also discusses organizational structure of an Islamic stock exchange and code of conduct appropriate to it.

Analytical. Based on contemporary literature. Documented.


Lists the regulatory requirements of German law for Islamic investment funds. The requirements pertain to selection procedure for securities, fund management, role of Shari'ah supervisory board, and marketing of the fund.

For fund managers. based on the German law. Undocumented.


Discusses instruments of monetary control in a market-oriented Islamic financial system, highlighting relative advantages of indirect instruments. Proposes equity-based government securities with rates of return based on budgetary surplus. Such rates are imbedded in the concept of social rate of return and are consistent with Qur'anic prohibition against the payment nd receipt of interest. Discusses the use of such securities in indirect method of control, thereby enhancing the role of price signal and improving market incentives in the development of Islamic financial system. Concludes that in the transition to the Islamization of banking and financial sectors, the indirect instruments can improve economic efficiency with parallel reform in these sectors as well as concomitant actions.

Analytical. For economists and bankers. Based on contemporary literature. Documented.


Discusses various concerns that a regulator of financial services has about Islamic banks in the UK. These concerns are about credit risk, liquidity risk, market risk, solvency risk and operational risks. Explains how these concerns are applicable to Islamic banks.

For Islamic bankers. Based on the legal and regulatory requirements of the UK.


Highlights the need for regulating the Islamic banks. The regulation should besides other things, some protection to the investment account holders. A concrete suggestion is to create a separate class of capital for unrestricted investment account holders and give them limited voting rights in respect of some affairs so that they are able to protect their interest.

For bankers and jurists. Based on practical experience of the author. Undocumented.

Analyzes the recent East Asian crisis and identifies monetary factors responsible for it. Thinks proper monetary management by central banks could avoid this crisis. But this solution is not specific to the Islamic system. However, the Islamic system because of its regulations against speculation and moral filter could forestall such crisis in the first place.

For economists. Based on primary and secondary sources. Documented.


Discusses the possibility of establishing an Islamic stock exchange. Reviews various problems and issues relating to it, e.g., short selling, margin trading, options trading, warrants sales, control of speculation through price limits or forfeiture of short-term profits.

For economists and stock market players. Based on contemporary Islamic literature. Undocumented.


Enumerates regulatory issues relating to Islamic finance in the legal framework of the United States.

For bankers. Based on practical experience. Undocumented.


With the elimination of interest the central banks would play the following role: (1) Active participation in the preparation of development plan; (2) Set priorities of investment for Islamic banks; (3) Set profit-sharing ratios; (4) Determine risks for different sectors; (5) Inspect Islamic banks; (5) Gradually reduce the statutory reserve ratio to zero.

For economists. Based on contemporary literature. Undocumented.


Discusses the nature of money and how does the introduction of interest-based system disturbs the essential function of money and causes economic instability. Asserts that a profit-loss sharing system leads to higher level of investment and consumption and thus provides for greater economic stability. The interest-free central bank shall auction money supply on the basis of profit sharing with competing banks. The sovereign profit share replaces the discount rate in regulating money supply. Some alternative forms of re-discounting and open market operations are suggested.
318 Elimination of *riba* from monetary policy


The government can mobilize funds by commercializing its activities, obtaining infrastructure-related assets on *ijara*, procuring goods on the basis of mark-up. It would require developing suitable institutional arrangements for adopting these means. However, in the interim period, it can adopt indexation or providing some compensation as a gift to those who lend money to the government on interest-free basis.

For economists and policy-makers. Based on primary sources.

**320 Domestic Fiscal Policy and Public Finance**

321 The *zakah* law


For general readers. Documented.


Surveys the literature on *zakah* relating to economics of *zakah*, legal issues such as *nisab*, rates, *tamlik*, and administration of *zakah*. A good summary of the literature.

For Muslim economists and jurists. Based on contemporary literature. Documented.

322 Economic role of *zakah*


Gives a brief overview of the law of *zakah*. Discusses its role in alleviation of poverty. Cites the case studies of Pakistan, the Sudan, Yemen, and Egypt. Concludes that the role of *zakah* in alleviating poverty in these countries had been only marginal.

For economists and general readers. Based on contemporary literature. Documented.


Based on a field survey of a *tehsil* in Pakistan, summarizes the response of the *zakah* beneficiaries. Concludes that the *zakah* beneficiaries have been only marginally satisfied with the *zakah* assistance.

For economists. Documented.

Introduces the Islamic concept of resource allocation and brings out the importance of X-efficiency aspects of such modes of resource allocation in welfare models. Develops a cost-benefit model of an empirical analysis of the costs and benefits of zakah-financed training program. Shows the welfare effect of zakah. Estimates a multiplier relation of income and zakah and demonstrates the more general relation between zakah, income and employment.

For economists. Uses mathematics and diagrams. Based on contemporary economic literature and primary sources of Islam.


Argues that the proceeds from zakah in the present day economy cannot be sufficient to meet needs of a modern day state for alleviating poverty. It would require supplement from other sources such as more taxes, infaq and waqf. Supports the main conclusion with data from several countries.

For economists and policy makers. Based on primary sources. Documented.


Presents an economic view of fiqh opinions on zakah and shows that some of them may not be consistent with social and economic justice. Argues that the majority of fiqh opinions of zakah do not take the principle of justice into consideration. The majority of wealthy people in any contemporary Muslim society are virtually exempt from zakah while the poor agricultural population is charged at a greater rate. Identifies some flaws in today's ijtehad and calls upon the role of specialized scholars in reconsidering this issue.

For economists and jurists. Based on primary sources. Documented.


A compendium of fifteen papers (seven in Arabic) on various aspects of economics of zakah. Individual papers have been annotated in earlier volumes of this bibliography. The subjects covered are: zakah and economic aggregates, zakah in macro models of Islamic economy; socio-economic role of zakah and zakah and taxation.

For students and researchers. Most of the papers are based on primary sources of Shari'ah and contemporary economic literature. Documented.


Gives background of the zakah law in Pakistan. Moves on to zakah distribution and its
effect on poverty alleviation in Pakistan. Uses Household Income Survey Data published by the Bureau of Statistics, Government of Pakistan in 1990-91. Concludes that zakah has affected the income levels of over 1.73 million people. But since the size of population suffering from poverty is very large and the assistance provided by zakah is inadequate, the society as a whole has not been able to alleviate poverty. Gives a number of suggestions. Provides a comprehensive bibliography.

For economists. Based on published data and primary sources of Islam. Uses tables and diagrams. Documented.


Based on household income surveys by the Federal Statistical Bureau, Government of Pakistan, determines the extent of poverty in Pakistan. Estimates the role being played by zakah and ushr in alleviating poverty in Pakistan. Concludes that the role is only marginal at present.

For economists and students of islamic economics. Based on published data. Documented.

323 Zakah as a fiscal tool


Discusses the issue of zakah and obligatory transfers in the Muslim economy. It is a first ever institution in human history for obligatory transfer of income and wealth from the rich to the poor. Zakah is a fiscal tool of the Islamic economy.

For economists and general readers. Based on primary sources. Documented.


Studies the potential direct and indirect effects of zakah implementation on the budget. Takes Pakistan as a case study. Concludes that there is a potential direct substitution effect of zakah in replacing certain items of the government budget that corresponds to the eight recipients of zakah. Hence the amount of zakah proceeds spent on them must reduce an equivalent amount in the budget, thus making it possible to release budgetary revenues for the social needs. Also there are potential indirect effects of zakah implementation on productivity and the ability to be taxed, on aggregate consumption and investment, on employment, and on the amenability of zakah to be a tool of government economic policy.


A simple description of the system of zakah. Argues that all capital including machinery is
subject to zakah. Similarly, the lands of Pakistan are kharaji lands and the government should levy kharaj on them.

For general readers. Based on primary sources. Documented.


A comprehensive essay on the role of zakah in public maintenance and alleviation of poverty.

For jurists and Islamic scholars. Based on primary sources. Documented.

324 Other sources of revenue including `ushr, fai' ghanima, khums, and kharaj


Defines the terms ushr, fai', ghanima, jizya and kharaj in the light of primary sources of Islam. Uses historical evidence to illustrate his conclusions.

For Muslim economists and jurists. Based on primary sources. Documented.

325 State and local government finance including bait al-mal


Discusses the principles of public borrowing from Islamic perspective. Discusses various possible financial instruments involving sale, ijara, mudaraba, musharaka and debt for mobilizing resources, should an Islamic state face budget deficit. Contains several original ideas for meeting the challenge.

For economists and state policy makers. Based on primary sources. Documented.

326 Zakah administration


Observes that the organization of zakah at state level has not been successful in Bangladesh because of lack of people's trust in the government. Therefore, zakah should be organized at private level. The communities should organize it around a central mosque. The management should be from the local community and funds collected should be spent in the same community.

Based on primary sources and published data. For policy makers, economists and community workers. Documented.

It is a compendium of ten papers on the role of Islamic voluntary sector in Southeast Asian economies. Besides an introductory chapter by the editor and a theoretical paper by Nejatullah Siddiqi, rest of the papers are case studies relating to zakah and waqf in Indonesia, Malaysia, Thailand, Singapore, and the Philippines.

Analytical and informative. For Muslim economists and NGOs. Based on published data. Documented.


Proceedings of *Third Zakah Conference* held in Kuala Lumpur, Malaysia during 14-17 May 1990, organized jointly by Islamic Centre of Malaysia, *Zakah* and Income Tax Department of Saudi Arabia, The Zakah House of Kuwait, International Shari‘ah Board of Kuwait and Islamic Research and Training Institute, Jeddah. It has seven papers and seven case studies. Most of the papers deal with *zakah* administration.

For policy makers and administrators. Most of the papers are based on published sources.


Discusses administrative problems in implementing the system of *zakah* in a contemporary Muslim society.

For general readers. Based on primary sources. Documented.


Reviews *zakah* management practices of Pakistan, Kuwait, Jordan and Egypt. Identifies, the problems and challenges and suggests solution for *zakah* administration in the present age.

For managers and policy makers. Based on primary sources and published data. Documented.


A comprehensive paper on *zakah* collected and disbursed in various Muslim countries. Analyses the impact of *zakah* distribution in various countries in alleviating poverty. Concludes that inter-country transfers are a must to help some of the extremely poor countries as local *zakah* of these countries cannot suffice.

Based on published statistics. For economists. Documented.


There is a need to reconsider the coverage of *zakah* and levels of wealth that oblige the
owner to pay zakah with a view to ensuring equity among zakah payers. The author suggests an administrative setup for collecting and distributing zakah which is low cost, and simple and allows a major role in zakah administration to local communities. Finally, the author presents simulated results of the distributive effects of zakah for two economies one very poor and the other relatively rich extracting his data from published sources. This shows a way to planners and policy makers in the Muslim countries.

Based on primary sources and on temporary published data. For economists and policy makers. Documented.

327 Waqf


Gives a brief history of waqf in India. Provides a detailed description of the waqf law in India. Discusses administration of main waqf properties in various states and provinces of India. Makes a comprehensive set of recommendations for improving the waqf administration in India.

For administrators of waqf properties. Based on legal and administrative documents. Documented.


Argues that there is need to develop cash awqaf with modern management practices. These awqaf should be able to invest their funds in profitable Shari‘ah-compliant projects. The profits earned could be applied to meet the management expenses, maintenance of assets and distribution among the intended beneficiaries.

For policy makers and administrators. Based on primary sources. Documented.


Traces evolution and history of cash waqfs during the Ottoman empire. Argues that the institution can become a basis for Islamic banking. A mechanism of triple mudaraba should be introduced. At the first level, various persons who want to devote their funds for cash waqf should join hands to pool resources and found a cash waqf fund. The fund should be treated as a mudarib. The fund could then provide its capital to Islamic banks on long term basis, enabling the banks to provide finance for longer periods. The Islamic banks can then act as mudarib for the fund but rabb al-mal for the mudaraba companies. The mudaraba companies can then act as rabb al-mal for entrepreneurs at the third level. The mechanism solves the problem of mismatch of maturities which the present Islamic banks face.

For economists and bankers. Based on primary sources. Documented.

327:4 HENNIGAN, PETER CHARLES, The Birth of a Legal Institution: The Formation of

A systematic analysis of of Hilal al-Ray's Ahkam al-Waqf (d. 245(AH) and al-Khassaf's Ahkam al-Awqaf (d. 261AH).

For jurists. Based on primary sources. Documented.


Argues that in the present day we need to plan creation of waqfs where people could place funds for long-term and short-term. Special waqf certificates may be created for this purpose. Studies waqf institutions of Bangladesh and makes recommendations for restructuring them.

For policy makers. Based on primary sources. Documented.

328 Islamic system of taxation


Develops a case for introducing expenditure tax in Muslim countries. Thinks that the tax would be in line with overall Shari'ah framework, besides having a number of merits on economic grounds.

For economists. Based on primary sources and contemporary literature. Documented.


Provides a preliminary demonstration of salient features of zakah mainly as an in-kind tax. Draws attention to certain optimal properties of zakah on agricultural products, agricultural land and livestock. Starting from a fundamental juristic background, the paper addresses the relevant issues of tax incidence and welfare cost for zakah in comparison with property tax, payroll tax and profit tax. Also examines impact on government revenues as well as some elements of a good tax, involving comparison with Western experience.

For economists. Based on primary sources and contemporary economic thought. Documented.

330 Insurance in Islamic Framework

331 Critique of modern insurance theory and practice

Argues that the present day concept of insurable interest is not valid from the Shari'ah point of view. A person can have insurable interest only in his own property or life. In case of death, his insurance money would be distributed according to the Shari'ah law. However, if a person likes to buy an insurance policy for others it can be by way of sadaqa, hiba or wasiya. It will not create any insurable interest for him.

For jurists. Based on primary sources. Partially documented.


Both insurance under common law and takaful under the Islamic law share the common goal of providing a reasonable financial security against unpredicted catastrophe. However, there are some aspects of practical mechanisms whereby both systems stand on their own platforms. The paper compares both these platforms.

For economists, jurists, and policy makers. Based on primary sources and contemporary literature. Documented.


Reviews the article of Masum Billah (JIBF, 14:2, April 1997). Criticizes the writer for creating confusion between Islamic takaful and present insurance. Supports the former and rejects the latter.

For Muslim economists. Based on primary sources. Documented.


Gives a brief description of the business of insurance as developed in the West. Argues that the present system of insurance suffers from two defects: it has an element of riba. It involves gambling. If the present day business is modified to remove these two elements, the insurance can become Islamic. Suggests some sort of mutual insurance.

For general readers. Based on primary sources of the Shari'ah.

332 Concept of insurance in Islamic framework


Presents classical view about insurance, which argues that the present practice is un-Islamic. Suggests modifications for bringing the practice closer to Islam.

For general readers. Based on secondary sources. Documented.


Gives a brief introduction about insurance and takaful. Argues that the concept of insurance is compatible with the Shari'ah. However, it differs from takaful, which has an
Based on personal experience of the author. Undocumented.


Reviews the growth and evolution of modern insurance. Concludes that the concept and philosophy of insurance, including life insurance is compatible with Islam. Quotes opinions of several leading jurists in his support. Also points out the dissenting opinion and gives his comments on that opinion. However, makes suggestions to bring practice of contemporary insurance in conformity with the Shari’ah.

For jurists. Based on primary sources. Documented.


Provisions relating to quantum of damages against bodily injuries or accidental death under the law are more comprehensive when compared to the common law principles. Under the common law, compensation is decided on the extent of loss of future earnings, which may be unfair to the party liable as it is given on the basis of status, position, age or sex of the victim. The notion of compensation is dominated by an unlimited luxurious gain, rather than a reasonable and equitable indemnity against pain and suffering. Under the Islamic law compensation is not related to loss of future earnings. Instead, it is based on the principles of al-diyah and al-daman. Takaful can adopt the Islamic principles as it is more comprehensive and is free from uncertainty.

For jurists. Based on primary sources. Documented.


Explains the concept of family takaful. Compares it with contemporary life insurance. Defends the family takaful and refutes the fatwas against it and justifies it on the criteria of the Shari’ah.

For jurists and practicing insurance players. Based on primary sources. Documented.


For jurists. Based on primary sources. Documented.


Examines legal principles applicable to takaful and conventional insurance contract. Uses
the Malaysian laws as point of reference. Concludes that the two contracts are similar so far as their objectives are concerned but differ in practice. Highlights the differences.

For economists and insurance specialists. Based on primary sources. Documented.


Argues that the principle of Islamic *takaful* is as follows: From out of the insurance policy money of the Muslim deceased, debt shall be settled first, then funeral expenses, then any will to the extent of one-third of the whole property and the left over shall be distributed among the *Shari’ah*-recognized heirs.

For jurists. Based on primary sources. Documented.


Presents a model of life insurance and argues that it is in conformity with the *Shari’ah*. Criticizes a recent fatwa of Sheikh al- Azhar declaring insurance as against the *Shari’ah*. Thinks that with suitable modifications the present concept of life insurance can be made to conform to the *Shari’ah*.


Develops an Islamic model of life insurance based on the concept of mutual insurance. Shows how it is different from the conventional insurance. Disagrees with those who condemn insurance as un-Islamic as a concept. However, agrees with them that the conventional insurance practice is not line with the Islamic framework.

For jurists. Based on primary sources. Documented.


Argues that the contemporary practice of insurance is acceptable to the *Shari’ah*. There is nothing wrong about it. Rebuts the objections of those who consider it un-Islamic.

For general readers. Based on contemporary sources. Undocumented.


The Islamic *takaful* companies should carefully study the changes taking place in the Western societies. In the light of this analysis they should develop suitable products. The *takaful* products of tomorrow would be pension and annuity products, long-term products, and medical care products.

For managers of *takaful* companies. Based on practical experience. Undocumented.
333 Islamic insurance in practice


Reviews the size of takaful industry worldwide. Evaluates the industry on the criteria of generally accepted indicators and finds that there was still great potential for development.

For general readers and practicing Islamic insurers. Based on published information. Undocumented.


Discusses the concept of Islamic insurance. Comments on the practice of Islamic insurance and points out some deficiencies from Islamic perspective. Makes suggestions to bring the practice closer to ideal Islamic position.

For general readers. Based on primary sources. Undocumented.


Starting from a review in Malaysia moves on to a global review of takaful industry. Identifies main issues as: adequate capital, trained manpower, re-takaful, investment of takaful funds, harmonization of practice and legislative support.

For general readers and practitioners of Islamic insurance. Based on practical experience of the author. Undocumented.
400 International Economics

420 Trade Relations, Commercial Policy and Economic Integration

421 Trade relations among Muslim countries


Presents an econometric model based on the gravity model for a sample OIC member countries. Finds that the volume of intra-trade is low and size of economic cooperation among the Muslim countries is limited. The OIC member countries trade is positively affected by the size of their economies, the extent of IDB trade financing, their joint participation in regional integration schemes, particularly the Asian and GCC blocks and negatively affected by transportation and communication costs as proxy by the distance factor which constitutes a significant barrier to trade between OIC member countries.

For economists. Based on published data. Documented.


Gives structure of foreign trade of the OIC member countries. Concludes that the Islamic countries had ample physical resources and potential for growth of industry and trade.

For general readers. Contains statistical tables. Documented.


Papers and proceedings of a seminar on countertrade jointly organized by the Islamic Research and Training Institute of the Islamic Development Bank Jeddah and the East Export Trade Center, Istanbul, held at Istanbul during 19-21 December 1989. Besides a conceptual paper, contains five case studies. The case studies pertain to Pakistan, Turkey, Indonesia and Malaysia. The last chapter discusses the role of IDB in promoting countertrade among members of the OIC.

For economists, bankers and policy makers. Based on published literature.

424 Economic integration among Muslim economies


First section studies the socio-economic and political structures of the OIC countries. The second section surveys efforts made so far by the Muslim countries for economic cooperation and integration. The third section studies political structures of the Muslim countries and sheds light on the politics of economic integration. The fourth section
studies justification of an Islamic Common Market. The last section summarizes the whole discussion.

Based on published statistics. For economists. Documented.


Argues that the Muslim world has the potential to integrate their economies into an Islamic Common Market. Studies the sub-regional groups of ECO, D-8 and GCC. Concludes that despite having a great potential these groups have not made much progress. Identifies areas of further cooperation.

For economists. Based on secondary and published sources.


Develops analytical framework of Islamic economic development. Shows that the Islamic economic cooperation and integration should be looked upon as a linked regional economic cooperation. The vast Muslim world can create inter-communal markets and complementarities in goods and production. Gives policy analysis for promoting free trade among Islamic regions. Recommends uniform free trade among Islamic regions and countries. But also recommends a uniform non-formal tariff on imports from countries outside the Islamic union. Pleads for openness in Islamic countries, inviting foreign direct investment in the form of joint ventures on the basis of *mudaraba* and *musharaka*.

For economists only. Analytical. Uses diagrams and mathematics. Based on economic literature. Documented.


Gives a brief overview of the economic resources of the OIC countries. Points out areas of cooperation among the Muslim countries.

Elementary. Based on published sources. Undocumented.

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### 440 International Investment and Foreign Aid

#### 442 Public debt


In the background of heavy public debt of Pakistan suggest an Islamic strategy for converting the interest-based debt debts into Islamic investments. Proposes that the government may issue securities backed by specific assets like roads, power houses, air ports. The holders of debt should be issued these securities. The owners will then lease back these assets to the government for a fixed lease money. The new system will enable valuation of public assets. It will introduce a sort of economic discipline as each liability
will have to be identified against some asset. The system will help develop capital markets.

For economists and policy makers. Based on contemporary literature. Undocumented.
500 Administration, Business Finance, Marketing; Accounting

510 Administration

512 Types of business organizations in Islamic economics (shirka, mudaraba etc.)


Criticizes the present practice of *bai’ murabaha*. Delineates deviations from the Islamic *Shari’ah*. Proposes some modifications in the practice to bring it closer to the *Shari’ah*.

For general readers. Based on primary sources. Documented.


Gives legal analysis of the dissolution of partnership business on various grounds. Highlights statutory provisions of various countries i.e. Saudi Arabia, Oman, Egypt, Pakistan, Malaysia, UK, Australia and New Zealand as well as the position of Islamic law on this issue.

For jurists. Based on primary sources. Documented.


Discuses salient features of the law of *mudaraba* in Pakistan. Shows how the practice of *mudaraba* companies in Pakistan falls short of the *Shari’ah* position and why there is so little success in inducing banks in financing *musharaka* and *mudaraba* enterprises. Makes some innovative suggestions for promoting *mudaraba* and *musharaka* business finance in Pakistan. The *mudaraba* companies could be allowed by modifying the law to operate as *musharaka* companies. They could provide finance to venture capital firms which should provide substantial capital from their own resources. Thus the *mudaraba* companies could mobilize funds on the basis of *mudaraba* and invest them on the basis of *musharaka*.

For bankers, financiers and economists. Undocumented.


A subject-wise collection of all pertinent *fatwas* (legal opinions) directly relating to Islamic banking, translated from Arabic along with the Arabic text. The areas covered are mudaraba, *musharaka* and *murabaha*.

For Islamic bankers and jurists. Documented.

512:5 GHAZI, MAHMOOD AHMAD, "Contemporary Corporate Finance: Modaraba
Describes the law of mudaraba and its application to contemporary finance. Highlights some of the problems in application of classical concept. Suggests some solutions. For jurists and economists. Based on primary sources. Undocumented.

Discusses legal provisions relating to various forms of partnership in the Islamic law. For jurists and Muslim economists. Based on primary sources. Documented.

Discusses legal provisions relating to mudaraba. For jurists and Muslim economists. Based on primary fiqh sources. Documented.

Explains meaning and context of the contract of mudaraba in the early Islamic law. Argues that because of change in the context, there is need for ijtehad in the concept and its application. For general readers. Based on primary sources. Documented.

Explains the law of mudaraba companies in the context of capital in Pakistan. Discusses salient features and polices of mudaraba companies in Pakistan. The data are up to year 1994. Analyses the performance of various mudaraba companies with the help of ratio analysis. Develops a reward for risk model with reference to mudaraba companies. Includes full text of the law of mudaraba in Pakistan. For economists, bankers and financiers. based on published material by the Corporate Law Authority. Uses graphs, diagrams and mathematics.

Criticizes the Islamic banking practice in Pakistan, saying that it is only a change in name. Points out deficiencies in Pakistani mudaraba law. For general readers. Undocumented.

Discusses various forms of Islamic business organization from juridical point of view.
Highlights the problem of agency in such contracts as *mudaraba* and suggests how to handle it. The last part develops a theory of Islamic firm.

For economists and business management students. Based on contemporary literature and basic sources of Islam.


Discusses basic principles of *shirka*, *mudaraba* and *ijara*.

For jurists. Based on primary sources. Documented.

513 Cooperation and price theory


The basic principles of exchange in an Islamic market are: mutual consent, contract fulfillment, and fairness in exchange. To this adds three more principles: principle of benefit distribution, principle of cost distribution and principle of public interest.

An original paper with invaluable insights. For economists. Based on primary sources. Documented.

514 Principals of Islamic management


Report of the meeting of experts on Islamic management Center of the International Islamic University jointly organized by the Islamic Research and Training Institute Jeddah and International Islamic University Malaysia at Kuala Lumpur during 27-29 May 1993. Deals with the possible role for the Management Center of the IIUM, which was being set up in those days.

For management practitioners. Undocumented.


Discusses the technique of working out economic order quantity. Proposes that in an Islamic framework, interest can be replaced by expected rate of profit. Rest of the formula can be retained and used as it is.

For accountants and inventory managers. Based on contemporary literature. Documented.

Gives a survey of the literature on Islamic management. For researchers and managers. Documented.

515 Management of Islamic financial institutions

Islamic banks should develop their distinct personality. The culture of Islamic banks should be based on the basic tenets of Islam and the management of the Islamic banks should promote Islamic values and norms of behavior. Similarly, the employees should also adopt an attitude which is distinctly Islamic.

For bankers. Undocumented.

520 Business Finance and Investment

521 Economics of profit-sharing


Studies the question of profit-sharing ratio at micro level between the financier and the entrepreneur.

For economists. Based on contemporary literature. Documented.


Examines the agency problem of mudaraba and debt financing. Argues that the agency problem and moral hazard increase in the case of mudaraba.

An illuminating paper with original insights. Based on contemporary economic analysis techniques. Documented.


Reasons for unpopularity of mudaraba financing with the banks is that it involves serious agency problems. It suits the borrower to get funds on the basis of mudaraba, but puts the financier at a disadvantage. That is why most of the Islamic banks have avoided this mode. The solution lies in modifying the terms of mudaraba. The financier should be given a right to get a part of the equity of the enterprise, declaring losses to the extent of loss. This will make it difficult for the borrower to fabricate accounts or transfer unrelated costs to mudaraba-based project.

Mathematical. For economists and bankers.

521:4 BASHIR, A. HAMEED, "Resource Mobilization Under the Islamic

Argues that both theory and empirical evidence suggest that the PLS scheme is feasible as well as effective in promoting national savings and investment in contemporary economies.

Analytical. For economists. Based on contemporary literature.


Constructs a basic model for a small open-economy with external financing in an environment of uncertainty. The model relates capital resources and domestic investment opportunities through the mudaraba Islamic mode of financing. Derives the necessary optimality conditions that permit existence of solution under possible different cases.

Mathematical. For economists. Based on contemporary economic literature. Documented.


Discuss the concept of diminishing musharaka, where the financiers join an enterprise for a given period over which the users of funds return the finance according to a pre-agreed amortization schedule. The client and providers of the funds share profit or loss according to respective shares in investment over a given period. The authors discuss the economic implications of this technique from a microeconomic angel.

Mathematical. For economists. Based on primary sources and contemporary literature. Documented.


Examines effects of competition and some other external factors on profitability of the Islamic banks. The banks chosen for this study were divided into two groups according to the market in which they operated. The study finds that Islamic banks in competitive market earned more than those which operate in a monopolistic market. Supports the hypothesis that the profit-loss sharing principle practiced by Islamic banks is beneficial to both depositors and the banks.

Analytical. Based on published reports of banks. For bankers and economists. Documented.


Based on financial statements of ten years for 15 Islamic banks, the study verifies existence of profitability theories applied to conventional banks in Islamic banking. Determinants such as capital ratio, liquidity, interest rate and money supply have similar effect on Islamic banks. However, there are some differences as well which confirm that
the Islamic banks are distinct from the conventional banks.

For economists and bankers. Based on empirical data. Documented.


Discusses the economic implications of classical concepts of *shirka* and *mudaraba* and argues that these techniques are not suitable for a present day going concern. They create problems of ownership structure that is most disliked by the existing owners. To overcome the problem, *musharaka* and *mudaraba* funds should be made available on redeemable basis so that the users of funds return the investment over a period agreed in advance. The providers of fund would share profit or loss in proportion to the funds invested during a given period.

For economists and policy makers. Based on primary sources and contemporary literature.


Profit-loss sharing (PLS) and mark-up are the two parent principles of Islamic financing. The use of PLS is limited and that of mark-up is dominant in the Islamic banks. Several studies provide different explanations for the phenomenon. The dominant among these is the moral hazard hypothesis. The paper gives some alternative explanations. The discussion is based on both demand and supply considerations. The central conclusion is that mark-up is consistent with firm's preference to re-invest profits in their own growth. It implies that PLS instruments which can allow profit retention by the user of funds and redeem consequently, could be more popular, particularly among risk-averse start-up firms.

Analytical. Uses graphs and diagrams. Based on contemporary economics literature. Documented.


The popular view that PLS is ideal or is the only solution for Islamic banking is not tenable. It has many deficiencies besides having a fragile *Shari’ah* basis. The fixed-income alternatives of PLS have proved to be more practicable. The need is to develop these or other similar options, keeping in view the ultimate objective of the *Shari’ah*. The objective remains the establishment of a just human society. The Islamic economists better engage themselves in more substantive themes than procedural matters and hair-splitting. PLS, despite being the ideal is not workable. Better settle for less than the ideal but that which is more practicable.

For economists. Based on primary sources. Documented.

Reviews various concepts and theories of profit-sharing in the context of capitalist economies. Concludes that the ideas of J. Meade are most practical, although they too need further refinement as they also suffer from some shortcomings. The economies of oil-rich Middle East countries are most suitable to try out these ideas.

For economists. Based on contemporary economic literature. Documented.


Discusses the problem of maximization of profit under an agency contract such as when a bank provides funds to a business firm on profit-loss-sharing basis. In such a case, there remains a possibility that the agent does not perform to the best of its ability. Argues that in an Islamic economy, an Islamic firm implements the business contracts as designed and approved by the Shari‘ah, then the principal-agent problem will be minimized and society will benefit more from the welfare motive of the producer and market agents.

For economists. Based on contemporary economics literature. Undocumented.

522 Economics of Islamic financing techniques


Gives an overview of the practice of Islamic finance world-wide. Argues that an overuse of fixed-return modes of financing by Islamic financial institutions results from failures of Islamic finance to address the issues of management and control between financier and entrepreneur. Although no significant relationship exists between the size and profitability of Islamic financial institutions and the modes of financing used by them, the data indicate that the larger institutions tend to use less fixed-return modes as compared to the smaller ones. Hence, profit-loss sharing may increase with increase in the size of the Islamic financial institutions.

For bankers and economists. Based on contemporary literature. Documented.


Islamic financial instruments are non-recourse asset-backed securities. Islamic banks, therefore, face an inordinate amount of risks in their respective portfolios, which necessitate careful securitizing. Suggests Islamic banks should design their clients' asset-based facilities optimally. Applies the suggestion to automobile financing and home mortgage. Develops a computer-simulated model for illustration purposes.

For financiers and bankers. Based on contemporary literature. Documented.

522:3 HABIB, AHMED, "Financing Microenterprises: An Analytical Study of Islamic

While conventional microfinance institutions (MFIs) have expanded their operations, the poverty-focused MFIs based on Islamic principles are lagging behind. Provides theoretical basis, operational framework, and empirical support for establishing Islamic MFIs. After critically evaluating the conventional MFIs, an Islamic alternative is proposed. Shows that there is a great potential for Islamic MFIs. Empirical evidence from three Islamic MFIs operating in Bangladesh supports some of the theoretical assertions.

For economists and bankers. based on empirical studies. Documented.


It is survey of literature on Islamic finance. Part one reviews the early work of Muslim scholars especially commentaries on the Holy Qur'an. Part two reviews the relevant contemporary literature on Islamic economics. Part three deals with the justification of a return on financing in Islamic economic thinking.

For economists. Based on primary sources. Documented.


Surveys the literature on optimal contract between borrower and bank. The last part argues that mark-up financing, which is akin to interest-based financing, provides a second option to banks, besides profit-loss sharing techniques. The real question is: Which proportion of financing is optimal for a business firm? The answer is that the firm should try to arrive at an optimal mix, given its constraints in real life.

For financiers and bankers. Based on contemporary literature on finance. Documented.


Describes salient features of *musharaka*, *mudaraba*, *ijara*, *murabaha* and *bai' salam*. Discusses the economic role of these financing techniques and the behavior of clients and financiers in respect of each of these techniques. Infers economic implications of these techniques from a macroeconomic angle.

For researchers, economists and policy makers. Based on primary sources and contemporary literature.


Discusses issues relating to risk-sharing and its management in Islamic financing of infrastructure development. Tests the popular conventional structures such as
Build-Own-Operate (BOO), Build-Own-Transfer (BOT), Build-Own-Operate-Transfer (BOOT), etc for compatibility with the Shari'ah. Examines these contractual mechanisms and whether these involve riba and gharar. Also discusses certain risk-mitigating strategies and tools of risk management which are in line with Islamic rationality and which might reduce gharar to permissible level.

For financial analysts and economists. Based on primary sources and contemporary literature. Documented.


Discusses various modes of Islamic finance for trade such as murabaha, participatory short-term and medium-term finance for standard commodities, long-term finance for capital goods, and PLS securities. Discusses their economic implications as well.

For economists and bankers. Based on primary sources. Documented.


Investigates quantitatively and at micro-level the claim that Islamic banking offers high performance and stability. Uses Islamic Bank of Bahrain as a case study. Applies financial ratio analysis, stock analysis and co-efficient of variation analysis. The results of investigation can be used as a partial but quantitative explanation to the arguments whether the profit sharing concept of Islamic banking can achieve a higher profitability and lower risk than conventional commercial banks.


523 Ijara, hire-purchase and installment sales


A collection of papers presented to the workshop jointly held by Islamic Research and Training Institute, Jeddah and al-Bait Foundation, Amman during 16-21 June 1987 at Amman. Contains six papers and five case studies. Also summarizes comments and discussions during the workshop. The papers deal with juridical and practical aspects of murabaha, profit-sharing, and mudaraba. The cases pertain to Pakistan, Sudan, Bahrain, Jordan and Denmark.

For Muslim economists and jurists. Most of the papers are based on primary sources. Cases are based on published data.


An extensive treatise in defense of murabaha technique of financing adopted by the Islamic banks. Goes into legal details to show that the practice of the Islamic banks with
respect to *murabaha* was in conformity with the *Shari’ah*.

Juridical. Based on primary sources. Documented.


Gives a brief description of the concept of leasing in Islam.

For bankers and economists. Based on contemporary Islam. Undocumented.


Discusses application of the contract of *istisna’* to financing by the Islamic banks, in particular, Islamic Development Bank, Jeddah. Probes into various legal issues and suggests a mechanism which can make this contract risk-free for the financial institutions.

For bankers and jurists. Based on primary sources. Undocumented.


Examines the position of *Shari’ah* on creation and transfer of financial instruments. Analyzes implications of issuing *salam* certificates for a single transaction and for a series of consecutive transactions. Favors the issue of *salam* certificates in the context of a series of *salam* transactions as it allows transfer and negotiation within the *Shari’ah* framework.

A scholarly paper. For jurists. Based on primary sources. Documented.


Discusses various types of leasing business in the contemporary world and identifies how it is different from the Islamic *ijara* business. Discuss the mechanism to design Islamic financial instruments under the concept of *ijara*.

For financial analysts and accountants. Based on primary sources and contemporary literature.


Explores the possibility of *ijara*-based financial instrument to meet the need for a fixed-return *Shari’ah*-compatible instrument. Proposes *ijara*-bonds as marketable Islamic financial instruments for resource mobilization in the public sector as well as an instrument for monetary policy. Private companies can equally use the *ijara*-bonds for resource mobilization.

For economists, bankers and government policy makers. Based on primary sources. Documented.

Discusses the position of indebtedness of Pakistan as in 1996. Proposes that external finance should be mobilized on interest-free basis. The most preferred mode is *istisna*. Discusses various variants of *istisna* that can be adopted in attracting foreign investment in Pakistan.

For economists and policy makers. Based on primary sources.


Describes the concept of lease from the Shari’ah point of view. Shows the significance of leasing as a mode of finance. Discusses the basic Shari’ah rules relating to leasing. Identifies the issues arising from the use of leasing as a mode of finance.

For economists and bankers. Based on primary sources. Undocumented.


Gives a general review of leasing industry in USA. Explains how Islamic Asset Management Limited (IAM) is conducting its leasing business in compliance with the Shari`ah.

For general readers and Islamic finance managers. Based on practical experience. Undocumented.


Explain the law of *bai’ al-salam* and its economic implications as a financing technique. Gives comparative view of the four juridical, schools on each issue. The last chapter explains the accounting entries in the books of the financier in relation to *bai’ salam*.

For economists, financiers and bankers. Based on primary sources. Documented.


Describes the mechanism of Islamic financial instruments relevant for mobilizing finances for infrastructure projects. The instruments mentioned are Islamic Debt Securities (IDS) under *mudaraba*, *musharaka*, *istisna*, *’ijara*, and *qard hasan*. Explains the mechanics with the help of diagrams.

A valuable paper. Based on practical experience of working in an Islamic securities company in Malaysia. Undocumented.

523:13 ZARQA, MUHAMMAD ANAS, "*Istisna’* Financing of Infrastructure Projects,"
Projects that do not generate explicit income cannot be possibly financed on profit-sharing basis. A suitable interest-free alternative method of financing is presented here, based on *istisna*’sale contract. Various aspects of using *istisna*’ as a financing tool for infrastructural projects are discussed, including (a) the illiquidity of the resulting financial claims and its implications, (b) suitability for financial intermediaries, and (c) the possibility of indexation of the resulting financial claims and their use as a monetary.

For economists and bankers. Based on primary sources. Documented.

**524 Venture capital**


Venture capital is a form of active investment through equity-based instruments. Capital financing is praised for its role in promoting growth while maintaining financial stability. From an Islamic point of view, such arrangements appear very close to the mode of *musharaka* which the Islamic banks are seeking, but many in reality failed to adopt. Venture capital is also well-suited to Islamic countries because of its positive impact on growth and development.

For economists. Based on primary sources and contemporary literature. Documented.

**530 Marketing**

**531 Business law and ethics and their economic implications**


A compilation of 16 papers on ethical aspects of business and management. In the first part, three chapters discuss Islamic ethical system in the economic behavior. In part two, two chapters deal with creation of ethical environment in business. In part three, five chapters deal with aspects of social responsibility. Part four consisting of four chapters deals with ethics in management. The three chapters of the final part discuss ethics in human resource management.

Individual papers meant for business managers and academia. Based on contemporary literature and Islamic primary sources. Documented.


Introduces Islamic values for ensuring quality. Explores potentials of the Islamic values in management and sheds some light on how Islam motivates workers and solves industrial disputes and maintains high productivity and quality. The process is as follows: Recruitment of Mr. Right, converting him to Mr. Quality, making him Mr. Contribution and retaining him as Mr. Loyalty.
For general readers and academia. Based on contemporary literature and primary sources of Islam. Documented.


Provides an ethical framework for the contemporary manager from the role models of Prophets Muhammad, Musa and Yusuf. Relates ethics with accountability before the boss and ultimately before Allah. Concludes that for developing a just and hardworking personality, one must be intelligent, patient, honest, stern and sincere in the search of knowledge.

For general readers. Based on primary sources. Documented.


Discusses the Islamic concept of business, the Qur'anic view of wealth distribution of wealth and its effect on society, approved business conduct, disapproved business conduct and implementation of business ethics in an Islamic society. Basically, describes the principles of Islamic economics based upon the primary sources of Islam. A comprehensive anthology of the basic principles.

For general readers and Muslim economists. Documented.


Highlights several principles and business ethics in Islamic code of life. They are: abiding by contracts, refraining from false advertising, measuring accurately, non-destruction of surplus produce, prohibition of interest, fair recruitment, fair treatment of workers and protection of environment.

For general readers. Based on primary sources. Documented.


There is a growing trend in the world to adopt ethical business practices and to promote those enterprises that deal in ethical business. There is a realization among the business firms also that ethical business is more profitable than unethical business. The Islamic bankers should take a cue from these developments and develop distinct ethical practices in light of Islam. These values should be widely disseminated among the employees, customers and public at large.

For Islamic bankers. Undocumented.


Compares the Islamic law of options in sale to rescind contract by the buyer with the
Western law of *caveat emptor*. Points out the differences.

For jurists. Based on primary sources. Documented.


Argues that the majority opinion that considers *bai’ al-urbun* as unlawful is not correct. Instead, *bai’ al-urbun* is a valid form of agreement as considered by the Malikites and Hanbalites. The agreement helps increase cooperation and promotes commerce.

For jurists. Based on primary sources. Documented.


A subject-wise collection of 278 legal opinions directly relating to and concerning Islamic banking and allied issues, translated from, and published along with original Arabic. The subjects covered are *murabaha*, *mudaraba* and *musharaka*. The translator has based research on the legal opinions of Shari‘ah supervisory bodies of Islamic Bank of the Sudan, Dubai Islamic bank, Faisal Islamic bank of Egypt, Dar al-Mal al-Islami, Jordan Islamic bank and Dalla al-Baraka bank.

For jurists, Islamic bankers and researchers. Based on original texts of the *fatwas*.


This is the second volume of the series consisting of 133 *fatwas* (No.179-312). Covers *ijara*, *sarf* and *riba*. Provides Arabic text of all questions and answers.

For Islamic bankers, policy makers, researchers. Based on primary sources of all four Sunni fiqh schools.


Translates ‘*gharar*’ as ‘trading risk’. Generally, the jurists have treated risk as *gharar* only when the risk is abnormal. Argues that the trading in risk is generally inefficient relative to other forms of risk-sharing. Develops a mathematical model.

For economists. Based on primary juristic sources as well as contemporary economic literature. Documented.


Discusses legal terms and conditions of various Islamic business contracts such as *murabaha*, *mudaraba*, *musharaka*, *istikna*, etc.
For jurists. Based on primary sources. Undocumented.


Present several Islamic codes of ethics that comprise truthfulness, trust, sincerity, brotherhood, science and knowledge and justice. Under each of these the authors provide evidence from the primary sources of Islam.

For general readers. based on primary sources. Documented.


Ethical system of Islam is based on the worldview of Islam. The ingredients of Islamic worldview are: *tawhid*, *khilafah*, accountability, social responsibility, cooperation, harmony and balance. This worldview is expressed in business management in the form of responsibility, human relationship, motivation, safety, discipline, and integrated knowledge.

For general readers. based on primary sources. Documented.


Discusses the Islamic ethics and values in management. Deals with Islamic ethical issues like usurious management and administration, corruption in management, balance between material and spiritual well-being, the divine origin of ethics, justice, *shura*, and cooperation.

For general readers. Based on primary sources. Documented.


The present form of Joint Stock Company is not in conformity with the *Shari'ah*. It violates the *Shari'ah* rules relating to limited liability, incorporation and rights and obligations of the shareholders. The Islamic framework does not accept the principle of limited liability. However, the present day corporations can be reformed to bring them within the fold of Islamic law. Proposes a legal model for this purpose.

For jurists. Based on primary sources. Documented.


Develops an objective criterion for identifying and measuring *gharar* in exchange. Shows that a *gharar* transaction is a zero-sum game with uncertain payoffs. The formulation is based on basic axioms of expected utility theory and game theory, and is consistent with
Shari‘ah rules and maxims. The measure helps economists view gharar as an integrated theory of risk, so that it can be easily communicated with non-Muslim economists. Some of conclusions are: forward trading and options trading are not allowed in Islam. Similar, insurance contracts involve gharar. Thinks revenue sharing is better than profit-sharing. Thinks riba is prohibited as it involves gharar.

For economists, financial analysts and bankers. Based on primary sources. Documented.


Discusses ethical issues in practice, rather than the ethical system of Islam per se. The Muslim behavior in business involves loyalty to employer, lack of cut-throat competition, employer-employee relationship, need-based compensation system and work ethics.

For general readers and academia. Based on contemporary literature. Documented.

533 Hisba and its role


Reviews the debate on price control by the government in the Islamic law. Explores the circumstances under which price control becomes permissible. Gives a critical appraisal of selective cases of price control in economic theory. Provides a theoretical framework for the study of price regulation in Islamic economics.

For Muslim economists and jurists. Based on primary sources. Documented.


A comprehensive treatise on the concept, role and evolution of the institution of hisba during the Islamic history. Discusses the function, obligation, privileges and organization of the office of the muhtasib in different parts of the Muslim world throughout Muslim history. Also, discusses the contemporary scene in some of countries like Sweden, Canada, Saudi Arabia and Pakistan

For jurists, historian, policy makers and general readers. Based on primary sources. Documented.

534 Advertising in the Islamic framework


The Qur‘anic view about man and his resources should be the basis for designing promotional tools and media strategies. There is a need to develop not only general guidelines for achieving marketing goals and corporate objectives in a morally acceptable manner, but also to devise an Islamic code of marketing.

For business managers. Based on contemporary literature on marketing, and primary
sources of the Shari'ah. Documented.

535 Marketing of Islamic financial products


The world is not aware of the Islamic financial products. Many of these products are not registered in the Western world. There is a need for developing an entity which is to the distribution and marketing of Islamic products. All Islamic banks can join hands to fund this entity.

For Islamic bankers. Based on practical experience of the author. Undocumented.


Based on the experience of Malaysia, argues that in an environment where the market is prominently dominated by conventional banks, the Islamic banks have to seek an edge to lead. Marketing is seen as a strategic tool for Islamic banks to find this edge for attracting deposits and promoting their products. The paper presents how an Islamic bank can use its customers, employees, competitors and other related parties to market its products and mobilize their funds effectively.

For Islamic bankers. Based on contemporary literature. Documented.


Presents a view of current market of Islamic financial products. Stretches it to coming years and proposes market strategies that would work.

For Islamic bankers. Based on personal experience of the author. Undocumented.

540 Accounting and Auditing

541 Accounting in the Islamic framework


Exposure draft of the accounting standard no.11 for the Islamic financial institutions. Includes the text of the standard, due process of its formulation and juristic rules.

For Islamic financial institutions. Based on the extensive work done by various committees.


Gives text, explanatory appendices of the accounting standard for Islamic Insurance Companies. The standard deals with general presentation and disclosure in the financial
statements.
For accountants and Islamic insurance company management. Based on the work done by various committees.


Mimeo. Exposure draft of Accounting Standard No.13 relating to disclosure of bases for determining and allocating surplus or deficit in Islamic insurance companies. Gives text of the standard and explanation of the due process.

For accountants and management of Islamic insurance companies. Based on the work of various committees.


Mimeo. Exposure draft of accounting standard no.14 relating to accounting and disclosure requirements of Islamic Investment Funds. Gives the text of the standard and explanation of the due process.

For accountants and Islamic bankers. Based on the work done by various committees.


A compilation of two statements on financial accounting, five accounting standards and two auditing standards developed by the Organization. The statements deal with objectives of financial accounting and concepts of financial accounting for Islamic banks. The accounting standards deal with presentation of financial statements, murabaha, mudaraba, musharaka and bases of disclosure. The auditing standards deal with objectives of auditing and the audit report.

First ever systematic and professionally done work on the subject. For accountants and auditors.


Reviews literature on Islamic accounting. Discusses the position of Islam on various basic concepts such as business entity, accounting period, basis of accounting, going concern, conservatism, match, recognition, measurement and highlight the differences between the Islamic approach and the prevalent Western approach.

For accountants. Based on contemporary literature. Documented.

The Islamic banks have been applying the concepts developed under capitalism. They cannot simply adopt their conventional practices because of some fundamental differences. Investigates and evaluates the accounting concepts and practices adopted by the Islamic and conventional banks. Also examines the standards issued by the Financial Accounting Standards Board of the Islamic Banks (Bahrain). Proposes a modified approach.

For accountants. Based on the contemporary literature and field study. Documented.

541:8  ASKARY, SAEED, "Accounting in the Koranic Verses," in Accounting, Commerce and Finance: The Islamic Perspective” in *Proceedings of the International Conference 1 On the theme of Accounting, Commerce and Finance : The Islamic Perspective*. Organized by the University of Western Sydney, Macarthur during 18-20 February 1997, pp.139-152

Tries to derive the concepts of modern accounting from various verses of the Qur’an. The concepts derived are: measurement, quantitative and qualitative characteristics of accounting information.

For accountants. Based on the Qur’an. Documented.


Argues that the axiomatic accounting and normative accounting regulations fit well with the general Islamic ethos of a universal law that is applicable under all circumstances. However, accounting legislation, quasi-legislation, and accounting theory have developed to accord with secular ideas of business practice. Current European ideas about supervisory boards should be extended and strengthened to accommodate the authority of the Shari‘ah Supervisory Boards.

For accountants. Based on the contemporary literature on accounting. Undocumented.


Identifies need for a different basis of accounting Islamic modes of finance like *mudaraba*, *ijara*, etc. In the context of Malaysian taxation law, shows the laws that must be modified to bring them closer to the Islamic requirements.

For accountants. Based on primary sources. Documented.


Argues that there is very little rigorous research in Islamic accounting. Surveys the literature on the subject. Indicates the possible approach for developing Islamic accounting as an independent discipline. Speculates the contribution that such an approach can make to human knowledge in accounting.

A scholarly paper. Based on contemporary literature. Documented.

Argues that with the proliferation of Islamic financial institutions, there was a great need for standardizing accounting practices. The Accounting and Auditing Organization of Islamic Financial Institutions fulfilled this need. Summarizes the work done by the Organization.

For bankers and accountants. Based on practical experience of the author. Undocumented.


Argues that the contemporary interpretation of zakah law leads to various distortions, and makes the impact of law regressive. There is need for ijtehad. Proposes several innovative steps to levy zakah on income and wealth of individuals and business firms. Shows calculations by hypothetical examples.

For jurists and accountants. Based on primary sources. Documented.


Traces the history of some accounting practices in early Muslim period. Concludes that because of commercial practices and because of zakah, the Muslim were quite well-versed in accounting. With passage of time they developed this discipline. Mentions several accounting records, books and statements used by the Muslims. Speculates that the Italian writer Pacioli, known to be originator of double entry book-keeping might have borrowed this concept from the Muslims.

For accountants and auditors. Based on primary sources. Documented.

542 Auditing in the Islamic framework


Exposure draft of the Auditing Standard no.6 for Islamic banks. Deals with the internal Shari’ah review function within the Islamic financial institutions. Gives text of the auditing standard along with explanation of the due process and juristic views on the subject.

For auditors and bankers. Based on the work done by various committees.


Exposure draft of auditing standard no.4 relating to testing by external auditors for compliance with Shari’ah rules and principles. Gives text of the standard and explanation of the due process.
For auditors and Islamic bankers. Based on the work of various committees.


Explains background to Islamic banking and reviews literature relating to development of accounting and auditing standards in the West. Discusses accounting and auditing issues relating to Islamic banks due to absence of standards. Highlights need for such standards for external auditors. Summarizes the proceedings of three seminars on the subject and elucidates various ideas on the subject.

A valuable contribution on the subject. For bankers and practitioners of accounting and audit. Based on contemporary literature on the subject. Documented.


Addresses the question of expectations gap about the role of auditors in detecting errors and frauds. The financial auditors in Bahrain considered that they had no direct responsibility to detect errors and frauds while the religious auditors and many other segments of the society believed that the auditors had this responsibility.

Based on a questionnaire survey. Documented.


Enumerates the characteristics of the Islamic economy. Points out that the Islamic economy would require an effective supreme audit institution with an expanded scope of mandate. The expansion in the scope of mandate would include performance auditing, audit of privatization, audit of public debt, evaluation of policies, audit of expenditure management systems, evaluation of regulators and environmental audits.

For auditors. Based on practical experience and contemporary literature. Documented.


Performance auditing holds a promise for the Islamic banks which can adopt it for examining the accounts of their clients and assess the truth and fairness of their accounts. Performance in real sector can tell the banks if their clients have managed the business in the most economical, efficient and effective manner. Another application of performance auditing is that the Islamic banks can use it as a tool for enhancing their own effectiveness.

For bankers and auditors. Based on contemporary literature. Documented.
600 Industrial Organization

620 Economics of Change

622 Privatization


Explains the process of privatization and various ethics-related issues such as human distress, distribution of income and social needs of the people. Argues that the Islamic economic system will like to tackle the issue of privatization in an entirely different manner.

For Muslim economists and accountants. Based on contemporary literature. Documented.

623 Globalization


Reflects on implications of financial globalization for Islamic financial institutions. Presents the 18th century case for and against commerce, the 19th century case for and against a central institution acting as lender of the last resort and modern theoretical developments in finance and insurance based on the law of law numbers and centered around the concept of arbitrage, naive and efficient diversification of risk, moral hazard and adverse selection. Argues that understanding of globalization would help the future development of Islamic financial institutions.

For economists. Based on contemporary literature. Documented.


Argues that the Western onslaught of globalization is not mindful of the cultural and social differences of various societies and if followed carelessly can lead to crushing of Muslim identity. As compared to this the Muslim civilization in its heyday created an environment whereby local cultures and values could co-exist with the Islamic civilization. In the present age when the Muslim societies are very weak, they should reform their educational system to meet the challenge of Western campaign for globalization.

For economists and sociologists. Based on contemporary literature. Documented.

624 Entrepreneurship


Highlights the role of moral and ethical values in entrepreneurship development in an Islamic framework. Focuses on issues such as R&D as a pre-requisite for entrepreneurship as well as development of entrepreneurial ventures as learning organizations.
For general readers. Based on primary sources. Undocumented.
700 Land Management

710 Land Utilization

711 Ecology and environment in Islamic perspective


Summarizes the Islamic teachings with reference to protection of earth's resources and environment. Draws very heavily on the Qur'anic verse, ahadith and fiqh. A comprehensive collection of the relevant material.

For general readers. Based on primary sources. Documented.


Studies the Islamic viewpoint about environment and presents the idea of environmental balance. Asserts that this balance can be maintained with the help of Islamic ethics and institutions. Demonstrates positive role of the private sector in terms of environment-friendly behavior, fellow-feeling and simple living. Similarly, discusses the legislative, monitoring and resource management roles of the state for protecting the environment. Provides an appropriate analytical framework for the understanding the environmental question.

For economists. Based on primary sources. Documented.


Explains the Islamic point of view on environments. Derive several rules from the Qur'an and the Sunnah about the sanctity of the ecological balance in the Islamic framework.

For environmental scientists and economists. Based on primary sources. Documented.


Highlights the values and norms of Islam for ordinary Muslims with respect to protection and use of earth's resources. Also points out policy implications for the state.

For general readers. Based on primary sources. Documented.


A comprehensive discussion on Islam's attitude toward preservation of earth's resources.
Shows how the contemporary development strategy has devastated the environment. Pleads for an ethical approach toward development.

For general readers. Based on primary sources. Documented.
800 Manpower; Labor; Population

810 Manpower Supply

812 Manpower planning


Covering the period from 1975-83, analyzes the economic impact of international labor migration on the economies of Bangladesh, Pakistan and Turkey. Focuses on macroeconomic aspects.

For economists. Based on published statistics. Documented.

840 Demographic Economics

841 Family planning in Islam


A comprehensive compilation on the question of family life and family planning in Islam. Compiles opinions on the legality or otherwise of family planning, contraceptives, abortion, artificial insemination, test-tube babies and other related issues. The general slant of the book is that over centuries the Islamic scholars have supported family planning in general although there had been differing opinions on other issues. The opinions collected sprawl over the entire Muslim history up to the recent times.

A reference book on the subject. For religious scholars and general readers. Based on primary sources. Documented.


Argues that family planning is legitimate in Islam. It helps in improving the welfare of the individuals.

For jurists. Based on primary sources. Documented.

850 Human Capital

851 Training and human development for Islamic


A case study of training by Islamic banks. Points out some problems associated with training management and suggests to make feedback report from work place, resist over-lapping of nomination by maintaining training card, evaluate the parties concerned with training, hold general discussion on training management and performance.
For trainers and bankers. Based on practical experience. Documented.


Outlines the evolution of Islamic banking in Bangladesh and highlights the problems by the two Islamic banks. Emphasizes the need for training of staff. Gives a blueprint for a regional training institute of the staff of Islamic banks

For practitioners of Islamic banks. Undocumented.

852 Human resource development in Islamic perspective


Argues that the Islamic financial system has a built-in powerful model of human resource mobilization than the existing models of employment and human resources mobilization discussed in conventional economics. Proposes the establishment of a development bank for human resource mobilization. An appendix describes the Islamic financial system in brief.

For economists and policy makers. Based on primary sources. Documented.


The major principles of Islamic ethics are: brotherhood, benevolence, justice, fulfilling contracts, peoples’ rights, fair compensation, cooperation, trust and honesty. He translates these principles into various management practices relating to human resource development such as recruitment, training, performance evaluation, compensation, work and stress, corporate culture, and leadership.

For management scientists and general readers. Based on primary sources. Documented.


Argues that capitalist trained managers were used for implementing socialist policies by Nasser of Egypt. The experiment did not work out. For implementing Islamic system, the public servants must be trained in Islamic norms.

For policy makers. Based on contemporary literature. Documented.
921 Consumer behavior in the Islamic framework


Argues that the consumer behavior theory is insufficient to explain the behavior of Muslim consumer. Suggests that the Islamic injunctions related to consumption should be integrated within a socio-legal behavioral framework. Recommends empirical study of the Muslim behavior.

For economists. Based on contemporary literature. Undocumented.
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