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A Suggestion to the Students of Islamic Economics

*In the mid '50s, an scholarly Journal entitled **Islamic Thought** started from Aligarh under the supervision of Dr. Muhammad Nejatullah Siddiqui, Dr. F.R. Faridi and their associates. The Journal provided a forum for scholars on Islam and social sciences and it continued for about fifteen years and also published a number of articles on Islamic economics.*

We reproduce here a letter from that Journal of (Late) Professor Mohammad Shabbir Khan which had appeared in the issue of March-April 1955, showing how about half a century back, he has professed the prospects of Islamic economics that has now emerged a full-fledged discipline.

Ustadh Mohammad Shabbir Khan had been professor and chairman of the Department of Economics at the Aligarh Muslim University for quite a long period and there can be hardly any living student of economics from this university whom he has not taught directly or indirectly. Prof. Khan has expired on June 30, 1998. May Allah bless his soul. (Editor).

Dear Sir,

I read a few issues of yours "*Islamic Thought*" with interest. I have feeling that the work done is quite commendable yet, for an understanding of Islam, it would be better to give clear picture of an economic system based on Islamic principles.

I view Islam as a separate system distinguished from Capitalism, Socialism or any other "ism" for that matter. A scientific study of Islam should indicate that an economy based on Islamic principles can function. It would be a very interesting study to prepare a simple model based on certain very simplified assumptions and then introduce the Islamic code of economic life to that model. If it could be shown that such an economy would be a stabilized and developing economy, probably it will serve better than to show that Islam is something akin to Capitalism or Socialism.

I insist on the word scientific study because I am sorry to say that many a time we are likely to relapse into what are known as dogmas. I am aware of the fact that the type of work which I have suggested would be a difficult one, and it would keep some one busy at least for a year or so. But I am convinced that it would be much more fruitful than a hotch-potch study here and there.

Mohammad Shabbir Khan
M.A. (Alig). M.A. (Michigan)
Reader, Deptt. of Economics
Aligarh Muslim University
Aligarh

Islamic Economics, Banking and Finance-Orientation Seminars 99

Islamic Foundation-UK has been organising Intensive Orientation Seminars on the subjects in collaboration with the Islamic Development Bank, Jeddah and Loughborough University, UK for the seven years. These seminars have proved to be very useful in introducing Islamic Economics and Banking to students and practitioners in this area and have been designed specially for researchers, bankers, lawyers, accountants and laymen who want to have an in-depth insight into the Islamic Economic and Banking System.

In view of the past successful experience, the organisers have now decided to hold these seminars twice a year, one at the elementary level and the other at the advanced level. The seminar for 1999 have been scheduled as follows:

Level I (Elementary) 20th - 24th May 1999
Level II (Advance) 23rd - 27th September 1999

For further information please contact:

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Call for papers

National Level Seminar on Islamic Economics - Issues and Challenges

Dates: September 4-5, 1999

Venue: Dawat Nagar, Jamia Nagar, New Delhi.

A few suggested topics:

- * An Appraisal of the Development in Islamic Economics
- * Islamic Banking & Finance System and the Indian Economic Challenges
- * The Muslim Economic Situation: An Islamic Prescription
- * Globalization, Liberalization, Privatization: Credits and Debts

The organisers invite IAFIE's members, academics and finance professionals to attend this stimulating and enlightening seminar which promises to be an invaluable opportunity to interact with the issues related to the theory and practice of Islamic economics and finance.

Last date for submission of papers March 31, 1999, is fast approaching. The interested scholars are reminded to send their papers.

For any clarification please contact:

Seminar Convener

IAFIE, 4/1212, Sir Syed Nagar, Aligarh-202 002

Tel. (0571) 502256 Tele Fax (0571) 401028

KFH Launches New Fund

The Kuwait Finance House (KFH) has launched a new investment fund in Kuwait, which will invest in companies run along Islamic Principles and share activities comply with shariah. The Fund named "Arzaq" (Fortunate) is open for subscription by companies and individual, foreigners or Kuwaiti residents and nonresidents. It will have an initial capital of \$16.4 mn, which can be increased to \$85.1mn. Half the fund's capital will be invested in Kuwait with the rest in Arab and world markets, particularly the US. [MEES, April 20, 1998].

Al-Barkah Finance House-Aligarh

The international Islamic finance group, Al-Barkah has opened its regional branch at Aligarh just three months back and according to Mr. Faran Shikoh, the branch manager, this bank has achieved the remarkable growth during this short period. Its major financing includes the *murabaha* financing in the form of short term finance which is quite successful among the down trodden and weaker section of the society particularly the rickshaw pullers. Al Barkah has also started some schemes such as a 'Halal Income Bond' which offers quarterly return and claims to be fully in conformity with the Shariah as well as investment law of the country. There is also a 'Safe Custody Service' scheme based on the daily collection of the savings which is invested in various profitable projects.

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* A five year document of the developments in the theory and practice of Islamic economics.

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The following Publication are also available:

* Islamic Economics and the State of Indian Economy (Ed) by F.R. Faridi. Price in India Rs. 100/-, Overseas US\$20.

* History of Economic Thought in Islam: A Subjectwise Survey by A.A. Islahi. Price in India Rs. 30/-, Overseas US\$ 5

Indian Association for Islamic Economics

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Book Review

History of Islamic Thought in Islam : A Bibliography

by Abdul Azim Islahi.

Published by : Scientific Publishing Centre, Jeddah, Saudi Arabia, 22Pp.

The flow of literature on Islamic economics has an increasing trends since last two decade and it is becoming rather difficult for the student and researchers to keep pace with the outcome of the current writings on this fast growing discipline. Consequently, there have appeared a numbers of reference works and bibliographies highlighting the various aspects of Islamic economics and banking and financial systems. Since the beginning of 90s alone, some notable contribution in this areas include; Mohammad Akram Khan's *Islamic Economics : Annotated Sources in English and Urdu* (1993), *A Bibliography of Islamic Economics* (Bibliography No.2) (1993) from the Islamic Research and Training Institute, Jeddah, Saudi Arabia, Nazim Ali's *Information on Islamic Economics & Banking* (1994), and Javed Ahmad Khan's *Islamic Economics and finance : A bibliography* (1995). But Dr. Islahi's current bibliography in this respects is unique that it deals with a specific subject - the history of Islamic economic thoughts. In recent time, this field has attracted the attention of scholars not only in the Muslim world but also in the western academic circle. There is now great deals of discussions on classical Muslim writings particularly on the monetary and fiscal economics, development and growth and it is now forcefully argued that the Western analysis of history of economic thought has rather deliberately ignored the contribution of Muslim economists.

Although this work contain the literature in the English language only which cover the economic ideas of Muslim scholars in the past upto the end of 19th century. It does not however include the works by the economic thinkers of the past and also has not included the translations works of the original works done by Muslim thinkers. On such a specific topic, Dr. Islahi has collected about one hundred eighty papers, articles, books with a classification into three parts, namely, (1) Development of Economic Ideas and Their History in Islam, (1) Economic Ideas of Eminent Islamic Thinkers, (3) Some Important Economic Institutions in Islamic History. In the first part, the compiler has listed 27 useful references while in the second part the economic ideas of some 50 eminent Islamic thinkers of the past have been included. The literature ranges from the work on economic ideas of the second Caliph Umar to the economic ideas of great Indian reformer Sir Syed Ahmad Khan. The third part of this bibliography coves reference on some important economic institutions in Islamic History. This includes *Kharaj*, and Public Finance, Partnership and *Mudarabah*, Money and banking, property rights, *Al-Hisba*, *Riba*, *Waqf*, Land Management, Agriculture and Trade and commerce.

Although the present bibliography has been painstakingly prepared, but the compiler rightly feels that the number of Islamic thinkers could be increased. He therefore seeks helps from scholars to identify materials not covered in this volume. In the view of this reviewer, this bibliography is destined to be of immense help to all students and researches who are interested in the study of Islamic economic thought.

3rd International Essay Competition on Islamic Economics, Banking & Finance:

The Islamic Foundation and Loughborough University of UK have announced the 3rd international essay competition on Islamic economics, banking and finance and invite writers to contribute one essay on any of the following topics :

- * An Islamic Perspective on Mortgages and Real-estate Financing.
- * TAKAFOL (Islamic Insurance): A comparative review of present-day practices and exposition of objectives and principles and operational mechanism for Takafol in Islam.
- * ISLAMIC BANKING IN PRACTICE : A review of the past 20 years experience. This should be in the form of a comparative study or detail study of any Islamic Bank.

Prizes :

- * **First Prize** : L1,000
- * **Second Prize** 750
- * **Third Prize** L500

Plus one special prize for best undergraduate-student essay L250 and five consolation prizes of L100 each.

Closing Date : 31st March, 1999.

Rules :

- * The competition is open to student, academics and professionals.
- * Work must be original, based on own research and should be about 5,000 - 7,500 words
- * Rigor in research, the quality of analysis and clarity of exposition is more important than the length.
- * Essay must be typed doubled-spaced on one side of A4 paper.
- * A 200 word summary/abstract should also accompany the essay.
- * A work-processed copy must also submitted on a disk.
- * Best essays may be published in book form or in the Review of Islamic Economics, a journal of the International Association for Islamic Economics.
- * 1st, 2nd and 3rd prizes may not be awarded if the essays are not of a required standard.
- * All quotations must be properly referenced in accordance with standard writings.

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