Islamic Banking And Finance In The European Union A Challenge
M. F. Khan, Mario Porzio
Edited by M. Fahim Khan, Chairman, Riphah Centre of Islamic Business, Riphah International University, Islamabad, Pakistan and Mario Porzio, Professor of Banking Law, University of Naples ‘Federico II’, Italy
2010 256 pp Hardback 978 1 84980 017 4
Hardback £68.00

Description
‘As an introduction to the complex issue of harmonization of legal and regulatory structure of the European financial system and Islamic finance, this is a useful and welcome volume. The ideas, insights and practical issues addressed in the informed papers that compose the book should be valuable for academics and students of finance, and to those who provide legal and financial services. The book will be helpful also to European regulators who have yet to appreciate the importance of Islamic finance and its potential contribution to financial globalization as well as to European economic growth.’
– Abbas Mirakhor, Former Executive Director, International Monetary Fund, US

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Further information
‘The four areas covered in the book are crucial issues to be considered for the enhancement of Islamic banking in the European Union. The book is a whistle-blower for the industry in Europe and the concerns raised are welcome.’
– Faizal Ahmad Manjoo, The Muslim World Book Review

‘As an introduction to the complex issue of harmonization of legal and regulatory structure of the European financial system and Islamic finance, this is a useful and welcome volume. The ideas, insights and practical issues addressed in the informed papers that compose the book should be valuable for academics and students of finance, and to those who provide legal and financial services. The book will be helpful also to European regulators who have yet to appreciate the importance of Islamic finance and its potential contribution to financial globalization as well as to European economic growth.’
– Abbas Mirakhor, Former Executive Director, International Monetary Fund, US

This timely book examines the authorization of Shari’ah-compliant intermediaries as either credit institutions or as investment companies in the European Union. The contributing authors explore the key topics of this area through differing yet parallel perspectives – for example, comparing economic and legal standpoints, looking at both European and national levels and considering both academic and technical approaches. The book discusses the common origin of Islamic and Western traditions in commercial and banking transactions, reviewing a period in which the Italian merchants and their organizations drove the rebirth of post-medieval society in trade and law. The editors investigate whether the Islamic banking and financial model complies with the European framework, spelling out the different experiences in single Member States (Germany, France, Italy, and the United Kingdom). Notwithstanding the obstacles to being authorized as domestic credit institutions, they conclude that the access of Islamic intermediaries is suitable and may have positive effects on European integration, as well as increasing the competition among the stand-still operators and evoking the ethical dimension of banking and finance. The book also highlights how Islamic banking would make the industry more inclusive.

This multidisciplinary book will appeal greatly to economics and legal scholars with an interest in European
and international banking and financial law, as well as postgraduate students in international law and banking law. Practitioners and regulators will also find this book an invaluable resource.

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Islamic Finance in a Nutshell: A Guide for Non-Specialists

Brian Kettell
Paperback
360 pages
April 2010, ©2010
£16.99 / €20.40

Description
Introduction.
1 What is Islamic Banking?
2 If Islamic Banks Cannot Charge Interest.
   How Do They Make Money?
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Author Information
Brian Kettell has a wealth of practical experience in the areas of Islamic banking and finance. He is currently based in London and works as a specialist Trainer and Consultant in Islamic banking and finance. He worked for several years as an Economic Advisor for the Central Bank of Bahrain where he had numerous Islamic banking responsibilities, and has taught courses on Islamic banking and finance at a range of financial institutions including the World Bank, National Commercial Bank (Saudi Arabia), Global Investment House (Kuwait), Noor Islamic Bank (UAE), the UK Treasury, the Central Bank of Iran, the Central Bank of Syria, the Securities Investment Institute, the Institute for Financial Services and Scotland Yard.
Brian's vast academic expertise in Islamic finance is highlighted by his role as Joint Editor of the Islamic Finance Qualification Handbook and his past teaching work at a number of top universities worldwide including the London School of Economics, the City University of Hong Kong and London Metropolitan University Business School.
Brian's impressive list of publications include over 100 articles in journals, business magazines and the financial press including Islamic Business and Finance, Islamic Banking and Finance, the Central Banking Journal, Euromoney, the Securities Journal and the International Currency Review. He has also published 16 books on banking and financial markets and is the author of Islamic Capital Markets and Introduction to Islamic Banking and Finance.
The Foundations Of Islamic Banking
Ariff, M. Iqbal, M.
After barely half a century of experience, Islamic banking has become established as a niche industry across the world, offering new and sophisticated financial products designed to be compliant with ... Hardback £75.00

Description

After barely half a century of experience, Islamic banking has become established as a niche industry across the world, offering new and sophisticated financial products designed to be compliant with Islamic legal principles and common law. This comprehensive book explores the theory, principles and practices underpinning this rapidly expanding sector of banking.

Further information

After barely half a century of experience, Islamic banking has become established as a niche industry across the world, offering new and sophisticated financial products designed to be compliant with Islamic legal principles and common law. This comprehensive book explores the theory, principles and practices underpinning this rapidly expanding sector of banking.

Expert contributors – including eminent scholars and senior practitioners in the field – examine the roots of the principles of ethical Islamic financial transactions, which have evolved over several millennia, on issues including usury, interest rates, and financial contracting for funding enterprises, mortgages, leasing and other transactions. Regulatory and governance issues are discussed, and the practice and operation of Islamic financial institutions are explained via three distinct case studies. Importantly, the final chapter looks at what steps are being taken to provide professional accreditation to Islamic banking professional personnel, and prescribes requirements for training in this growing industry.

This rich and wide-ranging guide to the foundations and fundamental principles of this new form of ethics-based financial practice will prove a fascinating and illuminating read for regulators, practitioners, and scholars in the fields of economics, finance, money and banking.

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PART III: THE PRACTICE: OPERATING ISLAMIC FINANCIAL INSTITUTIONS
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Islamic Capitalism And Finance Origins, Evolution and the Future
Murat Çizakça
Murat Çizakça, Professor of Comparative Economic History and Islamic Finance, INCEIF, the Global University of Islamic Finance, Kuala Lumpur, Malaysia
2011 360 pp Hardback 978 0 85793 147 4
Hardback £89.95

Description
This illuminating and thought-provoking book questions whether classical Islamic capitalism, which has served Muslims so well for centuries, can provide a viable alternative world economic system. In the current recession – the worst since 1929 – this is surely a provocative question. But if Islamic capitalism is to emerge as a viable alternative, its nature and systems must be well understood.

Murat Çizakça explores key issues within Islamic capitalism and finance, shedding light on whether the Islamic system can indeed be called ‘capitalist’, the principles on which the system was built, the institutions that were consequently developed, how they function and have evolved, and, perhaps, most importantly, whether they can be modernized to meet today’s needs. Against the backdrop of rapid change in the Middle East, this book gives a solid background to the economic systems that will emerge in the world of Islam. An essential guide to the past, present and future of Islamic economy and finance, this compelling book will prove to be of particular interest to academics and researchers of economics, finance, economic and financial history and political science.

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‘It was a humbling experience to read the product of such a remarkable feat of scholarship. It is all at once an exploration in analytic history and a complete text of Islamic finance theory and application. It is also one of the most succinct renditions of the evolution of Islamic finance embedded in a comprehensive account of the particularities of economies as diverse as Malaysia and Turkey. This is a unique contribution to Islamic finance and Islamic economic history. It has been a rewarding learning experience. It is truly a breathtaking effort.’
– Abbas Mirakhor, former IMF Executive Director and the recipient of the Islamic Development Bank Prize in Islamic Economics (2003)
Takaful Islamic Insurance: Concepts and Regulatory Issues
Simon Archer (Editor), Rifaat Ahmed Addel Karim (Editor), Volker Nienhaus (Editor)
ISBN: 978-0-470-82352-1
Hardcover
300 pages
September 2009
£80.00

DESCRIPTION
Authors Rifaat, Archer and Volker bring an international perspective to the growing Islamic Insurance industry. Drawing on contributions from leading experts around the world, they present a comprehensive view of the very issues governing the industry and its future direction. As top financial institutes around the world seem to enter the lucrative Takaful markets, this timely book offers crucial background information and advice, invaluable for any serious player in the market.

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The Legal and Regulatory Aspects of Islamic Banking
A Comparative Look at the United Kingdom and Malaysia

By Abdul Karim Aldohni
Published 30th June 2011 by Routledge – 246 pages
Series: Routledge Research in Finance and Banking Law
Hardback: 978-0-415-55515-9: £80.00

DESCRIPTION

During the last ten years the Islamic banking sector has grown rapidly, at an international level, as well as in individual jurisdictions including the UK. Islamic finance differs quite substantially from conventional banking, using very different mechanisms, and operating according to a different theory as it is based on Islamic law. Yet at the same time it is always subject to the law of the particular financial market in which it operates. This book takes a much-needed and comprehensive look at the legal and regulatory aspects which affect Islamic finance law, and examines the current UK and international banking regulatory frameworks which impact on this sector.

The book examines the historical genesis of Islamic banking, looking at how it has developed in Muslim countries before going on to consider the development of Islamic banking in the UK and the legal position of Islamic banks within English law. The book explores company, contract, and some elements of tax law and traces the impact it has had on the development of Islamic banking in the UK, before going on to argue that the current legal and regulatory framework which affects the Islamic banking sector has on certain occasions had an unintended adverse impact on Islamic banking in the UK. The book also provides an overview of the Malaysian experience in relation to some of the main legal and regulatory challenges in the context of Islamic banking and finance.

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9. Concluding Remarks
Interest Free System in Islam
M. M. Khan, M. H. Syed (Eds.)
Publication Year: 2010
Binding: HB
Price : US$ 125

About the Book:

Islam calls for benevolence, mercy, kindness, peace and love in all walks of life, strata of society, creed or colour. The economy, considered to be the backbone of society, is no exception nor are day-to-day activities pertaining to economic and financial matters.

Here also, Islam insists on human welfare. Therefore, Islam strictly prohibits any kind of interest in any transaction, especially fees for lending money on specific terms. Similarly, investment in trade dealing with forbidden goods is considered contrary to the tenets of Islam and is not allowed under the no-interest system of Islamic economy.

In the system, charging extra for dealing with mortgages, etc., is also not allowed. If a person borrows money against his property or a moveable assets, for instance, jewellery, he should not be charged extra. This and various other principles are at the core of the interest-free system of Islam.

The present book is an initiative to add another pearl to the many books which are already available on this subject. Hopefully, it will be appreciated and welcomed in concerned circles.
An Introduction to Islamic Finance: Theory and Practice, 2nd Edition
Zamir Iqbal, Abbas Mirakhor
Hardcover
350 pages
October 2011
£33.99 / €40.8

Description

Much has happened in the Islamic finance industry since this bestselling text was first published in 2007. This second edition is timely especially as there has been much re-thinking of the role of Islamic banks in the aftermath of the global financial crisis. New chapters on risk-sharing and financial stability, and other revisions should ensure that this remains the leading text in its field, with the strengths of the first edition retained, not least the lucid explanations of often complex financial products helped by useful flow charts.

Professor Rodney Wilson
Director, Durham University Islamic Finance Programme
An Introduction to Islamic Finance provides the first-tier response to all questions as to the nature and essence of modern Islamic finance, whether posed by the uninitiated and uninvolved or the financial practitioner seeking context and cohesion. With elegant simplicity and profound elucidation, the authors discuss the theoretical and practical elements and structures comprising this system and describe the integration of these elements and structures into a unified organic whole. We would all be well served if this were made compulsory reading not only for those having involvement or interest in global financial matters, but for anyone having an interest in cultural or political facets of Islam.

Michael J.T. McMillen
Former Partner, King & Spalding and Fulbright & Jaworski L.L.P.
Adjunct Professor in Islamic finance, University of Pennsylvania Law School

Abbas Mirakhor and Zamir Iqbal are to be congratulated for providing us with a lucid, comprehensive and sophisticated introduction to the theory and practice of Shari'ah-compliant (Islamic) finance. Impressive in its scope—without being superficial in its treatment of its various topics—the text can be comfortably recommended as one of the handful of books that students of Islamic finance must have in their library. Economists will be particularly pleased by the inclusion of thoughtful discussions of Islamic economic principles from an institutional economics perspective, while business school and finance professors and students will be pleasantly surprised by significantly revised chapters with elucidative case studies on sukuk.

Dr. S. Nazim Ali
Acting Executive Director, Islamic Legal Studies Program
Director, Islamic Finance Project
Harvard Law School, Harvard University

Unlike most books on Islamic finance that focus narrowly on the mechanics of Islamic banking operations and modes of financing, this book presents Islamic finance from an institutional economics perspective and discusses various issues related to the financial system and structure. It also provides a comprehensive overview of the challenges facing Islamic financial industry and suggests ways to mitigate these. By highlighting the risk sharing and stability features of Islamic finance, the authors present a convincing case for the Islamic financial sector to revert to its foundational principles in the post-crisis era.


**Professor Habib Ahmed**
Professor and Sharjah Chair in Islamic Finance
Durham University

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**DR. ABBAS MIRAKHOR** received his Ph.D. in Economics from Kansas State University in 1969. After teaching at various universities in the USA and in Iran he joined the staff of the Research Department of the IMF in 1984. He became an Executive Director of the IMF from 1990 until his retirement in 2008. He is the author of a number of articles and books on Islamic economics and finance. He is now the first holder of the INCEIF Chair in Islamic Finance.
Islamic Banking and Finance
Edited by Amer al-Roubaie, Shafiq Alvi
Published 14th May 2010 by Routledge – 1,610 pages
Series: Critical Concepts in Economics
Hardback: 978-0-415-48576-0: £730.00

DESCRIPTION
Islamic banking refers to a financial system which is consistent with principles of Islamic law (or 'sharia’) and guided by Islamic economics. In particular, Islamic law prohibits 'riba' or usury, the collection and payment of interest. Additionally, Islamic law prohibits investing in businesses considered unlawful ('haram') or contrary to Islamic values. In recent years, a number of Islamic banks have been created to cater to the growing demand, driven by globalization and the vast wealth of some Muslim states in the Middle East and Southeast Asia, and Islamic finance has moved from a niche position to become a mainstream component of the global banking system.

A large amount of research has been undertaken into this subject (much of which highlights the institutional aspects of Islamic social, economic, and financial arrangements) and this new four-volume collection from Routledge meets the need for a one-stop collection of the best scholarship. Its scope extends from the time of the creation of Islamic institutions in accordance with Quranic principles to the present day. And while Islamic Banking and Finance surveys the historic evolution of Islamic financial institutions over the last 1,400 years, it also illustrates the directions in which the subject is moving, including its role in the new world order, good governance, and transparency, and how the gaps can be bridged between Islamic and conventional financial systems.

With a full index, together with a comprehensive introduction newly written by the editor which places the collected material in its historical and intellectual context, Islamic Banking and Finance is an essential work of reference. It is destined to be valued by economists—as well as by scholars, students, and researchers of Islamic Studies, Middle East Studies, and Business Studies—as a vital resource.

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Mohammad Nejatullah Siddiqi, 'Public Borrowing in Early Islamic History', in The Role of the State in the Economy: As Islamic Perspective, (Leicester: The Islamic Foundation, 1996), pp. 77-78.


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Part 6: The Islamic View of Interest
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Part 7: The Secular (Modern) View of Interest

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Said Zafar, 'Future of Islamic Banking in Canada', in Imtiazuddin Ahmad (ed.), Islamic Banking and Finance: The Concept, the Practice and the Challenge (Plainfield, USA: Islamic Society of North America, 1999), pp. 91-96.

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Subject

Economics
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History of Economic Thought
Islam - Religion
Middle East Economics
The Chancellor Guide to the Legal and Shari'a Aspects of Islamic Finance
by Humayon A. Dar, Umar F. Moghul
RRP: £125.00
Pages: 372
Published: 05 March 2010
Paperback
ISBN:9781899217090

DESCRIPTION

Unprecedented economic growth and wealth accumulation in predominately Muslim countries have prompted many financial institutions in the US and Europe to position their investment teams across the Middle East and Asia to be closer to the markets in which they invest, and to take advantage or asset-gathering opportunities. This growth has also encouraged an increasing number of western industrialised countries to adopt legislation that responds to the requirements of the Musli investment community. To be effective in these markets it is essential that professionals have an understanding of how Shari'a legal principles are applied in the financial sector. Failure to do so exposes them and their clients to potential financial, legal and reputational pitfalls.

The Chancellor Guide to the Legal and Shari'a Aspects of Islamic Finance is the first professional reference to focus specifically on the legal dimension of Islamic Finance. The guide brings together nineteen Islamic Finance legal practitioners and advisers to provide a comprehensive yet practical legal perspective on the subject.

Each contributor draws on several years' hands-on experience in Islamic Finance product development and advice to leading financial institutions to provide a real-world, contemporary assessment of the key legal issues in Islamic Finance.

The guide's hands-on approach and accessible style make it required reading for everyone with a professional interest in Islamic Finance, be they lawyers, accountants, regulators, bankers or investors. It is also a unique reference for academic institutions worldwide.

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Understanding Islamic Finance
Muhammad Ayub
ISBN: 978-0-470-03069-1
Hardcover
542 pages
October 2007
£34.99 / €42.00

Description
In *Understanding Islamic Finance* Muhammad Ayub introduces all the essential elements of this growing market by providing an in-depth background to the subject and clear descriptions of all the major products and processes associated with Islamic finance.
Key features include:
Discussion of the principles of Islamic finance;
Introduction to the key products and procedures that International Financial Institutions are using or may adopt to fund a variety of clients ensuring Sharīʿah compliance;
Discussion of the role Islamic finance can play in the development of the financial system and of economies;
Practical and operational examples that cover deposit and fund management by banks involving financing of various sectors of the economy, risk management, accounting treatment, and working of Islamic financial markets and instruments.
This book is not only an important text for all banks and financial institutions entering this particular market with a commitment to building Islamic financial solutions, but is also essential reading for undergraduate and postgraduate students of Islamic finance.

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For last two decades, he has been involved in R&D for facilitating I.B. Industry, Products Development, IB Prudential regulations, Risk management and Shari’ah related controls and audit of Islamic banking institutions. This, along with his association with various Commissions set up from time to time on application of Islamic banking system, has lent him a pragmatic and balanced approach, a prerequisite for presenting such a book.
Case Studies in Islamic Banking and Finance
Brian B. Kettell
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Description

Case Studies in Islamic Banking and Finance is a pioneering resource that provides practical insights into the real world of Islamic financial transactions, and illustrates the complexities of this rapidly growing mode of modern finance.

Based around 12 individual cases, the book stimulates discussion and develops the reader's understanding of Islamic finance by contrasting the theoretical concepts discussed in the author's companion text Introduction to Islamic Banking and Finance with practical real world situations. The cases cover core Islamic banking and finance topics including the Ijara, Mudaraba and Musharaka contracts; Islamic mortgages for home finance; leverage; and issues involved in opening an Islamic bank. Financial statement analysis for Islamic banks, the implications for fund management for equity investing and the impact of loan defaults on Islamic and conventional banks are also included. Each chapter concludes with a set of questions designed to test the reader's understanding of each case, with suggested solutions at the end of the book.

This book is a must have resource for those wishing to apply their understanding of this complex subject and is an essential read for anyone seeking practical examples of how to apply the concepts in a real world environment.

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Introduction to Islamic Banking and Finance
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Description
Introduction to Islamic Banking and Finance is a succinct guide to the key characteristics of Islamic banking highlighting how these differ from conventional banking. This detailed book illustrates how Islamic banking is consistent with the Sharia’a, a key element of which is the prohibition on collecting and paying interest. This central religious precept appears to rule out most aspects of modern finance but it does allow money to be used for trading tangible assets and business, which can then generate a profit. Brian Kettell’s book looks at all aspects of Islamic banking, including chapters on its creation and evolution through to detailed discussions of the issues involved in the Sharia’a contracts of Murabaha, Mudaraba, Musharaka, Ijara, Istisna’a, and Salam. Islamic insurance (Takaful) is also covered. Finally the book takes a look at Sharia’a law and Sharia’a boards, indicating the roles and responsibilities that come with membership.

Islamic banks have been operating in places such as Bahrain, Saudi Arabia, Malaysia and Dubai for some time. Conventional bankers have traditionally viewed the sector as a small, exotic niche but recent years have seen a dramatic surge in popularity. A number of Western investment banks have started working with Muslim clerics to create new ranges of financial products designed for devout Muslims, a large and growing market. Although estimates of the size of the Islamic finance industry vary greatly, everyone agrees that it is expanding rapidly and this is the perfect book for anyone looking to understand the industry.

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Islamic Capital Markets: Products and Strategies
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Description

Islamic Finance has experienced rapid growth in recent years, showing significant innovation and sophistication, and producing a broad range of investment products which are not limited to the complete replication of conventional fixed-income instruments, derivatives and fund structures. Islamic Finance represents an elemental departure from traditional interest-based and speculative practices, relying instead on real economic transactions, such as trade, investment based on profit sharing, and other solidary ways of doing business, and aims to incorporate Islamic principles, such as social justice, ecology and kindness, to create investment products and financial markets which are both ethical and sustainable.

Products created according to Islamic principles have shown a low correlation to other market segments and are relatively independent even from market turbulences like the subprime crisis. Therefore, they have become increasingly popular with secular Muslims and non-Muslim investors, as highly useful alternative investments for the diversification of portfolios.

In *Islamic Capital Markets: Products and Strategies*, international experts on Islamic Finance and Sharia'a Law focus on the most imminent issues surrounding the evolution of Islamic capital markets and the development of Sharia'a-compliant products. The book is separated into four parts, covering:

- **General concepts and legal issues**, including Rahn concepts in Saudi Arabia, the Sharia'a process in product development and the integration of social responsibility in financial communities;
- **Global Islamic capital market trends**, such as the evolution of Takaful products and the past, present and future of Islamic derivatives;
- **National and regional experiences**, from the world's largest Islamic financial market, Malaysia, to Islamic finance in other countries, including Germany, France and the US;
- **Learning from Islamic finance after the global financial crisis**; analysis of the risks and strengths of Islamic capital markets compared to the conventional system, financial engineering from an Islamic perspective, Sharia'a-compliant equity investments and Islamic microfinance.

*Islamic Capital Markets: Products and Strategies* is the complete investors' guide to Islamic finance.

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Islamic Banking and Finance

Definitive Texts and Cases

Omar Masood
Palgrave Macmillan
16 Nov 2011
£62.50
Hardback
9780230338395
304 pages

Description

Islamic banking has seen rapid growth during the last two decades. The growth of Islamic banking is a result of economic growth in the Islamic world, fuelled primarily by oil wealth. The main issues of concern surrounding this growth are the conceptual framework and viability of interest-free banking and the assessment of its performance in the future. In a world where conventional interest-based finance is the dominant framework, Islamic banking faces many challenges. This book is the first to address different Islamic banking issues from both the researchers and practitioners’ perspective across the world, reviewing their past experiences of Islamic banks, to provide an objective assessment of their success and failure, and to discuss the contemporary issues and challenges confronting them. Islamic banking system is not only popular within Islamic banks itself, but is also popular with in international and other conventional banks. A majority of international banks are adopting Islamic banking in order to serve their new clients with their specific needs. Examples of such banks are Citibank and HSBC which starts their Islamic operations worldwide to expand their business.

Contents

Introduction to Islamic Banking
Growth and Development of Islamic Banking
Difference Between Islamic and Conventional Banking
Financial Instruments in Islamic Banking
Risk Management in Islamic Banking
Mortgages in Islamic Banking
Islamic Bonds
Islamic Insurance
Perception of Islamic banks and Customer Service
Islamic Banking in Non-Islamic Countries
Islam Banking in Islamic countries Case Studies from Pakistan, Malaysia, Sudan
Future and Standardization of Islamic Banking after Global Banking Crisis

Authors
OMAR MASOOD Director of the Centre of Islamic Banking and Finance at the Royal Docks Business School, University of East London, UK. He is lead advisor and trainer in area of Islamic banking and finance worldwide to financial as well as academic institutions. He has also authored a number of books including the bestselling Truth about the Global Financial Crisis
The Art of Islamic Banking and Finance: Tools and Techniques for Community-Based Banking
Yahia Abdul-Rahman
ISBN: 978-0-470-44993-6
Hardcover
432 pages
January 2010
£47.50 / €56.00

Description
A detailed look at the fast-growing field of Islamic banking and finance
The Art of Islamic Banking and Finance is a modern American take on what it means to incorporate Islamic finance principles into everyday banking and investment techniques by introducing a new brand of banking for all people of all faiths: The Riba-Free (RF) banking.
The author is considered the father of RF (Islamic) banking in America. He has been a banker and an Imam/scholar for over 40 years in America since 1968. He started the tedious process with a finance company, LARIAB, in Pasadena, California in 1987. This is the first book ever in the field to trace the origins of prohibiting the renting of money at a price called interest rate and over-indulging in debt. The book reviews in great details the theological foundations of prohibiting interest in the Jewish Bible, the Christian Bible, and the Qur’aa. The author then discusses money and how fiat money is created, the role of the Federal Reserve, and the banking system in America. The book also discusses for the first time ever how to include an important aspect of RF (Islamic) finance using commodity indexation and marking the items to be financed to market in order to avoid participating in economic "bubbles." The author discusses how these rules work, how they affect consumer behavior, and how they change the role of the banker/financier.
Covers a new pioneering model that is based on the Law (Shari’aa) and how it is applied in every transaction from joint ventures and portfolio management to home mortgages and personal financing
Shows how to incorporate the Law (Shari’aa) into American financing and banking systems
Points to RF (Islamic) finance and banking as a way to emphasize socially responsible investing
The Art of Islamic Banking and Finance also includes a discussion on the emergence of a culture of RF (Islamic) banking and finance today, which is based on the real Judeo-Christian-Islamic spirit and very effective when compared to twentieth-century models that use financial engineering and structuring techniques to circumvent the Law (Shari'aa). The book also includes case studies based on the actual experience of the author and detailed analysis of the superior results realized by applying this new brand of banking to financing.

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Chapter 2: The Faith-Based Judeo-Christian-Islamic Foundation of the Prohibition of Interest and the RF (Riba-Free) Banking System.
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The Judaic Position on the Charging of Ribit (Interest) - Money, Lending and Interest in the Torah and the Jewish Tradition.
The Charging of Ribit (Interest) in the Catholic Tradition: Then and Now.
The Charging of Ribit (Interest) in the Tradition and Teachings of the Evangelical Christian Church.
Chapter 3: The Role of Community Indexation and the Principle of Marking to the Market.

Chapter 4: Shari'aa: Shari'aa Boards in Islamic Banks: An Overview and a Vision for the Future.


Chapter 6: Civility and Social responsibility of the Riba-Free Banking System.

Chapter 7: The Conventional Riba-Based Banking System.


Chapter 9: Islamic Banking in the 20th Century.

Chapter 10: RF Banking Model for the 21st Century: Developing the Shari'aa-Based Finance Model.

Chapter 11: Starting an RF Bank in the United States: Acquiring and Restructuring a Troubled Bank and Operating It Riba-Free.
Looking for a Suitable Bank to Acquire.
Making History: Acquiring the Bank of Whittier, NA.
Operating the First RF Bank in the United States.
The Staff and Employee Policy: Strategy Used to Build Up and Train Bank Staff.
The Audit Policy: Strategy Used for Auditing Bank Functions and Operations.

**Chapter 12: Operating an RF Bank in the United States.**
Investing in and Operating a Riba-Free Bank in the United States.
The Added Value of RF Banking.
What is RF Banking and Finance?
Strategies Used to Build a viable RF Banking System in the United States.
Creating True RF Private Bankers and RF Credit Analysis.
Training Program at the Bank of Whittier Open University.
The Balance Sheet of the RF Bank.
The Need for a Good Detail-Oriented Management Team at the RF Bank.
Restructuring at Riba-Based Bank to Operate as an RF Bank.

**Chapter 13: Case Studies: Developing the RF Banking Investment Products.**
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RF Asset-Backed Bonds (Sukuk).
RF Stock Market Investments.

**Chapter 14: Visions for the Future of RF Banking.**
The 2008 Global Economic and Financial Meltdown.
The Mega-Banks and Financial Institutions.
The Culture of Renting Money with Ribit/Riba.
The Lifestyle of the Judeo-Christian-Islamic Value System.
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**Authors**

**Dr. Yahia Abdul-Rahman** is the CEO and Chairman of the Bank of Whittier, as well as the founder and Chairman of American Finance House: LARIBA, which has offered Islamic finance and banking research and instruments since July 1987. Dr. Yahia has more than forty years of highly diversified experience in the banking and oil and gas industries. His area of expertise lies in international, investment, and Islamic banking, project financing, small- and medium-sized business financing, community banking, bank management, and financial services. Dr. Yahia is the author of many papers on faith-based financing and financial instruments, and he speaks regularly at forums focused on Islamic finance at many universities, including Harvard University and institutions in Egypt, Malaysia, Singapore, Bahrain, Saudi Arabia, Dubai, and Turkey.
Islamic Banking: How to Manage Risk and Improve Profitability
Amr Mohamed El Tiby Ahmed
ISBN: 978-0-470-88023-4
Hardcover
211 pages
January 2011
£47.50 / €56.00

Description
A detailed look at the fast-growing field of Islamic finance and banking
The guiding principle of Islamic finance has existed throughout Islamic history, yet modern Islamic banking has been around for a relatively short period of time. Author Amr Mohamed El Tiby is an expert in this field, and with this new book, he reveals how you can benefit from the use of Islamic banking strategies in your financial endeavors.
Engaging and accessible, Islamic Banking shows the impact this approach has made on conventional banking since the 1950s, and why it's such a big player in the current market. It offers a unique look at various aspects of this field, including the salient features of Islamic banking that distinguishes it from non-Islamic banking, the development of the regulatory bodies and supervisory agencies that support the Islamic banking system, and much more. It also explores the nature of risk in Islamic banking and the issues of capital adequacy, corporate governance, transparency, and risk associated with Islamic banking.
Discusses the history and development of Islamic finance
Offers straightforward strategies for implementing Islamic finance into your business activities
Sheds light on the effect of the global economic crisis on Islamic banks versus conventional banks
Filled with in-depth insights and expert advice, this detailed analysis of Islamic finance will help you gain a firm understanding of how effective this proven approach can be.

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Chapter 3: The Nature of Risk in Islamic Banking.
Chapter 4: The Inherent Risk in Islamic Banking Instruments.
Chapter 5: Operational Risk in Islamic Banking.
Chapter 6: The Islamic Capital Market.

Part III: Capital Adequacy.
Chapter 7: The Importance and Role of Capital Literature Review.
Chapter 8: The Regulatory Framework of the Conventional Banking System: Basel I and II.
Chapter 9: The Regulatory Framework of Islamic Banks.

Part IV: Corporate Governance.
Chapter 11: Corporate Governance in Islamic Banking.
Chapter 12: Market Discipline and Transparency in Islamic Banking.
Chapter 13: Challenges Facing Islamic Banking and Recommendations.
Authors
AMR MOHAMED EL TIBY is presently a vice president in a bank based in the United Arab Emirates. He graduated from Cairo University and then earned a degree in finance from the same university. He has a master’s degree in economics from the American University in Cairo and a PhD from the American University in London. His master’s thesis was about the Basel Capital Adequacy Accord, and his PhD dissertation was about the risk and regulatory framework for Islamic banking.
Banking in Islam

M. M. Khan, M. H. Syed (Eds.)
ISBN : 978-81-8274-374-8
Publication Year: 2010
Binding: HB
Price : US$ 125

About the Book:

Islam is a religion focusing on benevolence and well-being of mankind. In the very beginning of the Holy Quran, Allah, the Almighty, teachers man to ask Him for the straight path—a path which is free of extremes, because going to the extreme is always injurious and harmful. Similarly, scarcity of any thing creates problems in life. Keeping this in view, Islam talks of a middle path.

Islamic banking refers to a banking activity consistent with the rules and regulations of Islamic law and its practical application through the development of Islamic economics, according to which sale of such goods as are prohibited by Islamic doctrine is not allowed. Islamic banking also prohibits such investments as are contrary to the tenets of Islam.

Islamic banking also puts restrictions on risky bidding of any kind. Basically, bidding includes such operations which, by chance or for exploitive purposes, involve money. There is a similar restriction on ‘trading in risk,’ technically called bayyal-gharar. However, there is some difference of opinion as to what exactly gharar is.

This work attempts to explain Islamic banking in a comprehensive and precise manner that would add to the existing literature on the subject. Hopefully, it would win the appreciation of readers.
Developments in Islamic Banking
The Case of Pakistan
Palgrave Macmillan Studies in Banking and Financial Institutions
Mohammad Mansoor Khan and M. Ishaq Bhatti
Palgrave Macmillan, August 2008
5 1/2 x 8 1/4 inches, 256 pages,
Hardcover $104.00

Description
Explores the theoretical and practical features, recent developments and future prospects of interest-free banking, illustrated by a detailed analysis of the past twenty-five years of the interest-free banking movement in Pakistan (1980-2005). It helps the reader to understand the model underpinning interest-free banking, based on principles of free market mechanism, efficiency, ethical investment and socio-economic justice. And it assesses the practical success of interest-free banking at individual Islamic banks and at state level, as in the case of Pakistan.

About the Author(s)
By Mohammad Mansoor Khan and M. Ishaq Bhatti
MOHAMMAD MANSOOR KHAN is Research Associate in the Department of Economics and Finance at La Trobe University, Melbourne, Australia. M. ISHAQ BHATTI is Senior Lecturer in the Department of Economics and Finance at La Trobe University, Melbourne, Australia.

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Valuing Banks in Uncertain Times
With Special Reference to Islamic Banks
By Natalie Schoon
Hardback, 160 pages
Published: 1st June 2009
ISBN: 9781904905820
Format: 234mm x 158mm            £125.00
Paperback
Published: 6th December 2010
ISBN: 9781907444043           £49.95

Description

The main question the book addresses is whether it is possible to determine the value of banks in general and Islamic banks in particular using generally available valuation models. But does this still hold in the current uncertain times? Questions that will be addressed include the suitability of price as the right benchmark, what is the impact of market psychology and how accurate are future cash flow estimations. Over the years, large numbers of academics and practitioners have looked into the valuation of companies and the different techniques that can be applied. Discounted cash flow, residual income and economic value added (EVA) are only a few of the techniques that have been researched extensively. Typically, these cover either a specific industry, or a large diverse set of listed companies, but without exception exclude financial institutions. The reasons for this exclusion are simply that the characteristics are different from other industries and the fact that financial institutions, specifically banks, are notoriously difficult to value. But are they really that difficult to value and if so, why? As a result of the global growth of the Islamic banking industry it becomes increasingly important to be able to determine the value of Islamic banks and compare their ability to create value with other banks in the industry. For Islamic banks, the estimation of parameters differs, amongst others due to the different balance sheet structure, and the lack of availability of market data.

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Islamic Banking and Finance
Definitive Texts and Cases
The Economics of the Middle East
Omar Masood

Palgrave Macmillan, November 2011

Description
Islamic banking has seen rapid growth during the last two decades as a result of economic growth in the Islamic world, fuelled primarily by oil wealth. The main issues of concern surrounding this growth are the conceptual framework and viability of interest-free banking and the assessment of its performance in the future. In a world where conventional interest-based finance is the dominant framework, Islamic banking faces many challenges. This book is the first to address different Islamic banking issues from both the researchers and practitioners' perspective across the world, reviewing their past experiences of Islamic banks, to provide an objective assessment of their success and failure, and to discuss the contemporary issues and challenges confronting them. The Islamic banking system is not only popular within Islamic banks itself, but is also popular within international and other conventional banks. A majority of international banks are adopting Islamic banking in order to serve their new clients with their specific needs. Examples of such banks are Citibank and HSBC which starts their Islamic operations worldwide to expand their business.

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Omar Masood is the Director of the Centre of Islamic Banking and Finance at the Royal Docks Business School, University of East London, United Kingdom. He is lead advisor and trainer in area of Islamic banking and finance worldwide to financial as well as academic institutions. Dr. Masood supervises PhD dissertations in the area of Banking, Finance, Corporate financial management, risk management, fund management, banking regulations, Islamic banking, international business and other finance, accounting and management related subjects with a number successful completions. He holds visiting professorships in universities all over the world and served as an adviser/consultant to a number of governments including the Turkish and Saudi Arabian. Dr. Masood has authored over sixty peer reviewed research papers, which have been published in international journals and conferences. A number of his papers have been listed as highly recommended and most read papers by leading publishers. He has also authored a number of books including the bestselling Truth about the Global Financial Crisis.
A Guide to Islamic Investing
Brian B. Kettell
Hardcover
256 pages
April 2012
£29.99 / €36.00

DESCRIPTION

The growing awareness of, and demand, for investing in accordance to Islamic principles on a global scale has created a flourishing interest in Islamic investing, a trend enhanced by the increasing wealth in the hands of Muslims worldwide who are actively involved in corporate, investment and business activities. A Guide to Islamic Investing is the first book dedicated to showing investors the range of Islamic investments out there, and how to invest in them. Beginning with a brief introduction to the tenets of Islamic finance and structure of the capital markets, the book looks at the different asset classes available to investors, covering Islamic Equities and Exchange Traded Funds (ETFs), bonds, commodities, derivatives and real estate, and how they differ from their Western counterparts. As well as covering all key asset classes, the book will also cover the basics of Islamic portfolio theory, and at the wholesale and retail markets open to investors. The book will also feature a number of case studies which illustrate how the markets operate in practice.
Islamic Capitalism And Finance
Origins, Evolution and the Future
Murat Çizakça
Murat Çizakça, Professor of Comparative Economic History and Islamic Finance, INCEIF, the Global University of Islamic Finance, Kuala Lumpur, Malaysia
2011 360 pp Hardback 978 0 85793 147 4
Hardback £89.95

Description
This illuminating and thought-provoking book questions whether classical Islamic capitalism, which has served Muslims so well for centuries, can provide a viable alternative world economic system. In the current recession – the worst since 1929 – this is surely a provocative question. But if Islamic capitalism is to emerge as a viable alternative, its nature and systems must be well understood.

Contents
'It was a humbling experience to read the product of such a remarkable feat of scholarship. It is all at once an exploration in analytic history and a complete text of Islamic finance theory and application. It is also one of the most succinct renditions of the evolution of Islamic finance embedded in a comprehensive account of the particularities of economies as diverse as Malaysia and Turkey. This is a unique contribution to Islamic finance and Islamic economic history. It has been a rewarding learning experience. It is truly a breathtaking effort.’
– Abbas Mirakhor, former IMF Executive Director and the recipient of the Islamic Development Bank Prize in Islamic Economics (2003)
This illuminating and thought-provoking book questions whether classical Islamic capitalism, which has served Muslims so well for centuries, can provide a viable alternative world economic system. In the current recession – the worst since 1929 – this is surely a provocative question. But if Islamic capitalism is to emerge as a viable alternative, its nature and systems must be well understood.
Murat Cizakça explores key issues within Islamic capitalism and finance, shedding light on whether the Islamic system can indeed be called ‘capitalist’, the principles on which the system was built, the institutions that were consequently developed, how they function and have evolved, and, perhaps, most importantly, whether they can be modernized to meet today’s needs. Against the backdrop of rapid change in the Middle East, this book gives a solid background to the economic systems that will emerge in the world of Islam.
An essential guide to the past, present and future of Islamic economy and finance, this compelling book will prove to be of particular interest to academics and researchers of economics, finance, economic and financial history and political science.
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Islamic Banking & Uncertainty

Author(s)  Dr. Maulana Ejaz Ahmad Samadani
Published By  Darulishaat Karachi
Translated By  Dr. Maulana Sajidur Rahman Siddiqui
Product Code  DIE-7960
Cover  HB
Pages  96
USD 3.57 / EUR 2.38

Description

Maulana Ejaz Ahmad Samadani is a renown scholar. He compiled a number of books on various topic of general interest. He has been awarded the degree of Ph.D. from the University of Karachi on the dissertation he has compiled on the topic of gharar (uncertainty).

There are various Injunctions of Shariah covering different modes of finances, used in Islamic Banks, in relation to gharar (uncertainty). It means that these Injunctions of Shariah consist upon such conditions, disregard of any of them results in gharar. To avoid gharar is imperative according to Shariah rules. On the basis of this principle it is necessary for an Islamic Bank to avert gharar for the purpose to keep itself away from Riba (interest).

Uncertainty is a very important issue which is discussed in Islamic Jurisprudence as well as in modern Law. It adversely affects many a transactions and agreements according to Shariah Law. As Islamic Banking System is based on the principles of Islamic Shariah, the bankers need comprehension of these principles and require a working knowledge of day to day transactions in consonance with the Shariah Law.

Maulana Ejaz Ahmad Samadani realizing the necessity of time compiled this book and discussed in details the subject of uncertainty and its effects in the various transactions and agreements. He has elaborated the issue in a very lucid language and described complicated aspects of Islamic Jurisprudence according to modern style and diction.

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