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# ISLAMIC BANKING IN PRACTICE ; AN EVALUATION

by

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To Abang, Umar Mutlagi, Ummi, Walid, Mak and Nek with lots of love...

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# ISLAMIC BANKING IN PRACTICE ; AN EVALUATION

## CHAPTER ONE

### INTRODUCTION

*"O you who believe! Eat not up your property among yourselves in vanities : but let there be amongst you traffic and trade by mutual good-will..."*

*(al Quran)<sup>1</sup>*

#### 1.1. Background of Study

Over the last five or six decades the notion of abolishing interest (*riba*) and creating an interest-free economic system was regarded as an impossible proposition even by some of the so-called Muslim intellectuals. The situation has dramatically changed over the last

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1. *Al Nisa'*: part of ayah 29.

few decades especially during the seventies and eighties of this century. This change is not only evidenced by the flow of high quality literature on the subject, but also by the expanding tradition of experimentation and institution-building. The world has been watching the emergence of a number of Islamic banks which strive to operate on an interest-free system. Such emergence can be seen in Muslim and non-Muslim countries alike. Thus, begin the stride of the Islamic monetary system in the modern age.

Looking back at the years before such establishment, we can conclude that there were at least three phases of development in the stride.

It started with the move by some Muslim scholars to address themselves to the problem of interest which was prevalent in the socio-economic scene as a result of the colonial rule on the Muslim countries. They refused to conform to the current practice and boldly reaffirmed the Islamic position which totally rejects any element of *riba*. On the other hand, they called for a world-wide struggle to change the economic set-up so as to conform to the Islamic principles. This call stirred some Muslim economists and bankers who attempted the first preliminary steps towards change.

This led to the second phase where more rigorous efforts were made to evaluate and develop certain aspects of the monetary system of Islam. Significant contributions were made at the First International Conference on Islamic Economics held at Makkah in 1976, the International Conference on Islam and the New International Economic Order held in London in 1977, the two seminars on Monetary and Fiscal Economics of Islam held at Makkah (1978) and Islamabad (1981), the Conference on Islamic Banking and Strategies for Economic Cooperation held in West Germany in 1982 and the Second International Conference on Islamic Economics held at Islamabad in 1983. Pakistan's Islamic Ideology Council then produced the first comprehensive and systematic blueprint

for the elimination of *riba* from a modern economy that represents a model of an interest-free economy.<sup>2</sup>

The third phase consists of efforts to develop interest-free banking and financial institutions in the private as well as the public sector. By 1983, thirty-eight banks and financial institutions were operating on an interest-free basis in three continents : Asia, Africa and Europe. Out of these, at least two institutions are operating multi-nationally i.e. Islamic Development Bank of Jeddah and Darul Mal al Islami in Bahamas and Geneva.<sup>3</sup>

Now, the Islamic monetary system is undergoing the fourth phase of its development that calls for a more critical approach to the entire theory and practice of money and banking in Islam. There is the need to review the whole situation especially in the context of the operation of Islamic banking with a view to refine its theories and practice. It is now high time to put the theories to the test and evaluate the current practice in Islamic banks against the principles of the *Shari'ah* and the objectives of Islamic banking and finance. The elimination of *riba* alone may not ensure the fulfillment of Islamic socio-economic goals. It is only one aspect of the Islamic economic programme. It should be further strengthened by other more integrative structural and motivational changes.

## 1.2. Objective and Plan of Study

This study seeks to evaluate the present practice in the Islamic bank against the principles of the *Shari'ah* and provide suggestions on how to improve the system so as to achieve the socio-economic goals of Islam. In so doing, the writer would first give an

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2. Khurshid Ahmad, foreword for M. Umer Chapra, "Towards a Just Monetary System". The Islamic Foundation, 1985, p. 10.

3. Ibid.



account of *riba* and its prohibition in Islam that is the main factor for the introduction of Islamic banking. Then, the most commonly used banking tools will be examined in terms of their legality and rules, as provided in the *Shari'ah* texts and expounded by juristic opinions. These tools are basically the following:

- a. *Al Wadi'ah*;
- b. *Al Musharakah* which includes *Shirkah al 'Inan* and *al Mudharabah*;
- c. *Al Ijarah*;
- d. *Bay' al Murabahah*; and
- e. *Bai' al Muajjal* or *Bay' Bithaman Ajil*;

The writer will then give a description of Islamic banking in practice, taking the case of the Islamic bank in Malaysia. This will be followed by an evaluation of the practice of Islamic banking, whereby, the banking tools will be subjected to theoretical tests against the goals of Islamic socio-economy and the precepts of the *Shari'ah*. Finally, the study will be concluded with some tentative suggestions for the gradual transition of the present economic setting to the suggested scheme, which, in the opinion of the writer is more prone to achieve the objectives of Islamic socio-economy.

Thus, the divisions of the study will be as follows :

- Chapter One : Introduction.
- Chapter Two : A description of the prohibition of *riba* in Islam, based on the *Quranic* provisions, the *Sunnah*, and the opinion of jurists.
- Chapter Three : Examining each banking tool in the light of the provisions in the *Shari'ah* texts and juristic opinions.

**Chapter Four :** A description of Islamic banking in practice; the case of Malaysia.

**Chapter Five :** Evaluating the practice of Islamic banking in terms of its conformity with the prescription of the *Shari'ah* and in achieving the Islamic socio-economic goals.

**Chapter Six :** Concluding remarks and suggestions.

### 1.3. Literature Review

A number of scholars have done pioneering work in the field of Islamic economy and banking. It is not possible to give a complete list. Some of the prominent names are Sayyid Abul A'la Mawdudi, Dr. Anwar Iqbal Quraishi, Shaykh Mahmud Ahmad, Na'im Siddiqi, Dr. Muhammad Uzair, Dr. M. Umar Chapra and Dr. M. Nejatullah Siddiqi from India and Pakistan, and Dr. Isa Abduh, Dr. Abdullah al Arabi, Dr. Ahmad al Najjar, Muhammad Baqir al Sadr, Dr. Mustafa al Zarqa' and Dr. Sami Hamud from the Arab countries. The establishment of Islamic banks in several countries has also promoted the discussion of Islamic banking. The charters, reports and publications of these banks have contributed greatly to an understanding of their operations and the issues involved.

The First International Islamic Economics Conference held in Makkah in February 1976 served as a great stimulant to the study of Islamic economics in general and of an interest-free, equity-based economy in particular. This conference has been followed by other conferences and seminars elsewhere which undoubtedly served to offer a valuable forum for a fair and open discussion of the various issues involved, and helped

considerably in furthering an understanding of the subject. The revised versions of the papers presented were compiled in a number of volumes. This will no doubt provide food for thought for all interested or working in the field.

However, more research is needed to review the operational aspect of Islamic banking as against the overall socio-economic goals of Islam which is basically equity-based. The system is there, but, does it really work towards realising the goals it is designed for? Also, if the system does work towards the realisation of its goals, how can its operation be improved so as to enhance its efficiency and productivity? What is actually the best model for Islamic banking? This is what the writer humbly seeks to present in the study.

#### 1.4. Research Methodology

This study is a non-empirical study which is descriptive in nature. It is concerned with ascertaining the legality of the Islamic banking tools as suggested by the Muslim economists and practised by the Islamic banks. It also purports to determine the workability of the present Islamic banking and financial alternatives and its effectiveness in achieving the socio-economic goals of Islam. The yard-stick for the evaluation is the text of the *Quran* and *Sunnah*, together with the literature available in the form of juristic works of the earlier jurists or of the more recent contemporary writings.

These primary and secondary data will be used as a mean to ascertain the exact basis for the Islamic monetary system and its goals in the socio-economic sphere. In the light of this finding the current operation of Islamic banks will be tested and evaluated.

Materials about the operation of Islamic banks as they are working today are taken from the annual reports and other sources such as seminar papers and articles in current journals. Special emphasis will be given to the case of Bank Islam Malaysia Berhad (BIMB), where most recent and reliable information may be obtained.

### 1.5. The Limitations

There are however some limitations to this study especially in determining the exact views of the jurists regarding more complicated and contemporary transactions such as *bay' al murabahah* as it is understood today and *bay' al muajjal*.

Most of the traditional and contemporary books on Islamic jurisprudence (*fiqh*) do not deal in depth about the issuance of short-term loans in an interest-free banking institution. These books would rather discuss the more accepted profit and loss sharing method which is less controversial and more in line with the spirit and intent of Islamic economy. Such method includes among others the *mudharabah* or *qirad* and *musharakah*.

Taking such limitations into consideration, the writer tries her best to highlight the most probable juristic conclusion for each legal issue, utilising the jurisprudential tool of ascertaining rules, together with the full cognisance of the general spirit of the *Shari'ah* as portrayed in the text of the *Quran* and *Sunnah*.

The limited time and space in conducting the study also render the final paper produced far from perfect.

## CHAPTER TWO

### RIBA AND ITS PROHIBITION IN ISLAM

*"But Allah has permitted trade and forbidden riba..."*

*(al Quran)*<sup>1</sup>

#### 2.1. Introduction

The Federal Shariah Court of Pakistan in a recent case, Mahmood ur Rahman Faisal v Secy. Miny. of Law<sup>2</sup> held that *riba* is unlawful and thus, made an order that all banks in Pakistan adopt Islamic principles in eliminating all elements of *riba* from its operation. The Federal Shariah Court also resolves that :

- (i) any excess of profit on a loan for a deferred payment when the borrower is unable to repay it after the fixed period and similarly any excess or profit on a loan at the time of contract, both are *riba* forbidden in *Shari'ah*;
- (ii) the alternate banks should be established according to the injunctions of Islam to provide economic facilities;

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1. *Al Baqarah*: part of ayah 275.

2. FSC, 1992, p.89.

(iii) the Academy resolved to request all the Islamic countries to establish banks based on *Shari'ah* principles to fulfill all the requirements of a Muslim according to his beliefs so that he may not face any repugnancy.

From the above decision evidently the main element to be eliminated in the present banking system in order to make it conform to the prescription of the *Shari'ah* is *riba*. Hence, it is indispensable that the nature and rules pertaining to *riba* be clearly defined. This chapter discusses the nature of *riba*, its prohibition in the *Quran* and *Sunnah*, and, the juristic opinions and differences around the prohibition of *riba*.

## 2.2. The Meaning of Riba

Literally, the word *riba* means excess (زيادة)<sup>3</sup>, increase, augmentation, expansion, or growth (نماء). The word "ربى" means increased and "الاعرباء" means the addition to a thing. An elevated place or hill is called "ربوة" because of its 'superiority' (or increase) in height in comparison with the adjacent places.<sup>4</sup> The *Quran* also uses the word *riba* in this sense, for example in *Surah al Haj* part of *ayah* 5 which reads :

وترى الأرض هامدة فإذا أنزلنا عليها الماء اهتزت  
وربت وأنبتت من كل زوج بهيج

"And (further), you see the earth barren and lifeless, but when We pour down rain on it, it is stirred (to life), it swells (ربت), and it puts forth every kind of beautiful growth (in pairs)."

3. Abu Abdullah Muhammad Al Qurtubi, "Al Jam' li Ahkam al Quran", Vol. 3, p. 348.

4. Abd. al Mun'im Mahmud al Qusi, "Riba, Islamic Law and Interest", a Ph.D dissertation, Temple University, 1982, p. 121.

Muslim writers give various definitions to the term *riba*. Basically, it is used to denote a specific kind of excess.

This excess (زيادة) originates either in the thing itself, or an increase in an exchange or sale of money as the sale of one *dirham* for two *dirhams*, or of commodities as in cases of barter of a measure for more of the same merchandise.<sup>5</sup>

Ibn Hajar al Asqalani held that the essence of *riba* is excess whether it is in the commodity itself or in money.<sup>6</sup> Abu Bakr Ibn al 'Arabi held that every excess in return of which no reward is paid is *riba*.<sup>7</sup>

Abu al A'la al Mawdudi<sup>8</sup> defined *riba* as "a predetermined excess or surplus over and above the loan received by the creditor conditionally in relation to a specified period". This definition entails that *riba* contains the following three elements:

- a. excess or surplus over and above the loan capital;
- b. determination of this surplus in relation to time;
- c. stipulation of this surplus in the loan agreement.

Ataul Haque defined *riba* as "an increase or excess (فصل) which, in an exchange or sale of a commodity, accrues to the owner (lender) without giving in return any equivalent counter value or recompense (مقابل to the other party".<sup>9</sup>

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5 Ibid p p 121-122.

6. Quoted by Afzal ur Rahman, "Economics Doctrine of Islam". Islamic Publications Ltd., Lahore. 3rd. Edition. 1986. Vol. III. p 69

7. Ibid

8. Abu al A'la al Mawdudi, "Interest", Vol. 1, p. 33; Afzal ur Rahman, Ibid. p. 71.

9. Ataul Haque, quoted by Shahrukh Rafi Khan, "Profit and Loss Sharing", Oxford University Press, 1987. p. 45.

From the above definitions we can conclude that there are actually two distinguishable types of excess, i.e., the excess accruing from a loan transaction in relation to time; and the excess accruing in a sale or barter transaction. These two types of excess are termed by the jurists as *riba al nasi'ah* and *riba al fadl* respectively. Both of the types of *riba* will be dealt with in the discussion regarding the prohibition of *riba* in the *Quran*, *Sunnah* and *fiqh*.

For the purpose of our study we may adopt a standard definition for the term *riba*, whereby, it is defined as an increase or excess which accrues to the owner in an exchange or sale of a commodity, or, by virtue of a loan arrangement, without giving in return any equivalent countervalue to the other party.

### 2.3. The Difference between *Riba* and Trade

*Riba* is different from trade, though, the difference may be very fine. Fine as it may, one is to be distinguished from the other since the *Quran* itself declared such distinction, attributing one with prosperity and blessings, and the other with wrath and war.

The jurists hold that, unlike *bay'* (trade), *riba* implies that money is loaned for self-generating or self-expanding value which is not a form of sale. For them, this growth or increases of money is inequitable. In *bay'* there is purchase and sale which is a lawful economic activity, a productive movement, something is exchanged for something, such as, money for goods or simply goods for goods. In money-lender's capital, which is given on loan, there is no such legal or moral relationship mediating any commodity except that here capital is loaned for an increase in itself. It is the capacity of money to increase its own



value without the economic activity of sale. This is the point which the *Quran* so clearly makes when it refutes the theory of money-lenders that *riba* is similar to *bay'*.<sup>10</sup>

*Riba* is of its very nature an invalid exchange because one party receives an increase without giving to the other party an equivalent return. This unearned increment is the root of injustice and exploitation because it enriches the class of money-lenders who accumulate wealth by impoverishing others.<sup>11</sup>

Abu al A'la al Mawdudi<sup>12</sup> gave four fundamental differences between trade and *riba*, i.e. :

- a. In trade the purchaser and vendor exchange on the basis of equality, for the purchaser derive profit from that which he has purchased from the vendor, while the latter gets profit in consideration of the labour and time which he spends in procuring that commodity for the purchaser. In interest-transactions there is no division of profits between the two parties on the basis of equality. The creditor gets for himself a definite amount of money for his loan, but all the debtor gets is certainly the time to use the money, whilst time does not necessarily procure him profit.
- b. In trade, however great a profit the vendor might demand from the purchaser, he does so only once. In interest dealings the creditor does not cease to demand his interest (as long as the principal is not returned).
- c. In trade, the moment a commodity is exchanged for its price, the transaction comes to an end. The purchaser does not give anything after that transaction to the vendor. In hire transactions, whether of house, land, or other material, the original

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10 Abd. al Mun'im Mahmud al Qusi, op. cit. p. 125

11 Ibid

12 Abu al A'la al Mawdudi, "The Meaning of the Quran". Vol. I, p.p. 201-205, and simplified by the writer where necessary.

remains intact and is returned to the owner afterwards. It is only for the usufruct of it (use and fruit) that the hirer has to pay rent to the owner. In the case of interest, the debtor actually spends the amount borrowed from the creditor and has to return the same amount with an addition by way of interest.

d. In trade, professions and crafts, a person derives benefit after undergoing labour, hardship, or by his skill or art. In interest-transactions, he only lends out his surplus amount and becomes, without any personal labour or hardship, a prominent partner in the earnings of his debtor.

It should be clear from the above discussion that *riba* is different from *bay'*. The *Quran* in unambiguous terms puts *bay'* against the concept of *riba*, allowing the former while prohibiting the latter.

#### 2.4. Riba in the Quran

The prohibition of *riba* appears in the *Quran* in four separate revelations. These revelations constitute the four stages of the prohibition which are as follows :

##### 2.4.1. First Stage

We read in *Surah al Rum* : 39 to the effect :

وَمَا عَلَيْكُمْ مِنْ رِبَاٍ لِيُرَبُوا فِي أَمْوَالِ النَّاسِ فَلَا يُرَبُوا  
عِنْدَ اللَّهِ وَمَا عَلَيْكُمْ مِنْ زَكَاةٍ تَرِينُونَ وَجْهَ اللَّهِ  
فَأُولَئِكَ هُمُ الْمُضْطَرُونَ

*That which you lay out for increase through the property of (other) people, will have no increase with Allah; but that which you lay out for charity seeking the countenance of Allah (will increase); it is these who will get a recompense multiplied".*

This *ayah* draws a comparison between those who give money to get an increase (*riba*) therefrom, and those who give alms seeking for Allah's pleasure; whereby, the former is deprived the wealth of Allah's blessings whilst the latter gets it manifold

This *ayah*, being a Meccan *ayah* (*makkyyah*), worked as a motive for people at the earlier stage of Islam to abolish loans with a view of interest (*riba*). In the alternative, it encouraged the giving of alms and charity.

Sami Hassan Hamoud<sup>13</sup> said that the aim behind the *ayah* is the "awakening of the live souls", addressing the people who have not been aware so far that such gain from usury is to be interdicted. He observed that the word used in the *ayah* is '*gives*' which equalises eloquently the two cases of usury and *zakah*, but the former is said to be not worth of any credit from Allah, whilst the latter is bound to *grow and multiply*.

However, there were several interpretations of the word *riba* used in the *ayah*. Some interpreters said that what is meant is not the banned usury, but the grant which is not intended for Allah's sake, such as where a man gives a present to another anticipating to obtain in return a better present, or the grant made by a man to one of his relations, not for Allah's sake, but for profit.<sup>14</sup>

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13 Sami Hassan Hamoud, "Islamic Banking", Arabian Information, London, 1985, p. 66.

14 Ibid., this is the preferred view among commentators especially Ibn Barr al Qayyim because of the clear connotation of the verse, whereby, the *Qur'an* always uses the word 'favour' (*al-ahd*) in connection with *riba*, and the word 'give' (*anzamam*) in connection with the act of donating.

Others view that the word refers to the banned usury. Al Alusi, for instance, said that the apparent meaning of usury in the *ayah* is "the increase known in dealings which are banned by the *Shari'ah*".<sup>15</sup> Contemporary Muslim thinkers tend to agree with the latter interpretation, particularly as it does not contradict the absoluteness of the *ayah* on the assumption that it covers "all means by which its users wish in any form to multiply their property (monies) upon usury".<sup>16</sup>

#### 2.4.2. Second Stage

We read in *Surah al Nisa'* : 160 and 161 to the effect :

فيظلم من الذين هادوا حرمنا عليهم طيبات أحلت لهم  
وبصدهم عن سبيل الله كثيرا . وأخذهم الربوا وقد نهوا  
عنه وأكلهم أموال الناس بالباطل وأعدنا للكافرين  
منهم عذابا أليما

*"For the iniquity of the Jews We made unlawful for them certain (foods) good and wholesome which had been lawful for them in that they hindered many from Allah's way; that they took usury, though they were forbidden; and that they devoured men's substance wrongfully; We have prepared for those who reject faith a grievous punishment."*

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15. Shihab al Din al Alusi al Baghdadi, "The Essence of Meanings in Interpreting the Great Quran"; Sami Hassan Hamoud, op. cit. p. 66; see also Al Qurtubi, op. cit., Vol. 14, p p. 36-39.

16. Sayyid Qutb, "Fi Zilal al Quran", Dar al Syuruq, 1981, Vol. 5 p. 2772.

These *ayat* were revealed in the early *Madinah* period. They condemned the practice of *riba* in stronger terms by attributing it to the practice of the people of the book (jews) which is considered as a form of iniquity. Also, *ayah* 161 placed those taking *riba* in juxtaposition with those who wrongfully appropriated other people's property, both of which, are threatened with severe punishment from Allah.<sup>17</sup>

In this *ayah* a stronger expression was used, i.e. 'take' instead of 'give' which was used in the preceding *ayah* in *Surah al Rum*. This is to connote the graduation in prohibition.<sup>18</sup>

In interpreting this *ayah*, Al Tabari said that "the order of heaven is one and the same; that the usury which was banned to the jews is the same usury which is banned to the people of Islam". He also said that the usury which was banned to the jews is proximate to the pre-Islamic usury in that both concerned the taking of the surplus to the sum of the capital in consideration for extension of the term after maturity.<sup>19</sup>

### 2.4.3. Third Stage

*Ali Imran* : 130 reads to the effect :

يٰۤاَيُّهَا الَّذِيْنَ ءَامَنُوْا لَا تَأْكُلُوْا الرِّبَا اَضْعَافًا مُّضَاعَفَةً  
وَلتَقُوْا اللّٰهَ لَعَلَّكُمْ يَتَّقُوْنَ

17. Muhammad Umer Chapra, "Towards a Just Monetary System", op. cit., p. 56

18. See Sami Hassan Hamoud, op. cit. p. 67.

19. Al Tabari, quoted by Sami Hassan Hamoud, ibid. p. 68.

*"O you who believe! Devour not usury doubled and multiplied ; but fear Allah; that you may (really) prosper."*

This *ayah* was revealed around the second or third year after *hijrah*, enjoining Muslims to keep away from *riba* if they desired their own welfare.<sup>20</sup> It may be noted that there is a graduation in the strength of the word used, i.e. 'devour'; any person who apprehends the impression created by this word on the Arabs, who were disgusted if one was described as a glutton, will comprehend fully the strength of the ban intended in the message.

Apparently, it emphasises the prohibition of usury and excessive interest, not non-excessive or normal interest. This apparent meaning was refuted by Mahmud Shaltut by saying :

"This is null and void because when Allah said *"أضاعوا مباحة"*, He was in fact reproaching them for their actions and exposing and denouncing their evil deeds. The same approach is followed when the *Quran* dealt with the problem of prostitution : "But force not your maids to prostitution when they desire chastity, in order that you may make a gain in the goods of this life". The purpose here is not to prohibit the act of forcing maids to become prostitutes when they desire to remain chaste, and permit this act when they desire not to stay chaste, but Allah is repudiating and denouncing their actions, which is exactly the same approach taken in the case of *al riba*."<sup>21</sup>

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20. M. Umer Chapra, *op. cit.*, p. 56.

21. Mahmud Shaltut, quoted by Abd. al Mun'im Mahmud al Qusi, *op. cit.* p.p. 138-139.

Interpreters generally agreed that the expression 'multiples' is not to restrict the ban but to express the usury they were accustomed to practise. To quote Sayyid Qutb, the phrase 'multiple of multiples' is "no more than a description of a state of affairs and not a condition relevant to the imposition".<sup>22</sup> He also said in this connection that :

"It is inconceivable for a man who believes in Allah and the Day of Judgment to hide himself behind this text and say that the prohibition is related only to the 'multiples of multiples', while the four percent, the five percent, the seven, or nine percent is not 'multiples of multiples' and hence is not prohibited."<sup>23</sup>

It is clear that both *ayat* in this *Surah* call for the prohibition of all forms of *riba*. In any case, this is not the final revelation which may be said to lay down the strict law regarding *riba*. The strict law regarding *riba* is laid down decisively in the fourth stage of prohibition.

#### 2.4.4. Fourth Stage

We read in *al Baqarah* : 275-281 to the effect :

الذين يأكلون الربوا لا يقومون الا كما يقوم الذى  
يتخبطه الشيطان من المس ذلك بأنهم قالوا انما البيع  
مثل الربوا وأحل الله البيع وحرم الربوا فمن جاءه  
موعظة من ربه فانتهى فله ما سلف وأمره الى الله  
ومن عاد فأولئك أصحاب النار هم فيها خالدون • يحق

<sup>22</sup> Sayyid Qutb, op. cit. Vol. 1, p. 473.

<sup>23</sup> Ibid.

• الله الربوا ويربى الصدقت والله لا يحب كل كفار أثيم •  
 ان الذين ءامنوا وعملوا الصلحت وأقاموا الصلوة  
 وءاتوا الزكوة لهم أجرهم عند ربهم ولا خوف عليهم  
 ولا هم يحزنون • يا أيها الذين ءامنوا اتقوا الله  
 وذروا ما بقى من الربوا ان كنتم مؤمنين • فان لم  
 تفعلوا فأننوا بحرب من الله ورسوله وان تبتم فلکم رعوس  
 أموالکم لا تظلمون ولا تظلمون • وان كان ذو عسرة  
 فنظرة الى ميسرة وأن تصدقوا خير لکم ان كنتم تعلمون •  
 واتقوا يوما ترجعون فيه الى الله ثم توفى كل نفس ما  
 كسبت وهم لا يظلمون •

*"Those who devour usury will not stand except as stands one whom the  
 evil one by his touch has driven to madness. That is because they say:  
 'Trade is like usury', but Allah has permitted trade and forbidden usury.  
 Those who after receiving direction from their Lord, desist, shall be  
 pardoned for the past; their case is for Allah (to judge); but those who  
 repeat (the offence) are companions of the fire: they will abide therein (for  
 ever). Allah will deprive usury of all blessings, but will give increase for  
 deeds of charity: for He loves not creatures ungrateful and wicked. Those  
 who believe, and do establish regular prayers and regular charity, will  
 have their reward with their Lord : on them shall be no fear, nor shall  
 they grieve. O you who believe! Fear Allah and give up what remains of  
 your demand for usury if you are indeed believers. If you do it not, take  
 notice of war from Allah and His Messenger: but if you turn back, you  
 shall have your capital sums: deal not unjustly, and you shall not be dealt  
 with unjustly. If the debtor is in a difficulty, grant him time till it is easy  
 for him to repay. But if you remit it by way of charity, that is best for you*