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BLOCK SEMINAR – SoSe 2012 (April, 23-27, 2012)
(B Ara 10/ M Ara 7)

**14SWS: 8S Vorlesungen – 2S Übersetzung Arabischer Texte – 4S Studenten
Referate**

**CHALLENGING THE “CONVENTIONAL” SYSTEM
ISLAMIC BANKING AND FINANCE**

This block seminar provides an overview of the law and practice of Islamic finance exploring how the contemporary financial practice is accomplished by means of modified medieval commercial contracts (sales, leases, partnership and commenda). The Islamic finance retains the substance of classical jurisprudence while gaining in efficiency and legitimacy and giving new interpretation to the provisions of classical Islam relating to finance that help universalize them. Today Islamic finance is becoming increasingly important in the world economy with consistent assets managed in accordance with Islamic law and a rising number of institutions involved in the international financial markets in both Muslim and non-Muslim countries.

This block seminar provides an introduction to the basic principle of Islamic finance and the development of new Islamic financial products in the last decades. The block seminar focuses in particular on the following topics:

- Distinguishing Features of Islamic Banking
- Islamic Financial Products: participative and non-participative contracts; Islamic assurance; Islamic bonds (sukuk)
- Islamic Banking in Practice: Islamic and non-Islamic context
- International Islamic Financial Institutions
- Islamic Banking Practices by some Conventional Financial Institutions

The language of the block seminar is English. The participants in the block seminar must have a good knowledge (reading) of Arabic. The main goal of the block seminar is to stimulate discussion in the classroom and to encourage students’ use of their own knowledge and autonomous capacity of research; insofar participants are strongly encouraged to give a short paper (working alone or in small groups) on issues relating to the main topics of the block seminar.

Short Bibliography

van Greuning, H. - Iqbal, Z., *Risk Analysis for Islamic Banks*, Washington, D.C., The World Bank, 2008.

Clement, M. H. – Wilson, R. (eds), *The politics of Islamic finance*, Edinburgh Univ. Press, Edinburgh, 2004

El-Gamal, Mahmoud A., *Islamic Finance. Law, Economics, and Practice*, Cambridge University Press, Cambridge 2006.

Iqbal, M., *Islamic Banking and finance*, Islamic Foundation, Leicester, 2001.

Warde, I., *Islamic finance in the global economy*, Edinburgh Univ. Press, Edinburgh, 2001.

On sukuk: Tariq, Ali Arsalan, Managing Financial Risk of Sukuk Structures, 2004 PDF, in <http://kantakji.com/fiqh/Files/Markets/c86.pdf>

Websites:

Islamic Finance - International Institutes

Accounting and Auditing Organization for Islamic Financial Institutions(AAOIFI): <http://www.aaofii.com/aaofii/Home/tabid/36/language/e-US/Default.aspx>

International Islamic Financial Market (IIFM): <http://www.iifm.net/>

Islamic Development Bank: <http://www.isdb.org>

Islamic Finance – Islamic Banking System

Islamic Banking and Islamic Insurance: <http://www.islamic-banking.com>

Al Baraka Islamic Bank – Bahrain (AIB - Bahrain): <http://www.barakaonline.com/>

Faysal Bank Limited: <http://www.faysalbank.com/index.html>

Islamic Finance – Advisor and Research Centres

ASSAIF: <http://eng.assaif.org/>

Failaka Advisors: <http://www.failaka.com>

IBFIM – Islamic Finance Solutions Partner: <http://www.ibfim.com>

Islamic Foundation (Markfield, UK): <http://Islamic-Foundation.Org.Uk>