Islamic Banking and Finance Against Conventional

Edited by
Saim Kayadibi

IIUM Press
Islamic Banking and Finance Against Conventional

Edited by

Saim Kayadibi

IIUM Press
Contents

Preface ....................................................................................................................... 6

Chapter 1 .................................................................................................................. 8

Islamic banking and finance – an on-going underground war against the norm of Islam ....................................................................................... 8

Chapter 2 ................................................................................................................ 36

Conventional and Islamic Banking System in Malaysia ....................................... 36

Chapter 3 ................................................................................................................ 57

Differences between Islamic Credit Card and Conventional Credit Card .......... 57

Chapter 4 ................................................................................................................ 73

The Application of Credit Cards in Islam ............................................................... 73

Chapter 5 ................................................................................................................ 85

Takaful As an Alternative to Conventional Insurance ........................................ 85

Chapter 6 ................................................................................................................ 95

Malaysia Airline And Airasia Share-Swap Deal: In Islamic Perspective .......... 95

Chapter 7 ............................................................................................................. 108

Concept of Zakat in a Broader Sense ................................................................. 108

Chapter 8 ............................................................................................................. 124

Islamic Bond (Sukuk) in the Contemporary Economic and Finance Life .......... 124

Chapter 9 ............................................................................................................. 140

Wakalah and Multilevel Marketing (MLm) ......................................................... 140

Chapter 10 ......................................................................................................... 150
Tawarruq in Islamic Finance ........................................... 150
Chapter 11 ...................................................................... 157
The Legality Of Bay Bithaman Ajil And Its’ Issues .............. 157
Chapter 12 ...................................................................... 173
Bay’ Al-,Einah: View of Scholars And Specification On Malaysia Context ......................................................... 173
Chapter 13 ...................................................................... 186
The Contract of Sale: From The Perspective Of Buying Commodities Online ....................................................... 186
Chapter 14 ...................................................................... 206
Bibliography .................................................................. 218
Chapter 1

Islamic banking and finance – an on-going underground war against the norm of Islam
Ziat Abdel-Jallal' and Saim Kayadibi

Introduction

Islam is a religion for humanity, as mentioned in the Quran: “Blessed is God Who sent down the Furqan (the Quran) upon His servant that he may be a warner to all the nations” 2.

We have seen now for more than fourteen centuries how Muslims were strong and conquered the world, and we should not be afraid of using the word “conquer” because when Spanish were looking for the new world and wanted to make them Christians, they called that a “conquest” and they were called “the conquistador”.

Muslims conquered new territories with a message of peace and yet no blood spilled, it was only through talks, behaviors in their trading, and advanced knowledge of everything and not only their religion. They referred to the first word that came down to our Prophet (PBUH) which is: “IQRA”3. (Read, learn)

Since 1616, when the last Muslims who conquered the Iberian Peninsula were expelled or killed4, the decline of Islam in the World begun, slowly, but surely. We were at the turning point

---

1 Graduate Student, Faculty of Economics and Management Sciences, International Islamic University Malaysia (IIUM), Kuala Lumpur, Malaysia.
2 Quran 1:25
3 Quran 1:96
4 Timeline of the Muslim presence in the Iberian peninsula