

# **ISLAMIC BANKING DISPUTES: BETWEEN JUDICIAL PLURALISM AND ADR**

BY

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## **ABSTRACT**

*Disputes emanating from Islamic banking transactions are adjudicated by English-style High Courts in many nations operating pluralistic judicial system. The courts' judges are, in most cases, not required to be lettered in Islamic law before they assume jurisdiction and where they know the law, they do not apply it as a matter of knowledge but as may be proved to exist by evidence. This arrangement occasions injustice on Islamic banking disputes. The process of redressing the anomaly is cumbersome given the secular and/or multi-religious nature of most of those nations. This paper therefore examines the possibility of attaining justice through a middle course by adoption of Alternative Dispute Resolution (ADR) while the political and legislative battle to allow adjudication by competent judges lasts.*

# Islamic house financing: current models and a proposal from social perspective

By

Prof. Dr. Zubair Hasan

## Abstract

*Shelter is one of the basic needs for human beings. Its availability for the people is an Islamic imperative. In view of the appalling living conditions for a substantial proportion of population in most countries around the world, especially Muslim, Islamic banks have entered the field with varying schemes for house financing. In this infant industry, the effort is understandably guided by profit motive but a social dimension has to surface in course of time. Unfortunately, the models banks currently use for house financing remains under the juridical gaze, more so as the practice is not always found transparent. This paper looks at Islamic house financing models in a broader societal context. It evaluates the efficacy of the in practice financing structures and suggests a new approach. The proposed model is shown as superior to the existing ones. It meets the norms of equity, fair play and openness and does not presumably violate any other Islamic norm. Finally, the paper makes some policy suggestions to integrate Islamic house financing with broader social goals of an Islamic economy.*

# A STUDY OF THE LEGAL AND REGULATORY ISSUES OF NON-INTEREST BANKING SYSTEM IN NIGERIA

By

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## Abstract

*Voices raised from various quarters against the flaws, shortcomings and exploitation of the conventional financial system clearly indicate that the authors of the system could not redeem the image without resorting to alternative financial system devoid of the exploitative tendencies in the former system. The worldwide acknowledgement of usury as an economic instrument inimical to human welfare, as well as the havoc and misery associated with a usury-based financial system in the modern society is likely a good reason for the wide acceptance of Islamic financial institutions. Of recent, the Central Bank of Nigeria equally joined the race by coming up with a draft framework for the regulation and supervision of non- interest banks in Nigeria. The draft addresses such issues as interest-free banking, riba, risk management, profit sharing and liquidity management. On the other hand, there is no doubt that Islamic financial institutions in Nigeria are likely to face both legal and operational problems or else the existing banking laws will have to be amended, or the Islamic financial institutions will have to be exempted from such laws. This implies that professional economists, bankers and jurists need to engage in a more rigorous examination of the principles to distinctively demarcate Islamic financial institutions from other institutions, which in our own view, are not clearly spelt out in the draft framework issued by the Central Bank. It becomes the focus of this paper therefore to critically examine the draft with a view to addressing its compatibility with Islamic financial services. Some research problems which are to be addressed by this paper include how will the problem of inter-bank relationships not affect Islamic financial institutions as the two are operating within different worldviews and ideologies? How will the Islamic financial institutions compete favourably with conventional banks in their bid to engage in less risky ventures without violating the injunction of Islam?*

# Historical Perspective of Islamic Banking

By

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## Abstract

*The current research explores the historical perspective of Islamic banking. The data were collected from the various secondary sources, Annual reports of Islamic Banking system and news bulletin related to the history of Islamic banking. It was revealed that Islamic banking operation started from the Egypt. It was further revealed that the form of a saving bank based on profit-sharing in the town of Mit Ghamr, lasted until 1967, by which time there were nine such banks in the country. Islamic banks are not invested in trade and neither paid interest nor directly involves in Partnership with others, and shared profits with depositors.*