

**Course Code: ECON-208**

**Title: Islamic Economics**

**Credit Hours: 03**

**Prerequisite: Principles of Microeconomics, Principles Macroeconomics**

**Course Objectives:**

The main objective of this course is to acquaint students with the economic aspects of Islamic principles and their application to analyze contemporary economic problems. The course helps to build nexus between the Islamic principles and mainstream economic theories. The topics covered in this course range from microeconomic to macroeconomic concepts pertaining to fundamentals of Islamic thoughts.

**Learning Objectives:**

The students will learn:

- Difference between contemporary and Islamic methods of dealing with economic problems.

**Course Contents:**

<b>Introduction and Theory</b>	Economic Problem and Islamic View of Life, Sources of Islamic Economics, Nature & Need of Islamic Economics, Moral Values & Economic System of Islam
<b>Islam and Other Economics Systems</b>	Economic System of Islam, Capitalism, Socialism
<b>Consumption and Production in Islam</b>	Islam & Consumption of Wealth, Theory of Consumer Behavior in an Islamic Society, Islamic Approach to Production Purpose, Musharka (Partnership), Modarbah, Behavior of Firm Under the influence of Islamic Spirit, Islam & Price Mechanism
<b>Islam and Distribution of Wealth</b>	Circulation of Wealth, Rent, Profit, Wages and Dignity of Labor, Measures to Stop Concentration of Wealth, Legal Measures (Zakat & Inheritance), Optional Measures (Sadqat & Alms, Charity of Surplus & Auqaf)

<b>Prohibition of Interest &amp; Interest Free Banking</b>	Prohibition of Interest, Interest Free Banking, Model of Interest Free Banking, Islamic Modes of Financing (Bai Salam, Bai Murabaha, Bai Muajjal, Ijara, etc.)
<b>Fiscal Policy</b>	Islamic State & its Fiscal Policy, Instruments of Fiscal Policy in Islam, Bait-ul-Mal, Theory of Taxation in Islam, Public Expenditures in Islamic Economy, Zakat & Ushr Ordinance
<b>Some Topics from current Perspective of Islamic Economics</b>	Economic implication of Zakat, Islamic Inheritance Law and its Economic Implications, Theory of Taxation in Islam (Ibn-e-Khaldun and Theory of Taxation), Takaful and Islamic insurance policies in Pakistan, Islamic Financial System: Theory and Practice.

#### Teaching Methodology:

- To deliver lectures on topics included in course outline
- To require each student to solve independent assignments on topics included in the course.

#### Evaluation Criteria:

Evaluation Method	Total Percentage
Quizzes/Assignments	25%
Mid-Term Exam	35%
Final-Term Exam	40%

#### Textbooks and Supplementary Readings:

- Islamic Economics: Dar A.H & M. Akram Ilmi Kitab Khana, Lahore (latest ed.)
- Mirakhor, A., & Askari, H. (2017). Ideal Islamic economy: an introduction. Springer.
- Uusmani, M. T., & Taqī 'Uṣmānī, M. (2002). An introduction to Islamic finance (Vol. 20). Brill.