

# **Islamic Finance or Financing Islamism**

**SOFIA BUSINESS SCHOOL-2015**

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# Islamic (Sharia) Finance

- What is it?
- When Did it Start?
- How Does it Differ from Conventional Finance?
- What is Riba? - Interest or Usury

# Origins and Evolution of Sharia Finance

- Abul ala Mawdudi and the Islamization of Islam – 1940s
- Sayyid Qutb – 1950s
- 1st Islamic Bank (Arab Development Bank) – 1975
- Current State

# Principles of Sharia Finance

- Prohibits interest and speculation (gharar)
- Prohibits investment in gambling, alcohol, prostitution etc (haram), but also in companies that use conventional finance .  
Turkey and Ziraat
- A morally superior, ethical and more effective system. Road to heaven = 50 basis points
- Or is it?

# Sharia Finance as a Bogus Concept

- Islamic Finance vs Buddhist Biology, Christian Physics, Hindu Astronomy...
- Disingenuous, ploys and ruses – sukuk, ijara, mudaraba, murabaha....
- Fatwa buying
- Example: murabaha – consumer credit

# Sharia Finance Real Objectives

- Legitimate Sharia Law
- Western Banks failure to disclose what sharia is – huge risk - Usmani and IMANX
- Promote Radical Islam

# Sharia Finance in the Service of Radical Islam

- Sharia boards: Qaradawi, Usmani, Faysal, Mawlawi...
- Jihad with Money – Zakat, Golden Chain, Saleh Kamel, Yassin al-Qadi
- Purification fees!

**THANK YOU FOR YOUR ATTENTION!**  
**QUESTIONS AND COMMENTS ARE WELCOME!**