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of your Lord with  
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must be the  
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# DUBAISUN

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EDITORIAL

# Hopes Pinned on Islamic Banking Conference



Islamic banking is based on Mudarabah, or Profit Sharing. It is an arrangement or agreement between the bank, or a capital provider, and an entrepreneur, whereby the entrepreneur can mobilize the funds of the former for its business activity. The entrepreneur provides expertise, labor and management. Profits made are shared between the bank and the entrepreneur according to predetermined ratio. In case of loss, the bank loses the capital, while the entrepreneur loses his provision of labor. It is this financial risk, according to the Shariah, that justifies the bank's claim to part of the profit.

Over the past decade, Sharia-compliant financial services have gained significant ground and a large number of universities and institutes have started to teach the basics of Islamic financial services and conduct seminars and conferences that tackle topics related to Islamic banking.

Due to the current financial turmoil gripping the world, many economic centres have accelerated their efforts to fathom the basics of Islamic economy, laying special focus on financial and banking matters.

Within this context convenes the Islamic Banking Conference held by the Islamic Affairs & Charitable Activities Department. Themed "Hope Amidst Reality", the event paves the way for the exchange of expertise and exploring new vistas that are likely to further develop our Islamic banks.

Our Islamic Sharia-compliant institutions have become an effective player on the global arena, enjoying a high degree of appreciation among all parties concerned with this kind of business, and wooing even non-Muslims to benefit from their trustworthy services.

**Dr. Ahmed bin AL Sheikh Ahmed Al Shaibani**

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**HH Sheikh Mohamed bin Rashid  
Awarded for Lifetime  
Contribution**

by International Islamic Finance Forum

H Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the United Arab Emirates, Ruler of Dubai, has received the prestigious award for his Lifetime Contribution to Islamic finance.

# HH Sheikh Mohamed bin Rashid Awarded for Lifetime Contribution

by International Islamic Finance Forum

**H**

HH Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the United Arab Emirates, Ruler of Dubai, has received the prestigious award for his Lifetime Contribution to Islamic finance.

The award was made on 26 April 2009 by the International Islamic Finance Forum, the most important networking event in the Islamic finance industry calendar.

The award is in recognition of Sheikh Mohammed's continued support of the forum of which he has been the patron since it was first launched in March 2002. The award was received on behalf of Sheikh Mohammed by his son HH Sheikh Ahmed bin Mohammed bin Rashid Al Maktoum. The award was presented by Rushdi

Siddiqui, Global Head of Islamic Finance for Thomson Reuters.

The forum, with participants from countries throughout the world, tracked the latest developments in a growing and fascinating financial sector," said Siddiqui, who is also chairing the current forum. "His Highness Sheikh Mohammed's vision and support of the forum since its beginning continues to mark Dubai and the UAE as leaders in the global Islamic finance industry."

The International Islamic Finance Forum Awards promote excellence in Islamic finance and recognise the significant contributions and important developments in the Islamic financial sector.



# Root Causes of Global Meltdown



Dr. Mohammed Abdulhameed Al Fiqhi  
Economic analysts / Researcher in Islamic finance

It is not yet clear whether the world stands at the start of a long fiscal crisis or one that will pass relatively quickly, like most other post-World War II recessions. The full extent will only become obvious in the years to come. But if we want to avoid future deep financial meltdowns of this or even greater magnitude, the root causes ought to be addressed.

There are two critical and related factors behind the current crisis. First, profligate lending which allowed many people to buy over-priced properties that they could not, in reality, afford. Second, the existence of excessive land use regulation which helped drive prices up in many of the most impacted markets.

Profligate lending all by itself would not likely have produced the financial crisis. It took a toxic connection with excessive land-use regulation. In some metropolitan markets, land use restrictions, such as urban growth boundaries, building moratoria and large areas made off-limits to development propelled house prices to unprecedented levels, leading to severely higher mortgage exposures. On the other hand, where land regulation was not so severe, in the traditionally regulated markets, such as in Texas, Georgia and much of the US Midwest and South there were only modest increases in relative house prices. If the increase in mortgage exposures around the country had been on the order of those sustained in traditionally regulated markets, the financial losses would have been far less. Here is a primer on the process:

The International Financial Crisis Started with Losses in the US

**Housing Market:** There is general agreement that the US housing bubble was the proximate cause for the most severe financial crisis (in the US) since the Great Depression. This crisis has spread to other parts of the world, if for no other reason than the huge size of the American economy.

**Root Cause #1 (Macro-Economic): Profligate Lending Led to Losses:** Profligate lending, a macro-economic factor, occurred throughout all markets in the United States. The greater availability of mortgage funding predictably led to greater demand for housing, as people who could not have previously qualified for credit received loans ("subprime" borrowers) and others qualified for loans far larger than they could have secured in the past ("prime" borrowers). When over-stretched, subprime and prime borrowers were unable to make their mortgage payments, the delinquency and foreclosure rates could not be absorbed by the lenders (and those which held or bought the «toxic» paper). This undermined the mortgage market, leading to the failures of firms

## There are two critical and related factors behind the current crisis



like Bear Stearns and Lehman Brothers and the virtual failures of Fannie Mae and Freddie Mac. In this era of interconnected markets, this unprecedented reversal reverberated around the world.

Root Cause #2 (Micro-Economic): Excessive Land Use Regulation Exacerbated Losses: Profligate lending increased the demand for housing. This demand, however, produced far different results in different metropolitan areas, depending in large part upon the micro-economic factor of land use regulation. In some metropolitan markets, land use restrictions propelled prices and led to severely higher mortgage exposures. On the other hand, where land regulation was not so severe, in the traditionally regulated markets, there were only modest increases in relative house prices. If the increase in mortgage exposures around the country had been on the order of those sustained in traditionally regulated markets, the financial losses would have been far less. This "two-Americas" nature of the housing bubble was noted by Nobel Laureate Paul Krugman more than three years ago. Krugman noted that the US housing bubble was concentrated in areas with stronger land use regulation. Indeed, the housing bubble is by no means pervasive. Krugman and others have identified the single identifiable difference. The bubble – the

**the delinquency and foreclosure rates could not be absorbed by the lenders (& those which held or bought the «toxic» paper)**

largest relative housing price increases – occurred in metropolitan markets that have strong restrictions on land use (called "smart growth," "urban consolidation," or "compact city" policy). Metropolitan markets that have the more liberal and traditional land use regulation experienced little relative increase in housing

prices. Unlike the more strongly regulated markets, the traditionally regulated markets permitted a normal supply response to the higher market demand created by the profligate lending. This disparate price performance is evidence of a well established principle of economics in operation – that shortages and rationing lead to higher prices.

Among the 50 metropolitan areas with more than 1,000,000 population, 25 have significant land use restrictions and 25 are more liberally regulated. The markets with liberal land use regulation were generally able to absorb from the excess of profligate lending at historic price norms (Median Multiple, or median house price divided by median household income, of 3.0 or less), while those with restrictive land use regulation were not.

Moreover, the demand was greater in the more liberal markets, not the restrictive markets. Since 2000, population growth has been at least four times as high in the traditional metropolitan markets as in the more regulated markets. The ultimate examples are liberally regulated Atlanta, Dallas-Fort Worth and Houston, the fastest growing metropolitan areas in the developed world with more than 5,000,000 population, where prices have remained within historic norms. Indeed, the more restrictive mar-



kets have seen a huge outflow of residents to the markets with traditional land use regulation (see: <http://www.demographia.com/db-haffmigma.pdf>).

**Toxic Mortgages are Concentrated Where there is Excessive Land Use Regulation:** The overwhelming share of the excess increase in US house prices and mortgage exposures relative to incomes has occurred in the restrictive land use markets. Our analysis of Federal Reserve and US Bureau of the Census data shows that these over-regulated markets accounted for upwards of 80% of "overhang" of an estimated \$5.3 billion in overinflated mortgages.

**Without Smart Growth, World Financial Losses Would Have Been Far Less:** If supply markets had not been constrained by excessive land use regulation, the financial crisis would have been far less severe. Instead of a more than \$5 Trillion housing bubble, a more likely scenario would have been at most a \$0.5 Trillion housing bubble. Mortgage losses would have been at least that much less, something now defunct investors and the market probably could have handled.

While the current financial crisis would not have occurred without the profligate lending that became pervasive in the United States, land use rationing policies of smart growth clearly intensified the problem and turned what may have been a relatively minor downturn into a global financial meltdown.

**Never Again:** All of the analyst talk about whether we are "slipping into a recession" misses the point. For those whose retirement ac-



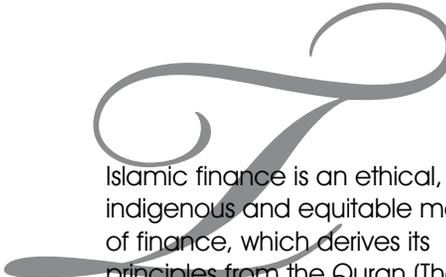
counts have been wiped out, or stock in financial companies has been made worthless, those who have lost their jobs and homes, this might as well be another Great Depression. These people now have little prospect of restoring their former standard of living. Then there is the much larger number of people whose lives are more indirectly impacted – the many households and people toward the lower end of the economic ladder who have far less hope of achieving upward mobility.

All of this leads to the bottom line. It is crucial that smart growth's toxic land rationing policies be dismantled as quickly as possible. Otherwise, there could be further smart growth economic crises ahead, or, perhaps even worse, a further freezing of economic opportunity for future generations.

**Metropolitan markets that have the more liberal and traditional land use regulation experienced little relative increase in housing prices**

Dr. Sulaiman omar Sulaiman  
Economic Researcher in European Universities

# The Growth of Islamic Banking



Islamic finance is an ethical, indigenous and equitable mode of finance, which derives its principles from the Quran (The revealed book of Muslims) and tradition of the Prophet Muhammad (pbuh). Shariah law (Islamic law), which is based on the Quran and Sunnah, governs Islamic finance.

It is a trend which is broadening the ownership base, creating more stakeholders and thereby bringing the hope of stability to more than 1.3 billion Muslims spread across the world.

Islamic Finance as a concept is based on themes of Community Banking, Ethical and Socially Responsible Investments and Affinity Marketing. These themes themselves are based on core ideas, which include individual responsibility, reliance on market mechanism, commitment to economic and social justice and mandatory care for the environment. These guidelines also include prohibitions from investing in areas such as Defence and Armaments, Casinos, Breweries - areas which are considered to be value destroyers.

In Islamic Finance Scholars say that everything is allowed except that which has been specifically forbidden. In essence the believing Muslims view of economics is based on Man's obligation to organise his affairs in accordance to the will of God as his representative and vice regent on Earth. The goal is not equality but an avoidance of gross inequality along with an injunction that wealth should not become «a commodity between the rich among you». Islamic Finance is firmly embedded in the commercial, real,

value-producing economy.

### Early Beginning

The desire of enlightened Muslims to seek the moral equivalent of Modern Capitalism goes back to Egypt in the early 1960s. The pioneering effort, in Egypt, took the form of a savings bank based on profit-sharing in the town of Mit Ghamr. The Islamic Development Bank (IDB) was established in 1975 by the Organisation of Islamic Conference (OIC), but it was primarily an intergovernmental bank aimed at providing funds for development projects in member countries. The IDB now also extends to private sector corporates for project and trade finance facilities.

In the mid-seventies, Islamic banks came into existence in Saudi Arabia and the United Arab Emirates. Since then, Islamic financial institutions have emerged in a large number of Muslim countries including Kuwait, Bahrain, Qatar, Turkey, Pakistan, Indonesia and a belt of other IDB member countries. These institutions have taken the form of commercial banks, investment banks, investment and finance companies, insurance companies, etc.

### Market sizing

Islamic banking today is an industry that is still evolving. The industry manages approximately \$180 Billion dollars today, growing at approximately 15% per annum. The growth of Islamic banking is a result of economic growth in the Islamic world, fuelled primarily by oil wealth. This growth created



## Islamic Finance as a concept is based on themes of Community Banking

a growing middle-wealth segment and hence made banking a necessary service to the larger segment of the population rather than a service for the few, as had been the case some 10 to 15 years earlier.

### Evolution of Islamic Finance

In the 1970s and 1980s, Islamic banking was characterised by a large number of commercial banks serving retail Muslim customers in their respective countries. However, since the late 1980s a shift towards investment banking has taken place. No where is this better witnessed than in Bahrain, which has the largest

# Islamic banking today is an industry that is still evolving

number of offshore Islamic investment banks in the Muslim world.

In the early years, investments and products used by most Islamic financial institutions were driven by the concept of Mudaraba (referred to as Trust Financing) and focused on short-term investments. During this period, Murabaha (cost-plus finance) emerged as the most widely used instruments by Islamic banks, accounting for over 80 per cent of a portfolio of an Islamic bank.

During the 1990s Islamic financial institutions have become increasingly more innovative, developing more complex instruments and structures to meet the demands of modern day business. The use of instruments such as leasing and construction finance have become far more widespread. Islamic finance tranches have also been structured into big-ticket syndication.

Equities have only recently

opened up as an asset class to Islamic investors, following approval from the Islamic Fiqh (Islamic jurisprudence) Academy in Jeddah, one of the major legal bodies in the Muslim world. Islamic investors are now able to invest in equities subject to certain criteria. Over 100 Islamic equity funds have now been launched since 1995 with Assets under management in excess of \$7 billion. Some of these funds are being sold in UK and it would be useful to make their ISA compatible.

## The Markets and the Players

More than 2/3rds of Islamic finance business is currently originated in the Middle East. The GCC countries, with the exception of Oman, are all major markets for Islamic finance. Bahrain is regarded as the hub for Islamic finance. Other major non-GCC markets for Islamic finance include Egypt, Malaysia, Turkey, Indonesia, and Pakistan.

Malaysia operates a dual banking system promoted by the government. This allows conventional financial institutions, investment banks, commercial banks and finance companies to launch separate Islamic banking divisions, competing alongside two Islamic banks, Bank Islam Malaysia and Bank Muamalat Malaysia. Bank Negara Malaysia (the central bank) has its own Shariah Advisory Board, which sets the rules for the entire Islamic banking sector, ensuring uniformity of products and services.

Over 150 Islamic financial institutions now operate in over 40 countries around the world, from





commercial banks, investment banks, investment companies to leasing, and insurance companies.

#### The Products and Structures

Islamic banks around the world have devised many financial products based on the risk-sharing, profit-sharing principles of Islamic banking. For day to day banking activities, a number of financial instruments have been developed that satisfy the Islamic doctrine and provide acceptable financial returns for investors. Broadly speaking, the areas in which Islamic banks are most active are in trade and commodity finance, property and leasing.

Almost every Islamic bank has a committee of religious advisers whose opinion is sought on the acceptability of new instruments and services and who have to provide a religious opinion of the bank's activities for year-end accounts.

#### Islamic Home Financing:

##### Structure

The potential customer, having identified the property, will approach the Bank to finance the purchase of the property. The transaction structure will be as follows:

The customer chooses the property for purchase and agrees the purchase price with the owner of the property («Seller»). The bank buys the property from the Seller at the agreed price. The customer will be requested to provide a deposit against the purchase price, but the Bank will remain the sole registered owner.

The customer signs a lease agreement with the Bank. The lease will be for a period of up to 25 years with the lease rentals to be reviewed annually to reflect the capital repayment. The terms of the lease agreement will stipulate that in the event of a default the Bank will have the right to repossess and sell the property.



The customer/lessee will give an undertaking that in the event of a default under the lease agreement, the Bank/lessor will have the right to compel the customer to purchase the property for the purchase price (which shall equal the amount of principal outstanding).

There will also be an undertaking whereby the Bank/lessor promises to sell the property to the customer/lessee at the end of the agreed lease period (i.e., when the whole of the principal portion has been repaid). There will also be a provision for certain other specified instances including when the customer desires to sell the property.

The above structure would allow British Muslims to get access to home financing without forcing them to choose between their religion and home ownership. It allows British Muslims to purchase homes without violating Islamic prescriptions on borrowing money on which interest is charged. Further, this initiative will be consistent with the well-established public policy of encouraging home ownership and making Muslim stakeholders in Britain.

Islamic Home Financing: Current Impediments

### 1. Risk Weighting

A key element, which will impact the pricing, is the FSA's approach to risk weighting for this product. FSA has provisionally ruled that the product is to be 100% risk weighted. This is essentially because the transaction is equivalent to a lease and leases are weighted 100%. This assumes

that the house remains the property of the Bank throughout the term of the transaction and is treated as a fixed asset on its balance sheet. If we are obliged to weigh at 100% then pricing will be significantly higher than the conventional mortgage rate. Good Muslims should not be penalised for being good Muslims. The Muslims in the United States have approached the Comptroller of the Currency Administration of National Banks («OCC») to seek the approval for Islamic home finance based on the above leasing structure. The OCC had in 1997 approved the Islamic home financing based on the above leasing structure and ruled, inter alia, that the banks' risks under the Islamic leasing structure are similar to the risks on traditional mortgage loans (see OCC's Interpretive Letter #806). We hope that a similar approval would be granted in Britain.

## 2. Taxation

The transfer of ownership from vendor to bank at the commencement of the lease and from bank to customer at the end of the lease, may attract the payment of two sets of stamp duty. The second set would arise at the end of the term of the lease at the rate of stamp duty then applicable. The second set of stamp duty needs to be exempted because the true effect of the transfer is similar to the redemption of a conventional mortgage or charge: when the property finally vests with the customer without any encumbrance. If the second set of stamp duty is not exempted, the uncertain cost of the second stamp duty would make the Islamic home financing

unattractive and cost prohibitive.

## 3. Legal Fees

Unlike the conventional mortgage the proposed product would require the appointment of two sets of Solicitors, thereby making the product more expensive. It is suggested that the Law Society should consider giving a general exemption as is done for the mortgage product.

## Conclusion

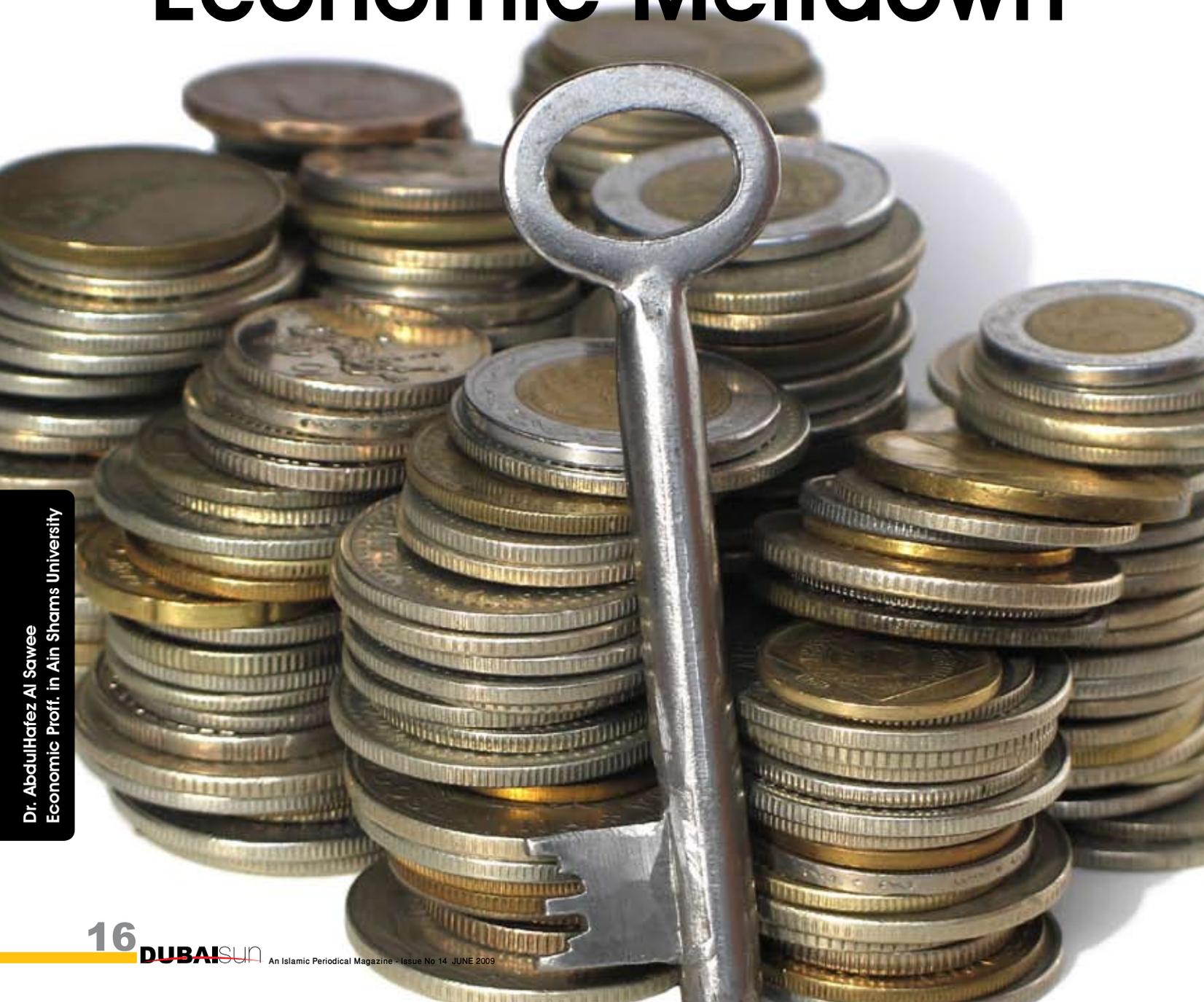
Islamic Finance has mainstream relevance for British Muslims, British Business and British Exporters. It is therefore important that relevant Government Institutions such as ECGD, FSA and DTI should pay attention to this corporate and social responsibility movement, which is becoming increasingly important for both Muslims in Britain and abroad.

Perhaps more important is the demonstration effect which such an effort may have for all of humanity.

**Islamic investors are now able to invest in equities subject to certain criteria**



# Islamic Finance Panacea for Global Economic Meltdown



Dr. AbdulHafez Al Sawee  
Economic Prof. in Ain Shams University

The whole world is now in the grip of a financial crisis which is far more serious than any experienced over the last four decades. In spite of billions of dollars of bailout and liquidity injections by a number of industrial countries the crisis is showing no signs of abating. There is, hence, a call for a new architecture that would help minimize the frequency and severity of such crises in the future.

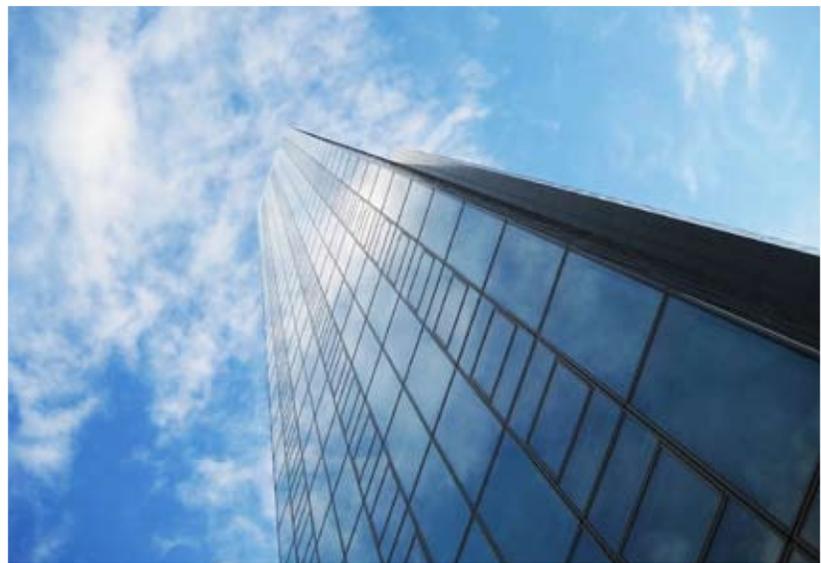
It is not possible to design a new architecture without first determining the primary cause of the crises. The generally recognized most important cause is excessive and imprudent lending by banks. This raises the question of what makes it possible for banks to resort to such an unhealthy practice. There are three factors that make this possible. One of these is the inadequate market discipline in the financial system resulting from the absence of profit and loss sharing (PLS). The second is the mind-boggling expansion in the size of derivatives, particularly credit default swaps ((CDSs), which are claimed to provide protection to lenders against default. The third is the «too big to fail» concept which tends to give an assurance to big banks that the central bank will definitely come to their rescue and not allow them to fail.

The false sense of immunity from losses introduces a fault line in the system. Banks do not, therefore, undertake a careful evaluation of the loan projects. This leads to an unhealthy expansion in the overall volume of credit, to excessive leverage, and to an unsustainable rise in asset

## The generally recognized most important cause is excessive & imprudent lending by banks

prices, living beyond means, and speculative investment. Unwinding later on gives rise to a steep decline in asset prices, and to financial fragility and debt crisis, particularly if there is overindulgence in short sales. Jean Claude Trichet, President of the European Central Bank, has rightly pointed out that «a bubble is more likely to develop when investors can leverage their positions by investing borrowed funds».

The subprime mortgage crisis in the grip of which the US finds itself at present, is also the result of excessive and imprudent lending. Securitization or the «originate-to-distribute» model of financing has played a crucial role in this. Mortgage originators collateralized the debt by mixing prime and subprime debt. By selling the collateralized debt obligations (CDOs), they passed the entire risk of default to the ultimate purchaser. They had, therefore, less incentive to undertake careful underwriting. Consequently loan volume gained greater priority over





# This has created uncertainty in the market & led to a credit crunch, which has made at hard for even healthy banks to find financing

loan quality and the amount of lending to subprime borrowers and speculators increased steeply. According to Mr. Bernanke, Chairman of the Board of Governors of the Federal Reserve System, «far too much of the lending in recent years was neither responsible nor prudent. In addition, abusive, unfair, or deceptive lending practices led some borrowers into mortgages that they would not have chosen knowingly». The check that market discipline could have exercised on the serving of self-interest did not, thus, come into play.

The result is that a number of banks have either failed or have had to be bailed out or nationalized by the governments in the US , the UK , Europe and a number of other countries.

This has created uncertainty in the market and led to a credit crunch, which has made it hard for even healthy banks to find financing. There is a lurking fear that this might be only the tip of the iceberg. A lot more may come if the crisis spreads further and leads to a failure of credit card institutions, corporations, and derivatives dealers.

When there is excessive and imprudent lending and lenders are not confident of repayment, there is an excessive resort to derivatives like credit default swaps (CDSs) to seek protection against default. The buyer of the swap (creditor) pays a premium to the seller (a hedge fund) for the compensation he will receive in case the debtor defaults. If this protection had been confined to the actual creditor, there may not have been any problem. What happened, however, was that hedge funds sold the swaps not to just the actual lending bank but also to a large number of others who were willing to bet on the default of the debtor. These swap holders, in turn, resold the swaps to others. The whole process continued several times. While in a genuine insurance contract only the one actually insured claims compensation, in the case of CDSs several swap holders will claim compensation. This accentuates the risk and makes it difficult for the hedge funds and banks to honour their commitments. The notional amount of all outstanding derivatives (including CDSs of \$54.6 trillion) is currently estimated by the Bank for International Settlements (BIS) to be \$600 trillion, more than 10 times the size of the world economy. No wonder George

Soros described derivatives as «hydrogen bombs», and Warren Buffett called them «financial weapons of mass destruction».

Islamic finance is not averse to a profitable return on investment when it takes the form of «profit-and-loss-sharing» (with investors taking some risks and sharing in business losses); but with regards to 'usury', the usurer gets his/her interest NO MATTER WHAT! In fact, the usurer does better when the borrower fails...the borrower sinks deeper and deeper into debt, as interest compounds annually to the lender (usurer).

## How does Islamic finance offer the solution to this global financial 'quagmire'?

Islamic-economists have been seeking to devise a global banking system that would serve as an alternative to the usury-based scheme now in control internationally; suffice it to point here that Islamic-economists are apprehensive towards the present-day practice of Islamic banking and finance by most institutions. They argue that «a banking system is but a sub-sector of the economic system, and so long as the global economic-system remains 'usurious,' the practice of Islamic banking and finance is akin to «drinking liquor in a tea flask!»

The alternative to this independent «central bank» system is what Islamic economist termed «national banking». A state-owned central bank issuing the national currency as an agent of the government, and the government spending the money or lending it to

the economy for internal development and public needs. The «seigniorage» on this money - the difference between the cost of creating it and its face value, accrued to the government, which got the money debt and interest-free.

Thus, Islamic finance system introduces greater discipline into the economy by linking credit expansion to the growth of the real economy. The Islamic system does not allow the creation of debt through direct lending and borrowing. Rather, it requires the creation of debt through the sale or lease of REAL assets by means of its sales-and leased-based modes of financing such as Murabaha, Ijarah, Salam, Istisna and Sukuk.

Indeed, the root-cause of the current Global-financial crisis has been attributed to the subprime mortgage crisis in the U.S, which was basically the result of excessive and imprudent lending. Securitization or the Originate-to-distribute model of financing has played a crucial role in this crisis.

Mortgage originators collateralised the debt by mixing prime and subprime debt.

By selling the collateralised debt obligations (CDOs), they passed the entire risk of default to the Big financial institutions (and by extension the entire world's financial markets).

However, analysing the 'true' root-cause of the current 'Global-financial crisis,' shows that three factors are fundamentally responsible:

- Breakdown of market discipline in the financial system (which is also a direct consequence of the lack of profit-and-loss-sharing contracts)
- Mind-boggling expansion in the size of derivatives, particularly the 'CDS' (Credit Default Swaps) and;
- Too-Big-to-fail syndrome of banks who believe there will always be a «bail-out-palliative.»

## Thus, Islamic finance system introduces greater discipline into the economy by linking credit expansion to the growth of the real economy

Deregulation/free-market-economics/etc, etc are some of the nomenclatures that describe the free -wheeling-and dealing that characterizes the financial markets of the world's financial hubs. Market players are left to their 'designs' by the authorities; as under the dogma of deregulation, players are deemed 'responsible' enough to self-regulation. The resultant-effect, as the saying goes, is now history.

Credit, in the Islamic system, is primarily for the purchase of REAL goods and services which the seller owns and possesses and the buyer wishes to take delivery. It also requires the creditor to bear the risk of default by prohibiting the sale of debt, thereby ensuring that creditor evaluates the risks more carefully.



# Financial Planning in Islam

Islamic Financial Planning is a new concept being developed nowadays and it has a relationship with the definition of Islamic Financial Marketing which defined by Ibnu Abu Yusuf & Ibnu Taimiyyah and Ibnu Khaldun. They defined it as the creation, developing and delivery of unique customer satisfying competitive products and services at a profit to organization and customer in the lights of Islamic values and principles. In contrast, conventionally it is defined as the process whereby an individual's personal and financial goals are achieved through the development and implementation of a comprehensive financial plan

Islam is a comprehensive, integrative and holistic religion that governs all aspects of life, major and minor, personal and social, spiritual and materialistic and relates this worldly life to the Hereafter. This means that we need to practice Islam while we perform our business and economic activities. Muslims are encourage planning for their life and put efforts to achieve the goal setting then ask help from

Allah. The final stage is tawakal for what the result and takes it as the destiny bestows by Allah

### The prophet Muhammad used to supplicate Allah:

'My Lord, help me and do not give help against me, grant me a victory, and do not grant victory over me, plan on my behalf and do not plan against me, guide me and made my right guidance easy for me, grant me victory over those who act wrongfully towards me...'  
(Narrated by Abu Daud

In Islam, financial planning is not just merely a process of acquisition and accumulating wealth but it has a broad definition which relates to the concept of vicegerent (kalifa).

According to the Holy Qur'an, God created man as his vicegerent (or ambassador) on earth. Allah says in A-Quran:

**Behold, thy Lord said to the angels: «I will create a vicegerent on earth.» They**

**said:» Wilt Thou place therein one who will make mischief therein and shed blood? - Whilst we do celebrate Thy praises and glorify Thy holy (name)?» He said: «I know what ye know not.»** (Surah Al-Baqarah, Verse 30)

From the above verse, and others like it, we understand that as the khalifah or vicegerent of God on earth, man is gifted with certain powers, which other creatures of God do not possess. For example, he possesses (within limits of course) intellectual faculties. We also read that God created all things on earth for man.

**'He it is who created for you all that is on earth. Then He rose over (Istawa) towards the heaven and made them seven heavens and He is the All-Knower of everything.'**(Surah Al-Baqarah, verse 29)

The duty of man as God's khalifah is to make use of all the blessings of God on earth to his own benefit. For this, man is given freedom, that is, freedom of choice and action (also within

limits). It is because of man's special faculties and his freedom that he becomes the best of God's creatures.

### Accumulation of Wealth in Islam

Wealth accumulation pillar of wealth management seeks to achieve reasonable capital growth with the primary objective of preserving accumulated wealth. This is the area that balances the risk of losing capital and the risk of losing purchasing power at the same time. Wealth accumulation involves asset allocation strategies, investment policy statement drafting, financial freedom planning and children's tertiary education planning

In Islam, before an individual decide on investment he/she has to check the status of the investment whether the fund approved or not by the Syariah Board. Basically, the Syariah way of investing is that it must no be any of the following:

Operations must not be based on riba' (interest) such as activities of financial institutions like commercial and merchant bank and finance companies which not comply with the Islamic principle. In Surah Al-Baqarah (275281-) Allah has prohibit riba:

**"...But Allah hath permitted trade and forbidden usury (riba)...."**(Surah Al-Baqarah, verse 275281-)

### Wealth Preservation

Wealth preservation component aims to protect the

accumulated wealth against every conceivable financial risks and threats. For an individual who has accumulated a reasonable size of wealth, a bad investment can cause some major discomfort but still poor investment performance is not debilitating. As far as wealth is concerned, inadequate effort to preserve the accumulated wealth is unrecoverable. The pillar of wealth preservation consists of wealth management, liability containment planning, and business shareholding planning and business succession planning and debt management.

As Muslim we must realized that wealth is belong to us but it is Allah right to give to anybody that He wants. However we are asked to work hard if we want to succeed in acquire the wealth. Islam view wealth as trial and man are responsible as trustee:

**'And know you that your properties and your children are but a trial; and that it is Allah with whom lies your highest reward'**(Al-Anfal 8:28)

### Wealth distribution

Wealth distribution seeks to make proper planning so that your accumulated wealth can be managed and distributed according to your wishes with minimum hassles. It is important in the discipline of wealth management because of its inevitability and its specter. Death is something that the most of us tend to ignore. This area of wealth management is definitely a broader scope than what a will is capable of addressing.

**This means  
that we need  
to practice  
Islam while  
we perform  
our business  
& economic  
activities**

In addressing the issue of wealth Muslim must not forgotten that the true owner of wealth is Allah and man is only a trustee. Allah mention it in Surah Al-Qasas verse 77

**But seek, with that (wealth) which Allah has bestowed on you, the home of the Hereafter, and forget not your portion of lawful enjoyment in this world; and do good as Allah has been good to you and seek not mischief in the land. Verily Allah likes not the Mufsidun (those who commit great crimes and sins, oppressors, tyrants, mischief-maker, corrupted)."**(Surah A-Qasas, verse 77)

# UK removes hurdles for Islamic debt

Source by: Al Bayan News paper

The government of UK will change its current tax regime to facilitate Islamic-debt issuance and encourage the growth of London as an Islamic finance hub, the government said on Wednesday.

The budget 2009 report envisaged changes to the stamp duty land tax, provision of relief from tax on capital gains and capital allowance rules to remove fiscal penalties to UK companies willing to issue sukuks, or Islamic bonds.

The treasury said in the budget report that the three measures were part of the «ongoing drive to promote the UK as a centre for Islamic finance.» The changes will come into effect by the end of the third quarter and end a regime which would have double-taxed the transactions needed to set up a sukuk

A sukuk, unlike a mainstream bond, is not based on interest payments. Investors instead receive returns achieved on the underlying asset made available by the debt issuer. The global sukuk market thrived in 2007 but has since stalled. It is expected to recover partially this year.

The UK has already made the most significant changes to accommodate Islamic finance in Europe and hosts five Islamic banks and one insurer. France is mounting a challenge though and plans to launch the continent's first corporate sukuk this year.

#### ENCOURAGEMENT

The UK hosts sukuk listings but

is yet to issue them, mainly because of the tax hurdles, said Norton Rose lawyers Davide Barzilai and Angela Savin. They said the changes are expected to encourage UK corporates to use sukuk to tap new investors.

«We have been waiting and lobbying for these (changes). Now it is down to commercial forces, hopefully the economy is in a sufficient state to attract this sort of product,» Barzilai said.

«It is an excellent move by the government. The relief they are introducing should mean that from a tax perspective issuing sukuk based on real estate is completely viable,» Savin said.

Savin and Barzilai said a sukuk issuance could follow this year as a consequence of the new development.

The most likely sukuk form would be one based on a buy and lease-back structure that allows an issuer to sell an asset, such as a building, to a special purpose vehicle (SPV), leasing the property for the maturity of the bond and buying it back.

Because under this structure a property changes hands, the company issuing sukuks has been liable to tax when it sells the property and when it buys it back.

«It is a taxable sale and if you have made a gain, that is also a taxable gain,» said Mohammed Amin, partner and Islamic finance head at PricewaterhouseCoopers.

«These (tax changes) are very important because it has

## ongoing drive to promote the UK as a centre for Islamic finance

not been practical for a UK company to issue sukuk and it will be made possible,» he said.



# Money Management

## Ideas for

# Kids

$$5 + 2 = 7$$

Salimah Mohammed  
Former Child Counselor & Educationalist - Ministry of Education

If you want your child to become a financially responsible adult, it's your job to show them how. Verbal instruction will only go so far because without a hands-on approach, your child's perspective will be limited. A child should learn about money by having their own «account». Provide not only a weekly allowance, but a weekly lesson in Money Management. You will produce a young adult who is money savvy, and has the tools to become financially responsible.

**INCOME:** Provide a weekly allowance to your child. It is recommended to give your son/daughter the money amount (maximum) that equals their age. This Money Management lesson would be effective with as little as fifty cents per week, so the amount given should not be excessive. The point is for your child to count on receiving their own income each week. This will simulate a "paycheck" that your son/daughter can rely on.

## Step 2

**LOG:** Provide your child with a pocket notebook (to record his/her money transactions) along with their first allowance. Explain that the purpose of tracking their money, is to prevent it from flowing through their fingers. In their log, have your son/daughter write down the dollar amount of their current balance (any current money in addition to the new «income»). You will meet weekly to review your child's math, and discuss their spending/saving habits.

## Step 3

**GOALS:** Have your son/daughter set financial goals and stick to them. Every six months or so your child should have a new goal. Maybe your son really wants a new hockey stick, and your daughter wants a new music CD. Have your child write down their first goal, and its cost. Each week, he/she has the choice to contribute their full amount or only a portion of their earnings to this goal. For incentive, offer your child a small financial bonus, gift, or food treat when their goal has been reached.

## Step 4

**BORROW:** Allow your son/daughter to make mistakes such as overspending and not saving. He/she needs to learn that when they run out of money, there is no more until "payday". If your children have siblings, a great opportunity may present itself to borrow money when funds are short or nonexistent. You can allow borrowing and then teach your child to pay back their debt in full at their first opportunity. When borrowing occurs, it will teach your child that a short-term fix may not be the wisest choice. They will see that re-paying a debt to cover a spontaneous purchase could cost them time when it comes to saving for a particular goal. Borrowing can also wreak havoc on relationships when money is not repaid promptly. Your child needs to learn not to over-extend himself/herself.

## Step 5

**CREDIT:** Another great thing to

# Every six months or so your child should have a new goal

teach your children is the lure of credit cards. Teach them to avoid any propaganda that includes the phrase, «Buy now, pay later». Teach your children the wisdom of paying with cash on hand, not plastic in the wallet. You can even teach them the perils of credit card debt by designing cards on your computer, and laminating them. Give your son/daughter a credit limit (you decide amount) which may be used when the need seems appropriate as deemed by them. An interest rate is applied, fees charged, and bills\* are sent monthly until debt is paid in full.

## Step 6

**BANK ACCOUNT:** As your child becomes more in control of his/her finances and they have saved enough money, you may open an account at a bank in their name, and yours. At this stage, teach your son/daughter to write checks, use a debit/credit card, and review their account online. As your child learns to manage his/her money, they will be self-assured in their ability to budget their money. The satisfaction, as a parent, is knowing that you have produced a financially responsible adult

Dr. Sayyed Hassan Abdulllah  
Co-Professor of Legislative Policy at the Faculty of Shari'ah and Law - Al-Azhar University

# RENEWAL CONTROLS OF UNDERSTANDING OF ISLAMIC ECONOMICAL ISSUES

## DILEMMA IN THE LIGHT OF SUNNAH

Praise be to Allah the Lord of Heavens and Great Lord of the Throne, and prayers and peace be to the most the Prophet Mohammed the best of creation, peace be upon him and upon his noble family

The noble of the Prophet Sunna is a rich resource to solve the many intellectual dilemmas and human problems in the different fields of human life and that ensure the safety of advisory opinion and the distance from the misguidance, at a time, where advisors compete, liars fight and supporters of righteousness are less.

In order to support the noble Sunna is to allow the nation to realize its significant texts, and that could be through two means: the first is to understand the indication of the text of the Hadiith that is consistent with the purposes of the Shari'a. The second is the renewal of text indication with the accepted text by law, in the manner where the old to be preserved and not damaged or lost, and to repair the worn of it, introduce improvements, while retaining the original characteristics.

Therefore, the life issues of politics, economics, war management and the like, where no specific text has been issued, has to be tackled in what the Prophet, peace be upon him, said or did as an Imam or chief of the Muslim community. On other words, the prophetic act in these matters is based on the community's interest, completely or mostly in his epoch. Such an interest could vary after his era, peace be upon him, as the matters of interest could be changed. Here, the Prophet's successor (Khalifa), who

acts on behalf of the Prophet in the establishment of religion and deals with religion in life, or that who obtains the terms of industrious to observe the new interest, thus he is not contradict with the Prophet, actually, he follows him in his method, which is the observance of the Imam to the community in his time.

This appears clearly in the Prophet's attitude in the issue of palm pollination – the introduction of some of the pollens into female's pollens and it suspends by Allah's will. Imam Muslim narrated in his Isnad from the book "Al Fada'il" - the virtues- the chapter of the compliance with what the Prophet said, other than what he had mentioned over life issues as a matter of opinion. Aisha narrated, Thabit narrated, Anas narrated- may Allah be pleased with them- that the Prophet, peace be upon him, passed through some people pollinating, he said "if you hadn't done it would have ripened" He said: "It produced Shees" - poor unripe dates. He passed through them and said: "What about your palm trees?" They said: "you had said so and so". He said: "you know better about your life". In another narration, Raf'a bin Khudaij narrated that the Prophet, peace be upon him, said: "I am one of the humans among you, if I ordered you something of your religion you must abide to it, and if I ordered you something of opinion, I am a human". Al Nawawi said in his explanation to Sahih Muslim: "the wise men said: his saying "of opinion" means in life and living issues, not due to legislations. As for what he had seen in his own and specified as legislation, it is a must to abide by it and palms pollinating is not of such issues, as

## the wise men said: his saying "of opinion" means in life and living issues, not due to legislations

the Prophet, peace be upon him decides such legislative origin after a practical experience that proved the separation of such knowledge from religion, e.g. the experience of "palm pollination". It is not strange that Shari'a separates between such knowledge and religion; however, it is strange not to separate and not in that



**It is fixed that the Islamic economic is a flexible one that combines many elements of stability and development**

apparent image.

In order to reach the exact meaning this research attempts to prove- which is the understanding of Islamic economical issues dilemma in the light of the Sunnah- there must be a reference to state the liability of Islamic economical issues renewal and then to state the controls of Hadith text renewal in the framework of our issue.

**Liability of Islamic economical issues renewal:**

It is fixed that the Islamic economic is a flexible one that combines many elements of stability and development, it is

an economy of God's origins and human application that responds to every development and escorts with every progress. That is supported by a number of factors, mainly:

First: Islam is a collective religion that joins the benefits of this world and the Hereafter; its issues are not restricted only to the Hereafter, however, it includes this world's benefits too. The Almighty said: «And of knowledge, you (mankind) have been given only a little.» Surat Al Isra' from the verse (85). He opens the doors widely for the development and renewal and do not allow the dignity of knowledge to enter our souls, because He is the One Who prevents knowledge renewal and development and leads to vilified rigidity in it

Second: To depend on the quoted issues is straying from the religion, this is clear in Ibn Al Qayem saying» giving a legal opinion only from the quoted issue in books with their different convention, custom, time, place, condition and evidence, he was lost and led astray». For instance, Islam calls for Jihad, but does not determine the means of Jihad, whether sword, gun or missile, or catapult; Islam concern is human benefit, removal of damage from him and ease his life.

Third: rules of transactions are full, that Quran regarding transactions has stated the full rules and has displayed details and particles - but very rarely- because the legal provisions for those particles change according to the changes of environment and place and develop in accordance with time, therefore, Quran

has confined to the principles and general rules required by justice and do not change due to environments. It hasn't display particles, to allow the rulers to be free at any time to decide decisions in accordance with their benefits, within the foundations of the Quran, however, by virtue of a partial collision.

Forth: the inclusion of the Sunnah of the Prophet to some ad hoc legislation: the basis is that if the unequivocal evidence showed that the legislation takes into account the environmental conditions related the time of legislation, then it is a time legislation applied in the similar environment. If the unequivocal evidence has not furnished on that, it is a general legislation. The evidence for this is the manner in which the Prophet used to distribute war booties among the worriers, which was followed in early Islam. Actually, there is a big difference in the environment circumstances in the systems of that era and modern times.

The evidence: the worrier in the early Islam mostly derived himself to military and goes with his weapon and horse, spent on himself, such expenses were not an obligation for that who did not go out for jihad. It was fair to be for each worrier a portion from what they got from the booties.

Now the army has a new system and a rule that applied on all its units. The worrier's expenses and equipments are born upon the nation treasury; this is applied upon the rich or poor. The balance of some Islamic troops reaches milliards that are equivalent to one third of general expenditure for these

countries. However, the poor Aqsa mosque is still suffering from the grip of the usurper Jews and no respond but only a group of believers based in the arena of jihad.

As for the renewal controls of the indications of the Hadith contained in some economic issues:

they are many, including:

First: the diligent to put into account the requirements of necessity and need: this was explained by the Muslim sheikh Ibn Taymiyah, he said: »whatever people need in their living and was not caused by sin- by leaving a duty or committing prohibited act- is

not prohibited for them, because he is compelled and not desirous or aggressor».

One of the most important contracts that gained a fertile field to renew its forms from time to time that it has become a basic source for Islamic banks work is peace contract, it is a con-



tract held upon nonexistence, the origin of it is that it is within the general prohibition of the Prophet, peace be upon him, of the nonexistent, but the wise legislation has allowed it to the desire of contractors and an exception to the rule of inadmissibility of the sale of nonexistent as a discretion in legal matters, for what it contains of economical benefit for a need or necessity. The fields of its application in the light of good understanding expand to include many of Islamic financial tools, in particular:

Peace bonds: in the petroleum field, in particular. For instance, the government at a specific time put one million barrels for sale to the public in peace, to be delivered at a specific time and made for this purpose typical checks; each one includes one or five or ten petroleum barrels. It could announce the sold amount for bidding or selling in a specific cost. The bond owners merit to be determined on the specific date specified

for the delivery of the quantity of oil specified in the bond, of a specific type, at a specified area and on the determined date for delivery and each bond with one barrel represents the quantity of a barrel of oil and not the nominal value.

Second: the necessity of understanding the Prophetic Sunna in the light of the full purposes of legislation: the good understanding of the particles of legislative texts in the light of the full purposes of legislation is one of the most important phenomenon of renewal in Islamic jurisprudence «Fihq» in general and in Islamic economic in particular, in which the particles revolve around the full axis and the provisions correlate with its actual purposes and do not separate from it. There are many instances mentioned in this regard, including:

A) The issue of Zakat in the case of non-cash and given in the form of cash: In this many of the scholars and Al Bukhari had chosen it in Al Sahih -based on

the Prophets orders, peace be upon him, when he sent Mu'ath bin Jabal- may Allah be please with him- to the people of Yemen to take Zakah from the rich people, and he ordered him as narrated by Abu Da'ud, to take cereals from cereals, ewe from goats, camel from camels and cow from cows, but Mu>ath, who is said in Hadith to be the best of those who know Halal and Haram – allowed and prohibited- hadn't kept into the Hadith specified words- to take cereals from cereals etc. , but he took the indication of taking the Zakat, that means the purification of the rich and his money, the covering of the poor believer's need and to contribute in upholding the word of Islam, as Zakat expenditures show. He considered that there was no harm in taking the due amount of money in Zakat, specially the people of Yemen were rich in the just dealings of Islam, while the capital of Khilapha - succession – needed more aids. Therefore, taking the amount – Yemeni clothing and textiles- was easier for the payer and more helpful for the poor people of immigrants and others in Madina.

Verifying in that issue, it was found that taking the value is easier in application and more befitting in our time, that if a department or an establishment is in charge of collecting Zakat or spending it, taking the material leads to more expenditure in collection due to the need of transportation and observation for the materials from its original place to the collection departments as well as creating cash-flow that forms the demand for stagnant goods and services. On the other hand, there should be a separation between the



times of inflation and deflation:

At the time of inflation: the is not permissible to take the value from the material for the damage, and because taking out the material for the material and the non- permissibility of taking out the money as a substitute for material limits the demand for money, whose circulation leads to the intensity of inflation, yet taking out the material no much money or the demand on it, where it is a remedy for inflation, and there is more.

At the time of deflation: the amount of exhibited money is less than the quantity of goods and services, therefore, the legally allowed benefit requires taking out the value out of the material, because taking out from the exhibits' value fulfills poor's benefit, where the poor may not need the material and sells it in a cheap cost.

B) The issue of collecting usury interests resulting from Muslim depositing the money in foreign banks: this issue is the interpretation of the Imam Abu Hanifa and his colleague Mohammed ibn Al Hassan and ibn Al Majshoun of the Malikies and others. It says with the permissibility of taking the increase at the battlefield of the war from the warrior if a Muslim dealt with him by loan or selling one dirham in two, due to what is narrated Makhool out of the messenger of Allah, peace be upon him, that he said: " no usury between the Muslim and the worrier in the battlefield" and what is narrated by Abu Al Hassan Al Asqalani that Abu Ga'far ibn Mohammed bin Rikana narrated that the Prophet , peace be upon him had a bet with Rikana

and he took his goats when he won the betting and Rikana was a non-believer at that time. That indicates clearly the permissibility of doing such an act with a non-believer and else in the field of Kufr- non-belief, because Makah was not a field of Islam at that time.

Taking this opinion into account, some modern scholars allowed the taking usury benefits generating from deposits in foreign banks

**It could  
announce the  
sold amount  
for bidding  
or selling in a  
specific cost**





and that taking it may be a must if the Muslim was convinced it could cause the damage to a Muslim. This opinion is inadmissible for many reasons, including:

1. What is said by Imam Abu Hanifa is a more acceptable diligence, for the weak evidence in transmission, whereas Makhool's Hadith is a weak transmitting and not carried out in arguments, therefore it is not applicable to leave the prohibited in Qor'an and demonstrated by the Sunna to encounter the best submission with what is not mentioned in a Sahih (correct source) or Musnad (scholar's evidence) or a reliable book by Hadith scholars.

2. The derivation of the bargaining of the Messenger of Aallah, peace be upon him, with Rikanah with a third of his sheep is a far derivation, whereas the narrators mentioned that the story without mentioning that Rikanah had given a third of his goats to the Prophet, peace be upon him when he stroke him down,

however, the mention was that the fight had occurred between them as a challenge free from indemnity.

Prohibition in betting is the substitute is given by both parties, but if it is permissible if it is from one side. The evidence of Abu Hanifa is that who offered the substitute was Rikanah and the Prophet, peace be upon him did not say to him if you stroke me down I would give you the value of the third of your goats. There is nothing in the story indicates that.

Thus, dealing with usury with other than Muslims is not exempt from the general usury provision, the prohibition, and following the opinion of Imam Abu Hanifa today leads to the getting away of Muslim funds to the West and depriving the Muslims from its benefits to go to the West. While the rational logic says that Muslims more entitled to their own money than others, and what is said for individuals is also said to the Muslim and Arab countries

that invest their funds in the West through the banks and the like.

Third: a group of scholars argue on the non-legitimacy of some of the modern economical activities, including: Murabaha – remunerative or profitable- sale and some of the stock market hits, because it is included in the prohibition of the Prophet, peace be upon him for the sale of non-existent or the human selling what he does not own, on the basis of what is narrated by Abu Da'ud and others attributed to Hakim bin Hizam, he said: " O, Messenger of Allah, the man comes to me to buy what I haven't own. Shall I buy it for him from the market? He said: " don't sell what you haven't own"

Actually, the profitable sale is not included in Hadith, as the Islamic bank does not sell a specific item, but it takes from the desirer a promise and bought it accordingly then sold it back to with a specific profit. What is the connection with Hakim bin Hizam incident? As the prohibition, as demonstrated by the Prophet, peace be upon him in selling a specific thing the seller not own and it is hard for him to get it. This is on one side, On the other side, mentioning the Inadmissibility of selling what the man doesn't own is not precise, because the scholars allowed the inquisitive selling for a n item that is owned by another without a permission, however, the contract is depends on the owner's permission. On a third side, scrutinizing in stock market and what it encompasses of juristic problems finds the prohibition in the prophetic Hadith- the person selling what he does not own- fixes many of the stock market contracts, where it is ap-

plied without a specific place or a described guarantee and has no legislative conditions and controls and has a clear risk.

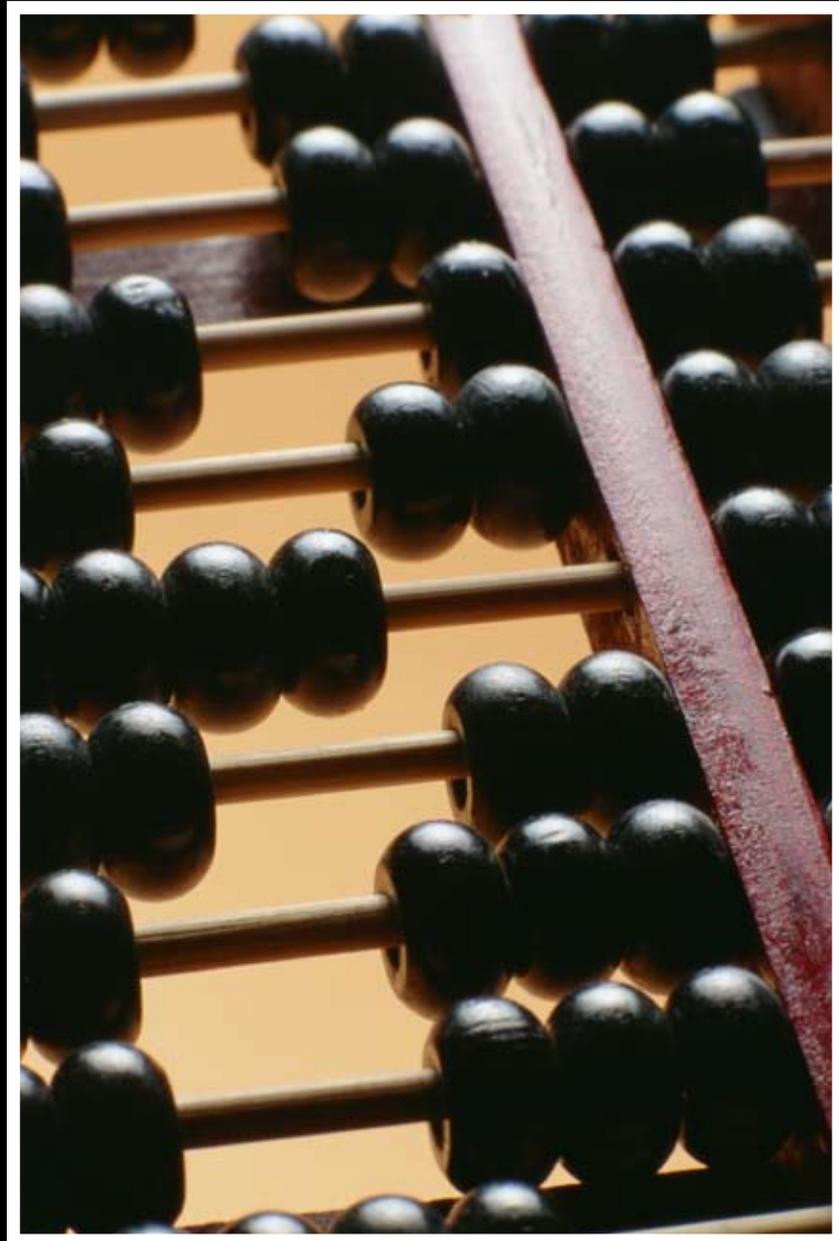
However, the immediate contracts on goods present with the seller, where he must receive the cost, where it is legally allowed in the contract, are permissible contracts, unless it is for prohibited items.

As for the different delayed contracts on overdrawn account, that is on shares and goods not owned by the seller, in the manner of financial markets- stock markets, is not permissible legally, because it includes selling the item that is not owned by the seller, on the basis that he would buy it later and deliver on time and that is legally not permissible.

Thus, the renewal of understanding of Islamic economical issues dilemma do not be fulfilled unless it is in the good understanding of Sunna, however, the renewing must reach the rank of Ijtihad –diligence- to observe text indication and the extend of its application in circumstances that differ than the time it had been when legislated, on condition that he doesn't contradict with any of Shari'a – jurisprudence- aims.

Temporarily, Shari'a is based on simplicity and embarrassment, Fatwa changes due to place and time and the difference between the scholars is in diversity and not contradiction.

Finally, the research recommends the importance of the purification of economical activities from any legislative contradiction and to choose the right scholars in



charge of legal opinion in the Islamic banks to stop those who misuse the understanding of legislative texts or interpret them in the manner that contradicts with the legal objectives, besides the need for an encyclopedia of Hadith to handle all the issues that affect the reality of the nation, in the manner of this good symposium, may Allah reward those who tackled it all the best.

# Prophet Muhammad

## The Most Influential Man in History

Ibrahim Kadim  
Administrative & Management Consultant - e-TQM College (Total Quality Management)

Michael H. Hart, the American author of *The Hundred: A Ranking of the Most Influential Persons in History*, called Muhammad (peace be upon him) "the only man in history who was supremely successful on both the religious and secular levels." To this, one can add a number of his other unique achievements such as the following:

There never was anyone like Muhammad (peace be on him) whose life has been recorded in such meticulous detail, and there never was anyone in history like Muhammad (peace be upon him) whose exemplary deeds are so closely emulated in their daily lives by so many people from so many countries and regions of this world, and to this day.

It was Muhammad alone, among the religious leaders, who could establish a government based on divine guidance for the first time in human history, and that, too, in a land where anarchy had reigned supreme for centuries. He brought law, order, and social justice to a people notorious for endless retaliatory conflicts. If anyone ever became an unchallenged ruler by divine right, it was Muhammad, and Muhammad alone. While he possessed power as absolute as humanly attainable, he remained ever humbler than any of his followers. He said, "I am merely a servant of God and I have been sent only as a teacher."

It was Muhammad (peace be upon him) who for the first time taught people to give up alcohol, drugs and all kinds of unclean food. It was none other

than Muhammad (peace be upon him) who for the first time in history established women's rights by allowing them to own property, inherit, question authorities, reject arranged marriages, and seek divorce when they had reasons for doing so.

There never was such an unlettered man who put the wisdom of the scholars of all the later generations to shame. And there never was a religious leader like him who was so "modern" in his attitudes and policies. He condemned racism and nationalism; he established laws to protect animals, trees, and the environment; he established workers' rights and banned interest.

In a brief span of 23 years of his prophetic life, Muhammad (peace be upon him) was able to transform the faith, morality, daily life, and the very mindset of all the varied tribes of Arabia. Within a hundred years his message had changed the hearts and lives of millions in different parts of the world.

The details of the Prophet's personal life such as how he ate, drank, washed himself, and so on, can be learned from the volumes of Hadith, which form a treasure for such information on his lifestyle. Indeed, it would be impossible to give on this page a detailed account of the varied aspects of the personality of the man Muhammad (peace be upon him). Therefore, I would content myself by highlighting here just a few aspects of his personal life.

The Prophet was taller than average, of strong physical build; he

**It was none other than Muhammad (peace be upon him) who for the first time in history established women's rights**

was fair of complexion, had a prominent forehead, along with long and thick eyelashes. His face was genial and had a very attractive and pleasant smile.

When he spoke, he spoke to the purpose or else he kept quiet. He was the first to greet a person; and he was not the first to withdraw his hand from a handshake. He never liked people paying him too much respect and prohibited them from standing up when he entered. He visited the poor and the ailing and advised the Muslims to do likewise. He invited the poorest of the poor to partake of his scanty meal.

**His wife `A'ishah said, «He always joined in household work and would at times mend his clothes, cobble his shoes, and sweep the floor. He would milk, tether, and feed his animals and do the household shop-**

**ping» (Al-Bukhari).**

The Prophet was of very clean habits and used to brush his teeth five times a day, before each of the daily Prayers. After midnight he used to get up for the Tahajjud Prayers (optional late night Prayer) which he never missed in his life (Al-Bukhari). He was not fastidious about his bed; sometimes he slept on his cot, sometimes on an ordinary mattress, and sometimes on the ground (Zarqani).

He was gentle and kindhearted, always ready to overlook the faults of others. Politeness, generosity, simplicity, and sincerity were the hallmarks of his character.

In dispensing justice, he was firm, but his severity was tempered with compassion. His charming manners won him the affection of his followers. Though he was the Messenger of Allah, and virtually became the ruler of Arabia, he never was proud, and never did he assume any air of superiority. Fear of Allah and humility were deeply ingrained in his heart.

He always received people with courtesy and showed respect to older people. He said, «To honor an old man is to show respect to Allah.»

**He was very kind to animals. Once during a journey, somebody picked up some bird's eggs. The bird's painful note and fluttering attracted the attention of the Prophet (peace be upon him), who asked the man to replace the eggs (Al-Bukhari).**

Also as his army marched towards Makkah to conquer it, they passed a female dog with puppies. The Prophet (peace be upon him) not only gave orders that they should not be disturbed, but posted a man to see that this was done.

The Prophet loved the company of the poor people; and he used to pray, «O Allah, keep me poor in my life and at my death, and raise me at resurrection among those who are poor» (An-Nasa'i).

His house was a hut with walls of unbaked clay and a thatched roof of palm leaves covered by camel skin. He used to sleep on a rough mattress. Once his disciples noticed its imprint on his back. They wished to give him a soft bed, but he declined the offer, saying: «What have I to do with worldly things? My connection with the world is like that of a traveler resting for a while underneath the shade of a tree and then moving on.»

**He advised the people to live simple lives and himself practiced great austerities. When he died there was nothing in his house except a few seeds of barley left from a mound of the grain (Al-Bukhari).**

**The Prophet said about himself, «Allah has sent me as messenger so that I may demonstrate perfection of character, refinement of manners, and loftiness of deportment» (Malik)**

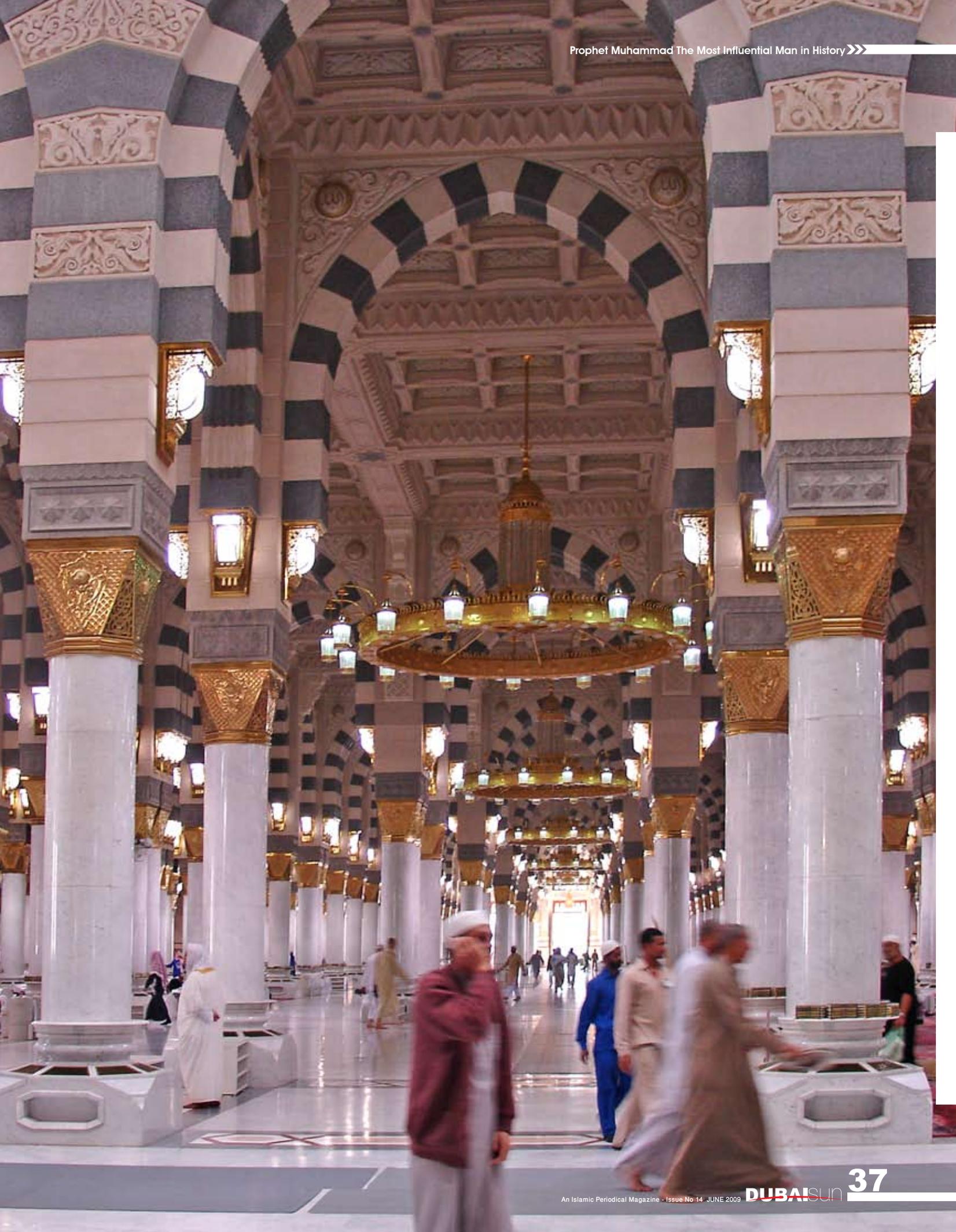
**And when he died, he did not leave a cent, nor any property except his white mule, his weapons, and a piece of land**

**He was the first to greet a person; and he was not the first to withdraw his hand from a handshake**

**which he had dedicated for the good of the community (Al-Bukhari).**

**Allah says in the Qur'an what means:**

**{You have indeed in the Messenger of God [Muhammad] a beautiful pattern [of conduct] for anyone whose hope is God and the Final Day.}\* (Al-Ahzab 33:21)**



# Islamic Solutions to **Food Crisis**



Dr. Ahmed Al Qadee  
Lecturer, Researcher, writer in emirates university

The global food crisis that dominated headlines over the past year has been overshadowed by the current financial crisis gripping the whole world, but it continues to exact a crippling toll on the world's poor. And, although commodity prices for a wide range of crops have fallen by as much as 50 per cent from record highs, the financial crisis is expected to make it dramatically worse: credit for farmers could dry up, meaning less money to buy fertiliser and seed, leading in turn to greater global shortages of food

### Islam and Food Security Allah (swt) has revealed:

**“We sent aforetime our messengers with Clear Signs and sent down with them the Book and the Balance (of Right and Wrong), that men may stand forth in justice” [TMQ Hadid 57:25]**

Observing the food crisis unfolding over our Ummah and much of humanity, we should recognize that this situation is firstly caused by following a law and system that has not been revealed by Allah (swt). As Allah (swt) has revealed:

**“The Deen before Allah is Islam” [TMQ 3:19]**

We are aware Allah (swt) is the Creator of all reality. He (swt) created humans, their need for food and also the means and resources, such as plants, animals, etc, to satisfy their hunger. Therefore, only Allah (swt) is qualified to design a system that will ensure the food security of humanity. Subsequently we should not be surprised that

the current state of affairs is unfolding, as the secular Capitalist system is man-made and therefore incapable of dealing with the task of ensuring humanity's well-being.

As a result, when we examine the Quran and Sunnah, we find that Allah (swt) has prescribed many ahkam (laws) that would ensure food security for humanity. These ahkam specify responsibilities of the state, responsibilities of the community, and the responsibilities of the individual

**The Khaleefah is in general responsible for those under his guardianship. Rasullah (saw) said:**

**“Each of you is a shepherd, and all of you are responsible for your flocks.” [Bukhari, Muslim]**

It is the responsibility of the ruler to guarantee housing, clothing and food for every single citizen of the Islamic state, based on the following hadith:

**«The Son of Adam has no better right than that he would have a house wherein he may live, a piece of clothing whereby he may hide his nakedness and a piece of bread and some water.» [Tirmidhi]**

Consequently, the ruler will be diligent in applying the ahkam that pertain to economy, as this will be his best defense on the Day of Judgment. That is, the ahkam of Allah (swt) will address the issue of food security. Some examples include:

1. «Muslims are partners in three things: in water, pastures and fire» [Abu Dawud]. Muslims

**“Each of you is a shepherd, and all of you are responsible for your flocks.”**  
[Bukhari, Muslim]

have common ownership of pastures and water –the fundamental resources required to produce food. All energy resources are also owned by the people. This means that no individual or company can monopolize its benefits/profits.

2. Land cannot remain idle. Landowners must ensure that their lands remain productive and do not stay idle. If they fail to use the land within 3 years, it is given to someone who will use it. This is based on the ijma of the sahabah (i.e. who acted on sunnah of the Prophet (saw) without mentioning it) on the

saying of Umar ibn Al-Khattab (ra): "The one who circles a land has no right in it after 3 years."

3. Prohibition on price-fixing. In era of rising food prices, the State is forbidden from fixing prices based on the following narrated by Imam Ahmed (ra): "Prices increased at the time of the Messenger of Allah (saw), so they said, O Messenger of Allah, we wish you would price (fix the prices). He (saw) said: "Indeed Allah is the Creator, the holder (Qabidh), the Open-handed (Basit), the Provider (Raziq), the Pricer (who fixes prices); and I wish I will meet Allah and nobody demands (complains) of me for unjust acts I did against him, neither in blood or property." When States do not follow the sunnah of Rasullah (saw), they find that fixing the price of food actually make the food shortage worse, as food retailers hoard their provisions and sell the goods for high prices in the underground market.

4. Hoarding/monopolizing goods is forbidden. Producers or retailers cannot hoard or monop-

olize goods in order to cause the price to rise. This is based on the ahadith: "The Messenger of Allah (saw) forbade that a foodstuff be monopolized." [Athram] and "Whoever monopolized is a wrongdoer." [Muslim].

Under the Khilafah of Umar ibn-al Khattab (ra), Madinah experienced a famine. Umar (ra) ordered his governor of Egypt, 'Amr bin al-As, to dig a canal from the River Nile to the Red Sea to transport grain to the Arabian Peninsula. Umar did not eat anything more than oil and dry bread until he was sure that everyone in Madinah was full.

The Muslim community is also responsible for ensuring that all people within the community are fed. This is based on the following narration of the Prophet (saw):

**"Any community, whosoever they are, if a person among them became hungry, they will be removed from the protection of Allah the Blessed, the Supreme." [Ahmed]**

The implication of this hadith is

that if a hungry person stole from the community, then the community would have no recourse to recover that property on the Day of Judgment.

Each Muslim is also responsible for ensuring that their neighbour is fed based on the following hadith

**"The one who slept (satisfied) while his close neighbour was hungry, and he was aware of that, would not have believed in me truly." [Al-Bazzar]**

Beyond the responsibility of ensuring the community is fed, Islam promotes a lifestyle where people eat less (which is in sharp contradiction to the Capitalist way of life that promotes over consumption). Rasullah (saw) said:

**"No man fills a container worse than his stomach. A few morsels that keep his back upright are sufficient for him. If he has to, then he should keep one-third for food, one-third for drink and one-third for his breathing.» [Tirmidhi]**

This sunnah ensures and promotes a wider distribution of food, as individuals are encouraged to eat what is required.



**Raising the issue of hunger with non-Muslims**

When discussing the issue of food security with the community at large, we should keep in mind that the Islamic solutions can only be applied based on the aqeedah of Islam. That is, the capitalist mindset of cost-benefit is incapable of implementing the hukm of Allah (swt) because it contradicts it at a fundamental level. Capitalism maintains that man is free,

## **The Muslim community is also responsible for ensuring that all people within the community are fed**

making contradictory for the ideology to prescribe 'fard', i.e. responsibilities for people. Allah (swt), through the ahkam shariah, is the only One capable of dictating what is an obligation and what is not. In such discussions, we should be confident in raising this issue. That is, the West likes to talk about rights (e.g. the right to food), but shies away from the discussion of who is responsible for providing this right. The Islamic way of thinking makes responsibilities the primary concern for the individual, as he or she will be held accountable by Allah (swt) on the Day of Judgment for fulfilling these.

**«And We have not sent you except as a mercy to mankind.»**



# Human Intelligence



*I*

Intelligence is a universal word that is used across history and by every culture without being defined in a comprehensive way that denotes its virtual significance.

It is a term that is difficult to define, and it can mean many different things to different people. In fact, it has divided the scientific community for decades and controversies still rage over its exact definition and form of measurement.

In the popular sense, intelligence is often defined as the general mental ability to learn and apply knowledge to manipulate your environment, as well

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as the ability to reason and have abstract thought. Other definitions of intelligence include adaptability to a new environment or to changes in the current environment, the ability to evaluate and judge, the ability to comprehend complex ideas, the capacity for original and productive thought, the ability to learn quickly and learn from experience and even the ability to comprehend relationships.

Chaos and confusion does not sound weird anymore. It is 2009 and the world has advanced a lot to a whole new civilization. Humanoid machines have come to replace humans from all activities. Artificial Intelligence, which is a science that deals in the study of making machines think and behave like humans, is the talk of the century. It is the driving force behind advanced domestic robot helpers. Scientists are working hard on making the robots which are equipped with AI behave more like humans—more human like torso, hand extensions, voice recognition and communication capabilities. They are built to function like a human to monitor situations at home such as break-ins and sudden illness. They will soon be getting a physiologically accurate body structure and facial characteristics as humans. In all we are trying to make these machines more like humans. Sounds great! But hold on. Where do we stand as humans? What are the special traits that we carry as humans?

Human nature is a part of the order of the universe. We are learning to understand this order. We have wonderful intelligence. This genetically determined

intelligence gives us the ability to make use of information. As humans we must learn about our environment in order to learn how to use our intelligence. We are capable of discerning knowledge from our environment, and make intelligent decisions about the meaning of this knowledge. How is it that we are able to learn? How do we acquire knowledge?

We are born ignorant of most knowledge. The knowledge we are born with is called instinct. Instinct means we have both the intelligence and knowledge necessary to perform some act without previously having become aware of it. For example, a new baby is genetically programmed with the intelligence and knowledge necessary to learn to identify its parents' faces. What the baby must acquire by observation are the differences in detail distinguishing one face from another. The genetic intellectual ingredient is that the baby's mind already knows where to find the details and what to make of them.

This is an extremely important talent. It points to the fact that we have a natural, innate, interpretive talent. We know how to recognize information and determine meaning for it. We talk, and we write. How is it that other's appear to learn from our words? How do words bring forth understanding? How does the listener know what our words mean? Why do our words have meaning? If written, the words are only drawings. If spoken, they are only sounds. Both the drawings and the sounds are arbitrarily chosen. Our words can only be signs. Words are signs because

## Chaos and confusion does not sound weird anymore

they point to something that will bring us understanding. They direct our attention to a place where we can find their meaning. That place can only be located within the very core of our being.

We choose words and they, like magic, bring forth understanding. It is not clear why. Teachers communicate with their students through their words. We all feel we have something to teach to someone. We talk and write words and, because others appear to learn from us, we conclude we are teaching. Because we believe we are teaching, it is generally believed our true learning comes through our senses. In other words, that which we learn we must acquire from the outside world..

# DubaiSun talks to Dr Abdullah Al Khayat

Specialized in Paediatric and is the Director of Al Wasl Hospital



When did Al Wasl hospital establish? And by whom?

Al Wasl Hospital established in 1986 by Government of Dubai, UAE which was embarked by the Department of Health & Medical Services (now called as Dubai Health Authority) under the patronage of His Highness Sheikh Rashid Bin Saeed Al Maktoum, the Ruler of Dubai in the year June 1978.

**Is Al Wasl specialized in paediatric or other speciality?**

Al Wasl is specialized in Obstetrics/ Gynaecology, and Paediatrics

**How is a children's hospital different from an adult hospital?**

The facilities are designed to be appropriate for children. In addition the doctors and nurses have special training to care for this type of services.

**Is Al Wasl the only paediatric hospital in the Dubai or U.A.E?**

Al Wasl is specialised hospital in obstetric/gynaecology and paediatrics, although, there are other General hospitals providing these services.

**Dr. Abdullah please can you talk to us about your role and responsibility in the hospital?**

Responsible for the overall management of the hospital and ensuring that services are of the highest quality.

Can you talk to us about the clinic service and how many inpatients and outpatients do you receive per day?

Refere to table (No 1)

**How many paediatric divisions do you have?**

Paediatric services are made up of medical and surgical services. We have one medical ward and one surgical ward, plus an isolation ward and intensive care unit as well as the Neonatal Intensive Care Unit.

The subspecialties in the Paediatric Medical & Pediatric Surgery are:

- Paediatric Haematology
- Pediatric Cardiology



### you provide for parents and children?

Parents are encouraged to stay with their children when they are in hospital. There are play areas for children and canteen services for parents to receive food.

### Usually the hospital environment is quite confusing and frightening to the child so do you have any Child Development Services or programme?

Yes, we have special playing areas for them. There is Kinder garden section at Al Wasl Hospital for children who are admitted to the hospital. The environment of children wards has been designed in such a way that they feel the same home atmosphere.

### What is a paediatric surgeon?

A paediatric surgeon is a doctor who has special expertise in performing operations on children

### What sort of credentials should a paediatric surgeon have?

They have to have special training and be accredited by an international body such as American, British, European boards. Al Wasl is an examination site for the European Board of Paediatric Surgeons

### Are vaccines safe?

Yes

### Is the hepatitis B vaccine safe?

Yes

### Can you talk to us about various types of vaccine that the infant requires irrespective to their age group?

Refere to table (No 2)

### Who licenses, recommends and requires vaccines?

Ministry of Health / National Immunization Committee

### Can children manage so many different vaccines at the same time?

Yes, most of the vaccines are compatible to be given at the same time.

### Why are some vaccines given as a single dose and others as multiple doses?

Both single and multiple dose vaccines are safe. Multiple Doses are given to reduce the number of injection sites and to cover more than one disease at the same time.

Some vaccines are given as a single dose for the children who have missed any of their vaccination or if they are following other country vaccination schedule.

- Pediatric Neurology
- Pediatric Respiratory Medicine
- Clinical Genetics and Metabolic
- Neonatology
- Emergency
- Urology
- Burns & Plastic Surgery
- Orthopaedic
- General Pediatric Surgery
- Neonatal Surgery

### Up to what age the child is eligible to come to Al Wasl hospital?

13 years

### What are the visiting hours?

Saturday to Thursday (Morning 11:00 to 12:30 Hours, Evening 16:00 to 20:00 Hours)  
Friday & Public Holidays (Morning 10:00 – 12:30 Hours, Evening 16:00 – 20:00 Hours.  
Children visiting Hours

### What type of services do

Table No 1

	In-Patients/day	Out-patients/day
Obs/Gyn	37	143
Pediatric Surgical	9	25
Pediatric Medical	14	42

**How many times does the child in general needs check up annually?**

At birth, 2 months, 4 months, 6 months, 12 months, 18 months, at 3 years and at 5 years of age then later by the School Health.

**Can parents tour the hospital before admitting their children?**

Yes, unless emergency admission

**Will the parents be able to stay with the child overnight?**

Yes, they can stay.

**Are other children be allowed to visit their brother/sister in the hospital?**

Yes, but only during the children visiting hours. Children are not allowed to visit the Isolation Ward, Neonatal Intensive Care Unit (NICU) and the Intensive Care Unit (ICU)

**What type of community education do you give?**

- Promoting Breast Feeding
- Child safety – for example using car seats and avoiding accidents in the home
- Diabetic Support Group
- Patient education on common illnesses

- Asthma Awareness
- Behavioural management

**If the patients have any suggestions or complain where can they go?**

They can go to the Customer Care Section, where they can fill the special form for that, or they can access the e-complain system established by Dubai Government

**What is the primary aims and objective of the hospital?**

The aim of the hospital is to be a leading model of excellence in health care and to provide and maintain customer focused, high quality services in a professional environment to women and children of all UAE nationals, Dubai residents and referrals.

**What type of activities does the hospital do?**

- Other than the activities mentioned above:
- Educational Activities
- Community Awareness Lectures
- Community Awareness Campaigns
- Participation in the international activities like Word Heart Day, Nurses Day, Physiotherapy week, etc....

**Last but not least Dr. Abdulla what message would you like to give to married couples, excepting parents and children?**

**The message to the community:**

- Every child is an investment of the future.
- To keep them healthy, every couple go through screening test before marriage for any inherited diseases and plan accordingly.
- Pregnant ladies should register to their catchment areas as soon as they come to know they are pregnant and continue their follow up regularly in the Primary Health Care. If any risk of pregnancy, the Primary Health Care will refer these ladies to the hospitals.
- Encourage women to breast feed the Newborns for almost two years.
- Limit the usage of medicines in the children for common illnesses (like cold, cough).
- Discourage eating junk food among children
- Encourage moral habits among children
- Encourage good habits and proper sleep
- Discourage Television Watching
- Encourage participation of children in different sports

Table No 2

**Recommended Schedule of Immunization**

AT BIRTH عند الولادة	BCG, Hep.B (الجرعة الأولى, التهاب الكبد البائي, التدرن)
2 MONTHS شهران	DPT, Hib, Hep.B, OPV, Prevenar (الجرعة الأولى) التهاب الكبد البائي (الجرعة الثانية) المكورات الرئوية سباعية التكافؤ (الجرعة الأولى)
4 MONTHS ٤ أشهر	DPT, Hib, Hep.B, OPV, Prevenar (الجرعة الثانية) التهاب الكبد البائي (الجرعة الثالثة) المكورات الرئوية سباعية التكافؤ (الجرعة الثانية)
6 MONTHS ٦ أشهر	DPT, Hib, Hep.B, OPV, Prevenar (الجرعة الثالثة) التهاب الكبد البائي (الجرعة الرابعة) المكورات الرئوية سباعية التكافؤ, الجرعة الثالثة
12 MONTHS ١٢ شهرا	MMR, Prevenar (الجرعة الأولى) الحصبة, الحصبة الألمانية, المكورات الرئوية سباعية التكافؤ
18 MONTHS ١٨ شهرا	DPT, Hib, OPV (الجرعة الثانية) التهاب الكبد البائي (الجرعة الرابعة) المكورات الرئوية سباعية التكافؤ, الجرعة الثالثة
5-6 YEARS ٥-٦ سنوات	DPT, OPV, MMR (الجرعة الثانية) التهاب الكبد البائي (الجرعة الخامسة) الحصبة, الحصبة الألمانية, المكورات الرئوية سباعية التكافؤ



# Paediatric Surgical Procedures

Dubai sun catches up an glimpse of paediatric surgery and a brief details about the surgeries and its producers from Dr. Mamoun Al-Marzouqi paediatric surgeon in Al-Wasl hospital.

**Doctor please can you tell us normally what type of surgeries do you perform?**

We perform surgical procedure on children from the age 0 -1 3 years. Surgical procedures which are done are mainly related to gastro-intestinal tract, urinary tract and chest except heart. Few neurosurgical

procedure are done like repair of myelomeningocele and insertion of ventriculo-peritoneal shunt. Recently even some of the pediatric orthopaedic procedures have started in our department.

**What are the risks of surgery?**

Each surgical procedure has its own specific risks and complications, but there are general risks/ complications common for all procedures like wound infection and wound dehiscence.

Other complications are

related to anaesthesia which are uncommon unless surgical procedures are performed on neonates especially premature babies whose most of organ systems are immature.

**How many patients do you regularly operate?**

We performed in 2008 ~ 840 major surgical procedure and ~ 2300 circumcision.

**What is the benefit of the surgery?**

Once surgical disease is



## Major cases requires almost always intensive care for follow up after surgery

diagnosed based on symptoms and signs are presented, a surgical procedure is usually needed to relieve the child from symptoms.

Although a surgical procedure is a burden for parents, it is necessary for relief and symptoms and sometimes even life saving.

### What type of surgery is common among the new born or an infant?

The commonest surgical procedures are done for newborn or infant is circumcision and hernia operation.

### What type of anesthesia will be used?

Most of the surgical procedures performed on children are done under general anaesthesia, even minor procedures, except circumcision for newborn who are less than 3 months which is done under local anaesthesia

### What type of surgery is the hardest ?

Congenital anomalies in esophagus, gastro-intestinal tract, anus and urinary tract are difficult to repair but still with high success rate.

Can you explain to us what is hernias, alimentary tract obstruction, Inguinal hernia repair is one of the most common general surgical procedures performed by paediatric surgeons. Incidence ranges from

1 – 3 % and more common in infants and premature babies. Hernia is simply a protrusion of an organ in boys usually small bowel and .... through an abnormal opening which connects peritoneal cavity and scrotum, alimentary tract obstruction in neonataes is usually due to Atresia which means absence or closure of a normal body orifice or tubular structure.

### Examples are:

**Esophageal Atresia:** Congenital lack of continuity of the esophagus commonly associated with tracheo-esophageal fistula characterized by excessive salivation, gagging, vomiting when feed, cyanosis and dyspnea.

**Duodenal Atresia:** Characterized by vomiting few hours after birth and usually distension of upper part of abdomen.

**Intestinal Atresia:** Congenital obstruction of the intestine at any level including anus,

most commonly of the ileum symptoms vary with the site of obstruction.

In our center in Al Wasl Hospital, we do approximately 10 case of esophageal Atresia/year, ~ 10 cases of duodenal Atresia/year and ~ 10 cases of intestinal Atresia/year.

Unfortunately, there is no alternative to surgery in these cases and once they are diagnosed, surgery should be performed once patient is stabilized.

How do you psychologically approach children and explain to them that they need to do the surgery? Is it hard to communicate with them in this particular issue.

When the decision for surgery is taken full explanation for parents is done, explaining possible short and long term/ complications of

surgery, the surgical technique and length of hospitalization

Infants and smaller children are not approached or communication in this matter but older children > 5 – 6 years are communicated regarding the surgery and sometimes tubes and catheters are shown to them for better preparation of surgery.

### **Is a full recovery expected, and if not, what effects will the child have?**

Full recovery is usually the rule for minor and intermediate surgical procedure although complications sometimes occur there. But when it comes to major surgical procedures, parents are explained in details about the risks and complications both short and long term, possible. Even though success rate is high.

### **What care is needed following**

### **the surgery?**

Care after surgery varies a lot depending on the age, general condition and whether the surgical procedure is major or not. Usually infants kept in high dependency rooms with close observation by nurses. Major cases requires almost always intensive care for follow up after surgery. Intermediate and minor case in older children can be followed up after surgery in the normal ward. Pain management is of utmost importance during recovery after surgery. Parents should even take part in the care following surgery.

### **After the discharge of the child what advice would like to give the family to Take care,?**

Parents are usually instructed in details about dressing care, hygiene, bath and signs/ symptoms of wound infection. They are even instructed about the use of medication at home, diet, mobilization and restriction of sport in older children.

### **Lastly what message would you like to convey people before having children?**

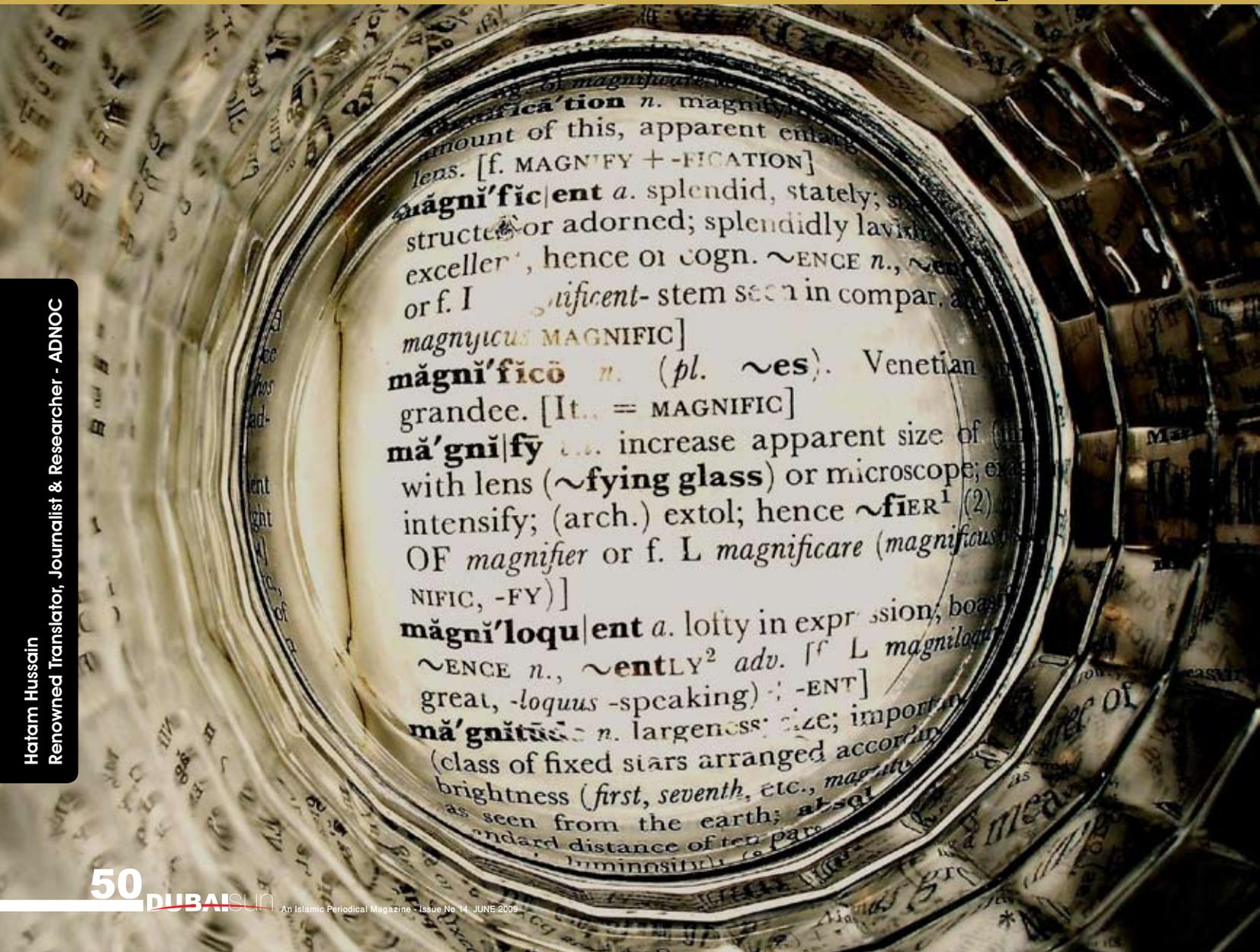
Parents should stop smoking, alcohol and drugs intake before planning to have children. Moreover women should take folic acid before getting pregnant and not after discovering they are pregnant.

Folic acid is important to take to reduce the incidence of myelomeningocle.



# Translation Significance and Scope

Hatam Hussain  
Renowned Translator, Journalist & Researcher - ADNOC



**magnificā'tion** *n.* magnification  
 amount of this, apparent enlargement.  
 lens. [f. MAGNIFY + -IFICATION]  
**magnif'icent** *a.* splendid, stately; sumptuously  
 constructed or adorned; splendidly lavished  
 excellence, hence of cogn. ~ENCE *n.*, ~ENTLY  
 or f. I ~ificent- stem seen in compar. & superl.  
**magnificus** MAGNIFIC] **magnif'icō** *n.* (pl. ~es). Venetian  
 grandee. [It. = MAGNIFIC]  
**mā'gnif'y** *v.t.* increase apparent size of (upheld)  
 with lens (~fying glass) or microscope; exaggerate  
 intensify; (arch.) extol; hence ~fier<sup>1</sup> (2)  
 OF magnifier or f. L magnificare (magnificus)  
 NIFIC, -FY)]  
**mā'gnif'loqu'ent** *a.* lofty in expression; boastful  
 ~ENCE *n.*, ~ently<sup>2</sup> *adv.* [f. L magniloquus  
 great, -loquus -speaking); -ENT]  
**mā'gnitū'd** *n.* largeness; size; importance  
 (class of fixed stars arranged according to  
 brightness (first, seventh, etc., magnitudes)  
 as seen from the earth; also standard distance of ten parsecs  
 luminosity)

## It is through translation we know about all the developments in communication & technology

its international importance as a socio-cultural bridge between countries has grown over the years. In the present day circumstances when things are fast moving ahead globally, not only countries and societies need to interact with each other closely, but individuals too need to have contact with members of other communities/societies that are spread over different parts of the country/world. In order to cater to these needs translation has become an important activity that satisfies individual, societal and national needs.

It goes without saying that the significance and relevance of translation in our daily life is multidimensional and extensive. It is through translation we know about all the developments in communication and technology and keep abreast of the latest discoveries in the various fields of knowledge, and also have access through translation to the literature of several languages and to the different events happening in the world. India has had close links with ancient civilizations such as Greek, Egyptian and Chinese. This interactive relationship

The in-depth study of Art of Translation demands more attention not because it paves way for global interaction and offers an excellent opportunity to undergo socio-cultural survey of various languages and their literatures but also gives an opportunity to establish some kind of relevance it has in the study and area of Literary Criticism. Translation Studies can very safely be included as an important genre in the domain of Literary Criticism since translation is an art prompting to peep into the diversified lingual, cultural and literary content of a source language and thus highlighting/ appreciating the essence and niceties of the literature of that particular translated language. It is through translation that we

can look into the rich heritage of India as one integrated unit and feel proud of our cultural legacy. The relevance of translation as multifaceted and a multidimensional activity and





would have been impossible without the knowledge of the various languages spoken by the different communities and nations. This is how human beings realised the importance of translation long ago. Needless to mention here that the relevance and importance of translation has increased greatly in today's fast changing world. Today with the growing zest for knowledge in human minds there is a great need of translation in the fields of education, science and technology, mass communication, trade and business, literature, religion, tourism, etc.

### Defining Translation

Broadly speaking, translation turns

a text of source language(SL) into a correct and understandable version of target language(TL) without losing the suggestion of the original. Many people think being bilingual is all that is needed to be a translator. That is not true. Being bilingual is an important prerequisite, no doubt, but translation skills are built and developed on the basis of one's own long drawn-out communicative and writing experiences in both the languages. As a matter of fact translation is a process based on the theory of extracting the meaning of a text from its present form and reproduce that with different form of a second language.

Conventionally, it is suggested that translators should meet

three requirements, namely: 1) Familiarity with the source language, 2) Familiarity with the target language, and 3) Familiarity with the subject matter to perform the job successfully. Based on this concept, the translator discovers the meaning behind the forms in the source language (SL) and does his best to reproduce the same meaning in the target language (TL) using the TL forms and structures to the best of his knowledge. Naturally and supposedly what changes is the form and the code and what should remain unchanged is the meaning and the message (Larson, 1984). Therefore, one may discern the most common definition of translation, i.e., the selection of the nearest equivalent for a language unit in the SL in a target language.

Computers are already being used to translate one language into another, but humans are still involved in the process either through pre-writing or post-editing. There is no way that a computer can ever be able to translate languages the way a human being could since language uses metaphor/imagery to convey a particular meaning. Translating is more than simply looking up a few words in a dictionary. A quality translation requires a thorough knowledge of both the source language and the target language.

### Translation Theory, Practice and Process

Successful translation is indicative of how closely it lives up to the expectations as: reproducing exactly as far as possible the meaning of the source text, using

natural forms of the receptor/target language in such a way as is appropriate to the kind of text being translated and expressing all aspects of the meaning closely and readily understandable to the intended audience/reader. Technically, translation is a process to abstract the meaning of a text from its current forms and reproduce that meaning in different forms of another language. Translation has now been recognized as an independent field of study. The translator can be said to be the focal element in the process of translation. The writer/author becomes the centre, for whatever he writes will be final, and no two translators translate a text in the same way. It is generally believed that a writer to know the intricacies of the TL in which he may wish to translate. As a matter of fact, it is not the writer of the SL text who asks someone to translate his works into the TL; it is primarily the interest of the individual translator which prompts him to

translate a work into his mother tongue. A successful translator is not a mechanical translator of a text but is creative as well. We may say that he is a co-creator of the TL text. . In fact, for a translator knowledge of two or more languages is essential. This involves not only a working knowledge of two different languages but also the knowledge of two linguistic systems as also their literature and culture. Such translators have been seen to possess various qualities which we shall briefly discuss later.

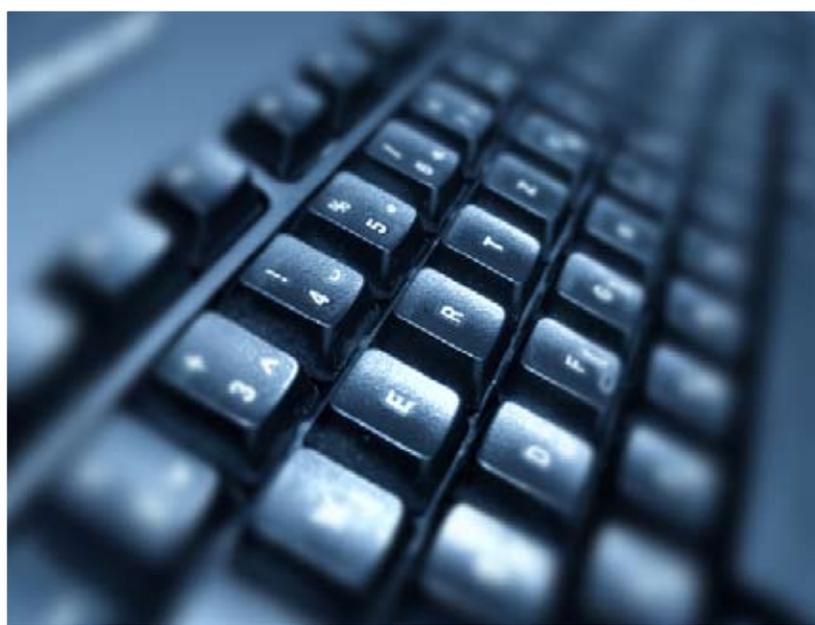
Linguistically, translation consists of studying the lexicon, grammatical structure, communication situation, and cultural context of the source language and its text, analyzing it in order to determine its meaning, and then reconstructing the same meaning using the lexicon and grammatical structure which are appropriate in the target language and its cultural context.

## A quality translation requires a thorough knowledge of both the source language & the target language

The process of translation starts with the comprehension of the source text closely and after discovering the meaning of the text, translator re-expresses the meaning he has drawn out into the receptor/target language in such a way that there is minimal loss in the transformation of meaning into the translated language. This entire process could be graphed as under:-

### Overview of the translation task

In practice, there is always considerable variation in the types of translations produced by various translators of a particular text. This is because translation is essentially an Art and not Science. So many factors including proficiency in language, cultural background, writing flair etc. determine





in scope of culture, politics, aesthetics, and many other factors. Accommodation is also translation, a free, rather than literal, kind of translation. Moreover, it is inevitable in practice if the translation is to maintain the source message's essence, impact, and effect. There is an interesting saying: A translation is like a woman: if it is faithful, it is not beautiful; if it is beautiful, it is not faithful. That is to say if you want to be faithful with the text while translating you are bound to lose the beauty of the translated text and if you try to maintain the beauty of the translated text you are sure to be unfaithful with the original text.. Faithfulness was once considered the iron rule in translation process but over the years when we take a closer look, accommodation, or adaptation, is found in most published translations and it has become a necessity too since keeping in view the averse cultural/lingual/geographical/historical/political diversifications and backgrounds of various languages and their literatures, accommodation, if not compromising, is almost obligatory. Accommodation, too, has to be carried out very sensibly, more especially when it comes to translating poetry or any such text which is highly emotive and artistic in nature. For example translating poetry has never been so simple. Robert Frost once said, "Poetry is what gets lost in translation." This is a sufficient evidence of the difficulty involved in translation of poetry. Because poetry is fundamentally valuable for its aesthetic value, therefore, aesthetic accommodation becomes an art instead of a basic requirement. A good



communication in one language into a correct and understandable version of that communication in another language. Sometimes a translator has to take certain liberties with the original text in order to re-create the mood and style of the original. This, in other words is called 'accommodation.' This has three dimensions: cultural accommodation; collocation accommodation; ideological accommodation; and aesthetic accommodation. Accommodation is considered a synonym of adaptation which means changes are made so the target text produced is in line with the spirit of the original. Translation is not merely linguistic conversion or transformation between languages but it involves accommodation

the quality of translation and it is because of that no two translations seem to be alike if not averse.

**Accommodation in Translation**

Translation turns a

poetry translator with a good measure of accommodation and adequate knowledge of aesthetic traditions of different cultures and languages, can be better appreciated by the target reader and can achieve the required effect.

**Qualities of a good Translator**

A good translator should have adequate knowledge of the SL(source language) from which he is translating into the TL which is generally his mother tongue/target language. In order to produce an accurate translation of the SL text he should have command over the grammatical, syntactic, semantic and pragmatic features of the SL. In addition to this it is necessary that he is well-conversant with the socio-cultural contexts of both the SL and the TL. A good translator should be the author’s mouthpiece in a way that he knows and comprehends fully whatever the original author has said in his text. One of the generally

accepted characteristics of a good translation is that it should resemble the original text or come as close to the SL text as possible. It should appear like the original in the TL translation within the usual social and cultural settings with some minor accommodation, if necessary, of course.

Usually it is also believed that the job of a translator is a mechanical one-a simple rendering of the SL text into a TL text. But it is not so. The translator has to perform a really difficult task. It is in a way more difficult and complicated than that of the original writer. A creative writer composes or pens down his thoughts without any outward compulsion. A translator has to confine himself not only to the SL text but a host of other factors also intervene in the process of translating the TL.

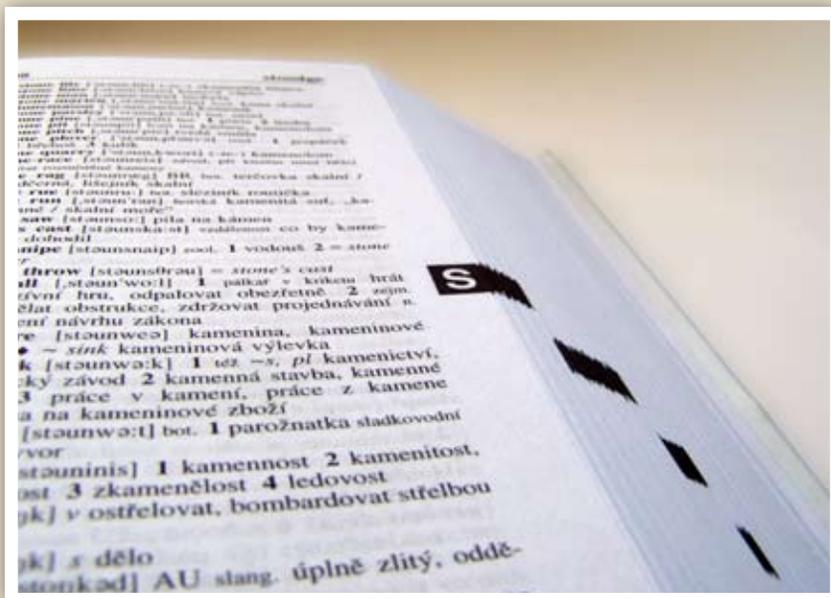
A good translator must have an adequate knowledge of the subject or area to which the SL text relates so that the translator is able to capture the spirit of the

# A good translator must have patience & should not be in a hurry to rush through while translating any text

SL text. If he does not have an in-depth knowledge, he may not be able to produce an accurate translation suitable for its intended purpose. For example, if you want to translate the Bible or the Gita or any other religious text, you must have adequate knowledge of those religious and theological works.

A good translator should be careful of the choices that he makes in using the TL. He should translate in the style, which is appropriate for the target audience. The style should be such that it appears to be natural and spontaneous to the TK readers. The translation in the TL should not sound alien.

A translator does need certain tools to help him out in moments of difficulty. These tools can be in the form of good monolingual and bilingual dictionaries,

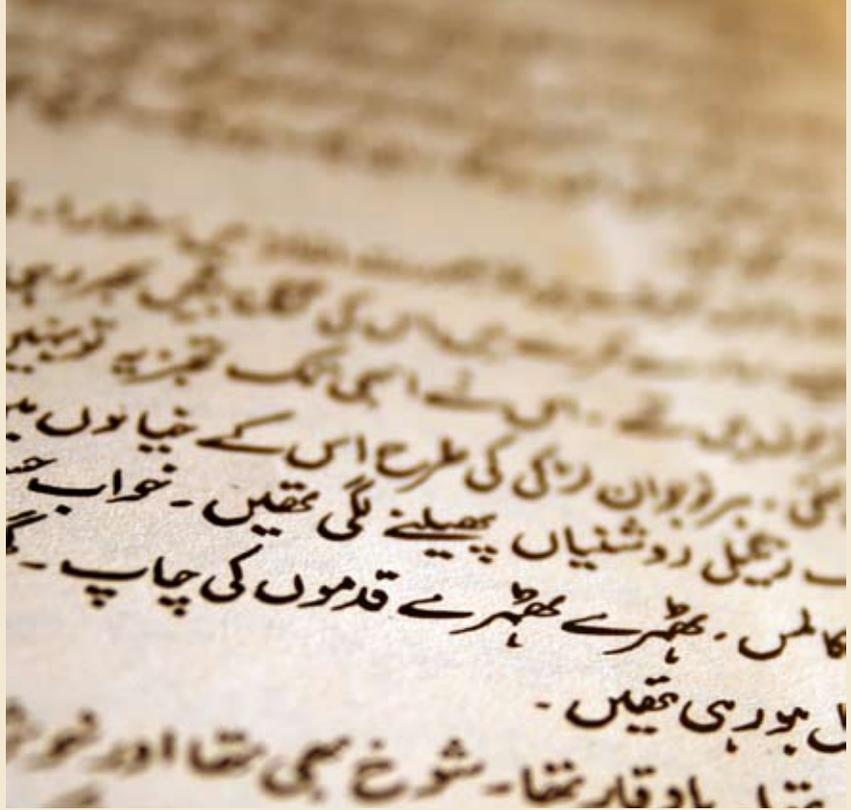


encyclopedias, e-dictionaries, glossaries of technical and standard works, etc. pertaining to the SL text.

A good translator must have patience and should not be in a hurry to rush through while translating any text. He should not hesitate in discussing with others the problems that he may come across. Moreover, he should not shy away from conducting micro-research in order to arrive at proper and apt equivalents.

In short, a good translator should be a competent and proficient bilingual, familiar with the subject/ area of the SL text chosen for translation. He should never try to insert his own ideas or personal impressions in the TL text. His objective should be to convey the content and the intent of the SL text as exactly as possible into the TL text. The job of a translator is very rewarding and intellectually stimulating. Finally, a few words (based upon my close understanding about translation study and activity) for up-coming translators and translation-lovers. To translate from one language into another has never been an easy Endeavour. It is an exercise both painstaking and cumbersome and only those who have engaged themselves with translation work can realize the complex character of this Art. I have been associated with translation work for over three decades translating from English, more especially, from Kashmiri/ Urdu into Hindi and back.

- 1- A good translator ought to be a good writer.
- 2- You needn't translate



everything that has been written, you need to translate the best only.

- 4- A good translator adjusts/ accommodates and not compromises with the original text.
- 5- Translators are like ambassadors representing and exchanging the best of their literary world.
- 5- Art of translation is as old as mankind, don't you translate your thought before you speak it out? Some more suggestions:
  - 1- Try to get into the mind of the writer.
  - 2- Check your translation twice or may be thrice before finalizing the script. Put the original passage "aside" and listen to/ read your translation with your ear "tuned in", as if it were a passage originally written in the TL.
  - 3- If your material is highly technical, with vocabulary

that is distinctive to a discipline, it is important that the translator has at least some background or experience of that discipline. A good translator of poetry and drama may be a bad choice for a chemical engineering or biotechnology text.

- 4- If you have a native speaker of your target language handy, particularly one who is familiar with the subject, that person could be as useful as your teacher for final script-review. Take his assistance without fail.

#### A few more guide lines for the translators:

Do not try to find difficult equivalent words in the hope that this will add to the perfection of your translation.

Every language has its own punctuation rules and differ in many ways; take care to punctuate correctly