

# Foreword

Perhaps it would not be an exaggeration to suggest that the field of money and banking represents an area in which most original and pioneering work has been done by Muslim economists and bankers during the last decade. At the intellectual level a number of conferences, seminars and colloquia were organised, amongst which the two seminars on the "Monetary and Fiscal Economics of Islam" held at Makkah (Oct. 1978) and Islamabad (Jan. 1981) were outstanding. The Makkah Seminar addressed itself to some of the major theoretical problems, while the Islamabad Seminar, along with further strengthening the theoretical research, undertook a thorough examination of the experiment in Islamic banking in different parts of the world in general, and the Report of the Islamic Ideology Council on the Elimination of Interest from the Economy in particular.

The Institute of Policy Studies, in cooperation with the International Centre for Research in Islamic Economics, King Abdul Aziz University, Jeddah, has already published a research report on the major contributions of the Islamabad Seminar. Now we are extremely happy to present the complete proceedings of the Seminar in two volumes. The first volume is devoted to the theme of money and banking in Islam, while the second volume shall have as its theme the problems of fiscal policy and resource allocation in an Islamic framework. Both these volumes are being offered in cooperation with the International Centre for Research in Islamic Economics, King Abdul Aziz University, Jeddah and have been edited by Dr. Ziauddin Ahmed, Dr. Munawar Iqbal and Dr. M. Fahim Khan. Dr. Ziauddin Ahmed has kindly acted as the chief editor for the two volumes, and has contributed a highly perceptive introduction to this volume, which in itself is an original contribution to the themes of the Seminar. Dr. Munawar Iqbal and Dr. M. Fahim Khan have worked hard to prepare these volumes for publication and I feel personally indebted to all three of them for their painstaking efforts. For a number of reasons work on the project started very late and the editors did not have more than a few months

to complete this monumental task. It is nothing short of a miracle that the editing and publication of these volumes has been done in less than six months. May Allah bless these efforts and give the best of the rewards to the editors and the team of young workers who have seen it through the press. Our special thanks are due to brothers Khalid Rahman, Rao Muhammad Akhtar, Muhammad Ramazan Akhtar and Tariqullah for the almost round-the-clock efforts they have made to bring the first volume of the proceedings of this Seminar on the occasion of the Second International Conference on Islamic Economics (Islamabad: 19-23 March, 1983).

I would fail in my duty if I do not record our gratitude to Dr. Mohammad Omar Zubair, Dr. Omar Hafiz, Dr. Anas Zarqa, and Dr. M. Nejatullah Siddiqi for their cooperation, support and guidance. It is hoped that these two volumes will be of immense assistance to all those scholars, researchers, students and economic practitioners who want to have a better understanding of the monetary and fiscal economics of Islam. These volumes should be treated as companion volumes to the two books already produced by the International Centre for Research in Islamic Economics viz. *Studies in Islamic Economics* (Leicester: The Islamic Foundation, 1980), and *Monetary and Fiscal Economics of Islam* (ed. by Mohamed Ariff, Jeddah, International Centre for Research in Islamic Economics, 1982).

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