

Universitas Islam Indonesia

Faculty of Economics

INTERNATIONAL PROGRAM



ISLAMIC STUDIES PROGRAM

Syllabus:

Islamic Economics and Business

Lecturer:	Priyonggo Suseno, SE, MSc
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Credit (CP):	4
Consultation times:	By appointment
Class Duration:	Two and a half hours per week for 12 weeks

Subject Overview:

This module will analyse the economic rational of Islamic values and Islamic laws in analysing economic activities. It will discuss and analyse how Islam has contributed several alternative values to business and economic policies in several Muslim countries. Students will gain an insight into how Islam can be considered as a universal system to be applied to economic policies, business strategies and government regulations. Ultimately students will gain a unique perspective into how and why Islamic values contribute to a dynamic understanding of the business climate. This subject will also arm students with the skills to understand and apply the elements of Islamic economics to economic and business policies.

Subject Objectives:

On successful completion of this module students will:

1. Understand the fundamental features of Islamic economics and business
2. Have gained comprehensive knowledge and skills regarding the methodologies associated with Islamic economics and business

3. Posses a clear understanding of Islamic economic rationality including the key divine revelations on Islamic economics such as the prohibition of *usury*, *gambling* and *gharar* (dubious transactions).
4. Demonstrate an ability to practically understand and apply Islamic values to the current economic and business activitis.

Assessment:

The final grade will be determined by a composite evaluation of the student's performance based on the following assessment areas:

Task	Value	Deadline
Assignment/Quizzes	10%	Will be assigned weekly
Individual/Group Essay	30%	Before the first exam period (week 6)
Mid Term Exam	30%	During first exam period (week 7)
Final Exam	30%	During second exam period (week 15)

Assignments/Quizzes:

Students will be required to complete several short assignments/quizzes. These assignments will constitute an integral part of building their knowledge and understanding information pertaining to this module.

Essays:

Two essays will be assigned during the semester. The first one, an individual essay, will be either a theoretical comparative study regarding Islamic concepts and conventional theories of microeconomics and business, or, an in-depth study on a specific topic of Islamic microeconomics and business.

The second essay involves the same topic with the first one but much more comprehensive. This second essay will be completed as a group assignment, with groups presenting to the class during the 24th -26th meeting. Precise questions and topic areas will be allocated to groups by the 8th meeting.

The individual essay should comprises of 1500 to 2000 words, while group essays comprises of 2500 to 3,000 words and should be handed in by the All essays should be typed on A-4 size paper with 1, 5 line spacing. The essay content should include:

- Title (cover sheet)
- Introduction (background, main issues and selected topics)
- Main Body
- Conclusion and Implementation
- References and Appendices.

Class presentations:

Students will be required to present their group essays to the class. Each group will present once, for 15-20 minutes. Each student in the group must be actively involved in this discussion in order to be eligible for the 10% weighting awarded to this assignment.

Examinations:

There will be a mid semester examination and final examination that will include multiple choice, short answer, case studies and/or essay type questions. Lecturers will provide further information to students before the examination.

Grading System:

Based on university policy, a pass grade or better will only be given to students who achieve a final grade above 55%.

Total	Grade
86 - 100	A
83 - 85	A-
80 - 82	A/B
76 - 79	B+
71 - 75	B
68 - 70	B-
64 - 67	B/C

Total	Grade
61 - 63	C+
56 - 60	C
53 - 55	C-
49 - 52	C/D
45 - 48	D+
35 - 44	D
0 - 34	E

Policy on assessment:

Essays and assignments will not be accepted after the due date unless arrangements for an extension of time have been made prior to the due date. If you do not agree with the result that you achieve for any piece of assessment for this subject please contact the lecturer immediately. You have a right to know the reasons why your work has received a certain grade and to request it be reassessed if you believe it has been unfairly assessed.

Warning Concerning Academic Misconduct:

The International Program expects all students and staff to act with honesty and integrity in all matters. That means being truthful and recognising the intellectual ownership of other people's words, ideas, research findings and information. To not do so academically dishonest and may incur a range of penalties. Academic misconduct includes plagiarism, collusion, cheating in examinations, misappropriating the research of others and misrepresenting research findings.

What is plagiarism?

Plagiarism is the using of another person's ideas or expressions without appropriate acknowledgment and presenting these ideas or forms of expression as your own. It includes not only written works such as books or journals, but data or images that may be presented in tables, diagrams, designs, plans, photographs, film, music, formulae, web sites and computer programs. Plagiarism includes the use of the work of lecturers or other students as your own without acknowledgment. Self-plagiarism is the reuse of your own work without indicating that you have reused it.

Quoting and Paraphrasing:

A quote occurs when you use 5 or more words from another source exactly as the words appear in the original. You are allowed to incorporate quotes from the work of others into your work. However, only up to 10% of your work can be quoted. A paraphrase is restating what someone else has said or written *using your own words*. A paraphrase is not achieved by simply altering the words from another source slightly. A slight rewording is still effectively a quote. You must either:

- Provide an *exact* quote (and indicate that it is a quote)
- Provide an appropriate paraphrase of the ideas in your words.

An appropriate paraphrase is normally achieved by reading and taking notes, then *closing the book and writing your own words*.

What is collusion?

Collusion involves working with others with the intention of deceiving examiners about who actually completed the work. For example, if a student employs someone else to do their work for them, that would constitute collusion. Or if one student willingly allows another student to copy their work for an individual assessment task, that would constitute collusion. In that case both students may have committed an academic offence. Collusion is not the same as collaboration. Collaboration is working together on a task; collusion is doing so in an unauthorised manner. What is authorised varies from task-to-task. For example, collaboration is allowed or expected on many assignments, but for

other tasks such as exams and some in-class or online tests no collaboration is allowed. If you have any doubt about what constitutes authorised and unauthorised collaboration on a particular task you should consult IP management.

Avoiding plagiarism:

Plagiarism is avoided by appropriately acknowledging sources of your ideas or expressions. In this unit this entails:

1. Providing an in-text citation using the APA referencing system at the place where any idea or expression from another source is used, whether directly quoted or paraphrased; and
2. Clearly indicating where material is directly quoted (a direct quote occurs if 5 or more words from another source are used exactly as they are used in the original) by using quotation marks for short quotes or indenting for longer quotes; and
3. Providing a full reference to the source in a list of references at the end of the work, again using the APA referencing system.

Important Note: the *APA Referencing Guide* can be obtained from IP management

Course Outline and Schedule:

Meeting	Topic	Description
1-2	Nature and Scope of Islamic economic	The vision, methods and nature of Islamic economics, methodology of Islamic economics, axioms of Islamic economics, Islamic rationality
3	History of Islamic Economics and Business	Islamic economic and business during Classical period. Islamic economics and business thought during post Classical period, contemporary Islamic economics and business thought.
4-5	Introduction to Islamic economics and business law	Introduction to Islamic jurisprudence, Islamic legal maxims, principles of Islamic economics and business law
6-7	Money and time value of money	Islamic view on money, riba and interest, gharar, risk and uncertainty, Islamic time value of money
8	Introduction to Zakah	The significance of zakat in Islamic teaching, introduction to zakat law and regulation, Islamic concept of charity
	Mid Semester Exam	In class test (closed book)

9-10	Theory of consumption	Islamic concept of preference, self-interest and social interest, property rights and utility maximisation.
11-12	Theory of production	Islamic concept of factor production, business, profit and competition, and Islamic business ethics.
13-14	Market and the role of public sectors in economy	The role of market in Islam, Islamic market concept, Islamic just price, the role of government and citizen sector in economy
15-16	Business and management in Islamic perspective	Islamic view on management Principles and scope of Islamic management Islamic management in practice
17	Introduction to Islamic human resource management	Islamic view on human resource Principles and scope of Islamic human resource Islamic human resource management in practice
18-19	Introduction to Islamic Finance	The principles of Islamic finance Islamic mode of finance Introduction to Islamic bank
20-21	Introduction to Islamic Marketing	Islamic view on marketing Principles and scope of Islamic marketing Islamic marketing in practice
22	Business organization and partnership	Islamic view on modern business organization Principles and scope of Islamic business organization and partnership Islamic mode of business organization and partnership
23	Islamic corporate social responsibility (CSR)	Social motive in Islam business Islamic view on contemporary CSR Toward Islamic CSR
24-26	Group presentation	
	Final Exam	

Materials and References:

- Textbooks
Primary course readings are currently under review. These will be advised later on.

- Additional Reading Material
 1. Ahmad Ausaf & Kazim R Awan, *Lectures on Islamic Economics*, Jeddah: Islamic Research and Training Institute IRTI, 1992 [*library*]
 2. Ahmed Khursyid, *Studies in Islamic Economics*, Leicester: Islamic Foundation, 1990 [*library*]
 3. Beekun, Rafiq, 1998, *Islamic Bussines Ethic*, Leicester: The Islamic Foundation
 4. Chapra M Umar, *The Future of Economics: An Islamic Perspective*, Leicester: The Islamic Foundation, 2001. [*library*]
 5. Kahf Monzer, *Lesson in Islamic Economics*, Vol. (1), IRTI - Islamic Development Bank, Jeddah, Saudi Arabia, 1998.[*library*]
 6. Tahir S., Aidit Ghazaly and Syed Omar Syed Agil, *Readings in Microeconomics: An Islamic Perspective*, Longman Malaysia, 1992. [*library*]
 7. Hasan, Zubair, 2006, *Introduction to Microeconomics: an Islamic Perspective*, Kuala Lumpur: Prentice Hall. [*library*]
 8. Hayes, Samuel and Frank E Vogel, *Islamic Law and Finance: Religion, Risk, and Return*, Netherland: The Kluwer International, 1997. [*library*]
 9. Iqbal, Zamir & Abbas Mirakhor, 2007, *An Introduction to Islamic Finance Theory and Practice*, Singapore: John Wiley & Sons. [*library*]
 10. Khan, M Fahim, 1995, *Essays in Islamic Economics*, Leicester: The Islamic Foundation. [*library*]
 11. Marinov, Marin, 2007, *Marketing in the Emerging Markets of Islamic Countries*, Palgrave Macmillan
 12. Naqvy, Syed Haider, 2004, *Perspectives on Morality and Human Well-Being: A Contribution to Islamic Economics*, Leicester: The Islamic Foundation. [*library*]
 13. Rahman, Afzalur, *Muhammad as a Trader*, Leicester: The Islamic Foundation, 1999. [*library*]
 14. Sula, Muhammad Syakir & Hermawan Kertajaya, 2006, *Syariah Marketing*, Jakarta: Mark Plus Publishing. [*library*]
 15. Yusoff, Nik Mohamed Affandi, 2002, *Islam & Business*, Kuala Lumpur: Pelanduk Publications
 16. See references attached to lecture notes for complete supplementary materials

- Journals
 1. IQTISAD, journal of Islamic economics [*library*]
 2. Review of Islamic Economics [*library*]
 3. Islamic Economics Studies [*library*]

- Websites
 1. Electronic journal: *Proquest* [*on-line library*]
 2. www.islamic-finance.net
 3. www.ruf.rice.edu