

such investment, by creating minimal employment, or actually reducing employment, is undesirable. Although Pramanik is critical of economic growth for its own sake, he is less critical of the efforts of Western development economists, and recognizes that they have learnt much from the experience of the last four decades. Pramanik is sympathetic towards the basic needs approach taken by some development economists, as this implies a respect for human dignity that is consistent with the views of Islamic economists like himself.

In any work on redistribution, taxation is inevitably a major issue, and for Pramanik *zakāt* is an ideal form of tax for this purpose. Ibn Khaldūn approved of *zakāt*, but his overall view of taxation was much more negative according to the exposition in the Gusau and Bashar volume. Ibn Khaldūn sees taxation in terms of the poor being forced to pay to finance the luxurious consumption of the rich rulers, with such exploitation resulting in economic decline. Overall there is much in Pramanik's study which is of interest, but the width of coverage is to some extent at the expense of depth. Although the work is well referenced, it would be interesting to see Pramanik contrasting his own positions with those of other Islamic economists, both ancient and modern. His views and approach are not dissimilar to those of Umer Chapra, but they certainly contrast sharply with those of Muhammad Baqer al-Sadr, who starts from a more legalistic stance. If Islamic economics is to move forward, greater recognition of the different schools of thinking within the discipline itself would be helpful.

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Information Sources on Islamic Banking and Economics, 1980–1990

By S. NAZIM ALI and NASEEM N. ALI. London: Kegan Paul International, 1994. Pp. 352. Price HB £55.00. 0-7103-0486-2.

This is a welcome bibliography, which follows on from the material covered in John Presley's *Directory of Islamic Financial Institutions*, published by Croom Helm in 1988. Presley's directory listed 506 items, mostly covering the period from the 1950s to 1985; but it was the 1980s which witnessed a substantial increase in published books and articles on Islamic finance and economics. The Ali and Ali volume contains 1576 citations, and represents the most comprehensive bibliography on the subject to date.

Nazim and Naseem Ali work in Bahrain, Nazim being the head of information and research services at the university, while Naseem is a librarian at the Bahrain Training Institute. This formidable duo have compiled an extremely useful tool for researchers, which seems accurate for the most part, although I did note that the reference in the author index to one of my own books, 30925, did not correspond to the listing, which was 30929. Furthermore the work in question was an edited volume rather than a monograph, although it is admittedly possible to define the latter in different ways. Works are classified by Ali and Ali as monographs, articles, conference papers, notes, dissertations,

In the second, more contemporary, volume by Gusau and Bashar the most interesting chapter is on the case for Islamic banking in Nigeria. Gusau and an associate, Muhammad Aminu Bawa, conducted a survey of 2460 Muslims, 1640 Christians, and 90 others to discover their banking habits, attitudes to interest, and knowledge of Islamic banking. Most Muslim respondents had accepted interest, but, unlike the Christians surveyed, they had not deposited their funds with this reward as an important motive. Over 90 per cent of Muslims and 12 per cent of the Christians surveyed indicated they would be prepared to place deposits with an Islamic bank if such an institution existed in Nigeria. Of those Muslims who indicated they would not, most cited the greater risk associated with such deposits as their major objection.

The book by Ataul Huq Pramanik consists of a collection of his papers which have been presented at conferences on Islamic economics. This well-known contributor to the debates amongst Islamic economists was born in Bangladesh and taught at Chittagong University, but his economics training was in England, and he is now a professor of economics at the International Islamic University in Malaysia. The book contains three useful chapters on the methods and experience of Islamic banking, although the survey of the Islamic banks in Bangladesh, Sudan, Egypt, the Gulf, Malaysia, Pakistan, and Iran is inevitably brief.

The main focus of the work, as its title implies, is on the relationship between growth and distribution from an Islamic perspective, which is the main reason why it is worthy of review. It is particularly interesting to contrast the views of a modern contributor to the debate on Islamic economics with those of Ibn Khaldūn, the great fourteenth-century Islamic economic and social philosopher. In the Gusau and Bashar volume it is asserted that Ibn Khaldūn, in many respects the Adam Smith of Islamic economics, identified four stages of economic growth—the primitive, the post-primitive or town stage, the period of urbanization, and finally the stage of decline. This is perhaps less optimistic than Ricardian or Marxian analysis, and certainly in sharp contrast to the ever more 'progressive' stages of economic growth identified by modern development theorists such as Rostow.

Pramanik is critical of development which stresses only the satisfaction of individual material wants, as he emphasizes the importance of social cohesion. Social disintegration is a major factor in Ibn Khaldūn's analysis of decline. Pramanik takes a more optimistic stance, however, implicitly accepting that development can be a continuous process of improvement, provided the need for redistribution is recognized. It is the unwillingness to accept this that threatens the advance of capitalist societies; but Pramanik sees the issue of social justice as central to Islamic economics, and a cause for hope.

The notion that there is a trade-off between growth and distribution is rejected by Pramanik, as he sees the higher propensity of the poor to consume as a factor promoting market expansion, and hence economic growth. Savings to finance investment may be lower, but what matters for investment is the potential sales of the resultant output, not the supply of funds. In developing countries investment may not be especially capital-intensive in any case; indeed

or theses, although the distinction between the last two categories is not always clear, as an MA can be classified as a thesis and a PhD as a dissertation. The distinction between articles and notes can also be debated. What Ali and Ali seem to have done is to take the classification from the work itself, rather than attempt to compile a more consistent reclassification.

Ali and Ali have, however, devised their own subject classification scheme on a zero to nine scale, and assigned to each work a five-digit number. The two digits after the first subject number represent a sub-category, this for example referring to a country in the case of Islamic banking practice, where the first number is 2, followed by 04 for Bahrain, 08 for Jordan, 12 for Iran, and so on. The final two digits are then assigned to the authors' names, which are arranged in alphabetical order, enabling up to 99 authors to be included in each sub-category as the final 00 combination is assigned to the sub-category itself. The logic of the subject classification becomes clearer from the subheadings, with those under Islamic banking system, category one, divided into headings such as accounting and audit, loans, marketing, profit and loss sharing, and *Shari'a*. The distinction between political factors under Islamic banking system (11600) and under banking and finance in general (40200), and indeed under contemporary banking and Islamic economics (31100), is not entirely clear. In fact some of the articles, such as that by David Baldwin on Islamic banking in a secularist context in Turkey (11601), are in my view not really political in nature.

The overview at the start provides a breakdown of the work by publication category (book, article, etc.) and authorship (single, multiple), but it is really the subject breakdown which is more interesting, as this indicates where most of the research effort has been. From the listing it is apparent that more than 60 per cent of the works cited are on Islamic banking, around two-thirds of which are either general or on particular aspects of Islamic banking, with the remainder in this category being either case studies of particular institutions or country studies. A further quarter of the works are on Islamic economics, including issues such as economic co-operation between Muslim states, Islamic perspectives on economic development, *zakāt*, fiscal policy, and insurance. Only a very small proportion of the work cited is on Islamic views of the role of the state, or issues of social justice, or even practical matters such as social security.

This bias towards Islamic banking and mainstream neo-classical economics, suitably refined through an Islamic filter, could arguably reflect the nature of the work Ali and Ali aimed to survey; and to be fair, this is what the title of the bibliography implies. However, it is also indicative of where Islamic banking and economics have come from. Most Islamic economists have been trained as conventional Western economists, even when they have been at university in Muslim countries. The Islamic aspects tend to be an 'add on', or arguably even a 'subtraction', when activities which are *haram* are defined. On the banking side the aim is to make available financial services which are as comprehensive as those offered by conventional banks, on at least equally competitive terms, while adhering to the *Shari'a* law. In the 1980s there were few who queried if such objectives were feasible, or indeed whether there was a fundamental

conflict of both means and objectives between the secular and the religious. Whether economists, including myself, are qualified to comment on conflicts between the material and the spiritual must remain a matter of debate.

The bibliography by Ali and Ali stops in 1990, with only very limited information on 1991 and 1992, as more recent publication details were not available when the work was completed. In the 1990s there is evidence that the same pattern of scholarship and subject breakdown continues, but there are some Islamic economists, notably Syed Naqvi from Pakistan and K. S. Jomo from Malaysia, who are thinking more fundamentally. The limited amount of work cited by Ali and Ali in the field of the history of Islamic economic thought must be regarded as disappointing, as there is certainly much which Muslim economists can learn from Islamic philosophy. It is probably from this that future breakthroughs in the subject will come, rather than from tinkering around the margins of neo-classical economics and modifying conventional economic models to allow for Islamic prohibitions.

Although most of the book by Ali and Ali consists of the bibliography, there is a useful list of journals which contain articles on Islamic banking and economics, as well as information on electronic databases and on-line services. There is an interesting table which ranks journals, magazines, and selected financial newspapers according to the frequency of articles on Islamic banking and economics. The London-based publication *Euromoney* was fourth and *The Banker* sixth, with not surprisingly the *Journal of Islamic Banking and Finance* ranked first. The *Journal of Islamic Studies* was ranked twenty-third, such rankings reflecting quantity rather than quality. Most of the electronic databases listed have little information on Islamic banking or economics, apart from figures drawn from the annual reports of a few Islamic banks, or selected economic and financial statistics on Muslim states. The project involved searching CD-ROM and on-line databases, and there are three tables analysing the number of records found on each and the degree of overlap. Given the high cost of such databases, this information is extremely valuable, as at least the potential purchaser wanting information on Islamic banking and economics will have a better idea of what is worth buying.

There is a relatively short but well-written chapter by Imtiaz Pervez of the Faysal Islamic Bank of Bahrain on the principles and practice of Islamic banking, which should serve as a useful introduction to those new to this field. Overall Ali and Ali's work, despite some of the shortcomings noted above, is extremely useful, and must be an essential reference book for all libraries with collections in this field.

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