



## Qard Hasan, Credit Cards and Islamic Financial Product Structuring: Some Qur'anic and Practical Considerations

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**Abstract:** For all practical purpose, *qard* and *qard hasan* are generally regarded synonymous from orthodox Islamic viewpoint, because, due to the categorical prohibition of *riba* in the Qur'an, *qard* (loan) is considered *ribawi* (subject to the rules pertaining to *riba* prohibition), and therefore only gratuitous monetary loans – without any benefit to the lender - are considered permissible.

The concept of *qard hasan* has gained new relevance and importance as it is being used to structure Islamic financial products, such as demand deposit products in banks and credit cards. Using *qard hasan* as the basis for such products leads to some serious anomalies. But more importantly, is the traditional understanding of *qard hasan* consistent with the Qur'an as well as hadith? What scriptural evidences are there to support the traditional understanding? Also, in light of the impact of credit cards on personal financial health, is the concept of *qard hasan* at all compatible with credit cards, and thus, structuring Islamic credit cards?

In this paper, we focus on how the Qur'an illuminates this concept of *qard hasan* and also how it is treated in hadith. While evidence from hadith is looked at, the primary purpose of this paper is to examine the Qur'anic approach to this concept and practical implications for Islamic product structuring.

This conceptual paper critically examines the Qur'anic perspective on *qard hasan* and identifies implications that are seriously at odd with the traditional understanding and with some contemporary practices in Islamic banking and finance.

**Keywords:** Qards Hasan, credit card, Islamic finance, product structuring, debt.

### 1. Introduction

Traditionally, *qard hasan*<sup>1</sup> is understood as a “benevolent” or “gratuitous” loan, where the lender cannot receive any benefit in return.<sup>2</sup> Strictly speaking, the restriction on the benefit in favor of the lender is limited to situations only when such benefits are stipulated, and when benefit is stipulated by the lender it becomes *ribawi* (i.e., subject to the rules related to the prohibition of *riba*). Indeed, from traditional viewpoint, “Qard Hasan is the only type of loan recognized in Islam.”<sup>3</sup>

One of the main critiques of conventional financial system, especially the banking system, is that it is based on commercial borrowing and lending, which necessarily involves interest (blanketly equated with *riba*). Thus, Islamic financial system, it is claimed, does not include borrowing and lending as

1 Notably, *qard hasan* is spelled in many alternative ways, which is reflected in various quotes cited in this paper. This author consistently uses the spelling “*qard hasan*”, as it is used in the Qur'an.

2 Iqbal, 2009, p. 354; Hassan and Mahlkecht, 2011, p. 82.

3 Hassan and Mahlkecht, 2011, p. 82.



a part of its commercial edifice.<sup>4</sup> Due to the same reason, *qard hasan* is the only permissible loan-type transaction recognized in Islamic law (*fiqh*) and it is relegated to a more noble role of charitable transactions to help those in need. Thus, there should not be any commercial financial transaction structured on the basis of *qard hasan*.<sup>5</sup>

Yet, contrary to all the pious affirmations, *qard hasan* has now emerged as a tool or basis for structuring Islamic financial products, including banking deposit products in commercial context<sup>6</sup> and microfinance products that are often non-commercial. Of particular interest is using *qard hasan* in structuring credit cards.

It is all too well known how debt culture has wreaked havoc on modern western societies and credit card has become one of the worst contributing factors in wreaking this havoc.<sup>7</sup> At the general level, credit card debt has a negative effect on future consumption growth,<sup>8</sup> and eventually on absolute level of consumption as well. Based on studies covering a number of developed countries, there is strong evidence of correlation between credit card debt and bankruptcy, even stronger than the correlation between consumer debt and bankruptcy.<sup>9</sup> It is no surprise that certain common behavior of consumers regarding credit cards is included among the things that consumers ought to know if they are bent on "How to ruin your financial life".<sup>10</sup> Notably, the Wall Street, the source of much of the woes related to the ongoing global financial crisis, was also behind introducing credit cards earlier in the twentieth century.<sup>11</sup>

While using *qard hasan* for structuring deposit products seems innocuous (though anomalous),<sup>12</sup> using *qard hasan* to structure Islamic cards may cause many Muslims' heads spin, asking how in the world *qard hasan* can be used for commercial financial products and particularly for credit cards. Some might even consider this turning the noble concept of *qard hasan* on its head. How valid are these concerns?

Well, historically for so long *qard hasan* has been consistently understood as a benevolent, non-commutative transaction. What has changed for *qard hasan* that it is being used to structure commercial financial products? It is argued that *qard hasan* is merely interest-free loan (without any stipulated benefit to the lender) and therefore it is not relevant whether it is to be understood and utilized only as a benevolent/charitable transaction. Does the Qur'an support the view that *qard hasan* is actually a financial transaction, let alone being a commercial instrument? In this paper, we examine the relevant issues primarily from the perspective of the Qur'an, with some reference to Sunnah/hadith. The illumination from this research raises some serious questions regarding both the traditional view and the way currently it is being used to structure Islamic financial products.

## 2. *Qard Hasan* in Islamic product structuring

Islamic finance industry seems to be determined to offer virtually everything its conventional counterpart offers, several niche, commercially lucrative area, such as credit cards and salary advance facilities, on Shariah-compliant basis of course.

<sup>4</sup> Toutounchian, 2011, pp. 48-49.

<sup>5</sup> "Qard hasan should not be the basis of doing financial activities." Abou-Ali, pp.321-330.

<sup>6</sup> Farooq, 2011.

<sup>7</sup> Watt, 2013; Oberlin, 2005, p. 166; United States. Congress. Senate. Committee on the Judiciary. Subcommittee on Administrative Oversight and the Courts, 2010, p. 11; Riker, 2010, p. 9; Rubin, 2010, p. 39.

<sup>8</sup> Ekici and Dunn, 2010; Gross, 2002; Laderman, 1996; Dynan, 1993; Maki, 2000.

<sup>9</sup> Mann, 2006.

<sup>10</sup> Stein, 2004.

<sup>11</sup> Geisst, 2004, p. 295.

<sup>12</sup> Farooq, 2011.



While salary advance facilities is one of the newest products offered by few institutions so far, the market for Islamic credit cards has drawn considerable attention. Since 2002 a number of so-called Islamic credit cards have been launched: Al Ruban (Shamil Bank, Bahrain), Al Buraq (ABC Islamic Bank), Al Taslif (AmBank Group, Malaysia), and Bank Islam Card (BIC) (Bank Islam Malaysia Berhad).<sup>13</sup>

HSBC Amanah Malaysia Berhad, for example, uses a combination of *qard hasan* and *ujrah* (fees) to structure Islamic credit cards.

“When the customer purchases an asset on market using this Islamic credit card issued by HSBC Amanah, it means that bank lends certain money to card holder (customer) under the *qardul hasan* contract. Then on prior or on the due date of monthly payment, card holder must pay the entire loan amount that lend to bank. Besides, card holder must pay fee to bank under the *ujrah* contract. If the card holder does the late payment, customer has to pay *ta'widh* 1%.”<sup>14</sup>

Bank Negara Malaysia, the central bank of Malaysia, recognizes the essential benevolent, non-commutative nature of *qard hasan*, which should be avoided in commercial, profit-seeking transactions. Its Shariah Advisory Council carefully modified the terminology to facilitate expansion of *qard hasan* applications to many different products, including *rahn*, credit card and charge card.<sup>15</sup>

The theological and practical problems of using *qard hasan* were well understood by Bank Islam Malaysia when it introduced Bank Islam Card (BIC). It did not even want to use the word “credit” in the card’s name.

“Bank Islam Malaysia launched its Bank Islam Card (BIC) on 23rd July 2002, the name of the product deliberately avoiding the word ‘credit’. The bank claims that this card, available in MasterCard Classic or Gold, is the first credit card to be based on Sharia contracts and that is thus free from Riba or *Gharar* (uncertainty) due to the fact that the maximum profit earned is declared up front. BIC also has the distinction of being the first EMV Smart chip card issued in Malaysia.

The bank says that this card works off a combination of three Sharia contracts: Bai’ Al Inah (as for AmBank’s Al Taslif card), Wadiah and Qard Hassan.”<sup>16</sup>

Amal Credit Card issued by RAK Islamic Finance Company in UAE also is based on *qard hasan*.<sup>17</sup> In the table below, a more comprehensive list of Islamic credit cards is presented. Banks that structure the credit cards using *qard hasan* as one of the component contracts are highlighted.

<sup>13</sup> Parker, 2002.

<sup>14</sup> Rohma (undated), p. 11.

<sup>15</sup> Bank Negara Malaysia, undated, BNM/RH/GL/012-2; Singh, 2009.

<sup>16</sup> Farook, 2007.

<sup>17</sup> RAK Islamic Finance Company, 2012.



Islamic Credit Cards issued by various banks			
No	Name of The Bank	Contract Name	Credit Card Name
1	Bank Islam Malaysia Berhad <sup>1</sup>	Bay Tawarruq	<ul style="list-style-type: none"> <li>World MasterCard Card-i</li> <li>Platinum MasterCard Card-i</li> <li>Platinum Visa Credit Card-i</li> <li>Bank Islam - Alumni UiTM Platinum MasterCard Card-i</li> <li>Gold &amp; Classic Card-i (Visa &amp; MasterCard)</li> </ul>
2	Al Rajhi bank (Saudi Arabia) <sup>2</sup>	Bay Tawarruq	<ul style="list-style-type: none"> <li>Ensan Card</li> <li>Gold Card</li> <li>Infinite Card</li> <li>Ladies Card "Laki"</li> <li>Platinum Card</li> <li>Tasawaq Card</li> </ul>
3	Bank Rakyat <sup>3</sup>	Tawarruq Murabaha	Bank Rakyat Credit Card-i
4	ADIB <sup>4</sup>	Tawarruq	ADIB Business Visa Platinum Covered Card
5	ANB <sup>5</sup>	Tawarruq	Al Mubarak Plus card
6	Maybank Islamic – Ikhwan <sup>6</sup>	<i>Qard/Ujrah</i>	<ul style="list-style-type: none"> <li>American Express® Gold Credit Card</li> <li>Maybank 2 Cards Premier</li> <li>Maybank Islamic Ikhwan Visa Infinite Card-i</li> <li>Maybank Islamic PETRONAS Ikhwan Visa Gold Card-i</li> <li>Maybank Islamic PETRONAS Ikhwan Visa Platinum Card-i</li> <li>Maybank Manchester United Visa Infinite</li> <li>Maybank Visa Infinite</li> <li>Maybank World Mastercard</li> <li>Maybankard 2 Gold Card</li> </ul>
7	Am Bank <sup>7</sup>	Bay Al Inah	<ul style="list-style-type: none"> <li>AmIslamic Bank Al-Taslif MasterCard Classic Card-i</li> <li>Al-Taslif Platinum</li> </ul>
8	BISB <sup>8</sup>	<i>Qard Hasan</i>	<ul style="list-style-type: none"> <li>Platinum MasterCard</li> <li>Classic MasterCard</li> <li>Classic Visa Card</li> <li>Corporate Card</li> </ul>
9	RHB Islamic <sup>9</sup>	Ujrah	RHB Islamic Credit Card
10	HSBC Amanah <sup>10</sup>	Ujrah	HSBC Amanah Credit Card
11	KFH in Bahrain <sup>11</sup>	Ujrah	Al-Tayseer Platinum Standard Package KFH
		<i>Qard Hasan</i>	KFH- Bahrain Visa Credit Card
12	Sharjah Islamic Bank <sup>12</sup>	(Ujrah (monthly	Classic, Gold, and Platinum
13	Emirates Islamic Bank <sup>13</sup>	Ujrah	<ul style="list-style-type: none"> <li>RTA Credit Card</li> <li>Abu Dhabi Rewards Credit Card</li> </ul>
14	Samba Bank <sup>14</sup>	Ujrah	<ul style="list-style-type: none"> <li>Infinite Credit Card</li> <li>Samba FCBarcelona Credit Card</li> <li>Platinum Credit Card</li> <li>Gold Credit Card</li> <li>Samba Ladies AlKhair Credit Card</li> <li>Samba AlFursan Credit Card</li> </ul>



15	ADCB Bank <sup>15</sup>	Ujrah	<ul style="list-style-type: none"> <li>• ADCB Excellency Visa Infinite Credit Card</li> <li>• ADCB Islamic Credit Card</li> <li>• ADCB Platinum Credit Card</li> <li>• Credit Card for Small Businesses</li> </ul>
16	Standard Chartered UAE <sup>16</sup>	Ujrah	Saadiq Master Card
17	Al Salam Bank <sup>17</sup>	<i>Qard Hasan</i>	(Jiwan Credit Card (Classic, Gold and Platinum
18	Saadiq Visa Credit Card (Bangladesh; Pakistan) <sup>18</sup>	Ujrah	Saadiq Visa Credit Card
19	Mashreq Al Islami <sup>19</sup>	<i>Qard Hasan &amp; Ujrah</i>	Platinum Credit Card
20	Riyad Bank (SAUDI ARABIA) <sup>20</sup>	Murabaha	Islamic Classical Card (Visa or MasterCard
21	Al Baraka Bank <sup>21</sup>	Murabaha	Taqseet Card

As can be seen from the list, several Islamic banks' credit cards are structured based on *qard hasan*. Notably, for these contracts, while only *qard hasan* is identified as the underlying contract, in fact these credit card products use a combination of contracts, of which *qard hasan* serves as a key or pivotal, component contract. For example, a number of credit card products from Maybank use the combination of *qard* (loan) and Ujrah (fees).<sup>18</sup> Khan describes the structuring of Islamic credit cards as follows:

There is no easy way to handle the use of credit cards in an interest-free environment. Despite that, some Islamic financial institutions have issued credit cards. For example, Bank Islami Malaysia Berhad has issued credit cards. ... The customer of the banks uses the card to buy a piece of land on credit from the bank, which he or she sells back to the bank at a lower price immediately for cash. The bank deposits the cash in the account of the client, who can draw it to meet his or her needs. The difference between the sale and purchase prices is the profit of the bank. The other income of the bank arises from the terms of repayment, which oblige the customer to pay certain fees determined with reference to the period of repayment and the number of installments.<sup>19</sup>

Regarding the whole thing, Khan adds:

In this mechanism, there is no difference between interest on a conventional credit card transaction and the fees of the Islamic credit card, except that the latter is more expensive, as it involves legal charges for sale and purchase of land in addition to all the other charges of a conventional bank.<sup>20</sup>

Also, it is important to note that such buy and sell of "land" or other tangible assets as part of a credit card transaction using *tawarruq* or *bay al-'Inah* is simply "fictitious", adding to the credibility gap as far as the form vs. substance is concerned. While Islamic credit card as a product has been generally approved by a number of Shariah experts as well as by AAOIFI through its Shariah Standard #2,<sup>21</sup> there are also critics of Islamic credit cards among the Shariah experts.

Dr. Abdulazeem Abozaid, former Shariah advisor of Oman Islamic Bank, Emirates Islamic Bank (Dubai) and RHB Islamic Bank (Malaysia), writes:

<sup>18</sup> [http://www.maybankislamic.com.my/cc\\_cc\\_petronasikhwan-v-plat.html](http://www.maybankislamic.com.my/cc_cc_petronasikhwan-v-plat.html).

<sup>19</sup> Khan, 2013, p. 377.

<sup>20</sup> Ibid.

<sup>21</sup> AAOIFI, 2010, pp. 18-28.



... credit card remains unlawful as it is very clear that credit cards involve riba. This riba materializes when cardholder pays charges (interest) for any outstanding balances unpaid after the grace period (typically 1.5-2% per month). This is a sufficient reason to render credit card unlawful according to Shari'a.

Can credit card be made Islamic? No doubt that card holders are provided a good and beneficial service that entails its provider for fees. However, besides this service provided there is a loan too. Loan in Islam is a contract of gratuity; no way lenders can derive from the borrower a monetary benefit for providing him with a loan. Therefore, credit card provider is entitled to service fees but not for interest. Some may think increasing the service charge to cater for the granted credit. This is a legal trick that contradicts the very Shari'a principles pertaining to loan contract.<sup>22</sup>

Regardless of the type of underlying contract structure, Abozaid points out:

All credit cards advocated models have unresolved fiqh issue, (which) seem to indicate that the credit card, within the Shari'ah framework, is not a viable or acceptable product. ... Credit card is incongruous with Islamic prescriptions in respect to debt.<sup>23</sup>

Farook (2007) adds: "The extension of credit with a view to making profit is not a Qard Hassan loan and thus is unacceptable in religious terms for the creditor as well as the borrower."<sup>24</sup>

Is using *qard hasan* as part of structuring credit cards or any commercial Islamic financial products compatible with the Qur'an? But before that, first let us review how *qard hasan* is understood in Islamic literature.

### 3. *Qard Hasan* in Islamic economics and finance literature

In the literature on Islamic economics and finance the noble role of *qard hasan* is invariably and emphatically highlighted.

Extending *qard hasan* is meeting a moral obligation and no monetary reward can be claimed for it. Helping the poor and needy has been a virtue in all civilised societies ...<sup>25</sup>

*Qard Hasan* is the only type of loan recognized in Islam. ... It is a gratuitous loan given to needy people for a fixed period. The recipient is only required to repay the principal.<sup>26</sup>

The *qard hassan* can be a term loan, with a time limit for the money to be paid back—in a flexible and merciful way, depending on the specific situation and needs of the borrowing poor and needy—or, in most cases, without a time limit.<sup>27</sup>

The social nature of Islamic finance emerges most clearly in the practices of Zakat and *Qard Hassan*.<sup>28</sup>

<sup>22</sup> Abozaid, 2008.

<sup>23</sup> Ibid., pp. 22-23. Also, see Paxford, 2010; Ferdian, et al., 2008.

<sup>24</sup> Farook, 2007.

<sup>25</sup> Khan, 1989, p. 151.

<sup>26</sup> Hassan and Mahlknecht, p. 82.

<sup>27</sup> Abdul-Rahman, 2009, p. 20.

<sup>28</sup> Grais and Pellegrini, 2006, p. 4, fn#11.



Providing *qard hasan* to those who are in need falls under the heading of relieving a believer from a difficulty in this world. Therefore, there is no doubt that providing *qard hasan* with sincere intentions is a very noble act of worship in Islam.<sup>29</sup>

Thus, it is viewed as a moral obligation to help the poor and needy, reflecting the benevolence and generosity of the provider of *qard hasan*. What is important to recognize from the views cited above is that *qard hasan* is not supposed to be any part of commercial transaction. Now let us review what we find about *qard hasan* from the Qur'an, hadith and Qur'anic exegeses.

#### 4. *Qard Hasan* in the Qur'an

The term *qard hasan* occurs in six places in the Qur'an. They are reproduced below.

Who is it that would loan to God *qard hasan* so He may double (multiply) it for him many times over? And it is Allah who withholds and grants abundance, and to Him you will be returned. [2/al-Baqara/245]

And God had already taken a covenant from the Children of Israel, and We delegated from among them twelve leaders. And God said, "I am with you. If you establish prayer and give zakah and believe in My messengers and support them and loan to God *qard hasan*, I will surely remove from you your misdeeds and admit you to gardens beneath which rivers flow. But whoever of you disbelieves after that has certainly strayed from the soundness of the way. [5/al-Ma'ida/12]

Who is it that would loan to God *qard hasan* so He will double (multiply) it for him and he will have a noble reward? [57/al-Hadid/11]

Indeed, the men who practice charity and the women who practice charity and [they who] have loaned to God *qard hasan* - it will be doubled (multiplied) for them, and they will have a noble reward. [57/al-Hadid/18]

If you loan to God *qard hasan*, He will double (multiply) it for you and forgive you. And Allah is Most Appreciative and Forbearing. [64/al-Taghabun/17]

... So recite what is easy from it and establish prayer and give zakah and loan to God *qard hasan*. And whatever good you put forward for yourselves - you will find it with Allah. It is better and greater in reward. And seek forgiveness of Allah. Indeed, Allah is Forgiving and Merciful. [73/al-Muzzammil/20]

In trying to understand the Qur'anic perspective, let's first note a few pertinent points.

- a. There is no Qur'anic verse that refers to *qard* without qualifying it as *qard hasan*. The word *qard* appears in six places in the Qur'an: 2:245, 5:12, 57:11, 57:18, 64:17, 73:20 as quoted above. At each place, without exception, it is not just *qard*, but *qard hasan*.
- b. This *qard* is not to any human being, but to God. In each of these verses, invariably, God is the borrower and the believer is the lender, and furthermore, God is seeking (not that he really needs) and urging that the believers offer *qard hasan* to him. Not a single time this activity or transaction has been presented as human to human transaction in a commercial sense.

<sup>29</sup> Najeeb and Lahsasna, 2013, p. 18.



- c. While the traditional concept of *qard hasan* is that it is a return-free loan as far as the lender is concerned, the Qur'an contradicts that notion by presenting this transaction with extraordinary return or benefit (doubled or multiplied) to the lender. It can be argued that here the lender is not asking or stipulating the return, but rather the borrower is voluntarily giving. However, if we try to understand this verse in human terms, just like if a borrower states that he will provide a return (doubled or multiplied) and the lender lends on the basis of that understanding, the return essentially becomes binding in the form of a promise. As in case of these verses in the Qur'an, the borrower is none other than God himself, and any offer of return from him can't be considered anything less than assured. Allah affirms: "... And who is truer to his covenant than God?" [9/at-Tauba/111]

It can be further argued that when the Qur'an mentions about return or benefit to the lender, it is not worldly return, but it is in the life hereafter from God. Indeed, that should be the case, and from that angle it should not be then part of any human to human commercial transaction.

## 5. *Qard Hasan* in Hadith

While this paper is primarily focused on understanding *qard hasan* from the Qur'anic perspective, there is a good reason why this digression related to hadith is relevant. Generally, what is not found directly in the Qur'an, the evidence is sought in hadith. While the word *qard* appears in hadith, the term *qard hasan* is simply absent altogether. Not a SINGLE time, the expression *qard hasan* occurs in hadith. The hadith collections that were part of this search include:

1. Sahih al-Bukhari
2. Sahih Muslim
3. Sunan Abu Dawood
4. Sunan al-Tirmidhi
5. Musnad Imam Ahmad
6. Sunan Ibn Majah
7. Muwatta Malik
8. Sunan al-Nasai' al-Sughra
9. Sunan al-Nasai' al-Kubra
10. Sunan Darqutni
11. Mu'jam al-Tabarani
12. Sunan al-Darimi
13. Sahih Ibn Hibban
14. Sunan al-Kubra al-Bayhaqi
15. Al-Mustadrak ala Sahihain
16. Musnad Imam Abu Hanifah

There is one not-as-much referred to collection *Musannaf Ibn Abi Shaibah* in which the term *qard hasan* occurs in a non-hadith report. However, how the report describes/explains *qard hasan* is rather interesting. It says about the reporter that someone asked about the verse of *qard hasan* (*man dhallazi yuqridullaha qard hasanan*) for which the shaykh answered: "*Subhanallahi wa al-hamdulillahi wa la ilaha illallahu wa allahu akbar*. This (remembrance or zikr) is *qard hasan*."<sup>30</sup> The same is reported in

<sup>30</sup> Wensinck, 1969. This comprehensive concordance is in Arabic. A computerized search on a comprehensive hadith database also turned up this single report in *Musannaf of Ibn Abi Shaiba*, where *qard hasan* is mentioned. Ibn Abi Shaiba, 1988, Vol. 7, p. 191.





a tertiary source *Shu'ab al-iman*,<sup>31</sup> which reports exactly the same. These two reports still are neither from the Prophet nor any of his companions.

A question unavoidably arises as to why the term does not occur in hadith, while it prominently features in the Qur'an. If this term was used by the Prophet himself or even reported by his companions as parts of *athar* (reports of statements going back to the companions of the Prophet), it would have been mentioned at least once in hadith collections. Thus, there is no additional illumination from hadith to better or differently understand this term that occurs only in the Qur'an.

Also, a related question is about *qard*, which does occur in hadith, even though the term by itself does not occur in the Qur'an. Even in hadith collections, there is not a single report that presents *qard* as a return-free transaction. Why the word *qard* by itself appears in hadith, but no mention of *qard hasan* in any hadith, and why the term *qard hasan* appears in the Qur'an, but not in hadith, and what are the implications of this divergence constitute an interesting issue, but beyond the scope of this paper. Thus, we need to return to the Qur'an to understand *qard hasan* and this time we examine the Qur'anic exegeses – another words, the understanding of the interpreters (*mufasssirun*) of the Qur'an.

## 6. The Exegetes' understanding of *Qard Hasan*

Going through the verses, let's first consider the contemporary exegetes. As far as the verse in 64/al-Taghabun, notably it is a Makkan surah. Notice the transition from verse 16, which emphasizes charity, to verse 17, about *qard hasan*. The verse 16 is as follows: "So fear God as much as you can; listen and obey and spend (in charity) for the benefit of your own soul and those saved from the covetousness of their own souls, - they are the ones that achieve prosperity." The mention of *qard hasan* in verse 17 is not as something newer than or different from the previous verse but merely a continuation, in restating spending in the path of God with different words. According to Abdullah Yusuf Ali,

Our charity or love is called a loan to God, which not only increases our credit account manifold, but obtains for us the forgiveness of our sins, and the capacity for increased service in the future.<sup>32</sup>

About the pertinent verse in Surah 57/al-Hadid,<sup>33</sup> Muhammad Asad explains: "In the present instance the meaning is apparently wider, applying to all that man may do selflessly, for the sake of God alone."<sup>34</sup>

*Qard hasan* appears again in 5/al-Ma'idah, where *salat* (prayer) and paying *zakah* are juxtaposed with belief in the messengers. Such belief should be reflected in the honor Muslims show and assistance they offer to various noble causes.<sup>35</sup> Quite clearly, such spending is general in nature and is offered in the path of God (*fi sabilillah*), as once again *qard hasan* is mentioned in 2/al-Baqara, a Madani surah.<sup>36</sup>

Sayyid Qutb in his tafsir (commentary on the Qur'an) - *Fi Zilal al-Qur'an* – explains how the notion of *qard hasan* means sacrifices in the path of God and for which generous repayment is guaranteed by Him.

<sup>31</sup> Al-Bayhaqi, 1989, Vol. 1, p. 436.

<sup>32</sup> Ali, 1988, n#5500, p. 1560.

<sup>33</sup> Qur'an: 57/al-hadid/10-11, 18.

<sup>34</sup> Asad, commentary on 57/al-Hadid/11, p. 837, n#11.

<sup>35</sup> Qur'an: 5/al-Maida/12. For relevant commentaries, see Azad, 1990, Vol. 2, 113; Maududi, 1996, Vol. II, n#33, 142.

<sup>36</sup> Qur'an: 2/al-Baqara/244-245.



To fight for the cause of God, which is the ultimate form of jihād, requires devotion and sacrifice. In the Qur'an, jihād is frequently associated with financial contribution, especially in the early days of Islam when fighting was voluntary and fighters were required to finance their own participation in it. There would be eager and capable ones who were prevented from going out with the Muslim army only by their lack of means. The emphasis on financial sacrifice was, therefore, essential, as the s̄arah strongly states: "Who will offer God a generous loan, which He will repay multiplied many times over? It is God who straitens people's circumstances and it is He who gives abundantly; and to Him you shall all return." (Verse 245)

God bestows life and takes it away, and one may go to battle and survive, if that is God's will. Wealth is not lost when spent in a good cause. It is a form of loan to God whose generous repayment is guaranteed, both in this world and in the life to come.

Poverty and wealth are also due to God's will rather than the outcome of one's financial acumen or frugality or philanthropy. "It is God who straitens people's circumstances and it is He who gives abundantly; and to Him you shall all return." (Verse 245) People and all their possessions shall one day return to God, and so death and poverty no longer pose any threat. Believers shall go ahead and sacrifice their lives, their wealth and all their possessions in the cause of God who has already charted their course and destiny in this world. They shall live their lives to the full, in dignity and freedom, in the service of God Almighty.<sup>37</sup>

It might be argued that these are modernist/reformist scholars. How about the contemporary traditional or orthodox scholars and exegetes? Let's survey a number of such traditional scholars as well.

Mufti Muhammad Shafi was one of the leading Islamic scholars of the 20<sup>th</sup> century from Pakistan. His tafsir *Ma'ariful Qur'an* has been held in high esteem by the traditional ulama (religious scholars) of South Asia. This is what he had to say about the verse on *qard hasan* in Surah al-Baqara:

"In [this verse] the word 'loan' refers to good deeds and to the act of spending in the way of Allah. This was expressed figuratively as *qard* (literally, 'loan'), otherwise everything belongs to Allah. It simply means that whatever you spend will surely be returned to you (in the form of a reward in the Hereafter) just as a loan is surely returned. ...

Giving 'loan' to Allah Almighty has also been explained as the giving of actual loan to His slaves, i.e., the human beings and thereby helping them in their hour of need. So, the act of giving loan has been credited with great merit in *Hadith*. The noble Prophet has said:

For every Muslim, who gives a loan to another Muslim, it will be equal to having given sadaqa (charity) twice. (Mazhari with reference to Ibn Majah).<sup>38</sup>

These verses are significant in understanding the context of exhortation about *qard hasan*. The term is mentioned in verse 245 of al-Baqara in the context of fighting in the path of God. The struggle in its comprehensiveness requires commitment of life and resources from the believers. Whatever we offer to God is graciously recognized and treated as loan, not a gift (and therefore, what we offer would be returned, doubled or multiplied).<sup>39</sup>

<sup>37</sup> Qutb, 1999, Vol. I, p. 325.

<sup>38</sup> Shafi, 2009, p. 624.

<sup>39</sup> Maududi. Vol. I, n#267, 187; Ali, n#275, p. 97; Asad, p. 54, #234; Khan, 2005, Vol. I, p. 614.



So, as far as the Qur'an is concerned, *qard hasan* is not a return-free transaction. Now let us review some of the classical exegeses, listed in the chronological order of the exegetes.

#### a. Tafsir Ibn Abbas

It is recognized as the earliest of the exegeses and the only one attributed to a companion of the Prophet Abdullah Ibn Abbas [d. 687 AD]. In explaining 73/al-Muzzammil/20, he mentions:

“...(So recite of it) of the Qur'an in your prayers (that which is easy (for you), and establish worship) complete the five daily prayers including what is required for its validity of ritual ablution, bowings, prostrations and the observation of their due times (and pay the poor-due) from your wealth (and so) lend unto Allah by giving to charity (*sadaqah*); and it is also said: by doing righteous works (a goodly loan) truly and sincerely from your hearts. (Whatsoever good) alms or righteous works (you send before you for your souls, ye will surely find it) find its reward (with Allah) in Paradise preserved for you, neither stolen, drowned, burnt or eaten by borer, (better) than what you have left in the life of the world (and greater in the recompense) than that which you have...”

Quite notably, his understanding of the term is that believers are to “lend to Allah by giving to charity (*sadaqah*).”

#### b. Tafsir al-Tabari

This exegesis is by Abu Ja'far Muhammad ibn Jarir al-Tabari [d. 923 AD] and recognized as the first, extant comprehensive exegesis that has served as the main source for all other classical exegetes. In explaining 2/al-Baqara/245, he observed: “Who is this who spends in the way of God - to help a weak person, to equip those who seek to join Jihad in the path of God; ... that is the *qard hasan* which the believer lends to his God.”

In explaining 73/al-Muzzammil/20, he explains: “*qard* (i.e., *qard hasan*), that is anything other than *zakah*”.

#### c. Tafsir of al-Jassas

*Ahkam al-Qur'an* is one of the most respected classical exegeses by Abu Bakar al-Jassas [d. 981 AD]. In his commentary on 2/al-Baqara.245, he explains: “There is no loan except with its due recompense (i.e., benefit in return),” (*la yakuna qardan illa al-awod mustahaq bihi*)

#### d. Tafsir al-Baghawi

This Tafsir, also known as *Ma'alim at-Tanzeel*, is a classical Sunni exegesis by Husain bin Masood al-Baghawi [d. 1122 AD]. However, not a completely original work, it is written as an abridgement of *Tafsir al-Tha'labi* [d. 1035 AD]. In his commentary on 2/al-Baqara/245 al-Baghawi adds:

Al Qard, a benevolent loan, a goodly loan, is the name of everything and anything a man gives in hope of a reward from God. He called a believer's good deed, in anticipation of reward, a benevolent loan, because that is why they have done the good deed for. According to Al-Kesaa'ee, *al-qard* is all you have done of good or bad deed. The root meaning of the word *al-qard* is: ‘cutting off’, ‘chopping off’, since the believer cuts off or chops off part of his wealth in hope of receiving likewise in rewards.



#### e. Tafsir al-Razi<sup>40</sup>

Tafsir of Imam Muhammad ibn Umar Fakhr al-Din al-Razi [d. 1209 AD] is known as *Tafsir al-Kabir* or *Mafatih al-Ghayb* (Keys to the Unknown). It is one of the classical exegeses that is especially known for its philosophical orientation to reconcile reason and revelation.

In his commentary on 2/al-Baqara/245, al-Razi adds: “This verse is about spending wealth in Jihad. Some scholars said that this spending is not mandatory; rather, it is part of charity (*sadaqah*). Their proof is that God has described it as *qard*, here *qard* is a donation. Some scholars have differed in regard to whether this *qard* is real or metaphor...”

Regarding 5/al-Ma’ida/12, he explained: “*Qard* is all charitable acts, and it has been mentioned in this verse for its honor.”

On 73/al-Muzzammil/20, he commented: “There are three opinions about *qard*: (1) it means all kind of *sadaqah*; (2) to give zakah in the best way; (d) any good deed in the way of life or wealth.”

#### f. Tafsir Ibn Kathir<sup>41</sup>

Ibn Kathir [d. 1373 AD] was one of the highly regarded classical Islamic scholars, who covered tafsir, fiqh and history. Essentially, this work is more of a summary of his predecessor al-Tabari. However, its own value lies in its use of hadith to explain each verse and chapter of the Qur’an.

His commentary on 57/al-Hadid/11 is particularly noteworthy.

“Umar bin Al-Khattab said that this Ayah refers to spending in Allah’s cause. It was also said that it pertains to spending on children. What is correct is that it is more general than that. So all those who spend in the cause of Allah with good intentions and a sincere heart, they fall under the generality of this Ayah.”

Meaning: “they give in charity with a good heart seeking the pleasure of Allah. They do not seek worldly rewards or appreciation from those to whom they give in charity.”

Quite notably, contrary to the orthodox understanding and interpretation, in one place loan (*qard*) is identified as a trade (*bay’*).

Ibn Abi Hatim recorded that Abdullah bin Mas’ud said, “When this verse (Who is he that will lend Allah handsome loan: then (Allah) will increase it manifold to his credit (in repaying), was revealed, Abu Ad-Dahdah Al-Ansari said, ‘O Allah’s Messenger! Does Allah ask us for a loan?’ The Prophet said, ‘Yes, O Abu Ad-Dahdah.’ He said, ‘Give me your hand, O Allah’s Messenger,’ and the Prophet placed his hand in his hand. Abu Ad-Dahdah said, ‘Verily, I have given my garden as a loan to my Lord.’ He had a garden that contained six hundred date trees; his wife and children were living in that garden too. Abu Ad-Dahdah went to his wife and called her, ‘Umm Ad-Dahdah!’ She said, ‘Here I am.’ He said, ‘Leave the garden, because I have given it as a **loan** to my Lord, the Exalted and Most Honored.’ She said, ‘That is a successful **trade** (*bay’*), O Abu Ad-Dahdah!’ She then transferred her goods and children.”

The significance of this narration is that one of the reasons *qard* is considered *ribawi* is because the Qur’an makes a clear distinction between *riba* and *bay’*. Considering *qard* as trade is contrary to that distinction. On 73/al-Muzzammil/20, Ibn Kathir observes that *qard hasan* means “charitable donations.”

<sup>40</sup> Al-Razi, 1981, Vol. 32.

<sup>41</sup> Ibn Kathir, 2000.



While discussing 9/at-Tauba/79 in the context of charity (*sadaqa*), Ibn Kathir refers to a hadith:

“Muslim collected this Hadith in the Sahih. Al-Awfi narrated that Ibn Abbas said, “One day, the Messenger of Allah went out to the people and called them to bring forth their charity, and they started bringing their charity. Among the last to come forth was a man who brought a Sa’ of dates, saying, ‘O Allah’s Messenger! This is a Sa’ of dates. I spent the night bringing water and earned two Sa’ of dates for my work. I kept one Sa’ and brought you the other Sa’. The Messenger of Allah ordered him to add it to the charity. Some men mocked that man, saying, ‘Allah and His Messenger are not in need of this charity. What benefit would this Sa’ of yours bring.’ Abdur-Rahman bin ‘Awf asked Allah’s Messenger, ‘Are there any more people who give charity.’ The Messenger of Allah said, None besides you! ‘Abdur-Rahman bin ‘Awf said, ‘I will give a hundred Uqiyah of gold as a charity.’” Umar bin Al-Khattab said to him, ‘Are you crazy?’ Abdur-Rahman said, ‘I am not crazy.’ Umar said, ‘Have you given what you said would give?’ Abdur-Rahman said, ‘Yes. I have eight thousand (Dirhams), four thousand I give as a loan to my Lord and four thousand I keep for myself.’ The Messenger of Allah said, ‘May Allah bless you for what you kept and what you gave away.’”

This is another example of how the companions have understood the term *sadaqa* (charity) and *qard* (loan), where on the one hand they considered it as charity while lending to none other than God, but at the same time they expected that they will earn return – manifolds – from this loan.

#### g. Tafsir al-Jalalain

Tafsir al-Jalalain is one of the most significant exegeses by the two “Jalals” -- Jalal al-Din al-Mahalli [d. 1459 AD] and his student Jalal al-Din al-Suyuti [d. 1505 AD]. It is also highly regarded due to its simple style and as a concise, one-volume work. His significant observation about *qard hasan* is in the context of 64/Al-Taghabun/17, where he explains: “...this [loan] being the giving of voluntary alms out of the goodness of the heart.”

There are many other exegeses, none of which offers views different than what is presented above. These verses pertinent to *qard hasan* are quite clear about the following points.

1. *Qard hasan* in the Qur’an consistently refers to the symbolic transaction between God and the believers, especially in terms of the latter’s offering one’s life as well as worldly resources in the path of God.
2. *Qard hasan* in the Qur’an specifies no detail whatsoever in regard to conditions or limitations, including whether *qard* or *qard hasan* must be without excess. On the contrary, *qard hasan*, as a contract with God, consistently specifies an excess, even in generous multiples, or at least doubled. Therefore, if *qard hasan* is taken in the context of the pertinent verses in the Qur’an, the presence of excess is consistently declared and thus specified or stipulated on the part of God.
3. The pertinent verses in the Qur’an do not seem to have anything to do with *qard* in general as business transactions in this world. Indeed, the way the Qur’an presents it, *qard hasan* involves “excess” above and beyond the *qard* (loan) and it is “stipulated” in the sense that God treats this as a contract and he declares or preannounces that no one is more faithful to his covenant than Him.<sup>42</sup> Thus, even though the notion about Omnipotence in one sense

<sup>42</sup> Qur’an: 9/at-Tauba/111.



entails that nothing is binding on God, at another level, that he is *al-Haqq* (the Truth) and *al-'Adl* (the Just) means that a promise or contract made by God is binding on him. In that sense, it is a stipulation in the covenant between God and his servants who offer Him the “beautiful loan”, framed by God from His perspective as a trade contract: “Allah has *purchased* of the believers their persons and their goods...”<sup>43</sup>

4. There is nothing explicit or specific in hadith pertaining about *qard* that a *qard* must be understood as *qard hasan*.
5. Neither the verses about *riba* in the Qur’an nor the *riba*-related hadiths refer to *qard* (loan) or *dayn* (debt). Abdullah Saeed discusses this point based on Muhammad Rashid Rida [d. 1935 AH], an eminent scholar and the disciple of Shaikh Muhammad Abduh [d. 1905 AH].<sup>44</sup>

In light of the above observations, how did *qard* and *qard hasan* become synonymous with return (interest)-free loan? And, while the Qur’an consistently mentions *qard hasan* as with promised excess for the “loan to God”, how did *qard* become a charitable or benevolent loan, where there should neither be any excess nor any such excess should be stipulated? If this was simply a matter of interpreting *qard hasan* as a transaction that is any charitable or otherwise good deed for which one would not get or accept any benefit in this world, rather expect or seek it in multiplied reward from God in the life hereafter, that would have been something different. However, has any of the Qur’anic exegetes understood or leave any room for *qard hasan* being used in any commercial, profit-oriented or profit-generating transactions? The answer is clearly in the negative. Let’s review how the Islamic financial institutions have used *qard hasan* in structuring products, such as credit cards, which is of particular relevance in this context as credit cards have broadly negative impact on the users’ financial wellbeing.

## 7. Using *Qard Hasan* in structuring Islamic credit cards

Conventional credit cards are considered haram or non-shariah-compliant because of *riba*, generally blanketly equated with interest as part of the *riba*-interest equation.<sup>45</sup> Thus, a credit card in the form of credit or loan is repudiated from the orthodox viewpoint, while a sales framework, combining fees (*ujrah*) or *tawarruq/bay al-Inah*, and *qard hasan* as interest-free loan are used as part of the product structure.

Islamic credit card is a payment instrument for which it is generally required to meet a number of criteria from Islamic perspective, the most important from Shariah perspective is avoidance of three key prohibitions – *riba* (interest), *gharar* (uncertainty related to variable payments) and *maysir* (restrictions from using such cards for gambling as well as other non-halal activities).<sup>46</sup>

Since there is considerable skepticism about Islamicness of Islamic credit cards, Masum Billah, an industry professional/Scholar explains the shariah-compliance aspect of Islamic credit cards:

Why this transaction is not considered as usury? The reason being is that the mark-up price is based on trade and services, not on loan. Any transaction which is backed by assets is permissible under the Shariah in Malaysia. Therefore in the theoretical sense, an Islamic credit card is not based on lending but rather business in trade and services, whereby the Bank sell and buy back at lower cost to gain profit.<sup>47</sup>

<sup>43</sup> Qur’an: 9/at-Tauba/111.

<sup>44</sup> Saeed, 1996, 11, quoting Rashid Rida, *al-Riba wa al-Mu’amalat fil al-Islam* (Cairo: Maktabat al-Qahira, 1959).

<sup>45</sup> Farooq, 2009.

<sup>46</sup> Johana and Putitb, 2012.

<sup>47</sup> Billah, undated.



Such explanation is superficial at best, because it focuses exclusively on the form, while avoiding the issue of substance that essentially the end product of all these otherwise halal components of the product structure is to synthesize credit. While other contracts, such as bay al-‘Inah or tawarruq, have their own challenges and controversies, the particular focus of this paper is use of *qard hasan*. The credit card providers, when using *qard hasan* as part of the contract structure, clearly mention that *qard hasan* is a “no profit” loan.

IDCORP Islamic Credit Card Solution is a combination of Sharia loans and card management system.

According to Islamic contracts point of view, it starts with Qard al-Hasan, no profit loan for a peace of mind period and based on the characteristics of the customer purchase, system parameters and the bank policies and procedures of the loan migrates to other products such as Joalla, Murabaha, Musharaka, Ijara, etc.<sup>48</sup> (emphasis added)

Based on explanations like the preceding one, *qard hasan* has been extensively used in product structuring in various countries, including Malaysia. Interestingly, realizing the problem associated with considering *qard* and *qard hasan* as synonymous, Bank Negara Malaysia (BNM) makes a clear distinction between the two.<sup>49</sup> BNM further clarifies that *qard hasan* should not be used to implement in “commercial structure with profit orientation.” Yet, it makes the case that *qard hasan* can be used in “a correct manner and acceptable by Shariah” that has served as the basis for allowing and structuring Islamic credit cards.

“In the early stage of Islamic banking development in this country, several products were introduced based on qardh hasan, such as government investment certificate and benevolent loan. Now, the application has been expanded to include other products such as rahn, credit card and charge card. It has also been used to structure liquidity management instrument for Islamic banking institution.

Since qardh hasan concept is essentially benevolent in nature it is improper to implement it in commercial transaction with profit orientation. Thus, the Council has made in-depth scrutiny on the terminology to modify it according to the current needs.

The use of qardh hasan concept in a correct manner and acceptable by Shariah would definitely benefit contracting parties. However, if it is inappropriately used, it would potentially create problems which may tarnish the image of Islamic financial system. Among others:

Whether or not qardh hasan in its true meaning implies the need to be repaid or otherwise.

- (i) Since Islamic banking institution provides financing by utilizing customer’s deposits who expect returns, the use of qardh hasan as a mode of financing is deemed to be inappropriate. This is because qardh hasan is not meant to generate profits rather it is benevolent or tabarru’ at by nature.<sup>50</sup>

So, despite so much skepticism and caution regarding Islamic credit cards and usage of *qard hasan*, how *qard hasan* is still used? Unfortunately, many of the variations of opinions are sometimes justified using the argument that such divergent views are because “Shariah law is open to interpretation ... there is no practical guide as to what constitutes an acceptable Islamic financial instrument.”<sup>51</sup> However, when *fatwas* contradict, not only they can confuse the clients, but also it undermines the credibility

<sup>48</sup> IDCORP, 2012.

<sup>49</sup> Ismail, 2014.

<sup>50</sup> Bank Negara Malaysia, undated.

<sup>51</sup> Noor and Azli, 2009, p. 24.



of the industry and adds to the challenge for establishing and upholding industry-wide standards. Furthermore, there are cases where it is evident that the credit card issuers are more focused on profit than being true to the Shariah. As Noor and Azli argue:

“... the high management charges for the services rendered (*Ujrah*) which are benchmarked with the conventional credit cards does not reflect the actual fees of services. This high fee shows that Islamic credit card aims at making revenue and profit and not to become alternatives to the conventional credit card, but to compete with it instead. The major Shariah issue is that the very nature of conventional credit cards is to provide loan and to make revenue from the interest charged, whilst charging interest from loan is *riba* and totally prohibited in Shariah.”<sup>52</sup>

If one takes into account the problems related to credit card in general and the use of *qard hasan* in structuring Islamic credit cards, it is obvious that there are some irreducible anomalies. If one considers the Qur’anic view of *qard hasan*, it is a symbolic transaction between God and the believers, whose good deeds and charitable actions are part of the trade (*bay’*), where *qard hasan* is offered by believers to God. In return, and yes, in case of *qard hasan* there is return or benefit to the lender (the believers) from the borrower (God) in the life hereafter. In this sense, this has nothing to do with any worldly transaction. Furthermore, consistent with the same Qur’anic view, *qard hasan* cannot be part of any profit-oriented, commercial transaction, either by itself or as part of a commercial product which uses *qard hasan* as one of the component contracts.

On the contrary, if *qard hasan* is understood separately from *qard*, then not only *qard* can be utilized as component of a commercial transaction, but also *qard* then would not be defined as an interest-free (read, return-free) transaction. While avoiding *qard hasan* to help the needy, which is the Qur’anic understanding of *qard hasan*, Islamic banks use *qard hasan* to synthesize loans that generally promote the interest of the banks at the major expense of the credit card users.<sup>53</sup>

Using *qard hasan* in its current mode of praxis, whether to structure current deposit or credit cards, we cannot have it both ways. Even those Islamic credit cards that do not use *qard hasan*, rather instead use *bay al-‘Inah* (buy and sell back) are not without problems as they employ fictitious sales to synthesize such products and thus have drawn major criticism.<sup>54</sup> There are those who prefer *tawarruq* over *bay al-‘Inah* in designing Islamic credit cards,<sup>55</sup> but while at the contract level there might be more legitimacy of *tawarruq* than *bay al-‘Inah*, the essence of both of these two contracts involve fictitious sales, which cannot be regarded as compatible with Shariah. Notably, there is absolutely no evidence that in the era of the Prophet and his companions there has ever been any fictitious sale in the halal commercial practices or that any such sale has ever been justified. However, further discussion about the issue of fictitious or contrived sale or transaction is beyond the scope of this paper.

Furthermore, introduction and promotion of Islamic credit cards is part of transplanting the same kind of “debt culture” that has infected the conventional world and there is evidence that the Islamic finance industry is also treading the same path. On this path, the industry is leaning heavily toward those products that are contributing to the “debt culture” – a culture that is debt-seeking, debt-promoting and debt-creating.<sup>56</sup>

## 8. Conclusion

One of the existential threats to Islamic finance industry is its credibility regarding its Islamicness.

<sup>52</sup> Ibid, p. 24.

<sup>53</sup> Noraini and Adnan, 2011.

<sup>54</sup> Kante, 2005, p. 1.

<sup>55</sup> 1000 daya. (n.d.).

<sup>56</sup> Farooq, 2015.





The industry seems to have accepted the premise that every kind of product the conventional counterpart offers, it must also offer them and those then need to be shariah-compliant. Also, the more profitable the conventional products are, the same products, once made at least form-wise or legalistically shariah-compliant, should be also introduced and promoted. Designing banking products, such as current account deposit, as well as other financial products, such as Islamic credit cards, exposes the anomalies between the industry's beliefs and practices.

Furthermore, Islamic finance cannot be evaluated merely on the basis of shariah-compliance (avoidance of major prohibitions) to determine its Islamicness. Rather, its impact, both positive and negative, must be considered in introducing and promoting certain products to their clients. When it comes to Islamic credit cards being structured using *qard hasan*, it is fundamentally at odd with the Qur'anic view of *qard hasan*. To use *qard hasan* to foster such debt culture can be regarded as a perversion of the noble and beautiful Qur'anic concept of a symbolic transaction between God and his servants to promote good and benevolent causes in this world.

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### (Footnotes)

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