

Glossary of Arabic Terms in Issue 33/1

Arabic Term	Definition
<i>awqāf</i>	Plural of <i>waqf</i> . For meaning, see below.
<i>fatāwá</i>	Plural of <i>fatwá</i> . For meaning, see below.
<i>fatwá</i>	<i>Fatwá</i> (plural <i>fatāwá</i>) is a ruling on a point of Islamic law or Islamic way of life given by a religious scholar or recognized authority.
<i>fiqh</i>	Refers to the whole corpus of Islamic jurisprudence. In contrast with conventional law, <i>fiqh</i> covers all aspects of life, religious, political, social, commercial or economic. The whole corpus of <i>fiqh</i> is based primarily on interpretations of the Qur'ān and the Sunnah and secondarily on <i>ijmā'</i> (consensus) and <i>ijtihād</i> (juristic judgment). While the Qur'ān and the Sunnah are immutable, verdicts based on <i>ijtihād</i> may change due to changing circumstances.
<i>ḥadīth</i> (pl. <i>aḥadīth</i>)	Sayings, deeds and endorsements of Prophet Muhammad (may the peace and blessings of Allah be upon him) narrated by his companions.
<i>ḥalāl</i>	Things and activities permitted by Sharī'ah.
<i>ḥarām</i>	Things and activities prohibited by the Sharī'ah, e.g., giving or taking <i>ribā</i> , gambling, eating pork, etc.
<i>ḥisbah</i> (<i>al-ḥisbah</i>)	Technically, it refers to an institution that existed through most of Islamic history for implementing what is proper and preventing what is improper. The main role of <i>al-ḥisbah</i> was the regulation and supervision of markets to ensure proper market conduct by all concerned.
<i>ijtihād</i>	In technical terms, it refers to the efforts by jurist(s) to derive a rule or reach a judgement based on evidence found in the Islamic sources of law, predominantly, the Qur'ān and the Sunnah.
<i>maqāṣid al-Sharī'ah</i>	Basic objectives of the Sharī'ah. It refers to a juristic-philosophical concept developed by the classical jurists, who attempted to formulate the goals and purposes of the Sharī'ah in a comprehensive manner to aid in the process of investigating new cases and organizing previous existing rulings. Imam al-Ghazālī defined these objectives to be: protection of faith, life, progeny, property and reason/intellect. While, not questioning the importance of these five, some contemporary writers have argued that there are many more.
<i>maṣlaḥah</i>	Literally, it means benefit. Technically, it refers to any action taken to protect the objectives of the Sharī'ah; the five basic ones being: protection of faith, life, progeny, property and reason.
<i>muḥtasib</i>	The person or institution given the authority to perform the duty of <i>al-ḥisbah</i> (defined above).

Arabic Term	Definition
<i>murābahah</i>	Shortened term for <i>bay' al-murābahah</i> . It means sale at a specified profit margin; deferral of payment is conceptually not necessary. However, in current practice it refers to a sale agreement whereby the seller purchases the goods desired by the buyer and sells them at an agreed marked-up price, the payment being settled within an agreed time frame, either in instalments or in a lump sum. The seller bears the risk for the goods until they have been delivered to the buyer. In current practice, <i>bay' al-murābahah</i> is sometimes referred to as <i>bay' al-mu'ajjal</i> , though technically there is a difference between the two.
<i>mushārahah</i>	Partnership. A <i>mushārahah</i> contract is similar to a <i>muḍārabah</i> contract, the difference being that in the former both the partners participate in the management and the provision of capital, and share in the profit and loss. Profits are distributed between the partners in accordance with the ratios initially set, whereas loss is distributed in proportion to each one's share in the capital.
<i>ribā</i>	Literally, it means increase or addition or growth. Technically, it refers to the 'premium' that must be paid by the borrower to the lender along with the principal amount as a condition for the loan or an extension in its maturity. Interest as commonly known today is the most famous type of <i>ribā</i> .
<i>ṣadaqah</i>	A charitable act. An act done with the intention of seeking the pleasure of Allah. Plural <i>ṣadaqāt</i> .
<i>ṣarf</i>	Short form for <i>bay' al-ṣarf</i> . It means currency exchange. Other than the exchange of modern fiat money, it also includes exchange of gold for gold, silver for silver and gold for silver or vice versa. The rules of <i>bay' al-ṣarf</i> dictate that when both counter values are of the same kind (e.g., gold for gold, silver for silver, dollar for dollar, etc.), both counter values must be the same in quantity and the exchange must be done hand to hand without delay. If, however, the counter values are of different kind (e.g., gold for silver, silver for dollar, pound for euro, etc.), then only one condition applies i.e., that the exchange must be done hand to hand without delay.
Sharī'ah	Refers to the corpus of Islamic law based on Divine guidance as given by the Qur'ān and the Sunnah and embodies all aspects of the Islamic faith, including beliefs and practices.
<i>shurá</i>	Islamic institution of consultation in the process of decision-making.
<i>ṣukūk</i>	Plural of 'ṣakk', which refers to a financial paper showing entitlement of the holder in the amount of money shown on it. The English word 'cheque' comes close to it. Technically, <i>ṣukūk</i> are financial instruments entitling their holders to some financial claims.
Sunnah	The Sunnah is the second most important source of the Islamic faith after the Qur'ān and refers to the Prophet's (may the peace and blessings of Allah be upon him) example as indicated by his practice of the faith. The only way to know the Sunnah is through the collection of <i>aḥādīth</i> , which consist of reports about the sayings, deeds and endorsements of the Prophet (may the peace and blessings of Allah be upon him).

Arabic Term	Definition
<i>takāful</i>	An alternative for the contemporary insurance contract. A group of persons agree to share certain risk (for example, damage by fire) by collecting a specified sum from each. In case of loss to anyone of the group, the loss is met from the collected funds.
<i>tawarruq</i>	<i>Tawarruq</i> is a mode for obtaining liquidity through a fake contract involving buying something at a higher price on credit basis and selling it back for cash payment instantly. With a few exceptions, Islamic scholars generally consider this to be an illegitimate mode of transaction. They consider it to be a subterfuge for interest-based borrowing (<i>ribā</i>).
<i>tawhīd</i>	Relating to the basic belief in the unity of Allah both in terms of person as well as in His attributes.
<i>tawhīdī</i>	Relating to <i>tawhīd</i> ; for definition see above.
<i>uṣūl al-fiqh</i>	It means the principles of Islamic jurisprudence. It is a complete field of study in which the rules, principles and methods of deriving Islamic law from its sources (primarily Qur'ān, Sunnah, <i>ijmā'</i> and <i>qiyās</i>) are described and studied.
<i>wājib</i>	All actions and deeds that are obligatory upon a Muslim according to the Sharī'ah. The term <i>farḍ</i> is used almost synonymously.
<i>waqf</i> (pl. <i>awqāf</i>)	Appropriation or tying up a property in perpetuity for specific purposes. No property rights can be exercised over the corpus. Only the usufruct is applied towards the objectives (usually charitable) of the <i>waqf</i> .
<i>zakāh</i>	One of the five 'pillars of Islam' (compulsory duties). It is a financial worship and refers to a special earmarked levy payable by a Muslim on his net worth beyond a minimum level of wealth as a part of his religious obligations. The rates as well as the beneficiaries of this levy are unchangeable. Beneficiaries are mainly the poor and the needy.