

**UMY**UNIVERSITAS
MUHAMMADIYAH
YOGYAKARTA

Unggul & Islami

**FAKULTAS EKONOMI
DAN BISNIS****Description of Course Unit**

Course unit title	Islam and Sciences
Course unit code	EI 21103
Type of course unit (compulsory, optional)	Compulsory
Level	Bachelor of Economics (B.Ec)
Semester	1
Number of ECTS credits allocated	2
Name of lecturer(s)	1. Dr. Yuli Utami, S.Ag., M.Ec. (yuliutami@umy.ac.id)
Learning outcomes of the course unit	<ol style="list-style-type: none">1. Students are able to imitate the sounds and meanings of the Verses of the Qur'an and Sunnah on economics2. Students can demonstrate the Economic sources from primary source of knowledge: Al-Quran and al-Sunnah and secondary source of knowledge: Ijma', Qiyas, Istihsan, Istishab, Maslahah, Al-'Urf, Sadd Al-Zara'i, Ta'arud al-'Adilah (Tarjih, Nasakh, Maqasid Al-Shariah), Turuqul Istinbat, Legal maxim.3. Students can precisely measure the meaning and purpose of propositions in Islamic economics into contemporary economics4. Students can adapt the propositions in Islamic law to the needs of contemporary economics and business5. Students can organize between propositions, transactions and economic and business cases according to Primary and Secondary Sources of Knowledge in Islam
Mode of delivery (face-to-face, distance learning)	Face-to-face and blended learning
Prerequisites and co-requisites (if applicable)	All compulsory courses from semester 1-3



Course content

Iqtisad literally means "moderation", "in the middle," and also means "economy." Economics is translated into Arabic as "ilm al-Iqtisad". "Usul Al-Iqtisad" means principles, fundamental or even economic foundations, including its methodological dimensions or methods of how to deduce and evaluate the principles of Islamic organization, concepts, and theory of Islam's economic principles from the main sources of Islam (Naqliyyah), namely the Qur'an and Sunnah, and also secondary sources (Aqliyyah) through the gate of ijihad, including reasoning, experiments, and observations. The Naqliyyah sources provide basic evidence and indications that can be used in the formulation of the law, while the 'Aqliyyah' sources are required when explaining the details of what is meant in the Naqliyyah resources, including the procedures and procedures for the use of the Naqliyyah evidence correctly.

Therefore, learning Ushul Fiqh's for understanding Islamic economics aims to describe principles that can be used to assess and evaluate Islamic economic theory. So Muslim economists have to develop principles that must be dealt with simultaneously using knowledge—the signs of Naqliyyah and 'Aqliyyaha. Methodologies or approaches in evaluating modern economics from an Islamic perspective (the restructuring of the theoretical and practical framework to lay the foundations of the disciplines of Islamic economics both from the structure, content, and scientific strategies of the Islamic economic theory) can generally be grouped into three types, namely: (1) the methodology of ushul fiqh applied in the field of economics; (2) the plural methodology developed both in the Western tradition and Islamic tradition; and (3) the mainstream positive economic methodology applied to Islamic cases. But today's contemporary Islamic economics cannot only use the methods of classical heritage and modern economics separately as a source of knowledge but rather integrate both with creative synthesis.

Thus, in this subject the course is about the sources of knowledge in Islam and how from the sources we derive Islamic economics.

1. The Primary Sources of Knowledge (includes al Quran and the hadith/al Sunnah of prophet salallahu alayhi wa sallam). These two sources also are called revealed knowledge. Their authenticity is considered to be the highest

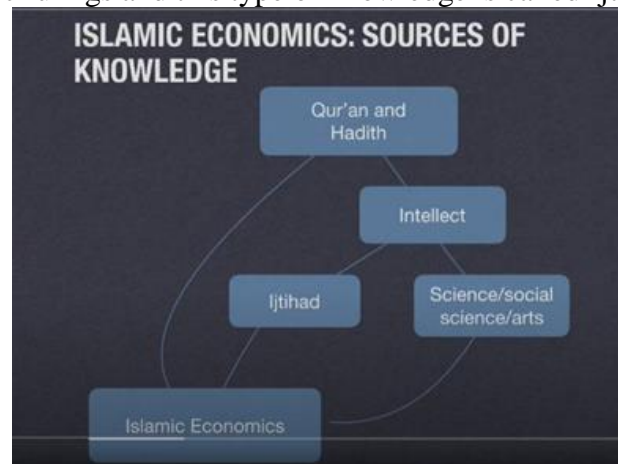


form of authentic knowledge. In other words, knowledge from Al-Quran is considered to be an absolute truth, the same for authentic Al-Sunnah. In the methodology to derive Islamic economics the first reference should be made to this primary sources of knowledge. Any ideas/hypothesis that we establish must be in conformity with the context of al Quran and Sunnah hadith. For example, the prohibition of interests Riba in Islam this is clearly stated in al-Quran and also mentioned in the hadith of Prophet sallallahu wasallam. Therefore, any ideas or hypothesis supporting the importance of the need to have an interest-based system or Riba-based system cannot be accepted in the methodology of Islamic economies.

2. The Secondary Sources of Knowledge

Apart from al Quran and Sunnah as the primary sources of knowledge, Islam also recognizes human intellect as another source of knowledge, like: Ijma', Qiyas, Istihsan, Istishab, Maslahah, Al-'Urf, Sadd Al-Zara'i, Ta'arud al-'Adilah (Tarjih, Nasakh, Maqasid Al-Shariah), Turuqul Istinbat, Legal maxim. From human intellect we derive many forms of knowledge, we can say art, social Sciences or pure sciences.

As shown in this picture 'Aql or intellect is the secondary source of knowledge. Knowledge coming from our intellect is considered as an acquired knowledge. human intellect is important to derive knowledge so call at Social Sciences or Sciences at the same time there is also the application of our intellect to derive knowledge related to Islamic rulings and this type of knowledge is called Ijtihad.





	<p>in order to formed Ijtihad, there are certain conditions:</p> <ol style="list-style-type: none">one which that is formed when al-quran and assunah are silent on certain issues.Ijtihad also is formed when al Quran and Sunnah is ambiguous in giving any specific rulings on certain issues or general which require further interpretation.Ijtihad may also be applied when there is a need to revise the existing opinion or the existing ijthihad due to certain circumstances example such as paying zakah using fiat money which before the original rulings is to measure zakat payment using gold and silver. The usage of fiat money requires an Ijtihad who knows in the future with the emergence of crypto money a new Ijtihad needs to be formulated in order to know the ruling how or whether it is allowed to pay zakat using crypto money. <p>in order to derive Islam economics, some of the knowledge we get a straight from the primary sources of knowledge for example such as the prohibition of RIBA, or the obligation to pay zakat are direct rulings that we get from al-quran or al hadist. This is especially when the text of al-quran is clear (Qat'i) where the meaning is definitive and does not require any further interpretation.</p>
Recommended or required reading and other learning resources/tools	<p>Main:</p> <ol style="list-style-type: none">Mohammed Hashim Kamali, <u>Principles of Islamic Jurisprudence</u>, Kuala Lumpur: Scientific Publisher, 2007Wahbah Zuhaili, <u>Financial Transactions in Islamic Jurisprudence</u>, (original book: Fiqh al-Islam wa Adillatuhu) translated into English by Mahmoud A. El-Gamal, vols. 1-2, Damascus: Dar al-Fikr al-Mouaser, 2003Wahbah Zuhaili, <u>Fiqhul Islam Wa Adilatuhu</u>, Dar al-Fikr. Volumes 4, 5, 6.Saiful Azhar Rosly, <u>Critical issues on Islamic Banking and Financial Markets</u>, KualaLumpur: Dinamas, 2008Muhammad Ayub, <u>Understanding Islamic Finance</u>, England: John Wiley & Sons, Ltd, 2007 <p>Supplementary:</p>



	<p>6. Mohammad Daud Bakar, <u>Contracts in Islamic Commercial and Their Application in Modern Islamic Financial System</u>, KualaLumpur: IIUM</p> <p>7. Essia Ries Ahmed, <u>Factors Influencing the Involvement in Shubuhah Activities: The Case of Shari'ah-Complaint Companies in Bursa Malaysia</u>, International Conference on Islamic Banking & Finance, 2010</p> <p>8. Siddiq Mohammad al-Ameen al-Dhareer, <u>Al-Gharar in Contracts and Its Effect in Contemporary Transaction</u>, Eminent Scholar's Lecture Series no. 16, Jeddah: IDB-IRTI</p> <p>9. Md. Abdul Awwal Sarker, <u>Islamic Business Contracts, Agency Problem And The Theory Of The Islamic Firm</u>, International Journal Of Islamic Financial Services Vol. 1 No.2.</p> <p>10. Boualem Benjilal, <u>The Ja'ala Contract and Its Applicability to the Mining Sector</u>, Discussion Paper no.14, Jeddah: IDB & IRTI, 2004.</p> <p>11. Beebee Salma Sairally, <u>Murabahah Financing: Some Controversial Issues</u>, Review of <i>Islamic Economics</i>, No. 12, 2002, pp. 73-86</p>
Planned learning activities and teaching methods	Tutorial, case study, self-directed study, discovery learning, role play, simulation, focus group discussion, cooperative learning,
Language of instruction	Indonesian/English
Assessment methods and criteria	Quiz, assignment, Evaluation Course Learning Outcome (ECLO)

GRADE	SCORE (%)	PREDICATE	Description	Conversion Value
A	$80 \geq ..$	Excellence	Achieve learning outcomes with excellence grade	4
AB	$75 \leq AB < 80$	Very Good	Achieve learning outcomes with very good grade	3,5
B	$65 \leq B < 75$	Good	Achieve learning outcomes with good grade	3
BC	$60 \leq BC < 65$	Good Enough	Achieve learning outcomes with good enough grade	2,5
C	$50 \leq C < 60$	Enough	Achieve learning outcomes with enough grade	2
D	$35 \leq D < 50$	Less	Achieve learning outcomes with less grade	1



E	.. < 35	Failed	Failure to achieve learning outcomes	0
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