

**International Islamic University Chittagong**  
**Department of Economics & Banking**

Final Examination; Spring-2019

Program: BSS (Honors)

Course Code: ECON-3501

Course Title: Islamic Economics

Time: 2.5 Hours

Full Marks: 50

*Answer any FIVE of the following questions. All parts of a question must be answered sequentially. Figures in the right margin indicate full marks.*

1. (a) What is perfect competition? Comment on this type of market structure from an Islamic perspective? 05  
(b) In monopoly, the same quantity may be offered at different prices and the same price may be charged for different quantities. Do you agree? If so, evaluate the Islamic aspect of such practice. 05
2. (a) Design and discuss a kinked demand curve for an Oligopolist who resorts to non-price competition in an Islamic state. 06  
(b) Is advertising permissible in Islam? Explain with diagram. 04
3. (a) Define Islamic firm. 03  
(b) What are the characteristics of an Islamic firm? 07
4. (a) Give an introduction of the outstanding factors of Islamic consumption function. 05  
(b) Explain the Expected Desirable Income Hypothesis in the light of Islamic Consumption Function. 05
5. (a) Explain the usefulness of money in an Islamic economy. 03  
(b) Identify and discuss a list of the instruments of Islamic monetary policy. 07
5. (a) Define riba in terms of its characteristics. What are the different types of riba? 04  
(b) What are the arguments for riba? How does an Islamic thinker refute the arguments? 06
6. (a) What is Islamic Banking? How is Islamic banking different from its conventional counterpart? 05  
(b) *Musharaka* and *Mudaraba* are two important participatory modes of Islamic banking system directly related to the economic development of a country- Justify your opinion in this regard. 05
7. (a) Briefly explain the sources of revenues of a modern Islamic state. Do you think that Islamic revenue policy is an instrument of deprivation for Non- Muslim living in an Islamic state? 05  
(b) Define Zakah. Explain the socio- economic impacts of Zakah with reference to a developing economy like Bangladesh. 05