

International Islamic University Chittagong

Department of Business Administration

Program- BBA

Mid-term Examination; Autumn 2022

Course Code: ECON- 2403; Course Title- Principles of Islamic Economics

Time-1.5 hours

Full Marks-30

Answer any three of the following questions

(Different parts of same question should be answered serially)

Question-1

4+3+3

- Define the concept of Islamic economics. How does it improve the social, moral and economic aspects compared to the traditional economics?
- Distinguish among the capitalism, communism and Islam.
- “Islamic Economics follows rigid as well as flexible sources of knowledge”-Do you agree with this? Explain.

Question-2

5+5

- Distinguish between Islamic and conventional consumer. Does an Islamic consumer enjoy unlimited freedom? Why or why not? Explain.
- State the difference between ‘Utility’ and ‘Maslahah’. How do you apply the model of Monzer Kahf to maximize the Maslahah of an Islamic Consumer ? Use relevant equations and graphs.

Question-3

5+5

- What are the pricing policy options for an economy to follow? Which one of them is desirable in Islam?
- ‘Consider the example that, there are 25 consumers in a region. Let that, the existing average price level of food products is tk.50 per meal. Among the 25 consumers, the 12 consumers have tk.50 to buy the products. Unfortunately, 13 consumers do not have tk.50 to buy the meal ; among them, 8 consumers have tk. 45 and 5 consumers have tk.48 to buy the food. Determine the conventional and Islamic demand from this example. Draw the demand curve and provide the suggestions of Islamic economics to incorporate the demand of the underprivileged consumers into the market.

Question-4

4+3+3

- Distinguish between sales maximization and satisfying behavior of an Islamic producer.
- When is advertising permissible in Islam?
- Discuss the Factors of production from Islamic perspective.provide relevant examples.

The End