

**AN ANALYSIS OF PROHIBITED TRANSACTIONS IN IBN
ABI ZAID'S *AL-RISALA* AND THEIR RELEVANCE TO
MODERN FINANCIAL PRACTICES**

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ABSTRACT

This paper examined the prohibitions on financial transactions as outlined in the *Risalah* of Ibn Abi Zaid al-Qairawani, a significant Maliki jurist, and examined their relevance to contemporary financial practices. Islamic jurisprudence, which is deeply rooted in fairness and justice, prohibited certain transactions like *riba* (interest), *gharar* (excessive uncertainty), and *tadlis* (deception) for being exploitative and unjust. The *Risalah*, written in the 10th century, provided a framework for ethical commercial dealings by consolidating these prohibitions. The aim of this research is to address exploitative practices in modern financial systems—such as interest-based loans, speculative trading, and deceptive contracts—that conflicted with the ethical standards set by Islamic law. These practices were found to parallel the prohibited transactions described by Ibn Abi Zaid and continue to present challenges for financial equity and transparency today. The paper found that the principles articulated by Ibn Abi Zaid remained highly relevant to modern financial transactions, particularly those involving speculation and interest. Islamic finance, with its prohibition of exploitative practices, was found to offer viable alternatives through interest-free banking, profit-sharing, and asset-backed

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transactions. The research recommended the promotion of Islamic financial products, the development of legal frameworks integrating Islamic principles, and efforts to raise public awareness about ethical finance alternatives. It was suggested that by adopting these recommendations, modern financial systems could move towards greater fairness, transparency, and equity.

1.1 Introduction

Islamic jurisprudence, or *fiqh*, has long established a comprehensive framework for regulating financial transactions, aiming to ensure justice, equity, and the prevention of exploitation.¹ One of the seminal works within this legal tradition is *al-Risala* by the esteemed Maliki jurist, Ibn Abi Zaid al-Qayrawani, a text that has garnered considerable recognition as an authoritative source of Maliki *fiqh*.² Written in the 10th century, *al-Risala* consolidates core aspects of Islamic theology, worship, and law, with an extensive treatment of commercial and financial transactions.³ Among the central concerns of this treatise are the prohibitions on certain types of transactions that compromise ethical standards, such as *riba* (usury), *gharar* (excessive uncertainty), *tadlis* (fraud or deception), and *khilabah* (trickery or deceit).⁴ These prohibitions are deeply rooted in Qur'anic injunctions, the Sunnah of the Prophet Muhammad (PBUH), and the legal principles developed by early Islamic jurists, all of which aim to promote fairness, transparency, and ethical conduct in financial dealings.⁵

While the principles articulated by Ibn Abi Zaid in *al-Risala* were formulated within the context of the medieval Islamic world, they remain profoundly relevant to contemporary financial systems.⁶ Modern financial practices, particularly those operating within

¹ Mohammad Hashim Kamali, *Islamic Commercial Law: An Analysis of Futures and Options* (Islamic Texts Society 2000) 3–6

² Ibn Abi Zayd al-Qayrawani, *Al-Risala fi Fiqh al-Imam Malik* (Ahmad al-Sharif ed, Dar al-Gharb al-Islami 1999) 3; see also Omar al-Jidi, *Abu Muhammad Ibn Abi Zayd al-Qayrawani wa Atharuhu fi al-Fiqh al-Islami* (Dar al-Gharb al-Islami 1983) 88–90

³ Ibn Abi Zayd al-Qayrawani (n 5) 5–15

⁴ Ibid 123–132 (sections on commercial transactions, prohibitions, and contractual principles)

⁵ Wahbah al-Zuhayli, *Financial Transactions in Islamic Jurisprudence* vol 1 (Mahmoud A El-Gamal tr, Dar al-Fikr 2003) 41–53

⁶ Omar al-Jidi (n 5) 91–92

conventional banking and market systems, frequently engage in practices that parallel the prohibited transactions outlined in *al-Risala*.⁷ For example, the widespread use of interest-based loans, speculative investment instruments, and deceptive marketing tactics reflects the same unethical tendencies that Islamic law sought to address centuries ago. This paper critically examines the prohibited transactions as discussed by Ibn Abi Zaid, analyzing their underlying jurisprudential rationale and ethical dimensions, while drawing connections to analogous practices in modern financial systems.

This analysis, grounded in the intersection of classical Islamic jurisprudence and contemporary financial practices, aims to contribute to the broader discourse on the relevance of Islamic law in today's global economic order.⁸ Through bridging the gap between traditional Islamic legal principles and modern financial challenges, this paper seeks to highlight how Ibn Abi Zaid's *al-Risala* offers enduring solutions to issues of financial injustice, exploitation, and inequality.⁹

2.1 About the Author of *al-Risala*

Abu Muhammad Abdullah Ibn Abi Zaid al-Qayrawani, known as the "Little Malik," was a prominent Maliki jurist from the Maghreb, renowned for his mastery of Islamic law and piety.¹⁰ He played a crucial role in summarizing and spreading the Maliki school of thought, producing influential works such as *al-Nawadir wal-Ziyadat*, *al-Risala*, and a summary of *al-Mudawwana*, which became key references for *fatawa* in the region.¹¹ He studied under leading scholars of Qayrawan and the wider Islamic world and was known for his support of students and generosity.¹² Ibn Abi Zaid adhered strictly to

⁷ Ibid,

⁸ Habib Ahmed, *Islamic Banking and Financial Inclusion: Measuring Use of and Demand for Formal Financial Services among Muslim Adults* (World Bank Policy Research Working Paper No. 6642, 2013) 6–7 <https://documents.worldbank.org> accessed 20 June 2025

⁹ El-Gamal (n 8) 50–52; Kamali (n 1) 155–158

¹⁰ Omar al-Jidi, *Abu Muhammad Ibn Abi Zayd al-Qayrawani wa Atharuhu fi al-Fiqh al-Islami* (Dar al-Gharb al-Islami 1983) 27

¹¹ Ibid 98–102; see also Ibn Abi Zayd al-Qayrawani, *Al-Risala fi Fiqh al-Imam Malik* (Ahmad al-Sharif ed, Dar al-Gharb al-Islami 1999) Introduction, 3–5

¹² Al-Jidi (n 5) 45–47

the creed of the *Salaf*, avoiding theological speculation.¹³ He composed his work *al-Risala* at the age of seventeen is widely respected,¹⁴ and after his death in 386 A.H, several poets mourned his loss, highlighting his legacy in both religious and scholarly circles.¹⁵

2.2 About the Treatise of *al-Risala*

The book "*al-Risala al-Fiqhiyya*" or what is known as "*Risala of Ibn Abi Zaid al-Qayrawani*" by the esteemed scholar Imam Abu Muhammad Abdullah Ibn Abi Zaid al-Qayrawani, nicknamed *the Little Malik* (d. 386 AH), is one of the most famous and valuable treasures of the Maliki school of thought. It is considered the third most important source in the Maliki *madhhab* after the *Muwatta* and the *Mudawwana*. Despite its small size and concise nature, this book contains within its pages four thousand issues that every legally responsible individual must know and cannot afford to be ignorant of.

In the introduction, the author explicitly stated the subject of his treatise and that he composed it in response to a request.¹⁶ He said:

You have asked me to write for you a brief summary of the obligatory aspects of religion, what the tongue should proclaim, what the hearts must believe, and what the limbs should act upon. This includes what is obligatory in the Sunnah, from its confirmed acts, its recommended acts, and its desirable aspects, along with a summary of legal principles and its branches according to the madhhab of Imam Malik Ibn Anas and his methodology.¹⁷

The book addresses both theological issues, which pertain to what the tongue declares and the heart believes in terms of religious obligations, as well as jurisprudential issues such as purification, prayer, zakat,

¹³ Qadi Iyad, *Tartib al-Madarik wa Taqrib al-Masalik* (Dar al-Kutub al-‘Ilmiyya 1986) vol 2, 538

¹⁴ Ibn Abi Zayd al-Qayrawani, *Al-Risala* (n 2) 3; see also Abd al-Hamid ibn Badis, *Muqaddimat Sharh al-Risala* (Al-Maktaba al-‘Asriyya 2003) 4

¹⁵ Al-Jidi (n 1) 126–127; see also Hassan Husni Abdul Wahhab, *Fihris al-Makhtutat al-Tunisiyya* (Al-Maktaba al-Ahliyyah 1967) vol 1, 250

¹⁶ Ibn Abi Zayd al-Qayrawani, *Al-Risala fi Fiqh al-Imam Malik* (Ahmad al-Sharif ed, Dar al-Gharb al-Islami 1999) 3.

¹⁷ *Ibid* 5–15

fasting, pilgrimage, jihad, marriage, sales, bequests, the status of emancipated slaves, contracts, preemption, gifts, charity, endowment, mortgages, lending, deposits, found items, blood laws, criminal punishments, judicial rulings, testimonies, foods, and other topics, in addition to some aspects of Islamic etiquette.

The author, may Allah have mercy on him, adopted a sound methodology and a clear style. He leaned towards concise yet beneficial explanations without compromising the intended meaning, avoiding excessive details and superfluous information.¹⁸ He focused on the well-known and preferred opinions in the Maliki school, without mentioning conflicting views, which is no surprise as the book was aimed at instructing beginners.

Allah granted this precious work wide acceptance among scholars and laypeople alike. It became so sought after that it is reported that the first copy of it was sold in Baghdad in the study circle of Abu Bakr al-Abhari for its weight in gold.¹⁹ Some copies were even written in gold. Moreover, it has been heavily studied by both teachers and students, both in the past and present, with commentaries and annotations. Al-Qarafi considered it one of the five essential books that Malikis adhered to in both the East and the West.²⁰ Also, Alqadhi Abdul Wahhab al-Baghdadi praised it in poetic verse:²¹

A book of knowledge crafted with immense scholarship,
Its rulings blend obligation with asceticism,
Its foundational principles shine with guidance,
As if it directs the vision toward righteousness,
It begins with the clear knowledge of religion,
And the etiquettes of the best of creation, unmatched in its
kind.

Qadi Iyad said: "Abu Muhammad was the Imam of the Malikis in his time, their leader, the compiler of Malik's madhhab, and the explainer

¹⁸ Abd al-Hamid ibn Badis, *Muqaddimat Sharh al-Risala* (Al-Maktaba al-'Asriyya 2003) 6–7

¹⁹ Omar al-Jidi, *Abu Muhammad Ibn Abi Zayd al-Qayrawani wa Atharuhu fi al-Fiqh al-Islami* (Dar al-Gharb al-Islami 1983) 114

²⁰ Shihab al-Din al-Qarafi, *al-Dhakhira* (Dar al-Gharb al-Islami 1994) vol 1, 34

²¹ Al-Jidi (n 7) 118

of his statements."²² Al-Jidi mentioned that fifty-three works have been produced around *al-Risala*,²³ and Sheikh Hassan Husni Abdul Wahhab noted that the number of commentaries on *al-Risala* exceeds one hundred. Among the prominent commentaries are those by Judge Abdul Wahhab, whose first copy was sold for one hundred mithqals of gold.²⁴ Other scholars who provided commentaries include Yusuf Ibn Umar al-Anfasi, Qasim Ibn Isa Ibn Naji, Abu al-Abbas al-Qalshani, Ibn al-Fakhar, and others.²⁵

The book has also attracted significant attention from Orientalists, who translated it into English and French. Some of the commentaries of the book;

1. *Al-Risala* with *Ghurur al-Maqala* in the explanation of its terminology.
2. *Al-Risala* with *Idhah al-Ma'ani* on the treatise of al-Qayrawani.
3. *Masalik al-Dalala* in explaining the issues of *al-Risala*.
4. *Sharh Zarruq* on the text of *al-Risala*.
5. *Al-Thamar al-Dani* in the commentary on *al-Risala* of Ibn Abi Zaid al-Qayrawani.
6. *Al-Fath al-Rabbani* in the explanation of the poetic rendition of *al-Risala*.
7. *Kifayat al-Talib al-Rabbani* on *al-Risala* of Ibn Abi Zaid al-Qayrawani.
8. *Al-Fawakih al-Dawani* on *al-Risala* of Ibn Abi Zaid al-Qayrawani.
9. *Tahrir al-Maqala* in the explanation of the poetic counterparts of *al-Risala*.

3.0 Prohibited Transactions in the Treatise of Risala

In his treatise *al-Risala*, Ibn Abi Zaid al-Qayrawani delineates various prohibited transactions that are integral to Islamic jurisprudence, particularly within the Maliki school. Key prohibitions include *riba* (usury), which is condemned for its exploitative nature, particularly in

²² Qadi Iyad, *Tartib al-Madarik wa Taqrib al-Masalik* (Dar al-Kutub al-'Ilmiyya 1986) vol 2, 539

²³ Al-Jidi (n 7) 121–122

²⁴ Hassan Husni Abdul Wahhab, *Fihris al-Makhtutat al-Tunisiyya* (Al-Maktaba al-Ahliyyah 1967) vol 1, 250

²⁵ Al-Jidi (n 7) 123

interest-based lending and transactions that unjustly enrich one party at the expense of another. The treatise also addresses *gharar* (excessive uncertainty), prohibiting contracts that involve ambiguity or speculative elements, thereby ensuring clarity and fairness in transactions. Additionally, practices such as *tadlis* (deception) and *khilabah* (trickery) are strictly forbidden, as they undermine trust and transparency in trade.²⁶

3.1 Prohibitions in Exchange

Ibn Abi Zayd says in his book²⁷

Allah has made lawful trade and prohibited *riba*. The *riba* of the pre-Islamic period (*Riba al-Jahiliyyah*) was in debts, where the debtor had to either repay the debt or agree to an increase in the amount owed. As for *riba* outside of delayed payments, it includes the sale of silver for silver, hand-to-hand, with disparity in the amount, as well as gold for gold. It is not permitted to trade silver for silver or gold for gold unless it is in equal amounts, hand-to-hand. Similarly, the exchange of silver for gold involves *riba*, except when it is hand-to-hand.²⁸

When it comes to food items such as grains, legumes, and other storable items used as staple foods or condiments, it is not permitted to exchange the same type for the same type unless it is equal in amount and hand-to-hand. Delayed transactions involving food, whether of the same type or different types, whether they are storable or not, are not allowed. However, it is permissible to exchange fruits and vegetables, or anything that cannot be stored, even if they are of the same type, in unequal amounts, provided it is hand-to-hand. Disparity in the exchange of the same type of storable fruits, condiments, or food is not permitted.²⁹

It is permissible to exchange items of different types, hand-to-hand, without concern for equality in the amounts.

²⁶ Ibn Abi Zayd al-Qayrawani, *Al-Risala fi Fiqh al-Imam Malik* (Ahmad al-Sharif ed, Dar al-Gharb al-Islami 1999) 123–132

²⁷ The Arabic text was translated by the authors

²⁸ Ibn Abi Zayd (n 1) 123

²⁹ Ibid 124

However, disparity in the exchange of the same type is not allowed, except for fresh produce, fruits, wheat, barley, and spelt, which are considered one category regarding what is permissible and what is prohibited. Raisins are considered a single category, dates are a single category, and legumes are considered separate categories for sales and beverages, except for water, which stands alone. Any item with distinct types falls under these rules.³⁰

There are many things seems to have surfaced form the above passage. Ibn Abi Zayd, echoing the Qur’anic principle that “Allah has permitted trade and prohibited riba,” outlines detailed rules for fair and lawful exchange. He distinguishes between legitimate trade and exploitative transactions, such as the *riba al-jahiliyyah*, where debtors were compelled to pay additional sums upon delay in repayment. *Riba* is not only prohibited in deferred payments but also in immediate exchanges involving inequality of quantity or form. For instance, he prohibits exchanging gold for gold or silver for silver unless the transaction is equal in amount and completed hand-to-hand.

Regarding food items—especially storable goods like grains, legumes, and condiments—he prohibits transactions involving disparity or delay, even if the exchanged items are of different types, reinforcing the requirement of immediate delivery and fairness. However, Ibn Abi Zayd permits disparity in the exchange of non-storable, perishable items such as fresh produce, provided the transaction is executed hand-to-hand. His treatment reflects the Maliki principle of distinguishing between *‘ayn* (specific physical items) and *dayn* (debt obligations), where the former allows more flexibility under certain conditions.

Moreover, he categorizes items into separate types for the purpose of lawful exchange, such as distinguishing raisins, dates, and legumes as independent categories, while combining others like wheat, barley, and spelt into one group, based on their usage and storability. These distinctions are designed to prevent exploitation through unequal barter and are guided by prophetic traditions such as the hadith of the six commodities (*hadith al-sittah*) reported in Sahih Muslim.³¹

³⁰ Ibid 125

³¹ Muslim ibn al-Hajjaj, *Sahih Muslim*, Book of Transactions, Hadith no 1584

3.2 Prohibition of *Riba*

The prohibition of *riba* (usury/interest) is one of the fundamental economic principles in Islam. Ibn Abi Zaid cites the prohibition of *riba* in his explanation of financial transactions. The Qur'an explicitly forbids *riba* in several verses, highlighting the severe consequences of engaging in usurious practices. Thus, for instance, in 2:275-279,³² All says;

Those who devour interest cannot stand [on the Day of Resurrection] except as one stands who is being beaten by Satan into insanity. That is because they say, 'Trade is just like interest.' But Allah has permitted trade and has forbidden interest.

This verse draws a clear distinction between lawful trade and unlawful *riba*. While trade involves mutual benefit and fairness, *riba* is seen as a form of exploitation, which is why Allah prohibits it. The prohibition continues in verse 279, where Allah commands,

And if you repent, you shall have your capital sums; deal not unjustly, and you shall not be dealt with unjustly.

Here, the emphasis is on justice and fairness, the key principles guiding lawful financial transactions. In another verse, the Qur'an says;

O you who have believed, do not consume usury, doubled and multiplied, but fear Allah that you may be successful.³³

This verse warns believers against the practice of increasing debt through compounding interest, a practice commonly associated with *riba al-jahiliyyah*. Ibn Abi Zaid's explanation of *riba* in transactions mirrors these Qur'anic teachings. He emphasizes that *riba* was rampant in pre-Islamic Arabia, where individuals would increase the amount

³² Translated by Sahih International

³³ Surah Al-Imran (3:130)

owed if debtors could not repay on time. This form of exploitation is strictly prohibited in Islam.³⁴

In addition to the Qur'an, the Hadith of the Prophet Muhammad (peace be upon him) offers further insight into the nature of *riba* and prohibited transactions. Several narrations explicitly condemn *riba* and provide guidelines for lawful trade. Thus, for instance, the Messenger of Allah (ﷺ) cursed the one who consumes *riba*, the one who pays it, the one who writes it down, and the two who witness it, and he said: 'They are all the same.'³⁵ This Hadith underscores the gravity of engaging in usurious transactions and condemns all parties involved in the transaction.

In another Hadith, the Prophet (SAW) said: "Gold for gold, silver for silver, wheat for wheat, barley for barley, dates for dates, and salt for salt, like for like, hand to hand, equal for equal. Whoever gives more or asks for more has dealt in *riba*."³⁶ This narration clearly establishes that when exchanging similar goods, equality and immediacy are essential to avoid *riba*.

These Hadith align with Ibn Abi Zaid's explanation of the rules governing the exchange of goods. When trading commodities like gold, silver, or staple foods, equality in amount and immediate exchange (*hand-to-hand*) is crucial. Any disparity or delay in such transactions leads to *riba*.

Islamic jurists have long debated and elaborated on the concept of *riba* and other prohibited transactions. Ibn Abi Zaid's Maliki background informs his interpretation, but scholars from other schools of interpretation have also contributed significantly to this area of Islamic jurisprudence. The Hanafi school prohibits *riba* in any form. Imam Abu Hanifa elaborates on the prohibition of interest in debts and barter transactions, especially when trading gold, silver, or staple foods. He

³⁴ Ibn Abi Zaid, Q. (2022). *The Risala: A Treatise on Maliki Fiqh*. Translated by Imran Nyazee. Dar Al-Minhaj, p.43

³⁵ Sahih Muslim, Book 10, Hadith 3881

³⁶ Sahih Bukhari, Volume 3, Book 34, Hadith 386

explains that unequal exchange or delayed delivery leads to exploitation and is therefore forbidden.³⁷

Also, Imam Shafi'i, in his works, explains the importance of adhering to principles of justice and equality in trade. He stresses that while Islam permits the lawful increase in profit through trade, it condemns unfair practices such as *riba* and deceptive sales.³⁸

In conventional financial systems, interest-based loans, mortgages, and savings accounts are common. However, Islamic law strictly forbids any contract where one-party benefits at the expense of another without engaging in productive activity.

Moreover, in modern banking, interest-based loans are a direct violation of this principle. For example, personal loans with fixed interest rates, where the borrower must pay back more than they originally borrowed, involve *riba*. This form of lending exploits the borrower, especially if they are in financial distress, and leads to wealth accumulation for the lender. Islamic finance provides alternatives such as *Murabaha* (cost-plus financing), *Ijara* (leasing), and *Sukuk* (Islamic bonds), where profit is earned through legitimate trade or asset-backed investments, rather than interest. Again, in conventional mortgages, homeowners typically borrow large sums from banks with fixed or variable interest rates over several years. This results in the borrower paying back significantly more than the borrowed amount.

Islamic finance categorically prohibits the charging of interest on loans, viewing it as a mechanism that enables unearned profit and fosters socio-economic inequality.³⁹ As an alternative, Islamic financial institutions employ equity-based instruments such as *mudarabah* (profit-sharing) and *musharakah* (joint-venture partnerships), which are rooted in shared risk and mutual gain.⁴⁰ These instruments closely reflect the ethical precepts laid out in *al-Risala*, wherein fairness, mutual consent, and avoidance of injustice are emphasized.⁴¹

³⁷ Sarkhasiy, Ahmad, *Al-Mabsut*, Vol. 12, p. 145

³⁸ Shafi'i, M. I. *Al-Umm*, Vol. 3, p. 120

³⁹ Al-Zuhayli (n 3) 52–58

⁴⁰ El-Gamal (n 4) 45–46

⁴¹ Ibn Abi Zayd (n 1) 126

For example, a *mudarabah* arrangement involves a financier providing capital to an entrepreneur, who contributes labor and expertise. Profits are shared based on a pre-agreed ratio, while losses are borne solely by the investor, unless they result from the entrepreneur's negligence or misconduct.⁴² Such frameworks align with the Maliki conception of ethical financial conduct, as expounded by Ibn Abi Zayd, who consistently warned against transactional practices that impose asymmetric risk or unjust enrichment.

3.3 Equal Exchange of Goods

Ibn Abi Zaid establishes that for certain goods, particularly precious metals (gold and silver) and staple foods (grains, legumes, etc.), transactions must be conducted in equal amounts and must occur hand-to-hand (i.e., on the spot, without delay).⁴³ Central to this discourse is the requirement that certain commodities—especially precious metals (such as gold and silver) and essential foodstuffs (including grains and legumes)—must be exchanged in equal quantities and on the spot (i.e., hand-to-hand) to ensure transactional equity and avoid prohibited elements such as *riba* (usury) and *gharar* (excessive uncertainty).⁴⁴

3.3.1 The Requirement of Equal and Immediate Exchange

Ibn Abi Zayd stipulates that the exchange of gold for gold or silver for silver must occur in equal measure and be executed immediately. Any disparity in the quantities exchanged or any delay in the completion of the transaction constitutes *riba*, which is categorically prohibited in Islamic law.⁴⁵ This prohibition extends to transactions involving staple food commodities, such as wheat, barley, dates, and similar storable items. These goods must likewise be exchanged in equal quantities and without deferment.⁴⁶

⁴² El-Gamal (n 4) 48–49

⁴³ Ibn Abi Zayd al-Qayrawani, *Al-Risala fi Fiqh al-Imam Malik* (Ahmad al-Sharif ed, Dar al-Gharb al-Islami 1999) 124–126

⁴⁴ Wahbah al-Zuhayli, *Financial Transactions in Islamic Jurisprudence* vol 1 (Mahmoud A El-Gamal tr, Dar al-Fikr 2003) 49–53

⁴⁵ Ibn Abi Zayd (n 1) 124

⁴⁶ Ibid 125

The underlying rationale (*'illah*) for these rules is to safeguard parties from inequitable gain and to preserve transparency in financial dealings. As established in the well-known prophetic tradition on the six commodities (*hadith al-sittah*), items of the same genus—when exchanged—must be equal in quantity and transacted hand-to-hand to avoid any form of *riba al-fadl* (usury through excess) or *riba al-nasi'ah* (usury through delay).⁴⁷ The Maliki school, to which Ibn Abi Zayd belonged, upholds these requirements rigorously to ensure distributive justice and to prevent the commodification of debt or time in commercial exchanges.⁴⁸

3.3.2 Permissibility of Unequal Exchange in Certain Goods

However, Ibn Abi Zayd differentiates between storable staples and perishable, non-storable goods such as fresh fruits and vegetables, which are not subject to the same strict rules of equivalence. Unequal exchanges of such items are deemed permissible, provided that the transaction is executed immediately.⁴⁹ This exception is based on the rationale that perishable goods are less prone to hoarding and manipulation, and their values are subject to more frequent market fluctuation. Consequently, Islamic jurisprudence allows a degree of flexibility to facilitate market functionality while maintaining ethical oversight.⁵⁰

Additionally, Ibn Abi Zayd emphasizes the importance of categorizing goods in determining the rules applicable to their exchange. While commodities of the same type—such as dates for dates or wheat for wheat—must be exchanged equally and on the spot, items belonging to different categories—even if similar in nature (e.g., raisins and dates)—may be exchanged in unequal amounts, provided the transaction is immediate.⁵¹ This classification reflects a nuanced

⁴⁷ Muslim ibn al-Hajjaj, *Sahih Muslim*, Book of Transactions, Hadith no 1584

⁴⁸ Mohammad Hashim Kamali, *Islamic Commercial Law: An Analysis of Futures and Options* (Islamic Texts Society 2000) 8–9

⁴⁹ Ibn Abi Zayd (n 1) 126

⁵⁰ Al-Zuhayli (n 2) 61–63

⁵¹ Ibn Abi Zayd (n 1) 127–128

understanding of trade customs and economic realities, and is central to the Maliki juristic methodology.⁵²

3.4 Prohibition of Deferred Transactions

A critical component of Ibn Abi Zayd's analysis is the prohibition of deferred transactions in relation to staple food items and monetary equivalents. Such deferment introduces *gharar*, which is antithetical to the Islamic legal requirement of certainty in contract formation and execution.⁵³ Thus, through disallowing credit-based exchanges for goods that are susceptible to speculative abuse or hoarding, Islamic law seeks to protect weaker parties and uphold the integrity of the marketplace.⁵⁴

The cumulative effect of these rulings is the promotion of fairness, mutual consent, and transparency in commercial transactions. Ibn Abi Zayd's approach, deeply rooted in Qur'anic injunctions and Prophetic traditions, offers a consistent legal framework designed to prevent exploitation and ensure justice in economic activity.⁵⁵ His work thus serves not only as a legal manual but also as a moral compass for Islamic commercial ethics.

While the transactional regulations set forth by Ibn Abi Zayd al-Qayrawani in *al-Risala* were formulated within the context of barter-based economies involving staple commodities and precious metals, their underlying principles remain highly relevant to modern financial systems.⁵⁶ His jurisprudential focus on fairness, transparency, and the prohibition of unjust enrichment continues to inform the architecture of contemporary Islamic finance, particularly in prohibiting *riba* (interest), *gharar* (excessive uncertainty), and other exploitative contractual arrangements.

⁵² Ali al-Khafif, *Ahkam al-Mu'amalat al-Shar'iyyah* (Dar al-Fikr 1966) 151–152

⁵³ Al-Zuhayli (n 2) 67

⁵⁴ Kamali (n 6) 15–16

⁵⁵ Mahmoud A El-Gamal, *Islamic Finance: Law, Economics, and Practice* (Cambridge University Press 2006) 20–23

⁵⁶ Ibn Abi Zayd (n 1) 124–128

3.5 Prohibition of *Gharar* (Excessive Uncertainty) and Speculative Instruments

Islamic law also prohibits *gharar*—contracts or transactions containing substantial ambiguity or uncertainty, which may lead to unfair outcomes or disputes.⁵⁷ Ibn Abi Zayd, though addressing it briefly, alludes to *gharar* in his discussion of the conditions governing the exchange of storable and non-storable goods.⁵⁸ He affirms that ambiguity or delay in such exchanges undermines transactional integrity and is therefore impermissible.

This prohibition finds further support in Prophetic traditions. The Prophet Muhammad (peace be upon him) is reported to have said: “The Messenger of Allah forbade the sale of uncertain things (*gharar*) and pebble-throwing sales.”⁵⁹ He also prohibited the sale of items not in one’s possession: “Do not sell what you do not have.”⁶⁰ These Hadiths establish a strong foundation for prohibiting speculative and ambiguous financial transactions.

In contemporary financial markets, many speculative instruments—such as futures contracts, options trading, and binary options—involve significant levels of uncertainty, as they permit profit based on the prediction of future market movements rather than actual economic activity.⁶¹ Such instruments are generally deemed impermissible in Islamic law due to their close resemblance to gambling (*maysir*) and their failure to meet the requirement of asset-backing and risk-sharing.⁶²

Binary options trading, for instance, involves wagering on whether an asset's price will rise or fall within a short timeframe, with fixed profits or losses. This speculative nature, lack of underlying economic value, and winner-takes-all outcome render it haram under Islamic financial

⁵⁷ Kamali (n 2) 40–44

⁵⁸ Ibn Abi Zayd (n 1) 126–127

⁵⁹ Muslim ibn al-Hajjaj, *Sahih Muslim*, Book of Transactions, Hadith no 1513

⁶⁰ Abu Dawud, *Sunan Abi Dawud*, Book of Sales, Hadith no 3503

⁶¹ Kamali (n 2) 145–147

⁶² El-Gamal (n 4) 120–123

principles.⁶³ In contrast, Islamic finance encourages *mudarabah* and *musharakah* arrangements, which are inherently non-speculative, tied to real economic activities, and involve shared risks and rewards.⁶⁴

3.5.1 *Gharar*, Insider Trading, and Market Manipulation

Modern financial systems also grapple with ethical challenges such as insider trading, front-running, and market manipulation. These practices involve the use of privileged or non-public information to gain unjust advantage over other market participants. From an Islamic legal standpoint, such behaviors fall under *ghish* (deception) and *gharar*, both of which are categorically prohibited.⁶⁵

The holy Qur'an emphasise the importance of transparency and fairness in trade:

O you who believe, do not consume one another's wealth unjustly or send it [in bribery] to the rulers in order that [they might aid] you [to] consume a portion of the wealth of the people in sin, while you know [it is unlawful].⁶⁶

Islamic financial ethics demand that all parties to a transaction have equal access to material information and that markets operate in a manner that prevents the exploitation of information asymmetries.⁶⁷ Insider trading not only violates this ethical framework but also undermines the trust upon which Islamic markets must be built. Islamic finances emphasis on openness, equity, and moral accountability, Islamic finance—as expounded by Ibn Abi Zayd—seeks to promote a market environment that mirrors the ethical vision of Islamic law.

⁶³ Nabil A Saleh, *Unlawful Gain and Legitimate Profit in Islamic Law: Riba, Gharar and Islamic Banking* (Cambridge University Press 1986) 88–90

⁶⁴ Al-Zuhayli (n 3) 127–130

⁶⁵ Yusuf Al-Qaradawi, *The Lawful and the Prohibited in Islam* (American Trust Publications 1999) 272–275

⁶⁶ Qur'an 2:188

⁶⁷ El-Gamal (n 4) 105–106

3.6 Prohibition of Deception (*Tadlīs*) and Fraud (*Ghishh*) in Islamic Commercial Law

Deception (*tadlīs*) and fraud (*ghishh*) are categorically prohibited in Islamic law, as they violate the ethical imperative of honesty and fairness in commercial transactions. These practices undermine trust, facilitate unjust enrichment, and disrupt the equitable distribution of wealth—core concerns addressed in both classical jurisprudence and modern Islamic finance discourse.⁶⁸

The Prophet Muhammad (peace be upon him) condemned deception in unequivocal terms: “Whoever deceives us is not of us.”⁶⁹ This *ḥadīth* serves as a powerful normative statement within Islamic legal and ethical frameworks. *Tadlīs* specifically refers to misrepresenting or concealing defects in a commodity, thereby misleading the buyer regarding its true quality or value.⁷⁰ *Ghishh*, a broader term, encompasses any form of deceit or fraudulent conduct in economic dealings, including manipulation, concealment, and dishonesty.⁷¹

The Qur'an repeatedly enjoins fairness and accuracy in trade, emphasizing the importance of just measures and honest dealings:

And give full measure when you measure, and weigh with an even balance. That is the best and most commendable in the end.⁷²

Such verses reinforce the legal and moral duty to ensure transparency in all aspects of commerce. Islamic jurisprudence (*fiqh*) holds that any form of contractual deception invalidates the transaction and may entail liability (*ḍamān*) on the part of the deceiver.⁷³ The underlying principle is that all parties must enter into transactions with full knowledge (*ilm*) and consent (*riḍā*), free from manipulation or undue influence.⁷⁴

⁶⁸ Al-Zuhayli (n 1) 93–97

⁶⁹ Muslim ibn al-Hajjaj, *Sahih Muslim*, Book of Faith, Hadith no 102

⁷⁰ Al-Qaradawi (n 71) 274

⁷¹ Kamali (n 4) 43

⁷² Qur'an 17:35

⁷³ Ibn Qudamah, *Al-Mughni* vol 4 (Dar al-Kutub al-‘Ilmiyyah 1994) 32–33

⁷⁴ Al-Zuhayli (n 1) 100–104

In the modern economic landscape—particularly in digital and online commerce—issues of *tadlis* and *ghish* have become increasingly complex. Misleading advertisements, fake online reviews, non-disclosure of terms, and manipulative sales techniques exemplify contemporary manifestations of deception.⁷⁵ For instance, many online platforms promote products with exaggerated or false claims, exploiting the buyer's inability to physically inspect the item prior to purchase. This practice not only violates consumer protection norms but also contravenes Islamic ethical standards.⁷⁶

Similarly, pyramid schemes and other investment scams thrive on fraudulent inducement and asymmetric information. Participants are promised unrealistic returns for recruiting others into the scheme, but such structures inevitably collapse, enriching the early founders at the expense of later entrants. These schemes are structurally deceptive and exploitative, and thus fall squarely within the prohibitions articulated in Islamic commercial law.⁷⁷

3.6.1 Digital Transactions and Ethical Challenges

The expansion of e-commerce and digital contracting poses new challenges to Islamic legal compliance. Transactions are often concluded without the buyer's physical inspection of the product, raising concerns about *gharar* (uncertainty) and *tadlis*.⁷⁸ Additionally, many online services employ "free trial" models that automatically charge users after a brief period unless the subscription is canceled. If not transparently disclosed, such practices constitute *ghish*, as they mislead consumers about the true terms of engagement.⁷⁹

From an Islamic legal standpoint, every contract must satisfy the conditions of clarity, mutual consent, and full disclosure. The Prophet's instruction "*Do not sell what you do not possess*"⁸⁰ remains pertinent in this context, especially regarding digital goods and intangible

⁷⁵ El-Gamal (n 8) 124

⁷⁶ Saleh Nabil A, *Unlawful Gain and Legitimate Profit in Islamic Law: Riba, Gharar and Islamic Banking* (Cambridge University Press 1986) 85–87

⁷⁷ Kamali (n 4) 109–110

⁷⁸ Al-Zuhayli (n 1) 106–107

⁷⁹ El-Gamal (n 8) 128

⁸⁰ Abu Dawud, *Sunan Abi Dawud*, Book of Sales, Hadith no 3503

services. To remain Shariah-compliant, digital transactions must ensure that all terms, fees, return policies, and conditions are clearly communicated and understood by the contracting parties.

3.7 Prohibition of Trickery (*Khilābah*) and Concealing Defects in Commercial Transactions

Islamic commercial jurisprudence categorically prohibits all forms of trickery (*khilābah*), which refers to the use of deceptive tactics to exploit another party's ignorance, mislead them regarding the nature or condition of a product, or manipulate the terms of a contract to one's advantage. This prohibition is grounded in the broader objectives of Shariah (*maqāṣid al-sharī'ah*), which seek to uphold justice (*'adl*), prevent harm (*ḍarar*), and preserve the integrity of economic transactions.⁸¹

Among the most common manifestations of *khilābah* is the concealment of material defects in goods or properties offered for sale, or exaggerating their quality through false representations. Such conduct is deemed morally reprehensible and legally invalidating within Islamic jurisprudence. The Prophet Muhammad (peace be upon him) strongly condemned such practices, declaring: "He who deceives is not one of us."⁸²

The Qur'an maintain the imperative of justice and honesty in all commercial dealings. It states: "And do not withhold from the people the things that are their due, and do not commit abuse on the earth, spreading corruption."⁸³ This verse affirms the ethical principle that traders must not withhold relevant information nor distort the value or quality of goods and services. Deception, whether active or passive, constitutes a form of economic injustice that is categorically condemned in both legal and ethical terms. Likewise, another verse commands: "Give full measure and do not be of those who cause loss [to others]."⁸⁴ These verses serve as the scriptural foundation for the Maliki school's position—as reflected in works such as *al-Risāla*—that disclosure, fairness, and mutual consent are prerequisites for the

⁸¹ Al-Zuhayli (n) 109

⁸² Muslim ibn al-Hajjaj, *Sahih Muslim*, Book of Faith, Hadith no 102

⁸³ Qur'an 26:183

⁸⁴ Qur'an 26:181

validity of a sale (*bayʿ*). Any defect that materially affects the value of a product must be clearly disclosed to the buyer.⁸⁵

In contemporary commerce, *khilābah* takes many forms, often facilitated by technological and information asymmetries. One clear example is the sale of refurbished electronic devices as “new” without proper disclosure. Such misrepresentation exploits the buyer’s lack of knowledge and constitutes clear deception under both Islamic and secular consumer protection laws.⁸⁶ Similarly, false advertising or manipulative product packaging—designed to create an inaccurate perception of the product—falls within the prohibited scope of *khilābah*.⁸⁷

In the real estate sector, deceptive practices may include failing to disclose structural issues, foundational defects, or zoning problems that materially affect the value of the property. While conventional legal systems penalize such omissions under real estate disclosure laws, Islamic jurisprudence treats them as a breach of ethical duty and a violation of the *ṣīghah* (expression) of consent in contractual agreements.⁸⁸ The concealment of such information is tantamount to fraud and nullifies the buyer's consent due to the lack of full disclosure.

3.8 Prohibition of Mixing Inferior with Superior Goods

One of the explicit forms of commercial fraud discussed in *al-Risalah* is the deliberate mixing of inferior goods with superior ones for the purpose of deception. This practice constitutes a clear breach of the ethical standards prescribed by the Shariah, which upholds honesty, transparency, and justice in all forms of trade.

The Qur’an strongly condemns dishonesty in commercial dealings, emphasizing the importance of accurate measurement and fair dealing. It states: “Give full measure and do not be of those who cause loss [to

⁸⁵ Ibn Abi Zayd al-Qayrawani, *al-Risala fi Fiqh al-Imam Malik* (Ahmad al-Sharif ed, Dar al-Gharb al-Islami 1999) 127–129

⁸⁶ Yusuf Al-Qaradawi, *The Lawful and the Prohibited in Islam* (American Trust Publications 1999) 274

⁸⁷ El-Gamal (n 7) 130

⁸⁸ Mohammad Hashim Kamali, *Islamic Commercial Law* (Islamic Texts Society 2000) 111–114

others].”⁸⁹ This verse reflects a broader Quranic ethos that mandates equity and fairness in trade. The deliberate adulteration or misrepresentation of the quality of goods undermines this principle and disrupts the trust-based foundation of commerce.

Moreover, the Sunnah of the Prophet Muhammad (peace be upon him) further reinforces this prohibition through various traditions that emphasize the necessity of honesty and full disclosure in transactions. One notable ḥadīth states:

The buyer and the seller have the option [to cancel the contract] as long as they have not separated. If they are honest and disclose all details, their transaction will be blessed; but if they conceal the truth and lie, the blessing of their transaction will be erased.⁹⁰

What seems to have surfaced from the above hadith is that, a *barakah* (divine blessing) in commercial activity is directly tied to the trader’s ethical conduct. The concealment of defects or the blending of substandard materials to sell at the price of superior goods is thus not only a legal breach but also a moral transgression that deprives the transaction of spiritual benefit.

In contemporary markets, this prohibition is directly relevant to various sectors, particularly in the food and textile industries, where the misrepresentation of quality is widespread. For example, food manufacturers may dilute premium products, such as mixing honey with sugar syrup or blending pure olive oil with cheaper oils, while continuing to market them as authentic.⁹¹ These actions clearly fall within the ambit of deception (*ghish*) and are strictly prohibited under Islamic commercial ethics.

Similarly, in the fashion industry, manufacturers may use low-quality synthetic materials while advertising the product as being made of genuine silk or other high-end fabrics. The intent to mislead the consumer and charge a premium for a product of inferior quality

⁸⁹ Qur’an 26:181

⁹⁰ Sahih al-Bukhari, 2079

⁹¹ Mohammad Hashim Kamali, *Islamic Commercial Law* (Islamic Texts Society 2000) 109–111

constitutes *tadlīs* (misrepresentation) and *khilābah* (trickery), both of which are condemned in classical Islamic jurisprudence.⁹²

3.9 Concealing Information That Affects the Price

Concealment of material information that directly impacts a product's value or desirability constitutes a form of deception (*tadlīs*) in Islamic commercial jurisprudence. This includes any act by which a seller knowingly withholds information that, if disclosed, would influence the buyer's decision—particularly in terms of offering a lower price or refusing to enter into the transaction altogether. Islamic law obligates all parties in a contract to act in good faith and ensure full transparency, thereby safeguarding the principles of mutual consent (*tarādī*) and fairness. The Qur'an similarly prohibits deceit in commerce and calls for just dealings, as seen in the verse:

And do not withhold from the people the things that are their due, and do not commit abuse on the earth, spreading corruption.⁹³

This verse lays the groundwork for a transactional ethic where concealment, misinformation, and exploitation are categorically forbidden.

In contemporary markets—particularly online retail environments—this principle is frequently violated. Sellers may intentionally omit critical details about the actual condition of a product, especially in second-hand or refurbished item sales. Others may exaggerate product features, giving an unrealistic impression of quality or performance. Such practices are clear examples of *ghishh* (fraud) and *tadlīs*, both of which invalidate the buyer's consent due to the presence of information asymmetry.

3.10 Prohibition of Ambiguity or Uncertain Timeframes

A fundamental principle in Islamic commercial jurisprudence is the prohibition of ambiguity (*gharar*) and indefinite timeframes in

⁹² Nabil A Saleh, *Unlawful Gain and Legitimate Profit in Islamic Law: Riba, Gharar and Islamic Banking* (Cambridge University Press 1986) 92–94

⁹³ Qur'an 26:183

contractual agreements. Ibn Abi Zaid al-Qayrawani, in *al-Risāla*, underscores the impermissibility of transactions involving unspecified objects, ambiguous contractual terms, or undefined repayment periods. Such ambiguity creates room for disputes, exploitation, and injustice, undermining the ethical foundations upon which Islamic financial dealings are built. The Qur'an explicitly mandates clarity and documentation in contractual obligations. In the longest verse in the Qur'an, Allah commands:

O you who believe! When you contract a debt for a specified term, write it down.⁹⁴

This verse not only emphasizes the importance of transparency in financial obligations but also introduces documentation as a means of dispute avoidance and legal enforceability. Ambiguity concerning the nature, subject matter, or duration of an obligation compromises mutual consent (*tarāḍī*) and violates the condition of certainty that is central to valid Islamic contracts.

The implications of this principle are significant in modern commercial and financial transactions. Contracts with unclear repayment schedules, open-ended terms, or uncertain deliverables are often sources of conflict and legal disputes. In Islamic finance, such practices are avoided by employing clearly structured contracts, such as *murābahah* (cost-plus sale) or *ijārah* (lease agreements) which precisely define price, duration, object, and responsibilities of each party.

4.0 Conclusion

In sum, the analysis of prohibited transactions in Ibn Abi Zaid al-Qayrawani's *al-Risāla* demonstrates that classical Islamic commercial jurisprudence provides a timeless ethical framework capable of addressing the systemic injustices that characterise many modern financial practices. Although written in the 10th century, Ibn Abi Zaid's prohibitions on *riba*, *gharar*, *tadlīs*, and *khilābah* echo with remarkable clarity in contemporary contexts marked by interest-based lending, speculative instruments, deceptive marketing, and digital-era manipulation. His work reveals that genuine economic justice requires

⁹⁴ Qur'an 2:282

transparency, fairness, mutual consent, and the prevention of exploitation—principles that remain urgently relevant as global financial systems struggle with instability, inequality, and unethical conduct. By revisiting these classical principles, modern societies can anchor their financial practices in a morally grounded and socially sustainable model, reaffirming that Islamic jurisprudence is not merely historical doctrine but a living guide capable of shaping equitable financial realities today. Therefore, this paper makes the following recommendations;

1. Regulatory bodies should integrate Islamic commercial principles, such as full disclosure, prohibition of exploitative terms, and transparency in transactions, into modern financial laws to curb *riba*-based lending, deceptive marketing, and speculative abuses that mirror the prohibited acts identified in *al-Risāla*.
2. Governments, scholars, and financial institutions should expand and refine Islamic financial products that prioritise genuine risk-sharing, asset-backed transactions, and the elimination of disguised interest, thereby offering credible alternatives to conventional exploitative models.

Comprehensive public education initiatives—through academic curricula, media programmes, and community outreach—should be implemented to increase awareness of Islamic financial ethics, enabling consumers to recognise and avoid practices rooted in deception, ambiguity, and unjust enrichment.