

# مجلة الشريعة والدراسات الإسلامية

فصلية علمية محكمة تصدر عن مجلس النشر العلمي - جامعة الكويت

## سياسة تعديل العملة وأحكامها الشرعية

د. آلاء عادل العبيد

كلية الشريعة والدراسات الإسلامية - جامعة الكويت

جامعة  
الكويت

مجلس  
النشر العلمي



ISSN: 1029-8908

العدد ١٢٨ - السنة ٣٧

رجب، ١٤٤٣هـ - مارس ٢٠٢٢م

## البحث الثامن

### سياسة تعديل العملة وأحكامها الشرعية

د. آلاء عادل العبيد

أستاذ مشارك بقسم التفسير والحديث

كلية الشريعة والدراسات الإسلامية

جامعة الكويت



# Currency Devaluation Policy And Its Sharī‘Ah Rulings

*Dr. Alaa ‘Adel Alobied* <sup>(1)</sup>

تاريخ إجازة البحث: ديسمبر ٢٠٢١ م

تاريخ استلام البحث: نوفمبر ٢٠٢١ م

## Abstract

The policy of devaluing currency exchange rate to reduce the deficit in the general budget of countries is one of the topics that have been fortunate in contemporary studies in the economic aspect, as it reflects the economic situation and status of any country internally and externally. It represents the most important elements in directing the foreign transactions of countries. The stability of the exchange rate also reflects the extent of the soundness of the economic foundations, the financial and monetary policies followed. The currency devaluation policy is still the focus of discussion and debate among economists, but the legitimate evaluation of these policies from the perspective of SharĒ‘ah has been researched previously but still the need of more research on that is a necessary for now in the contemporary issues occurred, which prompted me to shed light on that problem that revolves around the statement of policy reducing the exchange rate from the

(1) د. آلاء عادل العبيد: أستاذ مشارك بقسم الفقه المقارن في كلية الشريعة والدراسات الإسلامية بجامعة الكويت منذ عام ٢٠٠٥ م. حاصلة على شهادة الدكتوراه (١): في المالية والمصرفية الإسلامية من الجامعة الإسلامية العالمية بماليزيا عام ٢٠١٦ م. وشهادة الدكتوراه (٢) في الفقه المقارن وأصول الفقه عام ٢٠١٩ م. والماجستير في الفقه المقارن وأصوله من جامعة الكويت عام ٢٠٠٩ م. والليسانس في الفقه المقارن وأصول الفقه من جامعة الكويت عام ٢٠٠٥ م. محاضرة ومدرسة معتمدة في فقه المعاملات المالية والمصرفية الإسلامية، عضوة في عدد من اللجان. نشرت ١٥ بحث علمي محكم، وحكمت عددا من الأبحاث، ولها عدد من الأنشطة البحثية.

الامتصاصات البحثية: الفقه المقارن، أصول الفقه، القواعد والنظريات الفقهية، المعاملات المالية المعاصرة، الاقتصاد الإسلامي.

point of view of Shariah. This research is based on the technical study of the currency devaluation policy, and then its evaluation from a Shari'ah point of view. The research began by defining the International Monetary System, clarifying the Balance of Payments and Exchange Rate, and stating the currency devaluation policy, then this research concluded with a set of results and a legitimate root for them from the perspective of SharĒ'ah.

**Keywords:** *Currency. IMF. SharĒ'ah. Devaluation. Monetary. Export. Import. Exchange.*

## 1. 1 INTRODUCTION

All praises be to Allah the Master of all the words, and blessings and peace be upon Prophet Muhammad, and his household and all his companions, and those who follow them with righteousness and good deeds until the day of Judgment.

Money plays a role in increasing the economic growth of countries, and at the same time it may be considered a tool for economic fluctuations if it is not well organized. Therefore, there are many monetary measures and policies taken by countries with the aim of regulating the value of this money, its quantity, methods of payment, and its impact aiming to achieve economic growth for societies, and to reduce the negative effects of causing economic fluctuations.(1)

The contemporary economy, despite its material developments

---

(1) See: Dr. RayĒn TawfĒq, NaĎryah al-NuqĒd FĒ al-Fiqh al-IslĒmĒ, DĒr al-Fath. 2014, p 39.

and contemporary technological means, still suffers from a loss of a comprehensive methodological vision to bring about a just development that is compatible with sound instincts. And the extent of compatibility of its reform policies and programs with Islamic Sharī'ah. Despite the global dispute in views among the people of politics and economics in evaluating the role of the IMF and its reform programs between those who exaggerate the role of the IMF in support of it and those who oppose the IMF, the role played by the IMF in managing the global economy is undeniable. Since these programs run by the IMF(1) do not take the Islamic economic system into consideration a need has grown to contrast these policies with the Sharī'ah in order to evaluate them. Among these policies is currency devaluation; hence, this study looks into this policy in detail with through a statistical *Sharī'ah*-based evaluation to reveal its impact on the society and the extent to which it is beneficial.

Furthermore, the issue of money and monetary policy is one of the old and contemporary issues that scholars have been addressing in the fields of research and ijtiḥād, including the issue of currency devaluation. The Research abounded in it, and it was written in a section of university theses and publications, and perhaps the importance of the topic comes from the large number of what was written about it to edit, refine and criticize it. On the other hand, some issues of this subject still need further

---

(1) Agreement of Establishing the IMF. IMF website: <http://www.imf.org>; Saḥnānī, 'Izz al-Dīn, Ṣundūq al-Naqd al-Duwalī wa al-Musāhamah al-Su'ūdīyah (The International Monetary Fund and the Saudi Contribution), (Beirut: Ma'had al-Inmā' al-'Arabī, 1983 AD), p.13.

explanation, especially about the statement of the legal aspect, to refine and liberate.

## **1.2 Statement of the Problem**

This study is important from the depth of discussion and debate among economists about the feasibility of the impact of currency devaluation in achieving economic balance for developing countries, from the point of view of Islamic economics. The research problem can be answered with the following questions:

1. What are the objectives to be achieved by devaluing the currency exchange rate?
2. What are the effects of the currency devaluation policy?
3. What is the evaluation of the policy of the currency devaluation from the point of view of Islamic economics?

## **1.3 Objectives of the Research**

This research aims to achieve several things, including:

- a) Determining the objectives to be achieved by devaluing the currency exchange rate.
- b) To enumerate the effects of the currency devaluation policy.
- c) To assess the devaluation policy from the point of view of Islamic economics.

## **1.4 Research Methodology**

The research method is based on the inductive approach in extrapolating and following the policies of the currency devaluation

exchange rate and extrapolating the opinions of Islamic scholars and specialists in the research area. Then evaluating it according to the deductive inductive approach to reach the legal ruling for these programs and policies.

### 1.5 Significance of the Study

This research derives its importance from the role that the exchange rate plays, and its impact on macroeconomic variables, to achieve internal and external balance.

### 1.6 Literature Review

There are many studies that have talked about the policy of the currency devaluation; some studies followed the statistical approach to study the impact of the currency devaluation policy on a particular country, such as:

1. Al-‘uqĒn NĒdiyāh, Miq‘š SĒmiyāh, *QyĒs Athri TakhfĒz Qiyamat al-‘Umlah ‘AlĒ Ma‘dal al-TadakhumFĒ al-JazĒir KhilĒl al-Fatrat* (1990-2013).

This study talked about the impact of currency devaluation on the inflation rate in Algeria during the period (1990-2019). The study showed that there is an inverse relationship between the exchange rate and the inflation rate in Algeria.

2. Abdullah Khadr ‘AbtĒn al-Sab‘awi, *Athr TakhfĒz Qiyamat al-‘Umlah FĒ MĒjĒn al-MadfĒ‘Ēt -Iran as role model* (1990-2011).

This study was to measure the effectiveness of currency devaluation in addressing the imbalance in the balance of payments

of the Republic of Iran. The study showed the ineffectiveness of the currency devaluation policy in addressing the imbalance in the balance of payments in the long run.

3. Dr. Aiman Isma'îl Muhammaed KhÉled, *TakhfÊd QÊmat al-Janyah al-MisrÊ wa AthruhË 'AlÉ MÊjËn al-MadfË'Ët KhilÉl al-Fatrat from 1990/1991 to 2015/2016 AD.*

This study proved that despite the successive devaluations of the pound, this did not have a significant impact on improving the balance of payments.

And some studies have also talked about the subject from theoretical point of view, such as:

4. Ibn Talha Ma'oshišË Bw'léM, *TakhfÊl QÊmat al-'Umlah Bain al-WÉqi' wa al-ÛumËh*, Journal of Economic Studies, Number 21, November 2019 AD, Algeria.

5. Bw'sah Mubāarak, *Al-SiyËsat al-Naqdyah wa ÓthËr TakhfÊl al-'Umlat al-Walāniyyah*, Journal of Human Sciences Faculty of Economics, Mentouri University-Constantine, Number 12, Algeria, 1999 AD.

These two studies dealt with the issue of currency devaluation and its definition, procedures, and perceptions, without discussing it from a legal (*SharË'ah*) point of view.

This research benefited from previous studies in these aspects as mentioned above. This research seeks to study the policy of devaluing the currency exchange rate while discussing it from the legal (*SharË'ah*) point of view, to clarify what is permissible from

it and what is prohibited. The research also aims to develop some legal controls, if necessary, In ShÉ-Allah.

## 2. THE BALANCE OF PAYMENTS AND EXCHANGE RATES

### 2.1 Understanding the Balance of Payments

The balance of payments is that record that annually reflects the state’s relationship with the rest of the world, through which it is possible to evaluate the state’s economic performance, according to the revenues that enter the state, and the payments that come out of it, and it consists of two main accounts: the current account, and the capital account. The first one contains transfers from and to the state, and the second account contains short and long capital flows, foreign aid, and gifts. The current account must always be in equilibrium with the capital account so that if any shortage or surplus appears in the current account, it must be faced with a surplus or shortage in the capital account. <sup>(1)</sup>

If it appears, for example, that what has been spent by the state abroad is greater than what has been entered into it, then this is called a deficit in the current balance and the state must cover it and strive to encourage the inflow of funds inside by reducing taxes and increasing the rates of return on local investments compared to the return abroad. This results in a decrease in the exchange

---

(1) See: Abul QÉsem, JÉyerÉ, Al-Ajamah al-MÉliyah al-Mu‘Ésarah: Al-AsbÉb wa al-DurÉs al-MustafÉdah, al-MultaqÉ al-DualÉ al-ThÉlith Hawla IdÉrat al-MukhÉtir FÉ al-MuassasÉt, al-ÓfÉq wa al-TahaddiyÉt, 25-26 November 2005 AD, University of Shlef, p 7-9. <http://www.alaswaq.net>

rate of the country's currency, which encourages the demand for state products and encourages the introduction of more funds to the state and achieving balance. This may not be achieved with countries that follow the policy of stabilizing the exchange rate, so this reservation is covered by the official reserves of the state, and if the state does not have sufficient reserves, it resorts to the International Monetary Fund to borrow.<sup>(1)</sup>

A balance of payments crisis may occur in the event of a shortfall in foreign capital flows into the country or an increase in outflows from the country, which leads to a rapid devaluation of the currency exchange rate, which affects the ability of the currency to perform its task as a medium of exchange or store of value,<sup>(2)</sup> and this is what happened to Thailand in the 1997 crisis.<sup>(3)</sup>

## **2.2 Defining the Currency Exchange Rate**

In internal trade, countries are subject to a single monetary system, which is the national currency, in which the prices of things are evaluated. In foreign trade, the process of linking the prices of the national currencies of different countries through the foreign exchange rate of the international convertible currencies, and the exchange rate of the currency is a means to link the economies of

---

(1) Hossain, Akhtar and Anis Chowdhury. *Open Economy Macroeconomics for Developing Countries*, (U.K: Edward Elgar, 1998 AD), P.12-13.

(2) Krugman, P., "A Model of Balance-of-Payments Crises," *Journal of Money, Credit and Banking*, 1979 AD, Vol. 11, No. 3, pp. 311-25.

(3) Dittmer, Lowell, "The Asian Financial Crisis and the Asian Developmental State: Ten Years After", *Asian Survey*, 2007, Vol. 47, No. 6; PP. 829-836.

the world together. <sup>(1)</sup>.

The exchange rate can be defined as: the price of the local currency in relation to the foreign currency. <sup>(2)</sup>. The currency exchange rate can also be defined as the price of a currency against another one, where the first currency is a commodity and the other is its price<sup>(3)</sup>. The exchange rate against other currencies is one of the most important indicators by which the strength of the economies of countries is measured. As a result of the increased demand for it, the exchange rates depend on the nature of the economic structure of the countries.<sup>(4)</sup> As the producing economies impose their currencies in the market through the preponderance of their balance of payments.<sup>(5)</sup>

---

(1) La'arūq, Ḥanān, Siyāsah Si'r al-Ṣarf wa al-Tawāzūn al-Khārijī Dirāsah Ḥālah al-Jazā'ir (The Policy of Currency Exchange Rates and External Balance: A Case Study of Algeria), (Algeria: Université des Frères Mentouri, Master Thesis in Economic Sciences, 2004 AD), p.109.

(2) Ramzī Zakī, Al-Tarīkh al-Naqdī lil-Takhalluf (The Monetary History of Backwardness), (Kuwait: Silsilah 'Ilm al-Ma'rifah, 118, 1987 AD), p.7.

(3) Mayer, Duesenberry, & Aliber, Trans: Al-Sayyid Ahmad 'Abdul-KhÉliq & Aḥmad Badī' Bilayh, Al-Nuqūd wa al-Bunūk wa al-Iqtisād (Money, Banking and the Economy), (Kingdom of Saudi Arabia: Dār al-Marrīkh, 2002 AD), p.247. Tomas Jems and others, Trans: Al-Sayyid Ahmad al-KhÉleq, Ahmad BadÉ' BalÉh, Al-NuqÉd wa al-BunÉk wa al-IqtisÉd, (Al-Mamlakat al-'Arabīyyah al-Sa'wodiyyah: DÉR al-MirrÉkh, 2002 AD), p 247.

(4) NazÉh, SalÉmat, Ta'thÉr TakhfÉd QÊmat al-'Ōmlah AlÉ al-MÊjÉn al-TijÉriyyah, DirÉsah HÉlah al-JazÉir, Al-JazÉir: JÉmi'ah Khaidarah, 2013 AD, An Unpublished Master thesis, p 3.

(5) Ng Yuen-Ling, And others, Real Exchange Rate and Trade Balance Relationship: An Empirical Study on Malaysia, University Tunku Abdul Rahman, International Journal of Business and Management, Vol 3, No8, p130

Also, it is the number of national currency units that should be paid to purchase one unit of a foreign currency<sup>(1)</sup>. The currency exchange rate is a method to connect the world economies with one another<sup>(2)</sup>.

### **3. The CURRENCY DEVALUATION POLICY**

The policy of devaluating the national currency exchange rate is considered among one of the most important economic reform programs adopted by the IMF in regard to developing nations to stabilise their balance of payments<sup>(3)</sup>.

The currency devaluation means to reduce the value of the official exchange rate of a currency against a global reference currency such as the US Dollar in current times, where the number of units of foreign currency reduce in exchange for the national currency at the time of exchange. This occurs when the currency exchange rate is directly managed by the state, where the exchange rate is determined through a government decree, meaning that the devaluation is the result of the state's will to

---

(1) Majdī Maḥmūd Shihāb, *Al-Iqtisād al-Duwalī al-Mu'āṣir* (Modern Global Economy), (Alexandria, Egypt: Al-Dār al-Jami'iyah al-Jadīdah, 2007 AD), p.244.

(2) Najāh, Salāmah, *Ta'thīr Takhfīd Qīmah al-'Umlah 'alā al-Mīzān al-Tijārī Dirāsah Hālah al-Jazā'ir* (The Effect of Devaluating the Currency Value on the Commercial Scale: A Case Study of Algeria), (Algeria: University Mohamed Khider of Biskra, Unpublished Master Thesis, 2013 AD).

(3) The balance of payments refers to the record of transactions conducted into a country and out of it. Harmony in the balance of payments is achieved between the exports and imports, meaning that the gross exports should be equal to the gross imports. When exports exceed imports a deficiency forms. Refer to: Bakrī, Kāmil, *Al-Iqtisād al-Duwalī*, p.266.

stabilise its commercial balances that suffer from deficiency, or to reduce the impact of such deficiency, or to revitalise national production. <sup>(1)</sup>.

There is also a difference between depreciation or decline of the currency and devaluation of that. The depreciation of the currency is every automatic decline that occurs in the exchange rate of the currency related to the movement of the markets because of the interaction of the forces of supply and demand without the intervention of the monetary authorities. The policy of the currency devaluation refers to the devaluation that is subject to the direct management of the state, a decrease that countries deliberately make in the value of the local monetary unit when it is evaluated in foreign monetary units, which results in lowering domestic prices denominated in foreign currencies, and raising foreign prices denominated in domestic monetary units. <sup>(2)</sup>

The decline or depreciation of the currency may be an automatic movement, as a result of one of the previous factors, and the decline may be the result of an intentional devaluation process by the monetary authorities under pressure or certain circumstances to deal with external imbalances and reduce the loss of reserves

---

(1) Sumayyah Zīrār et al. Athar, Siyāсах Si'r al-Şarf al-Ajñabī 'alā al-Mīzān al-Tijārī al-Jazā'irī (The Effect of the Currency Exchange Rate Policy on the Algerian Commercial Scale), (Jordan: Majallah al-'Ulūm al-Idārīyah), 2, p 364. Petrović, Pavle; & Gligorić, Mirjana, Exchange Rate and Trade Balance: J-curve Effect, (Panoeconomicus, 2010 AD), 1(57), pp. 23-41.

(2) See: La'rĒq, HannĒn, Siyasat Si'r al-Sarf wa al-TawĒjun al-KhĒreji, -DirĒsat HĒlat al-JazĒir- A Master Thesis in Economics, Al-JazĒir: JĒmi'at Mentouri, 2004 AD, p 109.

and is done by an official decision to achieve certain goals, and this procedure can only be taken In the event of a basic balance of payments deficit.<sup>(1)</sup>

### **3.1 Objectives of the Devaluation Policy**

The countries resort to reducing the exchange rate of their currencies for many goals. Some economists have divided them according to time periods as follows:

β Short-term goals: Remedy or reducing the trade balance deficit.

β Medium-term goals: improving or raising the competitiveness of national goods.

β Long-term goals: Achieving positive balances of foreign exchange reserves, which is used to counteract future shocks.<sup>(2)</sup>

In general, these goals fall into the latter in one main goal, which is to rebalance the differences in the trade balance, and in the balance of payments in general, or to reduce the size of this deficit, or to stimulate national production.

This policy aims to encourage exports and reduce imports, by reducing the exchange rate of the national currency in relation to foreign currencies, which leads to a decrease in the level of

---

(1) Sherine Al-Shawarby, Forecasting the Impact of the Egyptian Exchange Rate on Exports, Faculty of Economics and Political Science, Cairo University, October 1999 AD, p14

(2) See: Muhammed 'Abdul 'AzÊz 'Ajamiyyah, AL-IqtisÉd al-DuwalÊ, A theoretical and applied study, Egypt: without publisher, 2000 AD.

commodity prices in the discounting country in relation to residents abroad. Because devaluation makes it cheap against other currencies, converting the same amount of their currency will give them a larger amount of the depreciating country's currency. Which makes local goods cheaper compared to foreign goods, which allows them to purchase the products of that country at a lower price and leads to the encouragement of exports. On the contrary, for the reducing country, it works to limit the export of capital abroad, due to the high prices of imports to them, as paying them the same amount of their currency will give them a smaller amount of the currencies of other countries, and thus the high prices of the products of these countries for them.

The devalued currency helps investors and companies open their industries and businesses in the country; because the cost of labor and the cost of operating the work are relatively lower due to the weakness of the currency, which contributes to solving the problem of unemployment.

**But the success of the policy of devaluation of the currency in achieving its objectives requires the availability of the most important conditions:**

- a) Existence of foreign demand for national goods and services.
- b) The extent to which the demand for exports and imports responds to price changes resulting from the devaluation of the

currency.<sup>(1)</sup>

c) Having a high domestic production capacity that responds to foreign demand.

d) The ability to manufacture with similar quality, at competitive prices for goods imported from abroad, to facilitate the replacement of national products, otherwise the policy of reduction will not make sense.<sup>(2)</sup>

e) The necessity of providing stability in local prices and not increasing them after the devaluation of the currency so that this rise would not be reflected in the cost of local products.

f) This reduction should not be matched by a reduction by other countries of the external value of their currencies, otherwise the desired goal will not be achieved. The fear of following this reduction with another reduction may reduce the demand for foreign currencies on the country, and consequently the lack of exports and the preservation of the deficit as it is.<sup>(3)</sup>

### **3.2 The Effects of the Currency Devaluation Policy**

---

(1) See: 'Abdullah Khadr 'Abt'En al-Sab'āwy, Athru Takhf'Ed Qiyam al-'Umlah FÊ MÊj'En al-Madf'Ét -Iran as a role model, Markaj al-Dir'ÉSÉt al-Iql'Emiyah, Nmbur: 2013, 10, p 243.

(2) Ibid, Abt'En al-Sab'āwy, Athru Takhf'Ed Qiyam al-'Umlah FÊ MÊj'En al-Madf'Ét, p 243

(3) See: Subh'É Haswan al-SÉ'id'É, Prof. Dr. Ham'Ed 'Abd: Athru Tahf'Ed S'ar al-Sarf 'AlÉ Ba'di al-Mutagayyir'Ét M'a al-Tark'Éj 'AlÉ Intiq'Él Rw'Es al-Amw'Él FÊ Buld'En Mukht'Érah, Aby'Er University Journal of Economic and Administrative Sciences, Number: 7, Year 2011, p 91.

The policy of Currency Devaluation has positive and desired goals mentioned in the previous section, but it is not required in all conditions; accelerating in the implementation of the reduction without a careful study that takes in considering all the economic controls that determine the success of this approach may negatively affect the economies of countries which are as follow:

β The Devaluation of the national currency does not necessarily mean an increased exports automatically; it is not the currency rate alone that controls the volume of exports and imports in a country’s economy, rather the quality of what the country produces and exports.<sup>(1)</sup>

β Many developing countries are devaluing their currency depending on their industries on importing production inputs and means of transportation, which will increase the cost of producing goods. The rise in the prices of inputs in the production process is automatically reflected in the prices of the final products, which negatively effects on demand, and leads to a decline in production and then sales.

β The rise in the value of the dollar relating to the local currency may cause the public sector to disability to production supplies purchase or its reduction, which leads to stop production or reduction.<sup>(2)</sup>

---

(1) See: MaqrÉnÊ ‘Abdul ‘AzÊz: MuhÉwalat MuhÉkÉt Athri TakhfÊd al-DhÊnÊr al-JazÊirÊ ‘AlÊ Ba’di al-MutagaiyyirÊt al-IqtisÉdiyyah al-Kuliyyah, A master dissertation in Economics, A quantitative economic department, University Alger.

(2) See: SÊmah ZyrÊr and others, Athru SiyÊsat Sa’ri al-Sarf al-AjnbÊ ‘AlÊ al-MÊjÊn al-TijÊri al-JazÊairÊ, Joudan: Mijallat al-IdÉriyyah, Number: 2, p 364.

β The devaluation of the currency may improve the trade balance, i.e., reduce imports and increase exports, and thus increase its foreign exchange earnings. However, the reduction may be counterproductive. The currency devaluation does not necessarily lead to an improvement in the trade balance, because the efficiency of the export process depends on the flexibility of the production apparatus within the country. If the whole world accepts the products of that country; but its production apparatus may fail to keep pace with the depreciation of the national currency exchange rate, and the purpose will not be achieved.<sup>(1)</sup>

β If the devaluated country's dependence on imports is great, the devaluation will be less effective, especially if the products consummated essentially, cannot be dispensed with, or if the raw materials that enter local manufacturing and have no local alternative. Therefore, the increase in the prices of these imports leads to a decrease in the purchasing power of the local citizen, and the country will be affected by imported inflation because of the high prices of those imports.<sup>(2)</sup>

β Continuing in Currency Devaluation leads to price hiking inside the country, then the emergence of a severe inflation condition and consequently a lower standard of living for the low-income groups, and leads to higher interest rates, and this in turn leads to material gains for social classes at the expense of

---

(1) Ibid, Athru SiyÉsat Sa'ri al-Sarf al-AjrabÊ 'AlÉ al-MÊjÉn al-TijÉri al-JazÉairÊ, Joudan: Mijallat al-IdÉriyyah, Number: 2, p 364.

(2) See: Ibn TÊrash 'AtÉullah, TakhfÊd Qiyam al-DÊnÊr al-JazÉairÊ wa AthruhÊ 'AlÉ Tatawwur al-Kutlat al-Naqdiyyah, (130) M2.

other classes.<sup>(1)</sup>

β Non-fixing realistic price for the national currency, which leads to a reduction in its comparative features with the high cost of financing. Moreover, the gradual devaluation of the currency does not give an indication of the true value and its equilibrium price, as it is not known when and at what level of this reduction will stop, and thus the deterioration of confidence will be in the value of the local currency.<sup>(2)</sup>

β The reduction may also lead to residents’ resorting to saving foreign currencies instead of local currencies and their tendencies to consume, and in return the national saving rate will decrease, which will negatively effect on the possibility of financing development projects.

β The existence of a disparity between the supply and demand for foreign currencies creates a state of mistrust, and leads to the efflux abroad; Consequently, the country’s foreign exchange earnings decreased, since the holders kept them abroad and used them while necessary in speculative activities.<sup>(3)</sup>

---

(1) See: SubhÊ Haswan al-SÊ‘idÊ, Prof. Dr. HamÊd ‘Abd: Athru TahfÊd S‘ar al-Sarf ‘AlÊ Ba’di al-MutagayyirÊt M‘a al-TarkÊj ‘AlÊ IntiqÊl RwÊs al-AmwÊl FÊ BuldÊn MukhtÊrah, AbyÊr University Journal of Economic and Administrative Sciences, Number: 7, Year 2011, p 91.

(2) See: SubhÊ Haswan al-SÊ‘idÊ, Prof. Dr. HamÊd ‘Abd: Athru TahfÊd S‘ar al-Sarf ‘AlÊ Ba’di al-MutagayyirÊt M‘a al-TarkÊj ‘AlÊ IntiqÊl RwÊs al-AmwÊl FÊ BuldÊn MukhtÊrah, AbyÊr University Journal of Economic and Administrative Sciences, Number: 7, Year 2011, p 91.

(3) See: KarÊmah JaltÊ, Athru TakhfÊd Qiyam al-DÊnÊr al-JazÊirÊ ‘AlÊ al-TijÊrah al-KhÊrijyah KhilÊl al-Fatrah 1994-2017 AD, Algerian Journal of Management and

These are some of the effects, and the effects of currency devaluation in general remain hostage to the nature of each individual economy, its production specializations, the level of its openness and its integration into international trade.<sup>(1)</sup>

#### **4. THE MONETARY SYSTEM AND DEVALUATION POLICIES FROM THE PERSPECTIVE OF THE ISLAMIC ECONOMY**

##### **4.1 Shari'ah Stance on the International Monetary System**

Islam specified gold and silver as a monetary basis and attached the legal rulings to them and made them a standard for goods and services, but it did not forbid the exchange with others, so scholars were divided in defining cash from other than gold and silver into two parts. Where a group of scholars went to the fact that gold and silver are the basis of prices, and it is not possible to launch cash on others, and the other group expanded, so it did not require a specific substance for cash, but rather defined cash with everything that played the role of price, whether it had a value in itself or was popular and accepted among the people or happened. It is obligatory by force of law.

The difference of scholars in defining cash is due to their difference in determining the reason for the prohibition of usury in the two currencies. Some scholars limit the reason for cash to the fact that the two coins are gold and silver. The cause is limited to them and cannot be transgressed to anything other than gold

---

Economy, Number 14, p 57.

(1) Ibid.

and silver, and the other party went to transgressing the cause to something other than gold and silver, making the cause the weight with the union of same thing, or it being a price with the origin of creation. Some scholars expanded on that, making cash everything that takes the place of the two cash, so the reason is absolute price. So, anything that people like to be a price is cash that takes the place of gold and silver.

Imam Malik (RA) said: “And if the people permitted the leather among them even it will have a valuable curved coin, I would have disliked it being sold for gold and banknote at a glance.”<sup>(1)</sup> So, he permitted leather to take the place of gold and silver in the price.

The discussion that applies to banknotes; among the scholars are those who did not consider it legal money and described it as bonds with debts or offers that take the quality of the price. The majority of scholars and jurisprudence academies went to the value of paper money and its place in the place of gold and silver in the description of price, and the flow of both types of usury in it, and this is the closest to the truth; because paper money is not separated by a text, so it remains on the principle of the solution, and it is governed by achieving the interests of the nation. So, there is no legal objection to substituting these paper currencies for gold and silver, because that is facilitating and removing embarrassment and hardship for people, because Islamic Shariah

---

(1) Al-AsbahÊ, MÉlik Ibn Ónas Ibn MÉlik Ibn ‘Ómer al-MadanÊ, Al-Mudawwanah al-KubrÉ, (DÊr al-Kutub al-Ilmiyyah, 1st ed., 1415 H., 1994 AD), Vol. 3, p 5.

is based on the interests of the people<sup>(1)</sup> and legitimate matters with its purposes and meanings, not with its words. Also, banknotes are generally accepted in circulation, and bear the characteristics of prices in terms of being a measure of values and a repository of wealth, and through which public release is achieved. The price is clearly realized in these banknotes, as paper currencies today have become a price for things by the force of the law, and obligations are paid by them as is customary among the people. Therefore, the Fiqh councils and the Council of Senior Scholars have stated that banknotes are considered money, such as the establishment of cash in gold, silver, and other prices, and that they are multiple types with the multiplicity of issuers.<sup>(2)</sup>

Sheikh Ibn Taymiyyah (RA) said: "As for the dirham and the dinar, there is no known natural or legal limit for it. Rather, it is a means of dealing with it, and that is why it has costs ... until he said: And the pure means that has no purpose, neither with its substance nor its form, will achieve the purpose, whatever it may be."<sup>(3)</sup>

---

(1) Ibn al-Qiyyum, Muhammad Ibn AbÊ Bakr Ibn AiyyËb Ibn Sa'ad ShamsuddÊn, A'lÊm al-Muwaqqi'Ên, Ad.: TwÊhÊ 'Abdur RawËf Sa'ad, (Egypt-Cairo: Maktabat al-KulliyÊt al-Azhariyyah, 1978 AD), vol. 3, p 3.

(2) Senior Scholars' Council of Saudi Arabia No. (10) dated 08/17/1393 AH decided regarding the fact that banknotes are considered money independently, as cash in gold, silver and other prices.

(3) Ibn Taimiyyah, Abu al-'AbbÊs Ahmad Ibn 'Abdul HalÊm al-HurÊni, Majmu' al-FatÊwÊ, -Ad.: 'Abdur RahmÊn Ibn Muhammad Ibn QÊsem, (KSA-Al-MadÊnah al-Munawwarah: Majma' al-Malik Fahad LitabÊ'ah al-Mushaf al-SharÊf, 1990 AD), Vol. 19, p 251.

To sum up, the banknotes take the ruling on the two currencies gold and silver and the rulings that apply to the two currencies apply to them. Because the replacement has the rule of the replacement in the custom of jurists. As for the rule of the current dollar system and the suspension of the purchasing power of currencies and banknotes in the hands of an infidel state (non-Muslim) that administers Muslim peoples according to its interests and extends its influence over them. The principle is that this is not permissible because of the Allah Almighty's saying: "And Allah will not make a way for the unbelievers over the believers."<sup>(1)</sup>

The meaning of this verse is that it is forbidden for non-Muslims to have authority over Muslims. if Muslims seek to give others authority over them, then they are sinful and sin does not rise from them until they cut off the means of other people's domination over them, but perhaps that is excluded from the rule of *SharĒ'ah* and falls under the rule of necessities.

As a result of the state of weakness afflicting the Islamic world today, and the great harm that may befall the state and its economy if it fails to comply with the dollar system and the decisions of the International Monetary Fund and the great powers, with the importance of the Islamic countries striving to strengthen their production and return to their religion in a way that preserves their economy and dignity.

### 4.2 Sharī'ah Stance on the Currency Devaluation

Islamic *Sharī'ah* came to ensure the people's welfare and

---

(1) Al-Quran, 4: 141

those are by bringing benefit to them and repelling harm from them. Therefore, the basic rules were laid down and separated in what needs to be detailed and does not change with the change of times and left many things to be organized in each era in according to conditions and requirements and according to the real welfare of individuals or groups.

The basic principle is that it is permissible to make *ijtihād* in contemporary issues to find out the *Sharī'ah* rulings based on the welfare principle. Prophet Muhammad (peace be upon Him) said: "You know best about your worldly matters."<sup>(1)</sup> And Islamic law did not interfere with imposing a specific way of managing worldly matters except in terms of legalizing some things that may bring harm.

In the aspect of money, Islamic *Sharī'ah* seeks to stabilize the value of money, and the jurists have long talked about the role and responsibility of the state or country in preserving this. They have expanded on explaining the measures that the ruler should take to deal with currency minting and fraud. The *Šar'Ê* legislator set controls to set the limits of the dealings or behavior of the ruler, judges or the leaders and the subjects in regulating the criticism of the country in a way that serves the interests and the welfare of Muslims, and is not a cause of corruption and disorder of conditions. They made it clear that the defrauding the currency, changing it or decreasing it is something that the ruler, judge, or leader is forbidden to do except in the narrowest scope

---

(1) Muslim, Hadith Number: 2361.

to ward off a greater corruption, if it does not negatively affect the conditions of Muslims, or imposes on them obligations greater than what they owe. Islamic *Sharī'ah* only came to establish and ensure the happiness of the people and to show the proper ways and methods for that. The Imamate (leadership), as Imam al-Mawardi made clear, has a general view of the interests of the community and the management of the nation.<sup>(1)</sup>

Devaluation of the currency or any other measure that affects the value of the currency is not objected to by Islamic *Sharī'ah*. if it does not affect the stability of the currency and it does achieve the public interest and welfare.

The interest or benefit that is approved by the *Sharia'h* is the one that is of the type of interests that the Islamic *Sharia'h* came to achieve, and if there is no evidence for it to be taken into account, then every real interest is not illusory, general for all Muslims, does not conflict with the evidence of the established *Sharia'h*, and does not conflict with an interest more important than or similar, it is an interest considered in *Sharia'h*.<sup>(2)</sup>

However, upon investigation, the policies of the currency devaluation do not achieve benefits in all situations and conditions. Rather, many statistical experiences have proven that this policy is considered as one of the things that hinder economic growth<sup>(3)</sup>,

---

(1) Al-Māwrdy, Al-AhkĒm al-SultĒniyyah, Ed. Ahmad JĒd, Cairo: DĒr al-HadĒth, p 15.

(2) Ibn 'ŌshĒr, MaqĒsid al-SharĒ'ah, p 31.

(3) NazĒh, SalĒmat, Ta'thĒr TakhfĒd QĒmat al-'Ōmlah AIĒ al-MĒjĒn al-TijĒriyyah, DirĒsah HĒlah al-JazĒir, Al-JazĒir, JĒmi'ah Khaidarah, 2013 AD, An Unpublished

and the benefits in implementing this policy in some countries may be considered an illusory and not real profit. Rather, it may be non-existent, as the experiences of many countries have indicated that there is no relationship between the policy of devaluation of the currency and the desired economic growth, and at the same time this desired interest with the imposition of its realization may conflict with more important interests, and bring greater evils than them, as follows:

a) The reduction policy is not sufficient to increase exports and limit imports, because although this policy would reduce imports, this does not mean, in return, an increase in their exports, as some countries are considered to have a limited production capacity to provide exportable goods, so the success of this policy must be It relates to the declining country's economy.

b) In addition to this the negative impact of the policy of reduction on domestic prices, which will not be stable compared to the previous period of the reduction due to the high cost of raw materials imported from abroad, followed by raising the prices of products.

c) The tendency of individuals to buy a larger amount of local goods for fear of a rise in their prices, which may lead to inflation and successive rises in prices, and what results from inflation by following some illegal methods to achieve profits, and black markets appear, and the display and marketing of inferior goods,

and inflation leads to a rise interest rates. Then a redistribution of income and wealth for the benefit of the rich, and Islam sought to reduce material differences between the classes of society by legislating zakat and equitable distribution of production resources and encouraging participation.<sup>(1)</sup> The Almighty says: "... In order that it may not (merely) make a circuit between the wealthy among you"<sup>(2)</sup>.

d) Moreover, the reduction often leads to the brain draining of the capital abroad in order to avoid losing its value further, and it may lead to what is known as the phenomenon of brain drain as many researchers as possible and technicians may have to emigrate due to the decrease in real income during the period of devaluation of money.<sup>(3)</sup>

e) The texts of Islamic Sharia'h are concerned with the necessity of preserving money, which is one of the five necessities that Sharia'h came to achieve and preserve, and thus the policies that result in the loss of people's money and rights are contrary to the purposes of Islamic Sharia'h.

f) Continuing to evaluate the currency, leads to higher prices and a lower standard of living for the low-income groups as mentioned above<sup>(4)</sup>. The benefits of the society in the Islamic

(1) See: RafÊq al-MistrÊ, UsÊl al-IqtisÊd al-IslÊmi, Damascus: DÊr al-Qalam, p142.

(2) Al-QurÊn 59: 7.

(3) See: KarÊmah JaltÊ, Athru TakhfÊd Qiyam al-DÊnÊr al-JazÊirÊ 'AlÊ al-TijÊrah al-KhÊrijyyah KhilÊl al-Fatrah 1994-2017 AD, Algerian Journal of Management and Economy, Number 14, p 59.

(4) See: SubhÊ Haswan al-SÊ'idÊ, Prof. Dr. HamÊd 'Abd: Athru TahfÊd S'ar al-Sarf

economy are represented in the society's ability to reach a decent life in which every individual enjoys an adequate standard of living. The state or the country in the Islamic system bears many responsibilities in the economic field including working to combat forms of poverty and need in society and ensuring the basic needs of all its citizens such as food, clothing, treatment, housing, and education etc. Therefore, the exchange rate devaluation policy must be accompanied by a policy of limited support for importing basic commodities necessary for the disadvantaged, low-income groups, as well as an effective policy to limit the increase in differences in the levels of income and wealth, so that socio-political relations are not exposed to disturbance.

g) Not fixing a realistic price for the national currency leads to creating a distrust state, while reducing the comparative feature of the currency and increasing the cost of funding. Moreover, the gradual devaluation of the currency does not give an indication of the real value and its equilibrium price<sup>(1)</sup>. It is not possible to know when and at what level this reduction will stop, and this does not fit the price at which the valuation of money is known. The basic principle is that the price should be limited and exact. Dropping the price in every time makes it like commodities and there is no

---

'AlÉ Ba'di al-MutagayyirÉt M'a al-TarkÉj 'AlÉ IntiqÉl RwÉs al-AmwÉl FÊ BuldÉn MukhtÉrah, AbyÉr University Journal of Economic and Administrative Sciences, Number: 7, Year 2011, p 91.

(1) See: SubhÉ Haswan al-SÉ'idÉ, Prof. Dr. HamÉd 'Abd: Athru TahfÉd S'ar al-Sarf 'AlÉ Ba'di al-MutagayyirÉt M'a al-TarkÉj 'AlÉ IntiqÉl RwÉs al-AmwÉl FÊ BuldÉn MukhtÉrah, AbyÉr University Journal of Economic and Administrative Sciences, Number: 7, Year 2011, p 91.

price left for people to consider sales, and the people's need for a price at which they consider sales as a general necessity, in order to set things right, such as enjoying comparative stability of gold and silver in their value, although in the present era it is difficult to call for a return to the gold system for the sake of attaining the stability of the value of money, but at least that these banknotes preserve their values and not resort to reducing them ever.

It is clear from the foregoing that the devaluation of currencies, with the accompanying changes in the value of money, leads to harming the welfare and interests of the general Muslims in many countries by harming them by means that lead to the realization of their economic goals. Everything that leads to harming the interests of Muslims is prohibited based on what Prophet Muhammad (peace be upon Him) said, "there is no harm, nor return of harm".<sup>(1)</sup> And based on the purposes or objectives of Islamic Sharia'h, which came to achieve the interests or welfare of the people and to prevent harm from them. Therefore, the dominance of the fund and its interference by imposing this policy or any other is something that is rejected by Islamic Sharia'h. The Islamic state or Muslim country has sovereignty and a special entity that allows it to choose the best for itself without subordination or introversion to others. The deficiency in the balance of payments can be fixed in numerous ways, such as via families who spend more than they earn, hence a balance can be reached by economising and reducing expenditure or increasing income. The same applies to

---

(1) Sunan Ibn MĒjah, Book of AhkĒm, BĒb Man BanĒ FĒ HaqqihĒ MĒ Yadurru BijĒrihĒ, Hadith Number 2340.

the government that must seek a balance in encouraging exports by increasing the quantity and quality of production or by reducing or even waiving taxes on its exported products, and in reducing imports by banning the import of certain luxury products or increasing their import tariffs. These measures ought to be taken before deciding to take loans or devaluing the currency, which as a result lead to inflation and tarnishes the reputation of the country. Additionally, following a policy of devaluing the currency may lead to economic depression when more than one country implements the same policy, such as what happened during the great depression.

## **5. CONCLUSION:**

This study sought to define the current monetary system, and to define the policy of the currency devaluation to address the imbalance in the balance of payments, followed by standing on the legal ruling of this policy and set the most important controls that must be observed. The study concluded that the policy of devaluing the exchange rate, although it was fruitful in curing the balance of payments deficit. However, it does not achieve the interest in all cases or situations. Indeed, many statistical experiments have proven that this policy is an obstacle to economic growth.<sup>(1)</sup> The interest in implementing this policy in some countries may be considered an illusory and not real interest. It may even be non-existent, as the experiences of many countries have indicated

---

(1) NazÉh, SalÉmat, Ta'thÊr TakhfÊd QÊmat al-'Ômlah AlÉ al-MÊjÉn al-TijÉriyyah, DirÉsah HÉlah al-JazÉir, Al-JazÉir: JÉmi'ah Khaidarah, 2013 AD, An Unpublished Master thesis, p 3.

that there is no relationship between the policy of the currency devaluation and the desired economic growth. At the same time, this desired interest with the imposition of its realization may conflict with more important interests, and bring greater corruption than them, and the decision to work with this policy or another depends on the nature of each economy separately. A Muslim country has sovereignty and a special entity that allows it to choose the best for itself without subordination or introversion to others, and the deficit in the balance of payments can be treated in several ways. The state or the country must seek to find a balance by encouraging exports and reducing imports, before resorting to borrowing or devaluing the currency due to inflation and a negative impact on the country. In conclusion, the study recommends the need to intensify cooperation between Islamic countries and to seek solutions that contribute to the advancement of the state's economy and do not violate the provisions of Islamic Sharia'h.

## REFERENCES

Al-Qur'Ēn.

'Abdullah Khadr 'AbtĒn al-Sab'awi. *Athr TakhfĒz Qiyamat al-'Umlah FĒ MĒjĒn al-MadfĒ'Ēt -Iran as role model- During 1990-2011.*

'Abdullah Khadr 'AbtĒn al-Sab'āwy. *Athru TakhfĒd Qiyam al-'Umlah FĒ MĒjĒn al-MadfĒ'Ēt -Iran as a role model.* Markaj al-DirĒsĒt al-IqlĒmiyyah, Nnumber: 2013, 10.

'Ōsa, Ódam. (1990 AD). *Al-TawĒzun al-NaqdĒ wa al-HaqĒqĒ Fī al-IqtisĒd al-Ra'sumĒlĒ.* PhD thesis, Faculty of SharĒ'ah wa al-DirĒsĒt al-IslĒmiyyah, Ummul Qura University.

Abul QĒsem, JĒyerĒ. (25-26 November 2005 AD). *Al-Ajamah al-MĒliyah al-Mu'Ēsarah: Al-AsbĒb wa al-DurĒs al-MustafĒdah, al-MultaqĒ al-DualĒ al-ThĒlith Hawla IdĒrat al-MukhĒtir FĒ al-MuassasĒt, al-ŌfĒq wa al-TahaddiyĒt.* University of Shlef. <http://www.alaswaq.net>

Adam, Christopher; Collier, Paul; & Vince, Davis. (2010 AD, March). *Al-Duwal al-Nāmiyah al-Şughrā fī al-Nizām al-Naqdī al-Duwalī (Minor Developing Nations within the Global Monetary System).* In: Kitāb Dirāsāt 'Ālamīyah mā ba'd al-Dūlār I'ādah Tafkīr fī al-Nizām al-Naqdī al-Duwalī (Book of Global Studies on the post-Dollar Era: Alternative Thought on the Global Monetary System). Markaz al-Īmārāt lil-Dirāsāt wa al-Buĥūth al-Istrātījīyah, 94 (March 2010).

*Agreement of Establishing the IMF.* IMF website: <http://www>.

imf.org

Al-‘uqĒn NĒdiyah, Miq‘š SĒmiyah. *QyĒs Athri TakhfĒz Qiyamat al-‘Umlah ‘AlĒ Ma‘dal al-TadakhumFĒ al-JazĒir KhilĒl al-Fatrat.*

Al-AsbahĒ, MĒlik Ibn Ónas Ibn MĒlik Ibn ‘Ómer al-MadanĒ. (1415 H-1994 AD). *Al-Mudawwanah al-KubrĒ,* (DĒr al-Kutub al-Ilmiyyah. 1<sup>st</sup> ed.

Al-Māwrđy. *Al-AhkĒm al-SultĒniyyah.* Ed. Ahmad JĒd, Cairo: DĒr al-HadĒth.

BakrĒ, Kāmil. (1988 AD). *Al-Iqtisād al-DuwalĒ* (International Economics). Beirut: Al-Dār al-Jami‘iyah.

Bw‘šah Mubāarak. *Al-SiyĒsat al-Naqdyah wa ÓthĒr TakhfĒl al-‘Umlat al-WaĒaniyyah.* Journal of Human Sciences Faculty of Economics, Mentouri University-Constantine, Number 12, Algeria, 1999 AD.

Dittmer, Lowell. (2007 AD). “*The Asian Financial Crisis and the Asian Developmental State: Ten Years After*”. Asian Survey, Vol. 47, No. 6.

Dr. Aiman Isma‘il Muhammaed KhĒled. *TakhfĒd QĒmat al-Janyah al-MisrĒ wa AthruhĒ ‘AlĒ MĒjĒn al-MadfĒ‘Ēt KhilĒl al-Fatrat from 1990/1991 to 2015/2016 AD.*

Dr. RayĒn TawfĒq. *NaĒryah al-NuqĒd FĒ al-Fiqh al-IslĒmĒ.* DĒr al-Fath. 2014 AD.

Hossain, Akhtar and Anis Chowdhury. (1998 AD). *Open*

*Economy Macroeconomics for Developing Countries.* U.K: Edward Elgar.

Ibn 'OshËr. *MaqËsid al-SharË'ah.*

Ibn al-'Arabî, Muḥammad bin 'Abdullāh al-Andalusî (nd). *Aḥkām al-Qur'ān* (Rulings of the Qur'ān). Beirut: Dār al-Kutub al-'Ilmīyah.

Ibn al-Qaiyyim. *I'lËm al-Muwaqqi'Ën.* vol. 2.

Ibn al-Qiyyum, Muhammad Ibn AbË Bakr Ibn AiyyËb Ibn Sa'ad ShamsuddËn. (1978 AD). *A'lËm al-Muwaqqi'Ën*, Ad.: TwËhË 'Abdur RawËf Sa'ad. Egypt-Cairo: Maktabat al-KulliyËt al-Azhariyyah.

Ibn Taimiyyah, Abu al-'AbbËs Ahmad Ibn 'Abdul HalËm al-HurËni. (1990 AD). *Majmu'al-FatËwË.* Ad.: 'Abdur RahmËn Ibn Muhammad Ibn QËsem, (KSA-Al-MadËnah al-Munawwarah: Majma' al-Malik Fahad LitabË'ah al-Mushaf al-SharËf.

Ibn Talha Ma'oshišË Bw'lËm. *TakhfËl QËmat al-'Umlah Bain al-WËqi' wa al-ÛumËh.* Journal of Economic Studies, Number 21, November 2019 AD, Algeria.

Ibn TËrash 'AtËullah. *TakhfËd Qiyam al-DËnËr al-JazËirË wa AthruhË 'AlË Tatawwur al-Kutlat al-Naqdiyyah.* (130) M2.

KarËmah JaltË. *Athru TakhfËd Qiyam al-DËnËr al-JazËirË 'AlË al-TijËrah al-KhËriyyah KhilËl al-Fatrah 1994-2017 AD.* Algerian Journal of Management and Economy, Number 14.

Krugman, P. (1979 AD) "A Model of Balance-of-Payments

*Crises.*” Journal of Money, Credit and Banking, ,Vol. 11, No. 3.

La‘rĒq, HannĒn. *SiyĒsat Si‘r al-Sarf wa al-TawĒjun al-KhĒreji*. -DirĒsat HĒlat al-JazĒir- A Master Thesis in Economics, Al-JazĒir: JĒmi‘at Mentouri, 2004 AD.

La‘rūq, Ḥanān. (2004 AD). *Siyāsah Si‘r al-Ṣarf wa al-Tawāzun al-Khārijī Dirāsah Ḥālah al-Jazā‘ir* (The Policy of Currency Exchange Rates and External Balance: A Case Study of Algeria). Algeria: Université des Frères Mentouri, Master Thesis in Economic Sciences.

Mahdī, ‘Ādil. (2004 AD). *‘Awlamah al-Nizām al-‘Ālamī wa Munazzamah al-Tijārah al-‘Ālamīyah* (Globalising the International System and the World Trade Organisation). Al-Dār al-Miṣrīyah al-Libnānīyah.

Maḥmūd Ibrāhīm et al. (2009 AD). *Al-Mu‘assasāt al-Mālīyah al-Maḥallīyah wa al-Duwalīyah* (The Local and International Financial Establishments). Amman: Dār al-Masīrah.

Majdī Maḥmūd Shihāb. (2007 AD). *Al-Iqtisād al-Duwalī al-Mu‘āṣir* (Modern Global Economy). Alexandria, Egypt: Al-Dār al-Jami‘īyah al-Jadīdah.

MaqrĒnĒ ‘Abdul ‘AzĒz. *MuhĒwalat MuhĒkĒt Athri TakhfĒd al-DhĒnĒr al-JazĒirĒ ‘AlĒ Ba‘di al-MutagaiyyirĒt al-IqtisĒdiyyah al-Kuliyyah*. A master dissertation in Economics, A quantitative economic department, University Alger.

Mayer, Duesenberry, & Aliber, Trans: Al-Sayyid Ahmad ‘Abdul-Khaliq & Aḥmad Badī‘ Bilayh. (2002 AD). *Al-Nuqūd*

*wa al-Bunūk wa al-Iqtisād* (Money, Banking and the Economy). Kingdom of Saudi Arabia: Dār al-Marrīkh.

Muḥammad, Usāmah. (nd). *Şundūq al-Naqd al-Duwalī Kamaşdar min Maşādir al-Tamwīl* (The International Monetary Fund as a Source of Financing). Faculty of Law, University of Cairo.

Muhammed 'Abdul 'AzÊZ 'Ajamiyyah. *AL-IqtisÉd al-DuwalÉ*. A theoretical and applied study, Egypt: without publisher, 2000 AD.

*SahÊh Muslim*. BairÊt: DÉr al-TurÉth al-'Arabi.

Najāḥ, Salāmah. (2013 AD). *Ta'thīr Takhfīd Qīmah al-'Umlah 'alā al-Mīzān al-Tijārī Dirāsah Hālah al-Jazā'ir* (The Effect of Devaluating the Currency Value on the Commercial Scale: A Case Study of Algeria). Algeria: University Mohamed Khider of Biskra, Unpublished Master Thesis.

NazÊh, SalÉmat. *Ta'thÊr TakhfÉd QÊmat al-'Ômlah ALÉ al-MÊjÉn al-TijÉriyyah, DirÉsah HÉlah al-JazÉir*. Al-JazÉir: JÊmi'ah Khaidarah, 2013 AD, An Unpublished Master thesis.

Ódam, Christophor, Collier, Paul, Vince and Devid. *Al-Duwal al-NÉmiyah al-SugrÉ FÉ al-NijÉm al-NaqdÉ al-DuwalÉ*. Printed with Post-Dollar Global Studies, Rethinking the International Monetary System, Emirates: The Emirates Center for Strategic Studies and Research, Number 96, March 2010 AD.

Petrović, Pavle; & Gligorić, Mirjana. (2010 AD). *Exchange Rate and Trade Balance: J-curve Effect*. Panoeconomicus.

RafÊq al-MisrÊ. *UsÊl al-IqtisÊd al-IslÊmi*. Damascus: DÊr al-Qalam.

Ramzî Zakî. (1987 AD). *Al-Tarîkh al-Naqdî lil-Takhalluf* (The Monetary History of Backwardness). Kuwait: Silsilah ‘Ilm al-Ma‘rifah.

Salhânî, ‘Izz al-Dîn. (1983 AD). *Şundūq al-Naqd al-Duwalî wa al-Musāhamah al-Su‘ūdīyah* (The International Monetary Fund and the Saudi Contribution). Beirut: Ma‘had al-Inmā’ al-‘Arabî.

SÊmah ZyrÊr and others. *Athru SiyÊsat Sa’ri al-Sarf al-AjrabÊ ‘AlÊ al-MÊjÊn al-TijÊri al-JazÊairÊ*. Joudan: Mijallat al-IdÊriyyah, Number: 2.

Shaymā’ ‘Abdul-Sattār Jabr Allaylīyah. (nd). *Al-‘Awlamah wa al-Munazzamāt al-Mālīyah* (Globalisation and Financial Establishments). Amman: Dār Āylah.

SubhÊ Haswan al-SÊ‘idÊ, Prof. Dr. HamÊd ‘Abd. *Athru TahfÊd S‘ar al-Sarf ‘AlÊ Ba’di al-MutagayyirÊt M’a al-TarkÊj ‘AlÊ IntiqÊl RwÊs al-AmwÊl FÊ BuldÊn MukhtÊrah*. AbyÊr University Journal of Economic and Administrative Sciences, Number: 7, Year 2011.

Sumayyah Zîrār et al. Athar. *Siyāsah Si’r al-Şarf al-Ajrabî ‘alā al-Mîzān al-Tijārî al-Jazā’irî* (The Effect of the Currency Exchange Rate Policy on the Algerian Commercial Scale). Jordan: Majallah al-‘Ulūm al-Idārīyah,.

*Sunan Ibn MÊjah*. Book of AhkÊm, BÊb Man BanÊ FÊ

HaqqihÊ MÉ Yadurru BijÉrihÊ.

Tomas Jems and others, Trans: Al-Sayyid Ahmad al-KhÉleq, Ahmad BadÊ’ BalÊh. (2002 AD). *Al-NuqËd wa al-BunËk wa al-IqtisËd*. Al-Mamlakat al-‘Arabiyyah al-Sa‘wodiyyah: DÊr al-MirrÊkh.