

Islamic insurance and alternative system (contemporary economic vision) Knowledge economy between positive thought and Islamic thought

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Abstract

The concept of the insurance system is one of the economic concepts that has received great attention from researchers recently, as the insurance system has become one of the main pillars of the productive process, especially as we enter the twenty-first century full of information technology and electronic services, which have produced a huge number of applications that included all economic sectors. At the forefront of the beneficiaries is the banking sector, and this study aims to determine the standards of the insurance system between the Islamic economy and the positive economy and the extent of benefiting from the developments of information technology in the management and benefit with the need to find appropriate monetary units for dealing between parties who are not located in one place, but rather they are brought together by the Internet and facilitate their commercial transactions from one point of view The view of Islamic and positivist thinkers.

Introduction

Today's world is witnessing a wide use of the insurance system in the economy, although the concept of the insurance system is not a new thing, as it accompanied man since he opened his consciousness and rose with him from its primitive levels accompanying the expansion and depth of its perceptions until it reached its current peak, but what is new is the size of its impact In economic and social life and in human life, so the term insurance system came as a result of the awareness of the role of knowledge and technology in economic growth and human development between the Islamic economy and the positive economy because of its fundamental dimension on the Islamic and positive economics and their impact, especially on human development, which is a decisive factor in empowering

people From expanding their choices, and considering information and communication technologies as the basic tools for rising societies. Therefore We see that the science of knowledge is a relationship between the sciences of revelation on the one hand, and the sciences of the universe and the human and economic sciences on the other hand. And the sciences of the universe do not contain Islamic or non-Islamic, except in the field of application, and that the benefit is greater than the spoiler; Provided that this interest is not narrow-minded; But a legal interest. As for the positive economy, we see it seeking after matter and making it not only its main goal, but also its original goal.

Search goal

This study aims to provide a theoretical framework for the concept of the insurance system, in addition to presenting and analyzing how to present the differences between the Islamic economy and the positive economy and to benefit from them through the work of electronic banks, while addressing the most important challenges facing the work of These banks. It is (the insurance system and the Islamic alternative (contemporary economic vision) As Islamic banks, for example, have a strategic relationship with the knowledge economy And the difference in benefiting from this relationship between the Islamic economy and the positive economy, and this had a great impact in my choice of this topic.

The first topic

Islamic insurance and alternative system

It has become necessary for students of forensic science to know the truth, types and rulings of the insurance system in the view of Islamic law, because of its importance in our present time because it enters into all transactions in all areas of human life, as it entered the world of industry, commerce, agriculture and most aspects of economic activity, whether entry is compulsory. Or voluntarily by law, and it was not limited to the economic system only, but it included many means that people use, such as the car, the house, and the luggage. Likewise, insurance did not stop at a person's life, but extended beyond his death, in order to benefit his children after him and his heirs.

This topic includes the meaning of insurance, its objectives, divisions and rulings

The first requirement

Definition of insurance linguistically and idiomatically

First: Insurance Language:

From security, it is said: The man has secured security and security, and security and security is the opposite of fear, which means stillness of the heart, its reassurance and confidence. It is said that so-and-so believed in such-and-such and trusted him and reassured him. And his security over the thing is insurance that made him in his guarantee .

Al-Raghib said: “ The origin of tranquility of the soul and the removal of fear, and security and trust and safety are in origin sources, and he makes safety at times a name for the state in which a person is in security, and at other times a name for what a person believes in . ”

Second: Insurance idiomatically:

The commentators of the law mentioned a difference between insurance as a system and insurance as a contract. Insurance as a system means: “A carefully organized cooperation between a large number of people who are all exposed to one danger. Even if the danger is realized for some of them, everyone cooperates in confronting it, with a small sacrifice made by each of them, by which they avoid huge damages that befall those of them who were exposed to the danger. ”

Professor Mustafa Al-Zarqa defines the insurance system and says: (The concept in the minds of legal scholars of the insurance system is that it is a cooperative and solidarity system that leads to breaking up the parts of risks and calamities and distributing them to the total of the insured through compensation that is paid to the injured from the money collected from the proceeds of their premiums,

instead of the damage remaining. It is the responsibility of the afflicted alone, and they say: Islam, in all its legislation related to the organization of social and economic life, aims to establish a society based on cooperation and absolute interdependence in rights and duties).

Islam called for cooperation between people and called for sacrifice on the basis of donation and not compensation, as God Almighty said: (And cooperate in righteousness and piety, but do not cooperate in sin and aggression).

Third: Insurance according to Islamic law:

The Islamic Sharia spoke of many systems and forms in which the insurance system is achieved, including:

1- The system of sponsoring the needy and the poor, who are the group who do not find enough housing, food and other needs to meet their needs.

2- The Aqilah system, according to which the blood money for accidental killing is distributed to the killer's family: who are his clan's men.

3- The system of social solidarity between the people of one country and one neighborhood, as the Ash'aris did, when they used to collect their food in one level and share it equally among themselves. When the Messenger (may God bless him and grant him peace) found out about them, he praised them, saying: (May God have mercy on the Ash'aris, for they are from me and I am from them) .

4- The system of guaranteeing those in debt from zakat, who are debtors for a public interest, such as reconciling the litigants, or for a private interest, such as spending on themselves.

5- The system of expenditures between relatives, as this obligates the rich and well-to-do relative to spend on his poor relative.

6- The system of sponsoring the wayfarers from zakat, those who cut off their money and became in this place in need of money.

The second requirement

Objectives and functions of the insurance system

The insurance system (in the previous sense) aims at several things, including:

1- Saving and saving money, as the participant in one of the insurance systems pays a simple monthly subscription, which in a group has a great impact when the risk occurs.

2- Achieving brotherhood, love, affection and community cohesion.

3- Insurance aims to achieve peace of mind, when the individual feels that all his needs are covered in all emergencies, then he rests and reassures himself about his life.

4- Insurance aims to immunize society from the effects of calamities and calamities, so instead of bearing the burden of one individual or a specific group, all members of the nation gather to support that injured person and reduce the calamity and its impact on him.

The third requirement

Insurance departments

Insurance was divided by scholars in terms of the institutions that undertake it into three categories:

Section One: Cooperative Insurance (Social):

The cooperation in the language came from aid, and the aid is backing on the matter and

the plural is aiding. Demonstrating, cooperating, asking for help.

Cooperative insurance: It is what the state undertakes for the benefit of workers and employees, so it insures them against disability, disease and old age, and employees, business owners and workers, as well as the state, contribute to its proceeds. And the state does not intend to make profits.

First: Pictures of cooperative insurance:

A- Social Security System:

What it means is that the state or its representative, such as the Social Security Institution or the General Authority for Social Insurance, pays compensation to the employee and worker involved in the institution in the event of disability, illness or old age, in return for deducting part of the monthly salary, which amounts to 5%, and the institution in which he works pays 10%. Some may ask why the institution or company he works for is obligated to pay this percentage? The answer is that the trade union system requires the company to pay the end of service gratuity to the worker who leaves the work for one of the reasons, and this is a burden on the employer if he pays it all at once.

B- The retirement system:

It is for the state to allocate to the employee a monthly salary, after reaching a certain age, which in some countries may reach fifty-five years, or after remaining in the job for a certain period of time up to twenty years, in return for deducting part of his monthly salary.

C- The health insurance system:

It is that the state undertakes to provide the necessary treatment for those who suffer from a disease, in exchange for a monthly premium paid by the individual.

Second: The rule of cooperative insurance:

All the previous pictures in this section are legally permissible without controversy, regardless of the type of risk insured, because it is consistent and compatible with the purposes of Islamic law, which in turn calls for social solidarity on the basis of a donation. Repairing the calamities that befall workers and employees, and the contributor donates his subscription to what he needs from the rest of the contributors in the institution or the guarantee fund, and there are many forms that have been defined by Islamic jurisprudence, such as securing the poor from zakat, and perhaps one of them will come and say: This type of insurance includes deception, because the individual He does not know how much he will pay, and he does not know how much he will take. And this spoils the transaction, so the answer to that is that it is forgiven in donations what is not forgiven in exchanges, because deception does not affect contracts of donations and cooperative insurance as a pure donation that is not intended for profit or compensation.

What should be pointed out and alerted to is that he should take into account the legitimate methods of preserving and investing money and avoiding what is prohibited by law, such as usury.

Section Two: Mutual Insurance: -

It is the insurance that is carried out by cooperative societies and charitable societies to secure the needs of its members. The members of each association agree among themselves to compensate those who are in danger, and each member must pay a certain amount of money, as a donation and support for the danger that befalls some individuals, and that they do not intend behind that trade, profit, or gain.

First: Pictures of mutual insurance:

أ- Associations that arise among employees in every company or institution, where an emergency fund is established, in which each employee contributes a certain amount and helps the needy who is beset by a certain calamity, on the basis of a loan and solidarity from it.

ب- The charitable associations that occur between the people of cities and villages, so the good people from each town rush to establish a charitable association that will be in the name of their town and they set a system for it and arrange for each subscriber a certain amount of money that they put in the emergency fund to be spent from it for those who are affected by some danger, such as the death of a breadwinner, a car accident or something else that.

Second: Mutual insurance rule:

This type of insurance is permissible according to the Shari'ah, without any dispute, because its goal is pure cooperation in mitigating the impact of disasters and mitigating their effects as much as possible, and it is not intended to make a profit.

It is an application of what the Prophet Muhammad (may God bless him and grant him peace) said: (You see the believers in their mutual love, cooperation, mercy, and sympathy, like the body .

This type of insurance is not affected by deception because it is a pure donation. Sharia methods must be taken into account in preserving and investing money, and avoiding everything that is forbidden, such as usury.

Section Three: Commercial Insurance:

It is the insurance that is carried out by commercial insurance companies, and it is a

contract in which the insurer undertakes to pay to the insured or to the beneficiary in whose favor the insurance has stipulated a sum of money, a salary income, or any other financial compensation, in the event of the occurrence of any accident, or the realization of the risk indicated in the contract. This is in exchange for a premium or a financial payment that the insured pays to the insurer, according to which the insurer bears the consequences of a set of risks, by making a set-off between them in accordance with the statistics laws .

First: Elements of a commercial insurance contract, which includes seven elements:

1- The believer:

It is represented by the Insurance Authority as contemporary insurance companies.

2- The insured:

It is called the trustee, and it is the person who contracts with the insurer (the company).

3- Consensus between the two parties:

The insured and the insured (the company), which is represented by the offer and acceptance issued by both parties to establish the insurance contract, which gives this system a legal image that obliges both contracting parties to implement the agreement if the conditions are met .

4- The beneficiary:

He is the one appointed by the insured to benefit from the insurance contract, such as the wife and son.

5- Danger:

It is the probable accident that is insured against and shown in the contract, such as theft, arson, marriage, etc. It is not limited to the jurists to the event that a person hates, as is

customary, but rather goes beyond that to what a person does and loves, and is considered to be potential accidents such as marriage, having children, and so on. And that the risk of several conditions she :

A- The possibility of the occurrence of the danger that its occurrence is not inevitable, it may or may not occur, such as theft and fire, or it may be inevitable, but the time is not specified, such as death, so its occurrence is inevitable but it is unknown.

B- That the risk arises from an activity of the insured that does not violate the law, i.e. does not violate public order. It is not permissible to insure against the risks resulting from smuggling or drug trafficking, or, for example, insurance on a house that is managed for gambling or prostitution.

C- The regularity of the occurrence of the risk to a familiar degree, so that the company can estimate the value of the financial losses that result from it, in order to be able to determine the value of the premium. Therefore, it is not valid to insure against a rare risk, due to the inability to estimate the value of the loss.

D - The accident must be in the future, so it is not valid to insure against a risk that occurred in the past or during the conclusion of the contract.

6- Insurance premium:

It is for the insured to pay an amount of money to the company on a regular and specific basis. The insurance premium is determined on the basis of the risk. If the type of risk changes, the insurance premium changes with it, according to a general principle in insurance companies, which is: (the premium is related to the risk), and the insurance premium is the subject of the insured's obligation. There are two basic rules

on which the insurance is based in calculating the premium, which is the rule of abundance. The more the number of contracting parties with the company, the more accurate the calculation. And the base of accurate statistics, where the company estimates the probability of the occurrence of the risk for all subscribers, according to the laws of statistics, and this is done by counting the number of times the insured risk occurred in the past and the amount of importance of each risk, as well as calculating the extent of the possibility of achieving such or something similar in the future.

The insurance premium is paid in the form of monthly installments and becomes a debt owed by the insured.

7- Amount of insurance:

It is for the company to pay the amount to the insured or the beneficiary when the risk occurs. There is a close relationship between the insurance amount and the insurance premium, so the higher the insurance premium, the higher the amount.

And the amount of the insurance is a debt owed by the insurer (the company), so it is sometimes a debt added to an unspecified term, and at other times it is a contingent debt, depending on whether the insured risk is realised, but it is not possible to know the date of its occurrence or not .

B: Types of commercial insurance:

There are several types of commercial insurance - in view of its subject matter - which are:

1- Insurance of things:

It is to insure things against damages and losses incurred, such as insurance on goods from drowning, on money received by the

cashier from theft, on the commercial store from fire, and on crops such as from damage.

2- Personnel insurance: It is divided into two parts:

A- Life insurance: There are three types:

The first type:

Insurance in the event of death, which is in three forms:

The first picture:

Life insurance: It is when premiums are paid by the insured in an agreed manner throughout his life, and the amount is not due until after his death, so it is paid to the beneficiary who appointed him or to the heirs.

second picture:

Residue insurance: It is that premiums are paid by the insured throughout his life. If he dies, the company pays a monthly salary to the beneficiary who was appointed by the insured as a custodian if he remains alive, i.e. throughout the life of the beneficiary.

Third picture:

Temporary insurance: It is when the insured pays installments for a specific period, such as twenty years. If he dies before that, he is not entitled to the insurance amount. If he is still alive, he continues to pay. But if he dies, he becomes entitled to the insurance amount, and it is paid to his heirs or to the beneficiary who appointed him.

The second type:

Survival insurance:

It is that installments are paid by the insured for a certain period, if that period expires, the company pays a monthly salary to the insured in case he survives

Third type:

Mixed Insurance: This insurance combines two of the previous forms.

B- Insurance against injuries and accidents:

It is for the company to pay a sum of money when an injury occurs to the insured, such as paying treatment expenses when an injury occurs, or paying money to a worker who suffers from permanent disability. In exchange for the insured to pay him a monthly premium.

3- Third party liability insurance:

What it means is that a person insures himself against the damages that befall him with his money, as a result of the right of harm to others, such as insurance from professional liability, such as the factory owner's insurance for workers' injuries that require the factory owner.

C - Ruling on the commercial insurance contract in Islamic law:

Scholars differed regarding the ruling on commercial insurance between Muharram, permissible, and separate forms, based on three sayings:

The first saying:

A group of contemporary scholars went to the validity of the commercial insurance contract, and among these scholars is Sheikh Abdul Wahhab Khallaf . And the Director of the Inspection of Religious and Arabic Sciences at Al-Azhar Al-Sharif, Sheikh Abd al-Rahman Issa , and the professor of Islamic law at the Faculty of Law, Sheikh Ali al-Khafif , and the honorable professor Mustafa Ahmed al-Zarqa. The scholars inferred the following:

1- The conclusion of the insurance contract on the loyalty contract:

Loyalty in the language: from and to the loyalty of the supporter.

And loyalty idiomatically: when an unknown lineage says to a man of known lineage: You are my guardian, inherit me if I die, and take sanity on my behalf if I reap.

The Hanafis called loyalty to loyalty. It is permissible for them and it is inherited. And they cited as evidence the Almighty's saying: {And those who have made your oaths, give them their share. Indeed, God is Witness over everything}.

What is meant by the share is the inheritance, because God Almighty added the share to them, which indicates the establishment of a right for them that is destined for them in the estate, which is the inheritance.

The insurance contract is similar to the continuity contract in terms of both parties to the contract and its compensation. The believer - the company - is similar to the master of loyalty, and the trustworthy is similar to what is reasonable for him.

The compensation that the company undertakes is the amount of the insurance that is paid by the realization of the risk, and it is similar to the blood money paid by the loyal guardian, in exchange for the consideration that the reasonable person is committed to, which is the estate, and in this way it is similar to the insurance premiums that the insured pays to him.

2- Measuring on the sane system:

The sane linguistically: taken from the mind, which is the blood money.

And the Aqilah refers to the group that fines the blood money, and the Aqilah are the man's clan or from the people of his office, i.e. they are the ones who earn a living from a separate

office, or they are the employees in one department.

There is no disagreement among the jurists on the legitimacy of the `aqila system in unintentional killing, when it was narrated on the authority of al-Mughirah ibn Shu`bah: that a woman killed her co-wife with a tent pole.

Then the Messenger of God (may God bless him and grant him peace) was brought to him, and he paid the blood-money for her married woman.

And what we conclude from what was presented previously is that this system, if someone commits a felony of unintentional killing, so that its punishment is blood money, not qisas, then that blood money is distributed among the members of his family with whom there is support, i.e. And he is considered one of them, so the blood money will be divided over three years.

There are two goals aimed at:

1- Preserving the blood of the wrongful victims from being wasted, because it is possible that the wrongful perpetrator is poor and cannot pay the blood money, so the blood money is lost.

2- Alleviating the impact of the calamity on the offender.

There is a similarity between the sane system and the insurance contract, which is mitigating the impact of the calamity on the injured by distributing the financial burden on all participants, which prevents the blood of the murdered from going to waste.

3- The conclusion of the insurance contract on the issue: road hazard insurance:

The Hanafis permitted the issue of guaranteeing the danger of the road, which is

when one man says to another: Take this road because it is safe, and if something befalls you on it, then I am a guarantor.

There is a clear resemblance between the insurance contract for things and this issue in terms of the obligation of the guarantee.

Al-Zarqa commented in the commentary on the text of this issue: ((I find in it a jurisprudential thought that is suitable to be an exceptional and strong text in permitting insurance for funds from risks, even if Ibn Abedin, may God have mercy on him, did not recognize it with the sufficiency of this evidence in it, and he saw a difference between it and the sugar that prevents Analogy is upon it, and what I see is that our jurists who decided this ruling on sponsorship in that distant time, if they had lived in our time today and witnessed the dangers that arose from modern means, such as cars that imposed on man from the danger as much as they gave him speed, if they had seen that and it sprouted in front of them The idea of insurance, and they felt its necessity, which we see today in all vital economic facilities to mitigate the effects of devastating disasters, when they hesitated for a moment in approving insurance as a legal system) .

4- Measurement of the insurance contract on the retirement system and the social system that falls under cooperative insurance, which contemporary jurists agreed on is permissible:

There is a large similarity between the commercial insurance contract and the retirement and social security system in terms of compensation. The insurance premiums paid by the trustee are similar to the amount that is deducted from the employee's salary every month. Likewise, the amount of insurance paid by the company is similar to the total salaries paid to the employee when he

reaches a certain age by the state or by the Social Security Fund.

And in a saying to Al-Zarqa: ((In both of them the person pays a small periodic premium that he does not know how long he will continue to pay, and how much it will total at retirement, and in both of them the person or his family takes in exchange for this small periodic premium a periodic amount also in retirement and immediately in life insurance that may exceed The sum of premiums is too much, and it is not known how much it totals in retirement until the entitlement and its transfers are extinguished, while it is specified and known amount in life insurance. The deception and ignorance in the retirement system are greater than them in life insurance)

The second saying:

A large number of scholars have gone, and they are the most numerous, among them Sheikh Allama Ahmed Ibrahim Al-Husseini (1364 AH / 1945 AD), the jurist of the era and the renewal of the style of Islamic jurisprudence in Egypt . And Sheikh Muhammad Bakhit Ibrahim Al-Husseini (1564 AH / 1935 AD), the former Grand Mufti of Egypt.

And Sheikh Abd al-Rahman Qara'a, the former Mufti of Egypt, Sheikh Muhammad Abu Zahra , and Sheikh Abdullah al-Qalqily, the former Mufti of the Hashemite Kingdom of Jordan, and other scholars to the inadmissibility of the commercial insurance contract. They inferred the following:

1- The insurance contract contains deception that spoils the contract:

The insurance contract is a contract of compensation, and deception invalidates the contracts of compensation, and that is due to what was narrated on the authority of Abu

Hurairah, may God be pleased with him, who said: (The Messenger of God, may God's prayers and peace be upon him, forbade the sale of pebbles and the sale of deception), and on the authority of Ibn Omar: (The Prophet, may God bless him and grant him peace And he forbade ambiguous selling) .

Al-Gharar is: (what is concealed in the end), one of the two rewards may or may not happen. Excessive and outrageous deception is the deception that invalidates exchange contracts, which is what was in obtaining the place of the contract in terms of price and sale, such as selling a bird in the air, and what was in the amount of the store, such as selling an amount of wheat that is not specified by measure or weight, but is determined by the time of throwing a pebble until it reaches So-and-so place, so it is considered that what the buyer acquired at this time is the amount of the thing sold, and the amount is unknown, and what was within the term. This deception is unforgivable in exchange contracts, as Al-Qara'fi stated: "Gharar is in existence, And in obtaining: like a bird in the air, and in the amount: like selling to the amount of throwing a pebble, and in terms of term, " as for slight deception, it does not invalidate exchange contracts, because it does not lead to a dispute, and it is not usually possible to guard against it, such as selling walnuts with their shells and almonds with their shells. Selling the building without looking at its basis, this relates to a small part of the shop without being completely surrounded by it.

The deception that exists in the commercial insurance contract is a great and obscene deception, because it is related to obtaining the two compensations and their amount.

2- The insurance contract includes both types of usury:

That is, it includes usury of credit and usury of cash, because the commercial insurance contract, in its essence, is a cash-for-cash sale, as the insured agrees with the insurance company to pay the insurance premium in exchange for taking the insurance amount when the risk occurs. And the amount that the trustee took after a fixed term is likely to be equal to what he paid, or differential: if it was equal and he took it after a fixed term, then it is bad interest. And this usury invalidates the insurance contract, according to the agreement of the jurists, as Ibn Rushd quoted the scholars unanimously that selling gold for gold and silver for silver (i.e. cash for cash) is not permissible except like for like, i.e. "hand in hand".

In addition, most of the operations of commercial insurance companies are based on usury, as they invest their money in usurious banks and bonds issued by those banks or countries.

3- The insurance contract includes the facilitator: gambling and betting:

By gambling, what is meant is the gambling of the Arabs in the pre-Islamic era with the arrows, as Ibn Abbas said: "In the pre-Islamic era, a man used to risk another man, with his family and money, so whichever of them the companion's moon went with his money and his family.

Gambling: It is every game in which it is often stipulated that the victor takes something from the defeated. It is a bet on pure deception, and it is a comment by the king on the danger on both sides. Where Ibn Taymiyyah defined it as: " taking a person's money while he is at risk, will he get compensation or not? "

And betting: It is in the sense of gambling, in the sense that two people compete over something to be or not to be .

Islam has prohibited gambling, betting, or gambling in the words of the Most High: {Oh, those who believe in the spoils of bitterness, gambling, and divination, and divining arrows is an abomination from the work of Satan, so avoid it that you may succeed}, so gambling corrupts contracts, and the cause of corruption of contracts is possibility and deceit , because each of the gamblers or gamblers cannot Determining whether or not he will receive compensation, because collecting compensation depends on winning the game, and this is a probabilistic thing. And that this reason is realized in the commercial insurance contract.

4- The insurance contract includes the sale of a debt for a debt or the sale of a loan by a loan.

Linguistically, it is the obligatory or the delay, where it is said: The debt is devoid of effluvium, so it is the obligatory, if it is delayed.

What is meant by this sale in the terminology of the jurists is the sale of the deferred debt for the deferred debt. As Ibn Arafa defined it, and he said: It is the sale of something in one's life for something in the life of another, without prior decision, one of them over the other.

And the reason for the impermissibility of selling the purchaser for the purchaser is that there is no benefit from the sale immediately after its issuance, because the principle in this sale is that its effects follow upon it as soon as it is issued and held from the purchaser's receipt of the thing sold, as well as the seller's receipt of the price, so everyone benefits from what he received, so that if the delivery of the two allowances is delayed by making them

described as liabilities In order to withdraw interest from this sale.

The insurance contract includes the sale of debt for debt in that the premiums that are paid by the insured are a debt owed by him, and that the amount of insurance that the company will pay is a debt owed by it. It is a religion of religion is not true.

The third saying: A group of contemporary scholars went to differentiate between life insurance and money insurance such as cars and others. They permitted money insurance without life insurance.

They inferred the permissibility of money insurance with the evidence that the first team inferred, and they inferred the prohibition of life insurance with the evidence of those who say that it is not permissible and that there is no need for life insurance.

The correct saying:

What I am inclined towards is what the owners of the second opinion went to, who say that it is not permissible to contract commercial insurance in all its forms, because it includes usury, deceit, and gambling. For a man to get rid of his father in order to get the insurance amount.

As for the graduation of insurance on the kinship contract, it is considered a graduation with the difference, because the kinship contract makes a non-Arab in an Arab family to which he belongs and is considered one of its members and bears its name and surname, and that all these meanings are not present in commercial insurance, and in addition to that the kinship contract is a matter of dispute among the jurists.

As for those who are permitted to contract insurance on the Aqilah system, it is not valid,

because the Aqilah system is based on cooperation and social solidarity, not on the basis of trade and profits.

As for the externalization of insurance on the issue of guaranteeing road hazards, it is not correct, because of the commitment of one party to the issue of guaranteeing road hazards, while the obligation is in the insurance contract of both parties.

As for the retirement system, which falls under cooperative insurance, it is not correct to measure it, because the basis of the retirement system is not based on trade and profit collection, while the commercial insurance contract is based on trade and profit collection.

The fourth requirement

The Islamic alternative for commercial insurance companies

The attention of Muslim scholars, as well as those interested in Islamic economics, has tended to propose a legal alternative to commercial insurance companies for fundamental reasons, which are that Islam is rich in insurance transactions, which in turn work to restore the impact of risks to which the individual is exposed on the basis of cooperation and social solidarity and not on the basis of trade and profit collection, and some examples These transactions: Zakat, the Aqilah system, the expenditures system, and so on, including :

First: The Fiqh Council approved the decision put forward by the Council of Senior Scholars in Riyadh in its session held on 4/4/1397 AH - the Sharia alternative, as it stated in its decision:

The Fiqh Council unanimously approved the decision of the Council of Senior Scholars in

the Kingdom of Saudi Arabia No. (51) dated 4/4/1397 AH - on the permissibility of cooperative insurance instead of prohibited commercial insurance, based on the following evidence:

1- Cooperative insurance is devoid of usury of both types: usury of credit and usury of women. The shareholders' contracts are not usurious, nor do they use the collected premiums in usurious transactions.

2- The cooperative insurance contract is one of the donation contracts that aims to authenticate cooperation in ending risks and sharing responsibility when disaster strikes , by contributing people with cash sums allocated to compensate those who suffer damage. to bear the damage.

3- Investing the collected premiums from a group of shareholders or their representatives to achieve the purpose for which this cooperation was established, whether it was a donation or in exchange for a specific fee.

4- Ignorance of the shareholders in cooperative insurance to determine the benefit that accrues to them does not harm, because they are donors, so there is no risk, gambling, or deception, unlike commercial insurance, as it is considered a commercial financial netting contract.

There are foundations established by the Council to take into account the work of cooperative insurance in the development of detailed articles for it, which are:

1- The cooperative insurance organization should have a great degree of flexibility and avoid complex methods.

2- There should be a supreme council for the organization that decides on work plans and proposes the necessary decisions and

regulations that will be effective if they agree with the rules of Sharia.

3- The cooperative insurance organization should have a center with branches in all cities, and the organization should have departments according to the dangers and according to the categories and professions of the collaborators, such as a department for disability and old age insurance, a department for health insurance, another for merchants, another for students, and another for self-employed such as doctors, engineers, and others.

4- If the risks exceed the fund's resources, which may necessitate an increase in premiums, the state and the complainants will bear that increase.

Second: Establishing an Islamic insurance company to secure the bank's property in a legitimate manner after the Shari'a Supervisory Board of Faisal Islamic Bank of Sudan put forward this idea in the year 1977 AD, provided that this company performs all the services performed by commercial insurance companies while avoiding the legal prohibitions found in commercial insurance. The company is based on :

1- It should be a cooperative insurance between the participants, the aim of which is to benefit them, and the founders do not seek to profit from the insurance process.

2- That the contributor have a share in the management of the company to feel mutual cooperation in caring for the interest of the company, and that the contributor be represented in the board of directors.

3- The company should have a Sharia Supervisory Board that, in partnership with the officials in the company, would draw up insurance policy forms.

4- That what is paid by the subscriber be a specific advance premium, and that this thing does not differ from what the commercial insurance companies do from a technical point of view, but it differs from it with regard to the surplus of premiums, as it is considered a right for the participants in cooperative insurance, and in commercial insurance it is a right for the founders, and this Which makes the cooperative insurance premium less than in commercial insurance.

2 That all the company's transactions in the field of insurance be subject to the provisions of Islamic Sharia.

3 The company should invest what can be invested from the subscribers' money for their benefit.

4 It is legally permissible to use the mathematical and statistical methods used by commercial insurance companies, because it works to increase the efficiency of Islamic companies and determine their absorptive capacity in facing risks.

Based on the foregoing, it is permissible for Islamic insurance companies to practice some of the methods practiced by commercial insurance companies, but without contradicting the provisions of Islamic Sharia.

It appears to us from the foregoing that the alternative system for commercial insurance is cooperative insurance, but the following controls must be taken into account in it, namely:

1- The statute must stipulate that the insurance system be cooperative, and that its main objective is cooperation for all its parties, whether through a donation or a good loan, to restore the risks to which members are exposed, and it is also not permissible to

overshadow this goal in order to collect profits and trade.

2- The Shari'a Supervisory Board is entrusted with monitoring the Fund's business and general Sharia rules, and this is taken into account in its Articles of Association.

3- The Fund may accept unconditional donations and donations in order to support the primary purpose of this Fund, which is to cooperate in the restoration of risks.

4- There are legitimate ways to invest the fund's money, and the proceeds of those funds are allocated to support the basic objective of the fund by enhancing the financial capacity to compensate the affected subscribers.

5- It is not permissible for Islamic insurance companies to deal with reinsurance companies, as they insure some risks according to the commercial insurance contract, which we have previously stated is not permissible.

6- If the term of the agreement expires in the event that no accidents occur, then the subscriptions or the installments and the resulting profits are returned to the members, and it is not permissible for anyone other than the owners from the Board of Directors or the founders to take them, and it is permissible to agree to donate them to a charitable organization.

7- Forming a reserve from the surplus subscriptions in the event of a deficit in the fund, so all participating members will bear it in proportion to their funds.

Conclusions:

1. Technological developments and the development of communication and information systems led to a major development in Islamic banking financial

transactions in Islamic banks in particular, which led to a change in some economic relations, concepts and trends. non-intellectual, where an important and vital element has emerged into existence, which is The Islamic insurance system, "which gave a new formula for the modern economy, which became called" Islamic insurance system.

2. On the basis of the Islamic insurance system, the focus has become on the human element as a source for the Islamic insurance system, so the view of the human element has evolved from being a source of muscular capabilities to a source of mental and intellectual capabilities that have been formed over the stages of time.

3. The study found that the Islamic insurance system is based on the accelerating pace of the Islamic insurance system and technical development, which is of great importance in crystallizing the mentality of the members of society. The Islamic insurance system affects human development, so the higher the level of knowledge, the higher levels of human development will be achieved, and vice versa.

Recommendations:

The researcher recommends the need to pay attention to the following recommendations.

1. Paying attention to the insurance system in Islamic banks by finding a platform for it and activating it in all institutions operating in Iraq (public and private sectors) and creating an environment that allows the flow of knowledge and investment in information and communication technology and encouraging business activities to help development and training.

2. In order to reach the community of the Islamic insurance system, a number of infrastructures and administrative practices

should be available, which together constitute the enabling environment for knowledge. One of the elements of this environment is the use and application of information and communication technology.

3. Increasing the necessary allocations for the development of scientific research programs while allowing the private sector to play a vital role towards providing the requirements of the Islamic insurance system by encouraging joint cooperation between the private sector and academic institutions and the support of government institutions for them.

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