

OBITUARY

DR MUHAMMED UMER CHAPRA
(1st February 1933 ----- 13th June 2026)

Renowned Pakistani/Saudi Economist Dr. Muhammed Umer Chapra, a paramount figure and an illuminating beacon in the field of Islamic economics and finance, who helped build and shape the Islamic banking system, passed away on 13th June 2026 at the age of 93. *Hamdard Islamicus* takes great pride in having had Dr. Chapra as a distinguished member of its Advisory Board for many years, benefiting immensely from his wisdom and scholarly guidance.

His funeral prayers was held at the Masjid Al-Haram in Makkah and he was buried at Jannat al-Mu'alla (Al Mua'lla Cemetery) at Makkah. He has authored 16 books and monographs and more than 100 research papers and book reviews. Some of his books, monographs and papers have been translated into a number of languages, including Arabic, Bangla, French, Indonesian, Japanese, Malay, Persian, Polish, Spanish, Turkish and Urdu. His books are taught in universities worldwide. The field of Islamic finance, now a global industry measured in the trillions of dollars, will carry the imprint of his thinking for generations. He trained a number of scholars and devoted his 52 years of life serving the Islamic Economic system.

He was awarded the prestigious King Faisal International Award in 1989 in recognition of his contribution to Islamic studies. He was eventually granted Saudi citizenship, an honour rarely bestowed on outsiders, in recognition of his contributions to the kingdom's financial infrastructure. He was recipient of the Islamic Development Bank Award for Islamic Economics, 1989; the Institute of Overseas Pakistanis gold medal by the President of Pakistan for services to Islam and Islamic

Economics, 1995; the COMCEC 30th Anniversary Academic Award by the President of Turkey for his outstanding academic studies in Islamic Economics and Finance in Istanbul in 2014.

Prof Dr Umer Chapra s/o Abdul Karim Chapra was born on 1st February 1933 in Bombay (British India) and grew up in Karachi, Pakistan after the partition. His father's timber business suffered in the depression of the 30s in Bombay so his early life was in straitened conditions. He was six years old when his father passed away, and relatives suggested he worked in a cloth shop opening bales of textile. His mother insisted on his education, leading to a brilliant academic career topping the list in the University of Karachi. He stood first in his high school examination among 25000 students in 1950. Then he got degrees of B.Com and M.Com in 1954 and 1956 respectively from University of Karachi. The Memon Welfare Association awarded him a scholarship to pursue further studies in the US. He travelled to USA in late 1950s and was awarded his Ph.D. degree in Economics and Sociology from University of Minnesota. He has also taught as Assistant and Associate Professor of Economics at the University of Wisconsin (Platteville) and the University of Kentucky, Lexington. He remained a Senior Economist and Associate Editor of the Pakistan Development Review at the Pakistan Institute of Development Economics; and as Reader (Associate Professor) at the Central Institute of Islamic Research (Pakistan).

In 1965, Chapra moved to Saudi Arabia after being offered an economic advisory position at the Saudi Arabian Monetary Agency (SAMA). He was among the first Pakistani nationals to move to the Kingdom. He worked under Minister for Finance Sheikh Mohammed Abalkhai during the reign of King Faisal, and played an instrumental role in building Saudi Arabia's banking system, as well as formulating the government's economic and monetary policies over the next several decades. He served SAMA for 35 years. In 1999, he moved to Jeddah as Research Advisor at the Islamic Research and Training Institute of the Islamic Development Bank, a position he held into his final years.

He remained a member of the Royal Economic Society (London), the American Economic Association, the Saudi

Economic Association, and the Islamic Economic Association. He had been also a member of the editorial boards of a number of prestigious international journals of economics including that of the *Hamdard Islamicus*.

In 2015, he was named among the Top 50 Global Leaders in Islamic Economics by ISLAMICA 500. He received a Shield from the Islamic Council of North America (ICNA) at its 2009 Annual Convention in Hartford, CA for his "commitment and profound contributions to Islamic economics and finance". He was awarded a gold medal from the Memon Educational and Welfare Society for being one of the five most outstanding scholars of the Society. He received an award for being recognized as one of the ten most outstanding students of the Government College of Commerce and Economics, Karachi, at the 40th anniversary of the College in February 1986.

His most outstanding contributions have been the four books indicated below along with excerpts from some pre-publication or post-publication reviews:

Towards a Just Monetary System (Leicester, UK: the Islamic Foundation, 1985):

Prof. Rodney Wilson commented on it in the Bulletin of the British Society for Middle, Eastern Studies (2/1985, pp. 224-5): "The most lucid presentation yet of the monetary theory of Islam" This compliment was notable: here was a Muslim scholar from Pakistan being cited approvingly by one of the most respected economists in the United Kingdom.

Prof. Maurice Allais Nobel Laureate commented that "It is an excellent book".

His another outstanding book is "Islam and the Economic Challenge (1992)". (Late) Prof. Kenneth Boulding, Distinguished Prof. of Economics Emeritus, Institute of Behavioral Science, University of Colorado at Boulder gave his commending remarks as "His understanding is quite sophisticated. At the same time his style is clear and he writes with humanity and a very deep concern for the welfare of the human race. Those concerned with the ethical problems of society will find his analysis very valuable... This work makes

an important contribution to the understanding of Islam for those who do not belong to its culture,”. This book was commended by Economic Journal, Royal Economic Society (U.K.), September 1993, and Prof. Timur Kuran, University of Southern California as well.

The Future of Economics: An Islamic Perspective (2000):

This was another book of Prof Chapra which was commended by Former German Ambassador to Algeria and Morocco, Dr Murad Wilfred Hofmann, as “the among the most crucial books of this century for the revival of Islam”.

Muslim Civilization: The Causes of Decline and the Need for Reform (2008):

Prof Robert Whaples, Director EH-NET, Department of Economics, Wake Forest University, commented as “Each chapter plays an effective role in explaining the decline and, therefore, conceiving of ways to achieve reform.”

His other notable books include *The Economic System of Islam* (1970), *Objectives of the Islamic Economic Order* (London: Islamic Council of Europe, 1975), *The Islamic Welfare State and Its Role in the Economy* Leicester, U.K.: The Islamic Foundation, *Islam and the Economic Challenge* Leicester, UK: The Islamic Foundation; and Washington, DC: IIIT, 1992), *Islam and Economic Development: a Strategy for Development with Stability in the light of Justice and Islamic teachings*, (Washington, DC, and Islamabad, IIIT, 1994), *What is Islamic Economics?* (Jeddah, IRTI/IDB, No. 9 in the IDB Prize Winners’ Lecture Series, 1996), *The Future of Economics: An Islamic Perspective*, (Leicester, UK: The Islamic Foundation, 2000), With Tariqullah Khan, *Regulation and Supervision of Islamic Banks*, (Jeddah: IRTI/IDB, Occasional Paper No. 3, 2000), *Prohibition of Interest: Does it Make Sense?* (Durban: Islamic Da’wah Movement, August 2001), With Habib Ahmed, *Corporate Governance in Islamic Financial Institutions* (Jeddah: IRTI/IDB, Occasional Paper No. 6, 2002) “*Economic and Financial Reform: Fundamentals of a New Architecture* (Durban: Islamic Dawah Movement, August 2004), *Muslim Civilization: Causes of Decline and the Need for Reform* (Leicester, UK:

The Islamic Foundation, 2008), *The Islamic Vision of Development in the Light of Maqasid al-Shari'ah*, (Jeddah: IRTI/IDB, 2008 and Washington: International Institute of Islamic Thought, 2008), *The Global Financial Crisis: Some Suggestions for Reform of the Global Financial Architecture in the Light of Islamic Finance* (Kyoto, Japan: Research Center for Islamic Area Studies, Kyoto University, 2008).

Besides these invaluable books he authored 21 articles on Islamic Economics, 6 articles on “Economic System of Islam, 7 articles on “economic Development”, 46 articles on “Islamic Finance” and 4 articles on “Public Finance.

He has lectured widely at a number of universities and professional institutes in different countries around the world, including the Harvard Law School, Loughborough University, the Oxford Centre for Islamic Studies, the London School of Economics, Universidad Autonoma, Madrid, the University of Malaga, Spain, the House Commons, London, and the Islamic University of Rotterdam, and the Asia Pacific and Kyoto Universities in Tokyo and Kyoto, Japan. He has participated in a number of meetings of international and regional organizations like the IMF, IBRD, OPEC, IDB, OIC, GCC. He has also served for three years (2002-2005) as member of the Technical Committee of the Islamic Financial Services Board (IFSB) established in 2002 to prepare standards for the Islamic financial industry.

Dr Umer Chapra was Married to Khairunnisa Jamal Mundia in May 1962 and left her along with four children.

A great and unforgettable chapter has been closed with the end of Dr Chapra's life. But *in sha Allah*, his name will be remembered for ever for his outstanding services in the field of Islamic finance. May Allah rest his soul at peace.