

## Islamic Finance in Tunisia: Reality and Development

**Authors :** Amira Kaddour, Hedia Teraoui, Khmayes Bougatef

**Abstract :** The main purpose of this paper is to determine the major causes of the underdevelopment of Islamic finance in Tunisia. Indeed, it's surprising to note that Zitouna bank established in May 2010 is the first Islamic Tunisian bank although 99% of Tunisians are Muslim and Islam is the religion of the State according to the Constitution. So we rely in our paper on the opinions of number of professors of finance and economics as educated people to prove or reject our hypothesis that the underdevelopment of Islamic finance in Tunisia can be explained by the ignorance of its main principles and advantages. Ours findings reveal that this branch of finance is still largely unknown, not only from public but also from professionals. The results obtained surprisingly show that this insignificance of Islamic banking cannot be explained by the fact that Tunisia has been governed since its independence by a secular left-wing party. Indeed, only 3% of respondents believe that legislation and regulation in Tunisia represent an obstacle to the development of Islamic finance. Moreover, respondents are not very optimistic about the future role of Islamic financing.

**Keywords :** Islamic banking, Islamic insurance (takaful), Islamic law (shariah), usury (riba)

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