Study Questions for:


1. Use checkmarks to indicate what Hwala is. Use one checkmark per row. The first row has been done for you as an example. Hwala is:

| ___ an Australian marsupial that eats eucalyptus leaves. | or ___ a means of making payments at a distance. |
| ___ a system that works well when all parties are strangers to each other. | or ___ a system that relies on some of the parties knowing and trust each other. |
| ___ a practice generally associated with Islamic finance. | or ___ a practice generally associated with finance in the Christian West. |
| ___ a system that relies on standardized written instruments (or documents). | or ___ a system that does not use standardized written instruments (or documents). |
| ___ a system in which money is shipped from one place to another each time it is used. | or ___ a system that does not require the shipment of money for most instances. |
| ___ a formal, impersonal, financial practice. | or ___ an informal, personal, financial practice. |

2. Time for a three party Hwala. Given the information below, show how a Hwala would work. Draw a picture similar to that shown in the Wikipedia article. Include and explanation with your picture. Hint. Taymur will be playing a role of both person A and person B as shown in Wikipedia.

- It’s 1990 and Taymur wants to travel from Yemen to Iraq. In Iraq, Taymur wants to buy $50,000 of dates (the fruit 🍊) which he will transport back to Yemen to sell. Taymur, however, doesn’t want to carry $50,000 all the way from Yemen to Iraq.
- Fortunately, Taymur knows Yushua, a hawala broker in Yemen.
- Yushua, the Yemini hawala broker, knows Izum, a hawala dealer in Iraq.
- Taymur’s chosen password is “Cool Beans, Baby!”
- Both Yusha (the Yemini hwala dealer) and Izum (the Iraqi hwala dealer) have phones to call each other.
3. Time for a four party Hwala. Given the information below, show how a Hwala would work. Draw a picture similar to that shown in the Wikipedia article. Include and explanation with your picture.

- It’s 1991 and Aleem lives in Tunisia. He owes $30,000 to Baasir. Unfortunately, Baasir lives in Syria.
- Fortunately, Aleem knows Xafeer, a hawala broker in Tunisia.
- Xafeer, the Tunisiaan hawala broker, knows Musharraf, a hawala dealer in Syria.
- Aleem’s chosen password is “Party on Garth!”
- Both Xafeer (the Tunisiaan hawala dealer) and Musharraf (the Syrian hawala dealer) have phones to call each other.
- Feel free to use A to stand for Aleem, B for Baasir, M for Musharraf, and X for Xafeer.