

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

*Praise is to Allah, the Cherisher and Sustainer of the worlds.
Blessings and Salutations Be to His Prophet Muhammad
His Family and Companions*

A note on:

Developing Shari'ah Scholarship for Islamic Finance

Mohamed A. Elgari

There is no dispute that the growth of Islamic finance in general and Islamic banking in particular came as a response to an increasing demand by the Muslim populace devoted believers who want to rid themselves of usurious transaction. To respond to such an increasing demand, banks and other financial institutions needed to offer Islamic banking products and programs. However, this, in turn, required two things:

The first is to know what exactly is an Islamic banking product, the second is to convince the Muslim populace, keen to have as pure as Islamic banking as possible, that these products are worthy of the description "Islamic". This is where the role of Shari'ah scholars begins.

The contribution of Shari'ah scholars to the development of Islamic banking is quite significant. Yet, for the last 30 years or so bankers relied immensely on only a small group of Shari'ah scholars to render these important two functions. This can't be sustained. With the never abating growth of Islamic finance, the need for Shari'ah scholarship is an ever increasing one as well.

Islamic banking can't be accused for failing to meet demand with an ever increasing number of innovative products and services. However, when it comes to Shari'ah scholarship, it has always been assumed that meeting the growing need is the job of other institutions such as universities and Shari'ah colleges ...etc. Sadly, these institutions, while doing what they are supposed to do the way they function today will not result in graduating students who have what it takes to fill the gap in Shari'ah scholarship that is becoming now very critical.

The reason is but quite obvious. To be an effective contributor to the Shari'ah advisory in the realm of Islamic banking and finance, takes a whole lot more than simply being well qualified in jurisprudence and the academic discipline of Islamic law (Shari'ah). One needs to be

knowledgeable in finance and banking, well versed in positive law (common law in particular) and have some proficiency in the English language. As it stands today, I know of no academic institutions who offer such a interdisciplinary qualification.

We frequently hear from some observers the question: why only a small group of scholars dominate the field of Shari'ah advisory in banking. We can't deny that, nor dispute the fact that it is a problem. Nevertheless, talking about it will not solve the problem. Something needs to be done. Each time the subject is raised we point fingers towards academic institutions.

We have to realize that academic institutions as they are set up today, will not output scholars who are ready day one to carry on this responsibility. On the other hand very few graduates are willing to gamble into the unknown by taking the route of trying to gain the essential for such a job.

What is to be done:

I have called many times on Islamic banks to adopt a program of apprenticeship. Apprenticeship is a well established professional improvement scheme in almost every profession. If every bank in cooperation with the members of its Shari'ah board adopted a program where certain number of "potential" scholars are permitted to participate in the working of their Shari'ah board to the extent of being nonvoting members, we will be able to groom a sufficient number of scholars in a relatively shorter time.

This is an effective and relatively non expensive way of doing something about the problem. Not only that it will make it possible to breed a new generation of scholars but also to reproduce the same culture which over the last 30 years was capable of producing such a phenomenal success.