

EDITORIAL

This July issue of ICR, volume 5 number 3, carries a full load of eight articles whose dominant themes revolve around good governance and reforming interest-based finance. These both reflect the ongoing concern cultivated at IAIS with joining policy-related work to civilisational renewal, a process requiring the awakening of timeless Islamic values and practices. Such awakening must integrate the deepest consciousness of primary principles with the activities of our outward existence as individuals and community.

We open with the heart-felt reflection on ‘Love and Forgiveness in Governance’ by Tan Sri Syed Hamid Albar, the former Foreign Minister of Malaysia, reminding us of the integral connection between our outer activity and our inner lives. Next Yutaka Hayashi discusses peace building in the most concrete fashion on the basis of rural life, in his ‘Daily Life and Local Governance in Rural Afghanistan.’ Hayashi stresses the need to build peace from the ground up, placing agricultural and village requirements at the fore. Then two IAIS Fellows grapple with challenges facing projects to implement good governance in Muslim societies. Elmira Akhmetova addresses the topic of ‘The Arab Spring, Good Governance and Citizens’ Rights’ from the perspective of the higher objectives of the Shariah related to just governance and the need for nonviolent approaches to conflict. Amplifying certain themes in her article is the thoughtful study on ‘Integrating Islamic Principles and Values into the Fabric of Governance’ by Daud AbdulFattah Batchelor. Batchelor also reminds us of essential Shariah objectives, asking how they might best be embedded institutionally into society – he points to a systems thinking approach which acknowledges that governance works in a systemic framework wherein moral qualities exert direction.

Among the considerable challenges facing Muslim governments is the issue of preserving and reviving the venerable system of private endowments serving public interests. Deputy CEO of IAIS Mohamed Azam Mohamed Adil and his colleague Mohd Afandi Mat Rani, together examine ‘The Implementation of Land Acquisition Act 1960 and Its Negative Impact on the Development of *Waqf* (Endowment) Land in Malaysia’, suggesting improvements in the implementation of this law to induce aspects of Islamic law more responsive to modern needs.

A constant concern which IAIS closely attends to is the cluster of issues related to Islamic Financial theory and practice. With modern money now institutionalised as interest bearing debt, ‘interest’ lies at the heart of the next two contributions, one by IAIS Fellow Abdul Karim Abdullah who takes up the topic of ‘Enhancing Cyclical Stability by Interest-free Banking.’ Abdullah critiques the Keynesian model of debt financing, proffering instead that “achieving cyclical stability requires replacing *financing by borrowing at interest* with *financing on*

the basis of risk sharing”. Yusuf Jha returns to the pages of ICR with a tightly argued yet persuasive analysis of ‘The Destructive Logic of Interest: The Fallacy of Perpetual Growth’, where he demonstrates how “legalisation led to a shift that paved the foundations for our modern day financial architecture.” Both Abdullah and Jha converge on the conclusion that one clear way forward to the inter-linked disasters that induced the current financial system would be to remove interest-based debt structures. To cap our articles and point to integrating themes of good governance and reforming finance, Mohammed Farid Ali from IAIS reflects on a timeless Islamic value. His ‘Contentment (*Qanā’ah*) and Its Role in Curbing Social and Environmental Problems,’ reminds us of the direct relationship of human character with society and environment, and uncovers the implications of the Qur’anic notion of the ‘good wholesome life’ regarding how to pursue our material means of sustenance and worldly provision. True abundance and human flourishing are grounded upon self-discipline, frugality, and wise moderation in handling material resources. There is a ‘word for the wise’ here for those with comprehending minds and understanding hearts.

In our Viewpoints section, IAIS fellows Sheila Ainon Yussof deftly highlights the complexity of ‘Conversion Issues in Malaysia’ today in her dissection of a recently much publicised case; while Ahmad Badri Abdullah examines halal aspects of the ‘Ethical Dimension of Vaccination Programmes’; then Marco Tieman highlights ‘Synergy in Halal Supply Chains’ from the perspective of logistics. Several event reports from Kuala Lumpur round out the issue.

We extend a warm welcome to new readers of ICR, and renew our gratitude to our friends for their interest and support. Length of article contributions may vary with flexibility from five to eight thousand words, while Viewpoints should remain around one thousand five hundred words. The promise of future work requires active involvement by readers and thinkers in contributing to the task of civilisational renewal.

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