



LSE-HARVARD PUBLIC LECTURE ON ISLAMIC FINANCE  
LONDON SCHOOL OF ECONOMICS, LONDON, UK - FEBRUARY 7, 2008

## ADVANCEMENTS IN CONTEMPORARY ISLAMIC FINANCE: FROM PRACTICE TO SCHOLARSHIP : A SHORT REPORT

The Islamic Finance Project of Islamic Legal Studies Program at Harvard Law School held its second annual public lecture on Islamic Finance at the London School of Economics on Thursday, 7 February 2008. The title of the public lecture was: Advancements in Contemporary Islamic Finance: From Practice to Scholarship. The lecture reflected on the current developments and initiatives in Islamic Finance and explained how faith-based form of finance continues to enhance modern finance and law.

The chair of the public lecture was the Honourable Judge Ross Cranston while the speakers included the CEO of Citigroup global Islamic Banking, Usman Ahmed and Shaykh Nizam Yaquby, the Eminent Islamic Shari'a scholar from Bahrain.

Usman Ahmed presented a detailed presentation on the current Islamic Finance practice and its relevance to modern global finance as well as to the UK. He noted that that the Islamic Finance industry is growing at an exponential rate. It is estimated to have a global size well over \$ 300bn and with a current annual growth rate of 15% to 20%. The industry has drawn interest from all levels, be it from regulators or from consumers. The Islamic capital markets, especially, Islamic bonds also known as sukuk, have witnessed significant growth, hence drawing considerable press coverage. The UK is also becoming an active hub of Islamic finance, with more and more City institutions establishing a presence in this field every year. In fact, the government has actively taken a strong interest in its growth by establishing a committee to look into, among other things, issuing UK's first sovereign Sukuk.

Shaykh Nizam Yaquby, a Shari'a scholar adviser who also sits on several Shari'a boards, provided a legal and jurisprudential view of Islamic Finance, in particular, in relation to law and economics. He talked about the role of Islamic jurisprudence (Shari'a) advisors in modern financial transactions by providing example from some of the available structures used in Islamic Finance. He also shared his thoughts on the future of Islamic Finance, particularly with regards to the legal jurisprudence, finance and economics.