



2nd Article - Building on Strengths of Muslim Economies

One of the most pertinent economic issues facing the Muslim world today is the inequality of wealth amongst its members.

The United Arab Emirates has a Gross Domestic Product (GDP) by Purchasing Power Parity (GDP) by Purchasing Power Parity (PPP) Per Capita of US\$45,200 (RM14,640). At the opposite end of the scale are countries like Somalia with a GDP (PPP) Per Capita of US\$600 (RM1,920). Some countries are blessed with an overabundance of oil while others are being torn apart by civil wars.

With such disparities one would feel that it would be impossible for these different economies to sit at the same table. The World Islamic Economic Forum (WIEF) would like to view this situation rather differently. Apart from sharing a common faith, all these countries share very similar characteristics which need to be looked at a deeper level.

An interesting characteristic is the relatively young population of many Muslim countries. An estimated 65 per cent of its 1.5 billion citizens are below the age of 30. Because the young have new ideas and new energy, these numbers represent a huge catalyst for growth. Thus the WIEF has identified youth as one of the starting points to bring Muslim nations together. The overall well-being and strength of the Muslim world lies in how well the young are educated and connected.

However, many governments have failed to nurture their younger citizens leading to a severe lack of skills among its workforce. While the use of Internet and mobile communications has increased among the young, the level of education and skills has not. The youth know how to use these high-tech gadgets but they are unable to design and develop them. There is an over dependence on foreign expertise, foreign imports and foreign labour. Everything has to be brought in, even human resources.

Education security is just as important as food, energy and water security. Without a comprehensive education and a highly-skilled and well-trained workforce, the Muslim world cannot realistically expect its position in the world to improve. Providing these future leaders with the skills, strengths and networks is crucial for them to be competent.

Higher education generates hope and opportunities, allowing young people to see their future unfold in a meaningful and productive way. It is also timely that Muslim youth are involved and given responsibilities to tackle important issues facing the world at present, such as climate changes and sustainable development, to give them a sense of ownership of the future.

The WIEF's young Leader Network (WYN) brings together young leaders and change makers, professionals and entrepreneurs through its "Groom a Leader" project, which entails an internship and scholarship programme. Since its full-fledged inception just recently, two students, one from South Africa and another from Malaysia were granted scholarships to study at the University of Cambridge, the UK, and Multimedia University, Malaysia, respectively through the WYN Scholarship Programme.

The WYN Internship Programme, one of the main attempts to take the internship experience in the Muslim world to a global level, entails providing the opportunity to young leaders in these countries to work for a period of three to six months with WIEF's various partner corporations. Among them are reputable multinational corporations such as the Sime Darby Group, Al-Ghurair Group and Rio Tinto Alcan.

In 2009, five students from Somalia, Nigeria, Indonesia, Sri Lanka and Pakistan benefited from the programme and were able to work and connect with professionals from a diverse range of cultures and backgrounds. The programme aims to bring in more students and more partner corporations to join the fold from 2010 onwards.

Other initiatives, which have been started to facilitate an exchange of ideas and transference of knowledge, include the WIEF-UiTM International Centre, an initiative of the WIEF Education Trust (WET), which was established in 2007 in collaboration with University Teknologi Mara (UiTM) in Malaysia.

One of its activities, the Global Discourse Series conducted in November 2009, brought together a panel of experts to discuss contemporary issues with university students who came from all over Malaysia.

The WIEF believes these discussions will bring a fresh perspective to knowledge transmission by bringing together opinion leaders and world experts to impart knowledge to people who matter and would benefit the most – the students and the academia at large – exactly those who are responsible to carve the intellectual fabric of society and bound to be leaders in the near future.

When it gathers sufficient momentum, the WIEF aims to replicate this model to other universities and other centres of excellence. Under the WET, WIEF also plans to establish research collaborations between research institutes, universities and think-tank within the Muslim World in such crucial fields as biotechnology and human capital development.

Another interesting characteristic among Muslim nations is large involvement of SMEs in their economies. In the United Arab Emirates, for example, SMEs employ 62 per cent of the labour force and contribute about 75 per cent of the GDP of the state. In Lebanon, they form more than 95 per cent of the total enterprises and contribute roughly 90 per cent of the jobs. In addition to providing job opportunities, SMEs in these countries play an important role in developing new products both for local consumption and for export.

These SMEs are not without their share of problems. They do not have easy access to financial services because of the requirements that must be met to obtain these loans. They are also governed by complex regulations governing their establishment and operation.

The WIEF acts as a platform to bring together these SME business owners with the right people in the business chain such as the bankers, venture capitalists and potential partners to explore funding facilities and business development.

Many of these SMEs owe their growth to women who have contributed immensely to the economy of the Muslim world. In recognition of the contribution of women to the economy, the WIEF established the WIEF Businesswomen Network (WBN) to provide a networking platform for women entrepreneurs in the Muslim world in line with the goals of the global women empowerment agenda to elevate the status of women worldwide.

The WIEF sees its role as connecting and empowering women entrepreneurs worldwide through seminars and workshops so that they can share their expertise and skills, support and mentor each other and create worthwhile business relationships across different countries.

An example of this was the WBN Women Entrepreneurs Workshop held from January 17 to 29, which brought together 28 participants from 13 countries.

At WIEF, we choose to believe that our similarities are far greater than the differences that are purportedly dividing us. We prefer to build on these commonalities through the things that bring us together – our women and children, and the imperative of education that continues to sustain us as a civilization.

We may come from diverse countries but we are one world. I hope we will be able to see beyond our boards and focus on building bridges between the gaps that has kept us apart for so long.