



PERDANA  
LEADERSHIP  
FOUNDATION  
YAYASAN  
KEPIMPINAN  
PERDANA



# THE FUTURE OF ISLAMIC BANKING IN THE GLOBAL MARKET

**ABDUL GHAFAR ISMAIL**  
AMBANK GROUP RESIDENT FELLOW  
AT PERDANA LEADERSHIP FOUNDATION

A PUBLICATION OF PERDANA LEADERSHIP FOUNDATION



PERDANA  
LEADERSHIP  
FOUNDATION  
YAYASAN  
KEPIMPINAN  
PERDANA

## Synopsis

There are many challenges ahead for the Islamic banking industry that require the industry to change. One of the main challenges is integrating Islamic banking with the global market. This book will explore several important aspects of that challenge, among them: the competing worldviews on Islamic banking principles; differing *Shari'ah* rulings that influence legal origin and governance, indicators of financial stability, and risk sharing. In trying to integrate with the global market, Islamic banks need to innovate aggressively. This means offering new products and services which, of course, will carry with them new risks. In addition, new challenges are also emerging related to the harmonisation of *Shari'ah* rulings, regulatory and security issues as well as market discipline.

## About the Author

Abdul Ghafar Ismail is a Professor of Islamic Economics at the Faculty of Economics and Management, and the Chairholder of Sheikh Abdullah Fahim, Universiti Kebangsaan Malaysia. He is also Chairperson, Organisation of Islamic Economic Studies and Thoughts; and Shariah Committee member of Sun Life Malaysia Takaful. He got his Ph.D. from the University of Southampton, England. His experience includes Head of Research Division, Islamic Research and Training Institute, Islamic Development Bank; Rector and Professor of Islamic Financial Economics at Johor Islamic Studies College; member of YaPEIM Board of Trustee; Professor of Islamic Financial Economics, Universiti Kebangsaan Malaysia, Universiti Sains Islam Malaysia, and Universiti Islam Sultan Sharif Ali; Bank Supervision Advisor of the International Monetary Fund for Djibouti; AmBank Group Resident Fellow for Perdana Leadership Foundation; Consultant for Ministry of National Development Planning, Indonesia, and Shariah Committee Member for Citibank Malaysia. He has published extensively in several refereed journals among others Journal of Business Ethics; European Journal of Law and Economics; Review of Islamic Economics; Journal of Islamic Economics, Banking, and Finance; Humanomics; International Journal of Social Economics; Savings and Development; Global Journal of Finance and Economics; Review of Financial Economics; Journal of Financial Services Marketing; International Journal of Islamic and Middle Eastern Finance and Management; Research in Financial Qualitative Markets; and Investment Management and Financial Innovations. His papers have also been presented in many international and local conferences. His research interests include learning process and growth theory, inter-temporal allocation of resources, earning management, capital adequacy standard for Islamic financial institutions, risk management, and institutional economics. His recent books are Money, Islamic Banking and Real Economy; Ar Rahnū – An Islamic Pawnbroking; Economic Capital and Risk Management in Islamic Banking; and Policy Discussion on Maqasid Shariah for Social Economic Development.

ISBN 978-967-0821-01-6



9 789670 821016



PERDANA  
LEADERSHIP  
FOUNDATION  
YAYASAN  
KEPIMPINAN  
PERDANA