

Muslims told to learn management skills

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By BOB TEOH

THE Muslim world has failed to promote Islamic prescriptions in the modern environment especially in the financial world, Prime Minister Datuk Seri Dr Mahathir Muhammad said yesterday.

This failure was not because Muslims are ignorant of Islamic teachings but because they lack the knowledge and skills essential in the modern financial system.

Speaking at the official launching of Syarikat Takaful Malaysia Sdn Bhd

one of the seven Islamic insurance companies in the world - he said apart from setting up Islamic-based financial institutions, there is a need to acquire the necessary management skills and experience to promote such institutions.

The Prime Minister said Islam provides prescriptions for business just as there are rules for the religious side like the

practice of zakat and puasa.

But the unfortunate part of it was that the Muslim world has not been able to apply these prescriptions to the modern financial system, he added.

In the past decade or so, efforts to apply these to the financial world seemed to have gained some ground but he felt that many Muslims in the country were not aware of this achievement.

For instance, Syarikat Takaful or the Islamic concept of protecting risks through insurance was set up in 1979. This effort, he said, is a primary and pioneering move to introduce Syariah prescriptions into the financial system of today.

In the same year, another two Islamic insurance companies were formed - the Islamic Insurance Company Ltd in

Sudan and the Islamic Arab Insurance Company in Saudi Arabia. Two years later the Dar Al-Maal Al-Islami was incorporated in Geneva and in 1983 another three such companies were formed - Islamic Takafol Company in Luxembourg, Islamic Takafol and Re-Takafol Company in Bahamas and Syarekat Al-Takafol Al-Islamiah in Bahrain.

Dr Mahathir said the government was certainly working at implementing Syariah rules to the business community but he cautioned this must not be construed to mean that by following the Syariah, commerce will automatically succeed because the success of a business depends on management skills.

He pointed out that instead of wasting energy shouting slogans that remained empty rhetoric, it was better to progressively introduce Islamic

prescriptions into practice.

He added there was no point in condemning other systems. What was important was the need to prove the feasibility of the Islamic system to fulfill the needs of not only Muslims but also of non-Muslims.

Dr Mahathir pointed out that the insurance business of Syarikat Takaful was not confined to Muslims alone as non-Muslims are also eligible to participate in it.

Takaful as the Islamic alternative to the conventional insurance business is based more or less on the cooperative concept although the takaful company itself was set up as a limited liability entity.

There is no pre-determined yield offered or the creation of an instant guaranteed estate as would be in the case of the conventional life insurance policies.