

Grooming the next generation of Shariah scholars

The bi-monthly Shariah Speaks column returns with a view on ways to increase the pool of qualified and talented Shariah scholars to keep up with the growth in the industry. In the Middle East for instance, it is not uncommon for renowned scholars to sit on the board of more than 20 to 30 Islamic financial institutions, which arguably stretches current resources and limits the opportunities for newer scholars to come through. We get the views of two Shariah scholars on how this issue can be managed.

► By **Ridwan Abbas**

Q There has been a trend amongst institutions to go for a small pool of “brand-name scholars” to help lend credibility to their products. How can we expand the pool of Shariah scholars and allow more opportunities for younger scholars to grow?

There are two issues that need to be addressed here. The first relates to the availability of scholars to serve the industry and second is the opportunity for these scholars to serve on Shariah boards.

On the first issue, scholars need to explore opportunities for them to learn more about the applied knowledge of the industry. Not many scholars are exposed to this applied knowledge as most of the training they obtain from higher learning institutions focus on theoretical aspects of knowledge. The scholars need to take their own initiatives to attend workshops, training sessions, seminars, conferences and so on to keep abreast of what is happening in the market. This is important as the need in the market is not confined to theoretical knowledge. Applied knowledge is equally important.

On the opportunity for the scholars to serve on Shariah boards, I believe if they have adequate knowledge and expertise, it will be easier for them to be nominated to sit on Shariah boards. Having said that, the role of regulators is also important to help these scholars be appointed to Shariah boards, by restricting the number of boards a person can sit on in a particular jurisdiction.

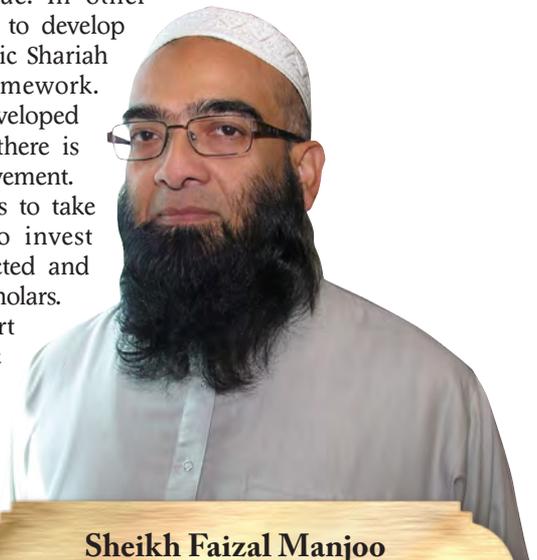


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As products are driven by Shariah compliance, confidence needs to be created in the market from this angle and hence the need to have experienced and well-known scholars on Shariah Supervisory Boards. However, boards can then become too personality driven because takaful companies need their products to be endorsed by a select group of high-profile Shariah scholars, which then places a lot of constraints on this group of scholars. For instance, they might not have time to read the contracts in their entirety, perform the level of Shariah audit required, or keep up with the developments in the market.

To address the issue, I propose the following:

- Legislation and appropriate regulation to limit number of boards a scholar can sit on.
 - Having an apex body at the central bank or regulatory authority level to regulate all Shariah Supervisory Boards will contribute to ensure that all Shariah scholars sitting on various boards will have central oversight on. For instance, how many hours they dedicate to each company and how they formulate their fatwas can be audited.
- Also, it is important to place the “duty of care” on Shariah scholars, just like there is on directors of companies. Unless these legal safety valves are in place, the industry will always debate this issue. In other words, we need to develop a more systematic Shariah governance framework. Malaysia has developed one, but I feel there is room for improvement.
- The industry has to take the initiative to invest in training selected and capable young scholars. This will be part of their Islamic corporate social responsibility.



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