

Chat With Muath Mubarak

Nida Khan

Here, MM talks with Nida Khan, who has the distinction of developing first of its kind Islamic Finance educational mobile app for iPhone, iPad and iPod.

MM: Could you briefly tell us of your aspirations for the Islamic economy?

Nida: The inception of Islamic Economics or rather its revival took place with the aim of providing economic development to the masses in an Islamic way but somewhere down the lane, the goals got lost. What we see now is an economic system that is striving to thrive by imitating the practices of the conventional economic sector in the garb of Islam. Hence it is no wonder that the Muslims at large have not benefitted from it. My aspirations are to reformulate this system so that there is no gap between theory and practice, and Islamic Economics emerges truly as economics practised the Islamic way. Further, it should be viewed as a dynamic stream, one that continuously changes and adapts itself according to needs while simultaneously adhering to the dictates of Islam to cater to the needs of people from all sections of society.

MM: You created the first iPhone mobile app for Islamic Finance. What

made you to launch it and how do you see your progress?

Nida: The story of the launch of the first Islamic Finance App is an interesting one. I feel I have been blessed to have been chosen by Allah to fulfil this role to help the community at large in the spread of Islamic Finance. Islam has always been my first love and studying about it is a passion. I was supposed to do this as a project as a part of an online Harvard course via the platform of EdX. I had no clue what my project would be about and as I sat down to see the Apps related to Islamic Finance on my iPhone one day, I discovered that there were absolutely no Apps that could tell one what Islamic Economics is basically all about. It was at that moment that I decided to create the Islamic Finance App and launch it.

I am really very grateful to Allah as with His help the App has reached every nook and corner of the world without the deployment of any rigorous marketing strategies, which are a norm nowadays in iOS and Android markets. Statistics show that the App is popular

in around 19 different countries in the world and is continuously maintaining that position. I feel satisfied that people in so many countries across the world are benefitting by it. I was undoubtedly saddened to see the low level of technological advancement in Islamic Economics but I hope that my contribution will inspire many youngsters to take the banner of adding that special technological touch to Islamic Economics to make it scale new heights.

MM: How do you see yourself providing solutions to the Islamic Finance industry?

Nida: I visualise myself as an unorthodox player in the field of Islamic Economics, one who will persistently try to innovate things to provide solutions to the many problems our industry is facing in a contemporary manner and yet not diverting an inch from the axioms of Islam pertaining to 'Adl (Justice), Ukhuwwah (Brotherhood) and Ihsan (Perfection), all guided by Tawhid



(Unity and Sovereignty of Allah) and Taqwa (God-consciousness).

MM: You are also part of a School of Islamic Economics. Could you tell us more about this?

Nida: Yes I am a part of Amanah International School of Islamic Economics (AISIE), which is a very noble venture initiated in India by some very dynamic people who aim to bring India to the international platform as an active provider of Islamic finance education while at the

same time provide ethical financial options to Indian Muslims, which constitute by and large the second largest group of Muslims in the world. AISIE groups researchers, professionals and experts in Islamic Economics to function as a think tank to provide innovative solutions to Islamic economic problems together through research and education. The certification is done through examination bodies housed in the UK, which is headed by Trescom situated in Bradford and Leeds.

MM: In your view, what are the challenges that Islamic finance industry is facing?

Nida: The challenges being faced by this industry comprise both the ones faced by any new reforms in their introduction to society at large and also the one of religious rigidity, more so by the followers of the faith itself as compared to the people who don't believe in Islam. The majority of Muslims, just like the people of other faiths, view Islam simply as a religion. However, Islam is not just a religion- it is a way of life. The first and foremost problem, though surprising, thus still remains that Muslims have to embrace Islamic economics wholeheartedly. There is no excuse for indulging in interest-bearing transactions, more so now, when so many people have come forward and are providing an alternative way to finance. Islam always advises to go for the lesser evil. Though Islamic Economics has not yet fully penetrated the economics sector so as to have a complete economy being run on an Islamic basis, yet the small path that has been made needs to be taken.

Secondly, the providers of Islamic of finance, that is the professionals, the economists, the researchers and the various experts, need to develop tools to provide solutions adhering to the strict guidelines of Islamic jurisprudence and not solutions that simply mimic conventional products. Thirdly, the wealth still remains in the hands of a few players and its distribution is not according to the dictates of social justice.

Further, the industry is in need of fresh talent honed from the best universities and grounded in the basics of Islam. We cannot expect robust solutions from people who

simply know about finance or Islam- we need people who know both, at least at the basic level if they don't excel in both the domains. Education of the masses and in particular the young generation to influence their thinking is a must. Lack of government support in many countries like Egypt and Algeria are responsible for the under-developed sector in those countries. Cross border regulatory harmonisation needs to be done. Further, the interpretation of various Shari'ah laws on an International scale needs to be standardised to avoid disputes like the ones seen between Malaysian scholars and their Gulf counterparts. Such lack of uniform regulatory measures gives a bad name to the industry and raise scepticism in the masses.

Concerns about cost competitiveness among people, lack of demand among non-Muslims and poor performance of funds are other challenges that this industry is dealing with. Insufficient profitability of the business models being used, lack of sophistication in risk management together with the fragmented nature of the industry are also making its growth a bit problematic. Problems and challenges can be many when one sets out on one's path, but persistence and a continuous effort will surely take us where we want to go one day so long as the will to go on is there.

MM: In your view, what are the big opportunities you see in the near future?

Nida: In my opinion in the eastern markets, retail loans and sukuk would be the most lucrative, whereas in the western markets the focus should be mostly on takaful as these are the areas which look most promising presently. Islamic mortgages are also an area which has huge potential for growth in the near future.

MM: What message would you like to convey to the young people in the industry?

Nida: The young in this industry should not follow the footsteps of others and they should try to carve a niche for themselves. They should try to read books dealing in economics written by prominent Muslim thinkers like Maududi, Mohammed Baqir al-Sadr, Al-Suyuti, etc. Nothing good will be achieved if the entire meaning of the Qur'an is not understood and applied in our works. Our aim should be to eradicate poverty and enable each citizen of this world, whether Muslim or not, to have the basic necessities of life. Economics is the driving force of a community. You, as the torch bearers of this generation should take steps to provide such ethical solutions to the financial problems in your country that your nation rises as a result of your contributions. What conventional economics could achieve has been made clear by the recent recession. The road now lies clear in front of you to go and make your mark.

MM: How do you see yourself in next 5-10 years and your contribution for the industry?

Nida: I take each day as it comes. My coming into this field was not a planned one but a gradual transition of my passion into my work. Where I am in the next 5-10 years is something which Allah will reveal with time. I just have to keep on doing my duty to make lives that I touch upon better in some way to please my Lord. What my contribution will be to this industry is of insignificant importance as long as I am able to give a home to even a few poverty stricken and economically weak people in my home country with the help of this justice-driven industry.

NIDA KHAN SUMMARY PROFILE

Nida Khan is a computer scientist by training and an Islamic banking professional by vocation. She has the distinction of developing first of its kind Islamic Finance educational mobile app for iPhone, iPad & iPod. She holds multiple qualifications in Islamic Banking and Finance and is currently working as the Global Head of Operations at Amanah International School of Islamic Economics, Bangalore, India. Prior to joining Amanah she was supporting business development & marketing strategy for Dananeer, an Islamic Finance consulting and training firm in Luxembourg.

Nida is currently pursuing her Masters in Information and Computer Sciences from the University of Luxembourg where she has also worked as a Research Assistant in the area of data security in online transactions. She holds an honours graduate degree in Computer Science and Engineering from India and a Master Diploma in Islamic Banking and Finance from UK.

Professional Goal:

To introduce reforms that minimise the costs associated with the use of technology in financial institutions

Favorite Shari'ah Scholar:

Mufti Abdul Kadir Barkatullah

Inspiring Islamic Finance Book:

Islamic Capitalism and Finance: Origins, Evolution and the Future (Studies in Islamic Finance, Accounting and Governance) -Murat Cizakca

One-line advice:

"Invention, it must be humbly admitted, does not consist in creating out of void but out of chaos"— Mary Shelley