

CALL FOR PAPERS

Eleventh Harvard University Forum on Islamic Finance

TAKAFUL AND ALTERNATIVE COOPERATIVE FINANCE:

Challenges and Opportunities

April 26-27, 2014

Harvard Law School | Harvard University
Cambridge, Massachusetts, U.S.A.

The Harvard University Forum on Islamic Finance was introduced in 1997 in order to engage scholars, practitioners and regulators in productive dialogue about the then-nascent field. Previous forums have focused on recent economic and political developments in Muslim-majority societies; innovation and authenticity; the global recession and points of contact between Islamic finance and other types of ethical finance.

Islamic finance literature frequently refers to economic justice, equitable distribution of opportunity and wealth, ethics, morality, equity and fairness in business dealings. Critics, however, contend that the current practice of Islamic finance is not adequately informed by such ideals. Can cooperative financial models such as *takaful* facilitate the development and growth of financial solutions that more clearly reflect the ideals of Islamic finance?

The Eleventh Forum seeks to reassess and critically engage with issues of risk sharing, mutuality, solidarity, and socio-economic welfare in the context of a discussion about *takaful* and other types of cooperative financial solutions.

Papers are requested in the following areas:

MUTUALITY: CHALLENGES AND ISSUES

Mutuals and cooperatives are relatively rare in the Islamic financial services sector. Is there a need for a greater number of mutuals and cooperatives to replace the debt-based products predominantly being offered? What factors (profitability, business models, legal/regulatory frameworks, government support, etc.) could problematize the development and growth of Islamic financial products and institutions based on the concept of mutuality?

Papers may address topics such as:

- Alternative models and their associated challenges
- Investment models and profitability
- *Shari'a*-related, legal, regulatory and governance concerns
- Points of contact between *takaful*, mutual banking and other cooperative financial solutions
- Surveys of pre-modern and modern cooperative financial products and trends in practice.

RISK-SHARING

The theoretical literature emphasizes the significance and benefits of risk-sharing, as opposed to risk-shifting. What factors complicate the sector's on-going effort to develop and evolve solutions that privilege risk-sharing over risk-shifting?

Papers may address topics such as

- Innovative risk-sharing and the challenges of product development
- Risk-sharing: social concern or commercial venture?
- Analyses of various risk-sharing and risk-shifting models and approaches
- The theoretical and empirical significance of various risk-sharing models and approaches
- Risk-sharing in the context of *takaful* and other types of cooperative finance

MARKET PENETRATION: STRATEGIES AND ACTIONS

Various factors contribute to the relatively low penetration of certain financial products in Muslim communities. What role might Islamic finance, in general--and *takaful*, in particular--play in changing this state of affairs?

Papers may address topics such as

- Obstacles to the growth of Islamic finance, particularly *takaful* (e.g., lack of effective distribution; lack of human capital and capacity; ineffective financial architecture and unsatisfactory track record)
- Increasing the penetration of Islamic finance with particular regard to *takaful* in Muslim-majority societies, and Muslim communities in Muslim-minority societies
- Resources and strategies for the establishment and development of Islamic cooperative finance institutions

SOCIO-ECONOMIC BENEFITS

Critics contend that the prevailing practice of Islamic finance is not sufficiently informed by its theoretical ideals and that it offers little, if anything, that is not already offered by conventional finance. To what extent is such criticism valid? And if so, how can Islamic finance be "re-connected" to its ideals?

Papers may address topics such as:

- Lessons that conventional cooperative finance (e.g., credit unions, building societies, cooperative/mutual banks, etc.) and Islamic finance can learn from each other
- Alternative Islamic financial ecosystems
- The impact-driven design of Islamic financial products (especially *takaful*) to serve low-income and at-risk members of society
- The implementation and execution of *takaful* and other "social" *shari'a*-compliant practices (e.g., *zakah*, *waqf* and microfinance)

EMERGING ACADEMIC RESEARCH AND FUTURE DIRECTIONS

As in previous Forums, a section will be devoted to advanced graduate-level research in Islamic cooperative finance and related aspects. Students are encouraged to submit their works for consideration.

SUBMISSION GUIDELINES

Persons wishing to present at the Eleventh Forum are requested to submit the following, as a Word document, to ifp@law.harvard.edu:

- Abstract of the proposed paper (up to 200 words)
- Biographical sketch (up to 200 words)
- List of author's relevant publications (up to one page)

Forum papers must be original work of publishable quality and written exclusively for presentation at the Eleventh Harvard University Forum on Islamic Finance.

Papers identical or substantially similar to those already presented elsewhere will not be accepted.

Islamic Finance Project (IFP) will notify candidates whose papers are accepted for presentation by December 2, 2013. All such papers and their supporting materials become the property of the Islamic Legal Studies Program at Harvard Law School and may not be reproduced in any form or submitted elsewhere without prior written permission. No submissions will be returned.

DEADLINES

- Abstract, biographical sketch and list of publications: **August 4, 2013**
- Draft of paper: **October 6, 2013**
- Final paper (if accepted for presentation): **February 2, 2014**

CONTACT DETAILS

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