The International Conference on Islam and Development in Southeast Asia was held during September 25-26, 1991, at the Equatorial Hotel, Kuala Lumpur, Malaysia. The conference was jointly organized by the Academy of Malay Studies (University of Malaya), the Islamic Academy (University of Malaya), and the Information and Resource Center (Singapore) and was sponsored by the Hanns-Seidel Foundation. The conference's stated aim was to demonstrate the differences in programs for cooperation between Islamic countries, the integration attempts of developing countries, and the actual economic and political situations of Southeast Asian countries.

There were four main panels in the program: a) Islam and Development in Southeast Asia: A Historical Perspective; b) Islam and the Political Process; c) Islam and Economic Development; and 4) Islam and the Future of the Region.

In the first panel, Khoo Kay Kim (professor of Malaysian history, University of Malaya) pointed out that Muslims have historically emphasized education, while in modern times they have tended to allow education to be shaped by outside rather than inside influences. In addition, Muslim education in Southeast Asia has lagged behind national development. At present, the education system in Malaysia continues to produce students who
memorize what is written in textbooks and then simply repeat what others have said. They rarely think critically, are reluctant to produce original writing, and expect to be given easy-to-swallow answers to any political, social, and economic phenomenon. They then repeat these same simplistic answers when faced with important questions.

Despite efforts to Islamize the curriculum, this situation still exists. However, it has now changed from a situation where important issues are inadequately addressed by secularists to a situation where important issues are inadequately addressed by Islamists. The Malaysian education system has become too prescriptive and restrictive; students are just given all the answers, particularly the “right” answers, and they are not taught how to think. Also, intellectuals in general are considered a nuisance by politicians, businessmen, and social leaders. According to Kim, Islam has to come to terms with Western ideas, otherwise Islam will lose out. A confrontational attitude is dangerous and counterproductive...discretion is the better part of valor.

In the same panel, Taufik Abdullah (a research professor at the Indonesian Institute of Science) spoke on the past confrontation between Islamic parties and the Sukarno government in Indonesia and the present accommodation between the Suharto government and the Islamic workers. In 1955, when the first and only free elections were held in Indonesia, Masjumi (the major Islamic party) was voted in throughout Indonesia. In addition, it was leaders of the Islamic parties who proposed the major ideas in the official ideology of the Indonesian government, i.e., Pancasila, which literally means “five ways.” This ideology consists of belief in the one and only God, civilized humanity, guided democracy, national unity, and social justice. The government, however, interpreted these principles in such a way that it moved the Islamic parties aside and, consequently, alienated them. The present government is now moving closer to the Islamic groups, the largest of which are the Muhammadiyya and the Nahdatul Ulama groups. It has created the Council of Indonesian Ulama (consisting of scholars, leaders, and bureaucrats/politicians) which can review governmental laws in terms of their Islamicity. It has allowed the establishment of an Islamic bank and authorized Islamic religious courts to handle cases of marriage, divorce, and inheritance.

In the third panel, Syed Othman Al-Habshi (Malaysian Islamic Bank) pointed out that economic development in Malaysia is moving closer and closer to adopting Islamic attitudes and practices. The single most indicative example of Islamic economic practices in Malaysia is the Islamic bank. This institution has, however, been facing some major problems. Theoretically, an Islamic bank does the following: finance (bay' bi thaman 'ajil), profit-sharing (mudārakah), and partnership (mushārakah). The Malaysian Islamic Bank has tended to concentrate on financing. This is problematic for Malaysia,
because there is a severe lack of Malaysian Muslim entrepreneurs with projects requiring financing. In addition, Malaysian economists have still not been able to either theoretically or practically Islamize the nation's economy (i.e., no interest or production of prohibited products, and the incorporation of justice and charity). Al-Habshi also could not clearly explain why interest-free banking, which imposes service charges, is different from interest banking without service charges (especially since the customer ends up paying the same amount in the end, sometimes even paying more in service charges to an Islamic bank than interest charges to a non-Islamic bank).

On this same panel, Assanah Mohammad Mydin (director of the Institute for Policy Research, Kuala Lumpur) spoke of the dire need of the Malaysian economy for trained manpower. The Malay Muslims have not yet been able to produce the level of human resource development needed for an advanced industrial economy. This is quite problematic, especially since Prime Minister Mahathir Muhammad has announced his plan for Malaysia to become fully industrialized by the year 2020. One of the serious deficiencies in the Muslim labor force is the lack of entrepreneurship. Some scholars have begun to incorporate Islamic ideas into management training, which is a healthy sign. Nevertheless, there are too few Muslim scholars today studying the ever-widening area of economic development (human resource training), especially at this point in time when rapidly advancing economic activity requires ever-more numbers of trained people.

In the fourth panel, Sharon Siddique (deputy director of Singapore's Institute of Southeast Asian Studies) critiqued the prevalent Western approaches to Islam and development. She found the following faults with such studies: a) They ignore or minimize the influence of Islam; b) They assume that what is good for the West is necessarily also good for Southeast Asia; and c) Their research is oriented toward their own narrow interests. For example, they would ask: Why is an Islamic revolution likely to occur in one country and not another? rather than: What does it take to have a modern urban economy while preserving traditional values?

In general, the conference was quite educational and enlightening. The speakers included Islamists, secularists, nationalists, and those who did not identify themselves with any particular group or ideology. The attendance was limited to forty invited intellectuals, and some of the major debates in the conference were on the following topics: a) Why have Islamic groups been unable to solve genuine social, economic, and political problems?; b) Is Southeast Asia going to look more like Western Europe, Japan, or something else in the next century?; c) Will governments continue to fight Islamic groups or become more tolerant?; d) Is Malaysia's Islamic Bank really a successful experiment in Islamic banking?; e) Why are many Muslim intellectuals ideological instead of critical and analytical?; f) How can Muslim countries
rid themselves of discriminatory immigration policies, given that some countries have severe underpopulation while others have severe overpopulation; and g) Will Southeast Asian Muslims, who are a minority in a country like Thailand, ever be able to share in the region's economic and political development?

Although the presentations provided a large amount of descriptive material on Muslims and development, there was little theoretical discussion. Islam was addressed in terms of how it has and continues to be applied as opposed to what it claims to embody and what ideal it strives for. Also missing was an assessment of how Muslims measure up to that ideal. The session on Islam and economic development focused on the hopes and problems of the Islamic Bank of Malaysia, but it neglected the area of Islamic banking as a viable (or inviable) system in the present world economy. If current developments in economics point toward a capitalist world economic order dominated by Europe, Japan, and the United States, then what can lead to the development of a viable economic system Muslims?

The conference's strength lay in its ability to bring together a group of intellectuals from different backgrounds to discuss the important but sorely neglected topic of Islam and development. More such conferences are needed around the world, and future ones must strive to bring together not only scholars, but also professionals, practitioners, and government insiders.

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