

DURHAM ISLAMIC FINANCE AUTUMN SCHOOL, 2011
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Durham Centre For Islamic Economics and Finance, Durham University, UK
in cooperation with
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Participation Banks Association of Turkey,
and Alliance of Civilizations Institute of Fatih Sultan Mehmet Vakif University

Dear Participant,

We welcome you to Durham Islamic Finance Autumn School in *Istanbul* 2011.

The Islamic banking and finance (IBF) sector has experienced substantial and unprecedented growth in recent years: growing at a rate of 10-15% per year. Today, more than 500 IBF institutions are operating worldwide, which are claimed to manage assets worth no less than \$1.2 trillion, while the assets held in IBF institutions were only less than \$10 billion in 1985. In Malaysia the IBF institutions are planned to capture the 25% of the market share, in terms of assets owned, by 2012, while it is expected that Islamic finance will be the mainstream finance in the Gulf region in the next decade. Such immense growth has brought Islamic finance to the attention of the international banking and finance community, prompting the major banks to set up Islamic financial windows to take advantage of demand for *Islamic* finance. This is a clear vindication of the IBF industry.

Under the current financial crisis, which has engulfed the entire globe, the IBF industry has shown relative resilience without undergoing major difficulties, despite the fact that it is very much integrated with the global financial world. While there has been a couple of defaults in Islamic financing in the last years, in some cases Islamic banks have shown even unexpected growth in their asset bases but also in their financial performance. Thus, while the success and the resilience of IBF cannot be denied, it is important that IBF should remain within its aspirational world view in order to remain a successful project in making a difference rather than mimicking the conventional banking experience. Concerning the current practice, indeed, no one can deny concerns over the practice of IBF deviating from the aspirational values.

Due to such exciting and dynamic developments in IBF sector, it is important that financiers and bankers who are working in the field or who wish to enter the Islamic finance sector should be endowed with the necessary knowledge and training in the field in terms of the principles, operations, techniques and mechanism of Islamic finance, and financial products as well as the dynamics of Islamic financial and capital markets. The programmes offered by Durham Centre for Islamic Economics and Finance at Durham University, thus, aims at providing such knowledge, skills and expertise for the participants and hence will help them to be in an advantageous position in entering and working in the Islamic financial sector. The international reputation of Durham programmes in Islamic economics and finance is an important asset, thus, for the participants to utilise, which is the most reputable programme in Islamic moral economy and finance in one of the oldest traditional universities in the UK, as Durham University has 180 years of history in teaching, research and training.

We welcome you to Durham Islamic Finance Autumn School (DIFAS), 2011 organised by the Durham Centre for Islamic Economics and Finance at Durham University with our partners in Istanbul, which is based on the success of Durham Islamic Finance Summer School (DIFSS) over the last six year. The DIFSS has trained over 400 people from all over the world since 2006, which has become a sought-after event in Islamic finance calendar with an increasing reputation.

Durham Centre for Islamic Economics and Finance has contributed to the field of Islamic economics, banking, finance and management through teaching and research over 25 years, which is going through exciting times in terms of institutionalization, with new programmes and additional academic staff in IBF. Currently, there are about fifty Ph.D. students studying various aspects of IBF in our School, which makes Durham the leading university in the world in terms of having the largest Ph.D. programme in the field. Our MA/MSc in Islamic Finance is another successful programme, as despite the financial difficulties this programme managed to attract over 150 applications for 15 places for the coming academic year.

It is important to note that the human resource needs of the industry marks the importance of Durham Centre for Islamic Economics and Finance, as recent estimates suggest that there is a need of another 380,000 individual working in the sector by 2020. DIFSS and DIFAS, thus, in a sense, is the extension of academic work has been conducted in the Durham Programme to the professional world. While it gives an opportunity to contribute to the knowledge base and skills in Islamic finance and banking of the participants, it provides a golden opportunity for the participants engage with the speakers to have real life exposures as they are leading individuals and academics in the field.

I am pleased to inform you that in responding to the developments in the field and the sector, Durham Centre for Islamic Economics and Finance continues to developed its programmes with the objective of becoming a centre for excellence in Islamic economics and finance related studies by providing cutting edge research based teaching and also providing facilities for critical research in furthering the development of knowledge in the field. We consider you all as part of this development.

We hope you will find the DIFAS in Istanbul 2011 both enjoyable and informative. Being very first such an event in Turkey, we also hope that we should be able to repeat this programme again in the coming years in Istanbul, which is one of the most dynamic business, finance and cultural city in the world. Hope that we can contribute to the development of IBF in Turkey with our educational and training activities.

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