

OPENING REMARKS

BY

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**AT THE OPENING CEREMONY OF
THE 6TH WORLD ISLAMIC ECONOMIC FORUM**

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*Bismillahirrahmanirrahim,
Assalamu'alaikum warahmatullahi wabarakatuh,
Peace be upon us,*

Your Excellency, Dato' Seri Najib Tun Abdul Razak, Prime Minister of Malaysia,

Your Excellency, Sultan Hassanal Bolkiah, of Brunei Darussalam,

Your Excellency, Abdoulaye Wade, President of the Republic of Senegal,

Your Excellency, Mohamed Nasheed, President of the Republic of Maldives,

Your Excellency, Sheikh Hasina, Prime Minister of the People's Republic of Bangladesh,

Your Excellency, Dr. Fatmir Sejdiu,

Your Excellency Tun Musa Hitam, Chairman of the World Islamic Economic Forum,

Excellencies,

Ladies and Gentlemen,

When this Forum met in Jakarta last year, our mood was subdued. The world was in the midst of a global financial crisis, affecting the welfare of the Ummah.

The oil exporters among us saw their incomes decline as demand dwindled. The commodity exporters among us saw our traditional markets—in Europe, the United States and Japan—shrink, and those without sizeable domestic markets had nothing with which, to cushion the impact of that loss of income. Jobs were evaporating by the millions as factories closed down.

On top of that, we faced the interlinked crises of food security, energy security and climate change.

Fortunately, the economies of the world were able to withstand the worst effects of these crises and avoid the worst scenario of a meltdown. We took early and vigorous countercyclical measures, and steps to stimulate the real economies.

That financial crisis was a loud wake-up call for us, to address the economic imbalances between nations and within nations. It compelled us to work harder, to achieve the kind of growth that is sustainable, inclusive and equitable. In that manner, we put ourselves in a better position to ensure social and political stability.

At the same time, the world community turned the crisis into an opportunity. We began to reform the international financial architecture, and to design a more equitable global economic decision-making process.

As a result, the developing world, through the emerging economies, are increasing their participation in the decision-making processes of international financial institution, including in the G-20.

But beyond economic considerations, the G-20 represents the world in more significant ways. The G-20 engages all the major civilizations in positive and constructive interaction. The Western industrialized countries are there, of course. So are the countries that represent the great Oriental civilizations and the civilization of Africa. And the Islamic World is there—through Saudi Arabia, Turkey and Indonesia. This is unprecedented. It is a clear acknowledgement of the importance of the Ummah. It is also a demanding responsibility.

But Islam also teaches us, that we should strive for the good of humankind as a whole.

For today, we have much greater opportunity to once again contribute to human progress and enlightenment. And more than ever before, the world today, learning from mistakes of the past, is open to new ideas, on how to deal with the painful realities of our time.

But no global framework can save humankind from its own excesses, if it is not founded on the right values. Like the values of equitability, inclusiveness, compassion for the less fortunate, social justice, and the wise restraints on human greed.

Make no mistakes: these are Islamic values! They form the hallmark of every transaction in which any true Muslim is involved.

Our concrete expression of these values in the economic field is Islamic banking and finance, which is vastly different from traditional banking and finance, because, it has a moral basis and a mission of social justice. No wonder, then, that in the wake of the global economic and financial crisis, we see a rise in the reputation of Islamic banking and finance.

Consider this: although Muslims comprise 23 percent of humankind, or 1.6 billion out of the world's 6.8 billion population human beings, Islamic finance accounts for only one half of one percent of all financial assets in the world. But it is fast growing. And it is growing not only in the Islamic world. London is a service centre for Islamic finance. Investors in Islamic financial products are growing in number in China and the United States.

Last year, with the financial crisis still simmering, investor confidence surged in the Sukuk market, resulting in sales totalling US\$ 17.3 billion by November. Islamic banking assets rose by almost 29 percent to US\$ 822 billion, compared to a 6.8 percent growth in traditional banking assets. Indonesia is proud to be part of that growth, with its US\$ 650 million denominated Sukuk Ijarah being hailed as a ground-breaking event during the period.

Simply put, Muslim nations now have a good opportunity to achieve greater growth.

But we must overcome the impediments to investing in one another's economy—by making our economies attractive to all investors. We should strive to attract all kinds of investors—Muslims and non-Muslims.

That means maintaining an efficient network of roads, railways, airports, seaports and communication systems, with sufficient power supply. That means raising a skilled and educated, disciplined and productive labour force. And finally it means trustworthy government officials and corporate leaders.

All these are easier said than done: we in Indonesia know that only too well. We have been working hard at these for the past twelve years, and it has been an uphill struggle.

But we have covered a lot of ground. We have opened new fields of investment, and provided generous incentives. We continue to mobilize resources, for a massive infrastructure building programme. We have identified the problems of our education system, and we are fixing them.

We are improving conditions on labour-management relations. And we are pursuing what is said to be the most aggressive campaign against corruption in our modern history.

Like many emerging economies and muslim societies, Indonesia too is fast becoming a sea of opportunity. We are a large market of 230 million, with sizeable and growing middle-class, a growing economy, enormous natural resources, political stability, and dynamic open society. We are proud of our heritage, and confident of our future.

I invite all our friends here and beyond, to be our partners in exploiting various economic opportunities : in energy, mines, food, infrastructure, industry, agriculture, and many more.

We all know that investors will beat a path to your door, if you make sure that you earn their trust—regardless of whether they are Muslims or non-Muslims.

I therefore believe it is time that Muslims everywhere rediscover the age-old secret of progress: entrepreneurship. This is one of the most powerful forces, that will change the fate of the Ummah in the 21st century.

If every Islamic economy can make entrepreneurs of five percent of its population, the Islamic world will experience enormous economic and social growth. We will also be emulating the example of our great Prophet Muhammad SAW, himself an entrepreneur—an honest and conscientious entrepreneur. In his example lies the key to our future as Ummah.

That golden age when Islam was the dominant force in the world will never come back. We live in a different time now. But we can have something better. We can have an Islamic world that is once again a meritocracy in which entrepreneurship, and the pursuit of knowledge and innovation are encouraged and rewarded.

Each Muslim nation has its own strength and unique capability. The Middle East have their petrodollars. Indonesia has its vast natural resources. Malaysia has an agribusiness-based industrializing economy. All of us have resources to contribute. We can pool these together and achieve synergy. And prosper together.

For that to be possible, we must build real and total connectivity. That means not only physical infrastructures that enable us to communicate and work with one another. It also means connectivity in terms of ideas and attitudes, in terms of goodwill and a willingness to help one another. It means connectivity in terms of common challenges and a shared future.

In such a world, the Ummah will rise and fulfil its potential—and so will all the other civilizations. Then Islam will contribute to the shaping of a better world, alongside all the other civilizations. We will be ever closer to harmony among civilizations. And thus humankind will become more pleasing in the eyes of Allah.

I thank you.

Wassalaamu'alaikum Warahmatullahi Wabarakatuh