

**DIALOGUE ON FINANCIAL INCLUSION-20**

# Pyramid of Maslahah is the ultimate solution: Mohammad Abdul Mannan

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Financial inclusion- the fortune at the bottom of the pyramid is now the challenge. To unleashing this fortune, Mohammad Abdul Mannan, Managing Director and CEO of Islami Bank Bangladesh Limited (IBBL) sees the profit-mongering attitudes and greedy mind sets are the main barrier.

To remove the barrier, the easy solution is in our hand- the Islamic financial System. It can help us to unleash the fortune at the Bottom of the Pyramid, where millions of people are suffering due to lack of access to finance", he said.

The CEO observed: Greed and need are two separate things- twos move always in opposite ways.

"You can't achieve any good results from any greedy businesses which exploits people. For universal financial inclusion, the Islamic financial system is the right strategy for Bangladesh and Pyramid of Maslahah is the ultimate solution", the CEO of IBBL said.

Islami Bank Bangladesh Limited (IBBL), the country's first commercial bank based on Shariah law started financial inclusion effort since its maiden journey in 1983 opening account of Tk 100.00 for the thousands of lower income people in line with the policy of Islamic banking through its various schemes.

Today, the bank is in the top of the positions in the most key performance areas of financial inclusion, the CEO of IBBL claimed.

A fellow of Malaysia based International Centre for Leadership in Finance (ICLIF) Mohammad Abdul Mannan is a prolific writer on Bangladesh studies and Islamic Banking and has got to his credit a good number of books. At present, he leads the Task Committee of Islamic Banks Consultative Forum, the apex body of Shariah based financial institutions in Bangladesh.

He is the first vice chairman of Association of Bankers Bangladesh (ABB), the apex body of the country's senior bankers and also the vice chairman of Bangladesh Foreign Exchange Dealers' Association.

Pyramid of Maslahah means uninterrupted general welfare. The Pyramid has been built on the basis of Islami banking rule, which gives attention to business through the moral aspects to achieve legitimate profits.

Maslahah sometimes has the same connotations as maqasid, and many scholars have agreed that the ultimate objective of maqasid shari'ah is to serve the interests of all human beings and to save them from harm both in this world and the hereafter.

To understand the Pyramid of Masalah, Mr Mannan said, one must understand on the basic concept of Islamic financial inclusion and fundamental concept of Islami banking and financial system.

"Islamic finance addresses the issue of "financial inclusion" or "access to finance" from two directions -- one through promoting risk-sharing contracts and the other through specific instruments of redistribution of the wealth among the society", he explained.



**Mohammad Abdul Mannan**

The shari'ah in all of its parts aims at securing a benefit to the mankind and protecting them against harm and evil. This suggests that the fundamental value and objective of shari'ah is the realization of the maslahah, or public interest, he added.

According to Mr. Mannan, the Pyramid of Maslahah acts as an ethical filter mechanism, exemplifying three levels of judgment that demonstrate their different degrees of importance. These are: Jaruriyyah, Hajiyyah and Tahsiniyyah.

Moral values is the major mutual concern of this approach, neither profit maximization nor competitiveness as practiced by existing finance and banking system. It limits the risk-taking individual for the betterment of society as a whole.

"This is because the inherent principle, in any dealings done by human beings must be within the commandment of Allah", he said.

The essential elements (Jaruriyyah) are at the bottom level as they deal with the preservation and protection of essential needs. On the second level, are the complementary

(hajiyyah), which are necessary to remove difficulties, but whose absence does not threaten the normal order of life. Finally, at the highest level of the pyramid are the embellishments (tahsiniyyah), which aims to perfect the conditions of life.

"Maslahah concept is very relative to the moral economy because it seeks to establish justice, eliminate prejudice and alleviate hardship, cooperation and mutual support within the society, realization of public interest, public benefits and prevent social evils or corruption, securing the benefit and repelling harm", he said.

"To understand the potentiality of the Pyramid of Maslahah, we need to change our mind sets, sharpen our outlook and focus on the issues of social wellbeing Islami financial system ensures, Mr. Mannan said.

The philosophies of Islamic financial system, Mr. Mannan observed, are risk sharing and the promotion of social and economic welfare, which extend beyond profit maximization. It limits the risk-taking individual for the betterment of society as a whole.

Use of risk-sharing financing instruments can offer Shariah-compliant microfinance, financing for small and medium enterprises, and micro-insurance to enhance access to finance, he explained.

"And redistributive instruments such as Zakah, Sadaqat, Waqf, and Qard-al-hassan complement risk-sharing instruments to target the poor sector of society to offer a comprehensive approach to eradicating poverty and to build a healthy and vibrant economy", he said.

The CEO of IBBL, however, lauded the roles of Bangladesh Bank Governor Dr Atiur Rahman for his sincere relentless effort to combat poverty through financial inclusion. Through various innovative approaches and technological innovations, Bangladesh Bank (BB) has made remarkable success over the years in reducing poverty through financial inclusion.

Bangladesh, as the world's second largest Muslim country, can achieve its target of financial inclusion through the Pyramid of Islamic financial system. Instruments offered by Islam have strong historical roots and have been applied throughout history in various Muslim communities, he argued.

"Here, the central bank can apply Islami financial inclusion strategy based on well fare banking concept he has already introduced through CSR strategies, green banking and SMEs", The CEO of IBBL concluded his dialogue.