



**THE FIRST INTERNATIONAL CONFERENCE ON SHARI'AH ORIENTED PUBLIC POLICY
IN ISLAMIC ECONOMIC SYSTEM (ICOSOPP 2015)**

"Formulating Effective Public Policy in the Islamic Economic System under the Framework of Shari'ah"

30-31 March 2015, Ar-Raniry State Islamic University, Banda Aceh, Indonesia

**PM Mohd Najib's Transformational Agenda in Making
Malaysia Into A High Income Nation: An Evaluation from
the *Siyasah Shar'iyah* Point of View.**

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Abstract

Malaysia is a country that since its independence has endeavored to practice democratic governance. In line with this, it seeks to ensure that the Malaysian government is representative of the will of the people. To achieved this, there must be in place numerous mechanisms to ensure accountability and transparency while also ensuring that it has an 'ear to the ground' so to speak. Dato' Sri Mohd Najib believed that transformational leadership posits the leader in the role of mentor whereby he able to designates responsibilities to his followers as a means to achieved self-actualization which is a positive means in promoting team-building efforts. To achieve the goals shared between him as a country's leader and Malaysian peoples as his followers, he believed that inspirational motivation is needed, as it provides meaning to achieving this shared vision on ' how to make Malaysia as a high Income Nation by 2020?'. PM Mohd Najib has been successfully in articulating a compelling vision of the Malaysia's future, and tied a high income nation's vision to Malaysians citizen values, and ultimately he is capable of being a 'transformational leader'. It is to this end that this paper is committed, namely to analyzing the important role played by PM Mohd Najib towards outlining a clear vision of national development and whether this is in line with the objective of *maqasid shar'iyah*. For this PM. Mohd Najib appears to have opted to pursue 'The government Transformation Programme(GTP)' to address seven key areas concerning Malaysia's interest in realizing Malaysia's vision to become a high income nation by 2020.

Keywords: Daro' Sri Mohd Najib, Government Transformation Programme (GTP), Transformational Leadership, *Maqasid al-Shar'iyah* & *Siyasah al-Shar'iyah*.

Introduction.

Leadership exerts an important influencing over the activities of a person or a community, especially towards achieving a particular purpose. Without leadership ,organizations and government agencies are without direction. In an era of global competition and dynamic environments, many organizations shift

the paradigms of their leaderships from a transactional style to transformational leadership style in order to achieved their strategies and goals.¹

The Transformational Leadership Concept.

The concept of transformational leadership was introduced by James Macgregor Burn in the context of political leadership. According to him, "*Transformational leadership is a process in which leaders and followers help each other to improved motivation and morals towards a higher level*".² While Downtown J.V. defined transformational leadership as "*a process of creating, sustaining, and enhancing leader-follower, follower-leader and leader-leader partnership in pursuit of a common vision, in accordance with shared values and on behalf of the community in which leaders and followers jointly serve*".³

Burns' idea regarding transformational leadership was expanded by B.M. Bass who focused on the needs of a group or organization for bilateral relations between leaders and followers.⁴ Rasid Muhammad on the hand, interpreted the transformational leadership style as "*a leadership that is comprehensive and can be leveraged for individual excellence capable of contributing meaningfully to the organization and the community*".⁵ According to him, there are four dimensions of transformational leadership, namely, charisma, individual consideration, intellectual stimulation and inspirational motivation.⁶ Northouse also, noted that there are four factors in transformational leadership, which are idealized influence, inspirational motivation, intellectual stimulation and individual consideration. In his effort to inspire greater proficiency and efficiency on transformational leadership concept, Burn developed the concept by characterizing it as being highly passionate, inspirational, interactive, empowering, and creative; which later was developed further by Bennis W. by organizing Burn's theory into four categories, namely *idealized influence, intellectual stimulation, individualized consideration, and inspirational motivation*.⁷

Idealized Influence or performance was succinctly described by Bass as the ability of a transformational leader to clearly describe a vision to members or followers accompanied with the ability to encourage their participation in striving towards realizing this shared vision. From the followers perspective, this quality of a transformational leader is his/her charisma, and this charisma regarded as a key characteristic of transformational leadership that will convince the followers/subordinates of the merits and attributes possessed by the leader which will nurturing enthusiasm among subordinates that facilitates the completion of tasks, and realizing all the required changes.

Intellectual Stimulation is an approach that is taken by a leader based on knowledge that encourages those who are under his care to strive towards improving their knowledge, eliciting imaginative, creative and innovative thinking suitable with the challenges and demands of the times; because when innovation is driven by the followers, it is designed in such a way that best suits preferences thereby being potentially easier to integrate into the organizational system.

Individualized Consideration makes the leader play the role of mentor whereby he/she designates responsibilities to followers as a means to achieved self-actualisation. Such consideration for the individual to achieve self-actualization, is a positive means to promote team-building effort in an organization.

¹ . Howell JM & Avolio BJ .(1993). Transformational Leadership ,Transactional Consolidated-Business Unit Performance, In Journal of Applied Psychology, 34(2), pp: 891- 902.

² . Burns JM.(1978). Leadership. New York: Harper and Row,p. 17.

³ . Downtown ,JV. (1973). Rebel Leadership: Commitment and Charisma in the Revolutionary Process. New York: Free Press, p.75.

⁴ . Bass, BM.(1999). Two Decades of Research and Development on Transformational Leadership, In European Journal of Work and Organization Psychology,Vol.8(1), p. 9-32.

⁵ . Rasid M.(2007). Kepimpinan Transformasional : Konsep dan Aplikasinya Dalam Memantapkan Pengajaran dan Pembelajaran. Pahang: Universiti Teknologi Mara(UiTM),pp.17-25.

⁶ . Ibid.

⁷ . Bennis, W. (1985). Leaders: The Strategies for Taking Change. New York: Harper and Row, p.71. See also Harrison, JL. (2011). Instructor Transformational Leadership and Student Outcome. In Emerging Leadership Journal,Vol 4(1), pp. 91-119.

To achieved the goals shared between leaders and followers, *inspirational motivation* is needed as it provides meaning to achieve what makes that shared vision which referred as '*the ability of a leader to remain focused on achieving the shared goals despite the challenges that may arise*'. Maintaining such motivation is what inspirational motivation refers to.

The Transformational Leadership Model.

What actually distinguishes between '*transactional*' and '*transformational*' leaders is that transformational leader recognizes the needs of his followers.⁸ An effective transformational leader is always striving for the needs of followers. With enthusiasm and motivation, he will meet and raise the expectations of his followers in order to achieve better performance. As an example of the application of the transformational leadership model can be seen through Mohandas Ghandi who become an example of classic transformational leadership. Ghandi successfully evoked the hope and demands of millions of Indians while making changes to himself. In addition, this process is manifest in the life of Ryan White who able to generated public awareness among Americans of the dangers of AIDS.⁹ In the process, he become a spoke person to create public awareness while securing greater government support for research on AIDS.

In terms of transformation framework of a government and governance, it can be seen through the initiatives made by a government in other countries. The first example, in the United Kingdom, Andrew Massey and Robert Pyper in their network entitled '*The Public Management and Modernization in Britain*' show that improvements carried out by the late Prime Minister, Margaret Thatcher and Tony Blair are considered the '*next step*' and '*modernization*'.

As for the United States, Elaine C. Kamarch in her '*The End of Government as We Know it: Making Public Policy Work*' highlighted the initiative by the former President Bill Clinton known as '*Reevaluation of the National Performance*'. Others like Jingjin Huo in his '*Third Way Reforms: Social Democracy After the Golden Age*' discussed three forms of government frameworks that have existed in Europe and the Pacific, namely '*Social Democrats*'(Denmark, Sweden and Norway), '*Christian-Democrat Welfare*'(Netherlands, French and German) and '*Liberal Welfare*'(United Kingdom, Australia and New Zealand).¹⁰

PM Mohd Najib and the Transformational Leadership Agenda.

In the Malaysian context, Dato' Sri Mohd Najib bin Tun Abdul Razak, is the Malaysian politician who succeeded Tun Abdullah Ahmad Badawi as the sixth Malaysian Prime Minister on April 3th, 2009. He is an inspiration to his followers and to all Malaysians to strive and achieve the goals set. He is an individual who meets the characteristics of transformational leaders in part to recognize the need, create new insights and institutionalize reforms to mutually increase the level of morality and higher motivation.

In line with Burn's definition of transformational leadership as "*a process in which leaders and followers engage in a process of advancing morality and motivation towards achieving a given objective*".¹¹ PM. Mohd Najib has demonstrated a variety of visions to be implemented by the government on important decisions, irrespective of the leadership of the country, whether in National Front(BN), in UMNO as a biggest Malays political party in Malaysia, or in the administrative bureaucracy. Therefore, he is seen as a transformational leader who is able to improve morale and motivate greater interest among followers to adhere to principles and higher values.

Since he took over political leadership from his predecessor, as a leader, he has introduced the '*transformation agenda*' for Malaysia which consisted of '*The Government Transformation Programme(GTP)*', the '*Political Transformation Programme(PTP)*', the '*New Economic Model(NEM)*', the '*Economic Transformation Programme(ETP)*' all of which are geared towards transforming Malaysia into a high income nation by 2020.

⁸. Bass, BM. (1999). Two Decades of Research and Development on Transformational Leadership, Op.Cit., pp.9-32.

⁹. Northouse, PG.(2010). Leadership Theory and Practice. London: Sage Publications, p.124.

¹⁰. Saifuddin Abdullah(2011). Transformasi Kerajaan Pendekatan Berkesan. Kuala Lumpur: Utusan Malaysia, April 6th, p:15.

¹¹. Burn, JM. Burns ,JM. (1978). Leadership. New York: Harper and Row, pp. 171-175.

1. The Government Transformation Programme(GTP).

The Government Transformation Programme(GTP) is an initiative introduced by the current Malaysian government to address seven key areas concerning the country's development requirement. These key areas were: 1. Addressing the Rising of Cost of Living (Col NKRA), 2. Reducing Crime (CRI NKRA), 3. Fighting Corruption (ANTI-CORR NKRA), 4. Improving Student Outcome(EDU NKRA), 5. Raising Living Standards of Low -Incomes Households (LIH NKRA), 6. Improving Basic Infrastructure (RBI NKRA), 7. Improving Urban Public Transport(UPT NKRA).¹²

These NKRAs are the central concern of the GTP programme and are supported by initiatives under the Ministerial Key Result Area(MKRA). The MKRA addresses important issues that may have been overlooked by the NKRAs due to not being equal in importance yet nevertheless important, especially in order for the GTP to be meaningful and succeed. The GTP strategically avoids remaining an abstract notion. It means to be a very real and practical channel for transformation for which it has a highly detailed plan with very specific objectives of every level of importance. In line with this detailed approach to reform, key goals were assigned National Key Performance Indicators(NKPIs) accompanied with detailed and resilient plans to achieve each initiative.

In term of strategy for implementation, the GTP programme is divided into three phases, each with its individual emphasis.¹³ The period of 2009-2012 which represented the first phase of GTP, the emphasis was on immediate transforming the civil service and government structure by challenging the various ministries to reform and address the greatest issue affecting the Malaysian people in general.

While the second phase which run between 2013-2015 by further deepening and broadening reforms to complete the transformation of the civil service with further develop a performance culture, which is crucially importance in preparing Malaysia for the next phase of development.

The period of 2016-2020 regarded as the final phase of GTP programme implementation, which main aims is to evolve government to the next level, focusing on priorities such as innovation and people-centric delivery. It is hope upon the completion of these goals Malaysia will achieved its ambition of becoming a high income nation, and at the same time Malaysia also will have a pre-eminent system of governance that will rival the best in the world.

2. Political Transformation Programme (PTP).

Political Transformation Programme (PTP) is a fresh approach of PM. Mohd Najib idea in dealing with differences. It replace confrontation with dialogue, and promotes transparency and openness. This is **evidenced by introducing** the 'Peaceful Assembly Bill 2011' that replaced Section 27 of the 'Police Act' aimed at allowing citizens to gather peacefully. Another example of such fundamental reforms is the amendment of Section 15 of the 'University and University Colleges Act(UUCA)' 1974 to allow students to join political parties upon reaching 21 years,¹⁴ and he also has successfully revied the 'Internal Security Act(ISA)' and has abolished it.¹⁵

3. New Economic Model (NEM).

The 'New Economic Model(NEM)' is one of the main initiative of PM Mohd Najib related to the Malaysian economic transformation plan. The main reason for introducing this NEM is the result of his realization that with the increasing challenge in the global economic environment, he believed that the elements of Malaysia's economy need to be structurally upgraded in order for the country to avoid the '*middle income trap*' and to '*increase the growth rate*'. According to him the step to move from '*middle-income to a high income economy*' can be done through making and using a strategy of building on the sectors in which Malaysia has already demonstrated level of competitiveness, such as

¹² . Prime Minister Department. 2012. Government Transformation Programme: Annual Report . Putrajaya: Government Printer, p. 9.

¹³ . Ibid., p.11.

¹⁴ Bernama Report, Kuala Lumpur. 2011, December 25.

¹⁵ . Bernama Report, Kuala Lumpur, 2011, Sept 25.

in services, tourism, ICT, finance and Islamic banking, especially in industry of green technology, electronic manufacturing and resource-based industries.¹⁶

Basically, the New Economic Model (NEM) was designed to achieved three primary goals:

- 1) To achieved high per capita income target of USD 15,000-20,000 per year by 2020 premised on a 6.5 per cent annual.
- 2) Inclusiveness in nature (with all racial communities to benefit from increased national wealth); and
- 3) To achieved or obtained sustainable growth that does not compromise the quality of life of future generations.¹⁷

In fact, the initiative on how to make Malaysia a high- income nation gained greater urgency after the country was affected by the global financial crisis of 2008 which resulted in eroding or reducing the competitive advantages of lower costs and labour-intensive production, due to other emerging economic forces in the region, such as Vietnam and Indonesia. Although Malaysia had achieved growth rates of 9 per cent in the 1980s, but in the 1990s the growth rate fell to 5.4.%¹⁸ This situation may make Malaysia unable to compete with high value-added economies with more stiff global competition.

To used New Economic Model (NEM) as instrument to Transform Malaysia into a high-income nation, the NEM outlines eight strategic reform initiatives. These are:

- 1). Re-energising the private sector;
- 2). Developing quality workforce;
- 3). Creating a competitive domestic economy;
- 4). Strengthening the public sector;
- 5). Carrying out transparent and market-friendly affirmative action;
- 6). Building a knowledge base infrastructure;
- 7). Enhancing sources of growth; and
- 8). Ensuring sustainable growth.¹⁹

According to PM. Mohd Najib, the most important challenges in achieving the NEM objective is how to move up the value chain e.g., from pure assembly to more technology intensive products and services, from labor-intensive and low value-added activities towards innovation based activities that add more value.

For that reason to achieved the stated objective, the NEM strategy has to focused more on innovative processes and cutting edge-technologies that are reliant on skilled talent and high-value operations. It seeks to push the private sector into the forefront of economic development with incentives for technologically-capable industries and innovation in high value-added production and concentration of industries to secure economies of scale.²⁰

In addressing the skill requirements, the government needs to move towards a high-income economy by taking a holistic approach which addresses the following fields:

¹⁶ . Lukman Thaib. (2012). Democratic Values in the Islamic Political System and Muslim Politics in Malaysia. Kuala Lumpur: Univ of Malaya Printer, p.43.

¹⁷ . Xavier JA & Zafar, UA. (2012). Proposed Scholarly Research Agenda for Transforming Malaysia into a Model Developing Nation, In Transforming Malaysia, p.236.

¹⁸ . Mitra AS & Bryne, TJ (2010). Moody's Investor Service: Credit Analysis: Malaysia, June Issue.

¹⁹ . Prime Minister Department. 2012. Economic Transformation Programme: A Roadmap for Malaysia. Putrajaya' P. 57.

²⁰ . Xavier & Bryne, Proposed Scholarly Reseach, op.cit., p. 237.

- A. Reforming education towards producing skills demanded by industry.
- B. Creating supportive policies towards nurturing, attracting and retaining the most talented people of Malaysia.
- C. Devising appropriate policies for low-skilled and high-skilled foreign labour to meet skill shortages.
- D. Promoting an efficient labor market.²¹

In short, PM. Mohd Najib believes that to move towards becoming a high-income nation requires specialized production and specialized exports. According to him, Malaysia cannot afford to cast its net too wide and spread her human capital, financial incentives, and research and development(R&D) resources too thinly. The intense International competition dictates that Malaysia must excel in the areas we choose to pursue, PM. Mohd Najib added.²²

4. Economic Transformation Programme (ETP).

The Economic Transformation Programme(ETP) is the comprehensive policy which has been designed by the sixth Malaysian Prime Minister, PM Mohd Najib Tun Abdul Razak in September 2010, which aimed at diminishing economic disparities between ethnicities and regions of Malaysia. For that reason, this ETP also can be regarded as continues the effort of the New Economic Policy(1970-1990), the National Development Policy(1991-2000), the National Vision Policy(2001-2010) and the New Economic Model(2010 onwards).

Since the objective to make Malaysia a high income nation by 2020 is not just a quantitative target only, but also how to make Malaysia an advanced, developed nation with high-income economy characteristics, the way in which the country grows to achieve this objective will be inclusive in nature, which will provide opportunities for all Malaysians to share in the benefit by encouraging employment rich growth that can create 3.3 million new jobs.²³ The investments made by the Malaysian government in education and training is regarded as an effort to ensure that more Malaysians are able to participate in these new opportunities with the end objective of lifting the income of the bottom 40 percent of households from RM 1,440 in 2009 to RM 2,300 in 2015.

The rationale of this ETP is that the Malaysian government needs a new way of doing things to accelerate and sustain its impact on country economy, by focusing on six Strategic Reform Initiatives(SRIs) and 12 National Key Economic Areas(NKEAs). These NKEAs are expected to make substantial contributions to Malaysia's economic performance, and they will receive priority from public investment and policy support. The 131 entry point project (EPPs) have been identified that correctly outline actions required to grow the Malaysian economy.²⁴

Although the ETP in particular, and the GTP in general, only represent as an initial set of actions in areas identified as National Key Result Areas(NKRAs) and Ministerial Key Result Areas(MKRAs) which intended to delivered the mentioned target; nevertheless, as a roadmap it has successfully designed its way in achieving the objective of making Malaysia a high income country by 2020 through three phases:

Phase 1 (2010-2012). An immediate objective of this phase is to establish a new engine for change and deliver substantial outcomes for all Malaysians quickly.

Phase 2 (2012-2015). At this stage the Malaysian government expecting the country economy structure already evolved in line with New Economic Model(NEM) where the first sign of a higher income country should be emerging.

²¹ . Lukman Thaib, *Democratic Values in the Islamic Political System*, op.cit., p.44.

²² . Ibid.

²³ . Ibid, p.45.

²⁴ . Ibid, p.44.

Phase 3 (2015-2020). In this period of time it is expecting that the fundamental changes to Malaysian society taking place and all Malaysian experiencing ‘ *a new sense of being Malaysia* ’, with a higher prosperity and better public service.²⁵

Becoming a High Income Nation.

Malaysian history of economic growth has raised the country from an agricultural and commodity-based low- income economy to a successful middle-income economy. Since 1945, Malaysia is one of only 13 countries (another countries are Botswana, Brazil, China, Hongkong, Indonesia, Japan, Republic of Korea, Malta, Oman, Singapore, Taiwan and Thailand) to have sustained growth of over 7 percent or more for 25 years.²⁶ This strong economic performance has helped improve the quality of life for Malaysians and supported advances in education, health, infrastructure, housing and public amenities.

The stated growth status has also been accompanied by a near-eradication of hardcore poverty, which fell from 6.9 per cent in 1984 to 0.9 per cent in 2010. As a result, Malaysia's score in the United Nations Human Development Index rose from 0.67 in 1980 to 0.83 in 2007, surpassing the 0.8 score benchmark for countries with high standards of human development.

The current Malaysian government under leadership of PM. Mohd Najib as the sixth Malaysian Prime Minister is aiming to makes Malaysia as a high income country, that is both inclusive and sustainable by 2020, that is without seeking into short-term progress on one goal at the expense of delaying progress on the others. The New Economic Model(NEM) and the Economic Transformation Programme(ETP) are designed to drive Malaysia forward to be a high-income economy that is both inclusive and sustainable.²⁷

The Malaysian government's defines high income as a per capita income USD 15,000 or RM 48,000 in 2020, based on the World Bank's current definition of high income country . The Malaysia's per capita gross national income per capita (GNI) currently has reached USD 9,970 in 2012, and USD 10,060 in 2013,²⁸ with current steady economic growth of 5.6 %?, and achieving high-income status by 2020 will require GNI to grow at an annual real growth of 6 percent between 2011 and 2020.

Since the objective of the Malaysian government to make Malaysia as ‘ *high-income nation* ’ is not just a quantitative target. It is also about how to make Malaysia becoming an advanced, developed nation with an economy possessing the characteristics that are common to developed nations. To achieved this objective, the country will focus:

- A. A large and thriving services sector, to supplement the nation's historical strengths in oil and gas, agriculture and manufacturing;
- B. A balance economy, with significant contributions from private consumption and investment as well as from government spending and exports. In developed countries, domestic demand typically accounts for 50 to 70 per cent of GDP. In Malaysia it is currently 53 per cent,²⁹ and
- C. Productivity levels similar to those of other leading Asian economies. Achieving this will require developing an economy that is more heavily driven by skills, innovation and knowledge.

These three structural shifts in the economy will support Malaysia's ongoing growth and will enable Malaysia to compete more effectively with other developed nations in the region and beyond.

An Evaluation from Siyasa Shar'iyah Point of View.

Politics as a science is broadly defined as the art of power struggle. Political scientist Harold Lasswell define politics as : “ *concerning the determination by official governmental decision-making and*

²⁵ . Ibid., p.46.

²⁶ . Prime Minister Department. (2012). Economic Transformation Programme: A Roadmap for Malaysia. Putrajaya, p.57.

²⁷ . Ibid., p.59.

²⁸ . See Malaysia ETF Strengthens as Economy Shoots For High-Income Status. Kuala Lumpur. (2014), ETF trends.com, May 12.

²⁹ . The Roadmap for Malaysia, op.cit., p.60.

action of who gets what, when and how in a political society".³⁰ In Islamic political thought, Politics is 'siyasah' which means as : "an actions that are based on the contemporary need or interests of human being". Man in their lives often act based on the benefit (*maslahah*) of the actions. The act that is based on its *maslahah* (benefit) is called *siyasah*; and an act which is in accordance to *shari'ah*'s guidance is called '*siyasah shari'iyah*' (Islamic Public Policy).³¹

Based on the above rationale, *siyasah shari'iyah* can be defined as "actions that are based on the needs and interest (*maslahah*) of the Muslim community and in line with the spirit of *Shari'ah*'s law", even though these actions are not included in all the revealed text (*nas*) in *wahyi*, *ijma'* and *qiyas*. Based on this rationality Ibn 'Uqail defined *siyasah al-shari'iyah* as : "actions that drive human beings towards doing what is good(*maslahah*) and preventing them from doing what is bad(*mafsadah*), even though that was not performed by the Prophet PBUH, and is not included in any revelation(*wahyi*) delivered by God".³² From the stated definition it can be said that *siyasah al-shari'iyah* as : "an acts that protect the needs and the interest of Muslim community in governing their communities or state".³³

Since the objective of *shari'ah* is to benefit mankind (*maslahah*), and the actions of a leader in a Muslim country is to ensure that the objective of *maslahah* can be achieved, and must be in line with the spirit of the *shari'ah* (Islamic law). In Islamic political thought, a leader of Muslim society or country has to abide by the *maqasid shari'ah* in executing the objective of *siyasah al-shari'iyah* (Islamic public policy) in governing a Muslim country. Hence, *siyasah al-shari'iyah* is compulsory for all leaders, as stated in chapter (Surah al-Nur, verse 63 ".....", which means: "Let those who disobey his orders beware, lets some trial befall them or a painful punishment be inflicted on them".³⁴

Then, a Muslim leaders should act according to the objective of *Jalb al-maslahah wa daf' al-madarrah* or *mafsadah* (to do what is good for Muslim community and to avoid what is bad) in their policy formulation. However, since the community needs and interests are always changed, due to the changes of culture and time, then the application of *maslahah*'s has to be made as a benchmark for the obtaining the Muslim community interest in the public policy formulation of a Muslim country. This is what we called as *Siyasah al-Shari'iyah* (Islamic Public Policy Formulation).

With that, it is not an exaggeration to say that the higher intents of *Siyasah al-Syar'iyah* (Islamic public policy) and *maqasid al-shari'ah* were to ensure that the intention behind a ruling must be directed towards the "fulfillment of something good and the avoidance of something harmful (*jabl al-maslahah wa daf' al-mafsadah*)". This includes solving current issues in aspects of economic, social and politics where *maqasid al-shari'ah* should be the guiding principle because it aptly facilitates the needs of human being.

From the Islamic worldview perspective, the framework of *maqasid al-shari'ah* should be the best guidance for Muslim political leaders to formulate public policy, and to make decisions with the aim to protect the welfare of Muslim community (*ummah*) in general.

Muslim scholars in general have largely agreed that the higher intents of *shari'ah*, *maqasid al-shari'ah* and the *siyasah al-shari'ah* are to promote the overall welfare of mankind and to prevent harm and evil. God said in chapter al-Hajj, verse 41: "....." which means: "[And they are } those who, if We give them authority in the land, establish praye and give zakah and enjoy what is right and forbid what is wrong. And to God belong the outcome of (all) matters".³⁵ Thus, politics in Islam must meet the objective of *maqasid al-shari'ah* and *al-siyasah al-shari'ah* which include the preservation of religion, life, mind, offspring and property or wealth

³⁰ . Taken from Enizahura Abdul Aziz(2014). Politics and the Way of Islam, In IKIM Views, March 4.

³¹ . Lukman Thaib(2014). The Application of Maqasid al-Shari'ah in Policy Formulation According to Siyasah al-Shari'iyah. Lecture Notes. Dept of Siyasah Syar'iyah, University of Malaya, p.4.

³² . Ibid., p.5.

³³ . Ibid., p.6.

³⁴ . The Holy Qur'an, Surah al-Nur, verse 63.

³⁵ . The Holy Qur'an Surah al-Hajj, verse 41.

The Relationship Between Islam and Politics.

In analyzing the correlation between Islam and politics, Allal al-Fasi explains that : “ *The general higher objective of Islamic law(shari’ah) is to populate and civilize the earth and preserve the order of peaceful coexistence therein; to ensure the earth’s ongoing well-being and usefulness through the piety of those who have been placed there as God’s vicegerents; to ensure that people conduct themselves justly, with moral probity and with integrity in thought and action, and that they reform that which needs reform on earth, tap its resources, and plan for the good of all.*”³⁶

The same thing also applicable in administration of Muslim country. Ibn ‘Ashur, elucidates that the essence of the *shari’ah* is to protect the Islamic ruling system and to maintain its benefit in term of thought, action and management of the facilities and the power that they are entrusted with”.³⁷ Ibn Farhun also stress on country’s political stability and security of the people by operating all aspects of *shari’ah law (hudud, qisas and ta’zir)*.³⁸ According to Syukeri the principles that support the stability of the system of government and the integrity of a country’s leadership is justice, equality, and solidarity. These are all important elements of the Islamic general principle of *jalb al-masalih wa dar al-mafasid*. According to ‘Abdul Wahhab al-Khallaf the following three principle are the goals in political implementation of Islamic jurisprudence:

1. To drive the administration in a direction that is consistent with the requirements of Islam.
2. To ensure the interests of the people at all times and places.
3. To make Islam as a system that is relevant to the administration of a country.³⁹ and issues that require rules and regulation.

Looking at the role played by the country administration as the most complex, due to the extensive of government bureaucracy which always encounter with new problem. Hence, to ensure a high level of efficiency in the country’s administration, in achieving its goals; the following principles should be considered in the process of administration:

- A. *Jalb al-Masalih Wa Dar al-Mafasid* as the basis for the administration of a country. This is also consistent with another legal maxim dealing with the jurisdiction of the ruler and its required conditions. The legal maxim stated that “*husmul tasarruf al-Imam ‘ala al-ra’iyyah min baini al-maslahah al-mujtama’*”, which means that : “ the authority of the ruler over the ruled ones is made conditional on the enhancement of public welfare ”.⁴⁰ Scholars have discussed this principle extensively in terms of *maslahah* and *mafsadah*. They have provided a concrete criterion for the acceptance of the concept in such capacity. The criterion for the acceptance and consideration of the *maslahah* is that it should not in contradict the Qur’an, Sunnah, Ijma’, Qiyas, and that it should not leave out another *maslahah* of greater significance.
- B. *Maslahah* or Interest must be related to the category of *daruriyah*, *hajiyyah* and *tahsiniyyah*. Therefore , *qawa’id maqasidiyyah* of such a nature should be taken into account.⁴¹ In cases, especially of conflict between two different *maslahah*, it is imperative to apply the principle of *awlawiyyat* (priority), al-Qaradawi⁴² has outlined the determination of the application of *mafsadah* and *maslahah* in general, and Ridwan Ahmad make it in details.⁴³

³⁶ . Enizahura, Politics and the Way of Islam, op.cit, p.2.

³⁷ . Shukeri Muhamad. (2009). Maqasid Syari’ah dalam Pengurusan Masyarakat Majmuk di Malaysia. Kota Bharu: Jabatan Syari’ah, Kolej Islam Anatarabangsa Sultan Ismail Petra(KIAS).

³⁸ . Ibid.

³⁹ . Abdul Wahhab al-Khallaf. (1987). Al-Siyasah al-Shar’iyyah. Beirut: Muassasah al-Rislaha, p.7.

⁴⁰ . Taken from Amir Husin Mohd Nor & Hayatullah Laluddin. (2012). “ Application of the Principles of Maqasid Shari’ah in Administration of the Islamic Coutries., In Adavances in Natural and Applied Sciences, Vol.6, no.6, pp.847-851.

⁴¹ . Ibid.p.849. .

⁴² . Yusuf al-Qaradawi. (2001). Fiqh Keutamaan. Terj. Bahrudin Fannani. Kuala Lumpur: Angkata Belia Islam Malaysia, pp.26-31,39.

⁴³ . Please refer to Ridwan Ahmad(2008).” Metode Pentarjihan Maslahah dan Mafsadah Dalam Hukum Islam Semasa”,In Jurnal of Syariah, Vol.16, Kuala Lumpur: Akademi Pengajian Islam, University Malaya.

The Task of the Leaders of Muslim Countries.

Political leaders of Muslim country need to translate the purposes of the *maqasid al-shari'ah* and the intent of *siyasah al-shari'ah* which all about wisdom, justice, mercy and goodness in the public policies, whether in actions or in decision-making process in policy formulation. As Ibn Taimiyyah explain this further, by saying that: "the compulsory of utilization of *maqasid al-shari'ah* for a leader is to ensure goodness of religion to mankind. If religion is missing, they will become those who are at loss and the worldly gains that they have obtained will not bring any benefit to them".⁴⁴

In Islam, the preservation of the mind is not only by restricting to the aspect of prohibition of consuming intoxicants that are harmful to the mind and also body, but it is also include the cultivation of positive knowledge-seeking culture that will benefit the nation in a long run. The government's effort and programme aiming at lessening the "brain drain" phenomenon among professionals and intellectuals, for example, is a commendable effort that can be seen as a positive approach to realize the country's development vision and mission.

It is also the responsible of the Government of Muslim countries and their political leaders to mould the minds of the people through a dynamic and sustainable education system. The education system of Muslim countries must be able to produced not just individuals who will fill in the demands of the labour market, but who are also creative and innovative with high level of moral integrity. This opinion is in line with Jasser Auda's systems approach in discussing *maqasid al-shari'ah*, where he includes in this framework not just the preservation of religion, mind, life, offspring and wealth but also the promotion of the five main elements.

The principle of *maqasid al-shari'ah* should be the ultimate guidance for leaders of Muslim countries, which includes making political decisions and utilizing the power entrusted to by the people through the democratic process. It is the responsibility of the Government to ensure that the people receive the benefits from its decisions and action. All in all, it can be said the success of any form of political leadership depends very much on the ability of the leaders to govern well. For leaders of Muslim countries, this aspect of good governance needs to be guided by the framework of *tawhid* (oneness of God), and the roles of human beings as His vicegerents.

This is further supplemented by the principles of *maqasid al-shari'ah* with the aim that the whole political process works upon the premise of maximizing the good or benefits and preventing harm for the people (*jalb al-masalih wa daf' al-mafasid*). The problems of governance that arise in most Muslim countries today are the repercussions of poor management of public resources and failure in policy implementation by leaders who lack commitment, integrity and the relevant knowledge.

If politics is all about power, those entrusted with it need to have a clear understanding of how it should be utilized, for whose benefit and what is hoped from them. Only then a more balanced definition of politics can serve justice for all.

PM. Mohd Najib Transformational Agenda and the *Maqasid al-Shar'iyah* Objective.

If we review back at the stated transformational agenda of PM. Mohd Najib, we understand that as an effort on how makes Malaysia as a high income country by 2020, through designing the programme of 'New Economic Model(NEM), and the 'Economic Transformation Programme(ETP)'. In fact, the idea and the initiative on how to make Malaysia as a high-income country gained greater urgency after Malaysia effected by the global financial crisis in 2008, which resulted in reducing the competitiveness advantages of lower costs and labour-intensive production, due to the emerging other economic forces in the region. PM. Mohd Najib believed that if this situation continuously prevail or occurred, this may make Malaysia unable to compete with high value added economies with more stiff global competition.

In other word, we can say that it is a result of his realization about the increasing challenge in the global economic environment, he believed that the element of Malaysia's economy need to be structurally upgraded in order for the country to avoid the 'middle income trap' and to 'increase the growth rate'. According to him, the steps that need to adopt in order to move from 'middle-income to

⁴⁴. Enizahura, Politics and the Way of Islam, op.cit.,p.2.

high income economy’ is by making and using a strategy of building on the sectors in which Malaysia has already demonstrated level of competitiveness.

Let us now focus on the tenets of contemporary advanced countries; the economic development and the basic freedoms. Are these values contradicted by Islam? Not at all. For evidence let us consider the *maqasid al-shari’ah* (the goals of *shari’ah*) as identified by Imam al-Ghazali by considering the following quotation: “*The very objective of the shari’ah is to promote the welfare of the people, which lies in safeguarding their faith, their life, their intellect, their posterity and their wealth. Whatever ensures the safeguarding of these serves public interest and is desirable*”⁴⁵

In what follows, a modern re-interpretation of the *maqasid al-shari’ah* will be presented. In doing this I am encouraged by the *fiqh* rule known as *Istishab*, which prefers a positive approach to a new problem and considering prohibition as exceptional.⁴⁶ The *maqasid* actually advise Muslim governments of the future whether to undertake or to reject a policy. Of the five components of *maqasid al-shari’ah*, *hifz al-mal* (protecting the wealth). Although traditionally this has been interpreted as the right of a Muslim to protect his property. Nevertheless, this can also be interpreted alternatively, as the duty of the state and government to reshape or restructure the economic policy which is an important condition for economic development of Muslim country.

PM. Mohd Najib very much aware that the intent of *maqasid shari’ah*’s principle of ‘*jalb maslahah wa daf’ al-mafsadah*’ (to do what is good for Malaysian society and to avoid what is bad) has been applied as benchmark in New Economic Model(NEM)’s policy formulation, as well as in designing the ‘Economic Transformation Programme(ETP)’ . This is what we called as *siyasah al-shari’ah*(Islamic Public Policy). He believed that the framework of *maqasid al-shari’ah* is suitable guidance for Muslim political leaders to formulate public policy and to make decisions with aim to protect the welfare of Muslim community (*ummah*) in general.

With regard to his effort of making Malaysia as ‘*a high income nation*’ by 2020. What actually he means by becoming a ‘*high income country*’ is that Malaysian should have a per capita income USD 15,000 or RM 48,000 in 2020. This criteria is based on the World’s Bank current definition of high income country. The current Malaysia’s per capita gross national income has reached USD 9,970 in 2012, and USD 10,060 in 2013. To achieved a high income status by 2020 Malaysia also need to have annual real growth at 6 percent between 2011 and 2020.

PM. Mohd Najib has stated clearly that the objective to make Malaysia as ‘high-income nation’ is not just a quantitative target. It is also about how to make Malaysia becoming an advanced, developed nation with an economy possessing the characteristic that are common to develop countries.

To understand the intent of *maqasid al-shari’ah* and the objective of the *siyasah al-shar’iyyah* (Islamic public policy) in PM. Mohd Najib’s aims at making Malaysia as a high income nation by 2020 , it is necessary for us to understand the concept of development first. According to Joseph E. Stiglitz “development represent a transformation of society, a movement from traditional relations, traditional ways of thinking, traditional way of dealing with health and education, traditional methods of production, to more “modern” ways.”⁴⁷ Change in his opinion is not an end in itself, but a mean to other objectives. The change that are associated with development provide individuals and societies more control over their own destiny.

Given this definition of development, it is clear that a development strategy must be aimed at facilitating the transformation of society, in identifying the barriers to , as well as potential catalysts for change.⁴⁸ In Islam development means all kinds of positive changes. The Islamic conception of human development can easily be understood from the following verse of the Qur’an in chapter 13 verse 11:”
“, which means: “ Verely, God does not change men’s condition unless they change their inner

⁴⁵ . Quotef from Murat Cizakca. (2007). “ Democracy ,Economic Development and Maqasid al-Shari’ah”, In Review of Islamic Economics, Vol. 11, No.1, p. 112.

⁴⁶ . Ibid..

⁴⁷ . Stiglitz, J.E. (1988). “Towards a New Paradigm for Development: Strategies, Policies, and Processes”, Given as the Prebisch Lecturer at UNTAD, Geneva, p.3.

⁴⁸ . Ibid.

selves".⁴⁹ Islam guides human development on the correct lines and deals with all dimensions of economic development in the framework of total human development.

In Islam development need to be understood as a multidimensional approach that satisfies the socio-economic and politico-security indicators which include growth, fulfillment of the basic human needs-material and spiritual, educational and civilisational-human resource development, and preservation of religion, life, intellect, honour, rights and environment, in short, it is a holistic approach of development.

To used New Economic Model (NEM) and the 'Economic Transformation Programme(ETP) as instrument to transform Malaysia into a high-income nation, PM. Mohd Najib has stated clearly that the objective to make Malaysia a high income nation is not just a quantitative target only, instead, it is an 'inclusive in nature and sustainable in both, economic and in environmental term'; without seeking into short-term progress on one goal at the expense of delaying progress on the others. In other word, it is to achieved a sustainable growth that does not compromise the quality of life of future generations, instead it is an inclusiveness in nature which will provides opportunity to all racial communities in Malaysia to benefit from increased national wealth. It is a holistic approach as prescribed by Islamic framework of development, and PM. Mohd Najib approach can be termed as 'Maqasid Shari'ah based development'.

It is known to us that all the basic concepts and institutions of successful modern societies are either compatible with or developed by Islam. Nevertheless, Islam does not constitute an impediment to modern economic and political structures. On the contrary, providing Muslims interpret its basic teachings correctly as inspired by 'maqasid al-shari'ah', Islam can be a powerful source of inspiration for the creation of wealth and happiness.

The objectives of 'maqasid shari'ah' have become the focus of attention as it tends to provide ready and convenient access to the development of not only the Muslim community but also the whole mankind. Then, an adequate knowledge of the 'maqasid al-shari'ah' can easily equip the Muslims with insight and provide them with a theoretical framework in which the practical attempt to pursue the development work for the welfare of the contemporary societies can be more meaningful and interesting. Thus knowledge of the objectives of 'maqasid al-shari'ah (objective of Islamic law) can be an effective paradigm for the modern development, although it is still a necessity to transfuse the concept into contemporary fields of action as development strategies, policies and process.

Conclusion.

From the preceding discussion it become clear that the principle of *maqasid al-shari'ah* play an extremely significant role in matters related to the temporal administration of a country. This is particularly in the sphere of the administration and running of the political affairs of a country, due to the complex nature of administrative procedures and the ever-growing number of the issues that have strong bearing on the state of the social and political affairs of a country.

Then, the comprehension of *maqasid al-shari'ah*, its understanding and realization is of essential importance in the realm of *siyasah al-shar'iyah*(in Islamic public policy) formulation. This is to ensure that the decision arrived at in respect of public policies are accurate and responsive to the contemporary public needs of the society. This constitute the urgent need of the contemporary society due to the emergence of new problem previously not known to the society. Therefore, the leaders of Muslim country is duty bound to have a thorough knowledge of the *maqasid al-shari'ah* so as to be able to devise rules that are conducive to the welfare of the society as a whole.

⁴⁹4949 . The Holy Qur'an, Surah al-Ra'du, verse:11.



THE FIRST INTERNATIONAL CONFERENCE ON SHARI'AH ORIENTED PUBLIC POLICY IN ISLAMIC ECONOMIC SYSTEM (ICOSOPP 2015)

*"Formulating Effective Public Policy in the Islamic Economic System under the Framework of
Shari'ah"* 30-31 March 2015, Ar-Raniry State Islamic University, Banda Aceh, Indonesia

Assalamu'alaikum Wrt Wbt.

Dear Dr. Lukman Thaib

We are pleased to inform you that the committee of the First International Conference on Shari'ah Oriented Public Policy in Islamic Economic System (ICOSOPP) 2015 has agreed to accept your paper to be presented at the conference.

**Paper Title: PM Mohd Najib's Transformational Agenda in Rendering
Malaysia a High Income Nation: An Evaluation from the *Siyasah
Shar'iyah* Point of View**

Accordingly you are invited to attend the 1st ICOSOPP which is jointly organized by Islamic Research and Training Institute (IRTI – IDB) and Faculty of Islamic Economics and Business (FEBI), Ar-Raniry State Islamic University. The conference will be held on 30 – 31 March 2015 at the Ar-Raniry State Islamic University Banda Aceh. The tentative agenda is attached.

In this regard, the committee has agreed to sponsor your accommodation only for the duration of the seminar, i.e., 4 days and 3 nights.

Please fill in your brief CV (which can be downloaded in "[Download](#)" menu in the website) of the ICOSOPP Website and send it to hafasf@gmail.com latest by 10 March 2015. (CV is for each author of the paper accepted. This is for certificate purposes.

Participants and presenters are responsible for their own Visa. Authors from selected countries can get visa on arrival at the Sultan Iskandar Muda Airport, Banda Aceh.

Thank you very much and see you in Banda Aceh, Indonesia, by 30-31 March 2015.

Best Regards,

Conference Chair,
ICOSOPP 2015



THE FIRST INTERNATIONAL CONFERENCE ON SHARI'AH ORIENTED PUBLIC POLICY IN ISLAMIC ECONOMIC SYSTEM (ICOSOPP 2015)

*"Formulating Effective Public Policy in the Islamic Economic System under the
Framework of Shari'ah"*

30-31 March 2015

Venue: Ar-Raniry State Islamic University, Banda Aceh, Indonesia

About the Programme

Public policy is the action taken by Government to address a particular public issue. Local, state, federal and international government organization all craft and implement public policy to protect and benefit their populations. Public policy would determine the scope, limits and forms of social action. In Islamic economic system, the public policy framework is designed based on the principles and guidelines of Shari'ah. Shari'ah as the basis and foundational framework of public policy would be implemented as a means for realization of *maṣlaḥah* (wellbeing), *'adalah* (justice), brotherhood (*ukhuwwah*), trust and responsible (*amānah*) and other objectives as envisaged in the *maqāṣid al-Shari'ah*. The Shari'ah therefore functions as the code of public policy, social conduct and the means of realizing Islamic objectives in society and regulating social discourse and social change.

This inaugural conference on **Shariah Oriented Public Policy in Islamic Economic System (ICoSOPP)** is jointly organized by IRTI (International Research and Training Institute) of IDB and Faculty of Shari'ah and Islamic Economics, State Islamic University Ar-Raniry, Banda Aceh, Indonesia. The conference aims to be the premier avenue for ideas sharing and discussion on public policy in Islamic framework. In addition to that, a workshop on specific theme on Public Policy delivered by academicians and policy makers will also be organized in early session of each conference days.

Programme Approach

- Expert address on key issues in public policy based on Shari'ah to be adopted by the government of Muslim countries
- Paper presentation by researchers across the world who have submitted their papers to the conference
- Interactive discussion with participants on a wide array of issues on Shari'ah oriented public policy in Islamic economic system

Tentative Programme

DAY 1 (Monday, 30th March 2015)

7.30 - 8.00 PM	Registration
8.30 – 9.30 PM	<div><div>OPENING CEREMONY</div><div><ul style="list-style-type: none">• Recitation of Qur'an and Du'a• Welcoming Remarks<div>DR. NAZARUDDIN A. WAHID - Dean Faculty of Syari'ah and Islamic Economics, UIN Ar-Raniry</div><div>DR. H. FARID WAJDI IBRAHIM - Rector of UIN Ar-Raniry</div><div>DATO' DR. MOHAMAD AZMI OMAR - Director of IRTI IDB</div></div>• Opening Address – “Aceh Government and Public Policy Formulation: Goals and Framework”<div>H. ZAINI ABDULLAH</div><div>Governor of Aceh</div>• MOU and Launching of IRTI Book Corner for the Library of Faculty of Islamic Economics and Business</div>
9.30 – 10.30 pm	<div><div>KEYNOTE ADDRESS</div><div><ul style="list-style-type: none">• “Synergizing Islam, Development and Public Policy: Outlining A Global Agenda”<div>DR. AHMED MOHAMMED ALI AL-MADANI*</div><div>President of Islamic Development Bank</div></div></div>
10.30 – 10.45 pm	Break and Refreshment
10.45 – 12.30 pm	<div><div>1st PANEL EXPERT ADDRESS</div><div><ul style="list-style-type: none">• “Guiding Principles of Islamic Public Policy: <i>Siyasah al-Shar'iyyah</i> and <i>Maqasid al-Shari'ah</i> Approach”<div>PROF. DR. MOHAMMAD HASHIM KAMALI</div><div>Chairman International Institute of Advanced Islamic Studies (IAIS) Malaysia</div>• “Islam and Public Policy in Contemporary Context: Outlining Framework and Strategies”<div>PROF. DR. ABDUL GHAFAR ISMAIL</div><div>IRTI – IDB</div>• “Development Agenda in the Framework of Syari'at Islam Implementation in Aceh: Lessons from Aceh History for Future Thought”<div>TAN SRI DATO' SRI SANUSI BIN JUNID</div><div>Former Chief Minister of Kedah and President of IIUM</div></div></div>
12.30 – 2.00 pm	Lunch break and Zuhr prayer
2.00 – 4.30 pm	<div><div>2nd PANEL EXPERT ADDRESS</div><div><ul style="list-style-type: none">• “Public Policy: Synergizing The State and The Role of Voluntary Sector in <i>Ummah</i> Development”</div></div>

MR. FADLULLAH WILMOT

Deputy CEO and Head International Programmes, Islamic Relief
Australia

- **“Integrating Islamic Agenda in National Development Policy:
Malaysian Experience”**

TAN SRI MUHAMMAD ALI HASHIM

President Dewan Peniagaan Islam Malaysia

- **“Public Policy and Islamic Shari’ah Implementation in Aceh: Agenda
and Strategies/Road Map”**

PROF. DR. SYAHRIZAL ABBAS

Dinas Syariat Islam – Aceh

4.30 pm

End of Day 1 ICOSOPP

8.00 pm

Welcoming Dinner hosted by the Governor of Aceh

DAY 2 (Tuesday, 31st March 2015)

8.00 – 8.30 AM

Morning Breakfast

8.30 – 9.30 AM

KEYNOTE ADDRESS II

- **“Synergizing Islam and Development: Formulating Public Policy that
Adopt Islamic Principles and Agenda”**

MULIAMAN D. HADAD, P.HD

Chairman, OJK Indonesia

9.30 – 10.00 AM

Break and Refreshment

10.00 – 12.30 PM

1ST PARALLEL SESSION 1, 2 AND 3

12.30 – 2.00 PM

Lunch break and Zuhur prayer

2.00 – 3.30 PM

2ND PARALLEL SESSION 1, 2 AND 3

3.30 – 4.30 PM

3RD PARALLEL SESSION 1, 2 AND 3

4.30 – 5.00 PM

Coffee Break and ‘Ashar prayer

5.00 – 5.30 PM

Closing Ceremony

- Closing Remark and Recommendations
Prof. Dr. Ir. Abubakar Karim MS (KETUA BAPPEDA ACEH)
Prof. Dr. Abdul Ghafar Ismail (IRTI-IDB)

5.30 PM

End of Day 2 ICOSOPP

DAY 3 (1st April 2015) - Optional

8.00 – 12.00 PM

Banda Aceh Tour

- Tsunami Sites
 - Tsunami Museum
 - Historical Sites
 - Masjid Raya Baiturrahman
 - Shopping Acehese Craft
-

* to be confirmed