

INTEGRATING ISLAMIC FINANCE INTO THE MAINSTREAM

*Regulation,
Standardization and
Transparency*

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“Islamic finance, long considered in the West as more of an oddity than an opportunity, is going mainstream.” This observation, which was made in the *Economist* in December 2006, hints at an evolution of attitudes toward the emerging Islamic finance sector. Once considered an inconsequential byproduct of the oil boom, the question today regarding this barely three-decades-old industry is how to incorporate it into the mainstream of global finance.

A few months earlier, the Seventh Harvard University Islamic Finance Forum entitled “Integrating Islamic Finance into the Mainstream: Regulation, Standardization, and Transparency” dealt with this very issue: What challenges arise from the evolution of Islamic finance, and how to deal with them?

This volume, a selection of twelve papers presented at the Seventh Forum sponsored by the Islamic Finance Project at Harvard Law School, investigates the various issues surrounding the integration of Islamic finance into the mainstream. Some of the essays look at the regulatory dilemmas that come up in this process of integration, while others discuss a variety of perspectives—religious, legal, economic, and political—on integration. The phenomenal rise of *sukuk* is considered in other essays, and finally, two essays contemplate the controversies and perspectives that arise concerning the future of this fast-growing industry.