

HALAL ECONOMY AND INDUSTRIAL REVOLUTION 4.0: THE NEW FRONTIER FOR ISLAMIC REVIVAL IN UZBEKISTAN

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Abstract

Trade is important in the attainment of prosperity and development of nations. The Prophet Muhammad (Peace be upon him; PBUH) established Islamic commerce based on Shariah principles which enamoured merchants of different race and religion to convert. Uzbekistan during the Golden Age of Islam, produced learned scholars and became the centre of trade and Islamic culture. However, during the Soviet era occupation, the understanding of Islam was distorted and never regained even after the end of Soviet rule. This conceptual article sets to highlight that Halal economy and Industry 4.0 can be the transformative agent towards the revival of Islam in Uzbekistan.

Keywords: Halal Economy, Wealth Creation, Religion, Industry Revolution 4.0

1. Introduction

Weber advocated in his article “*The Protestant Ethic*” that economic outcome is influenced by the religiosity of its citizens, as religion influences beliefs and reinforces exemplary values and traits which when harnessed, can stimulate economic growth and *vice versa*. Talcott Parsons put forward the Structural-Functional Theory that inferred society as being made up of various interrelated and interdependent institutions that work together collectively (Parsons, 1975).

Islam governs and directs life in all the multidimensional spheres, effectively dictating Muslims’ daily life and social relations as dictated in the Shariah laws. A genuine Islamic society can only exist based upon honesty, justice and fraternity for societal well-being with the aim to seek God’s grace in this world and the hereafter; thus political deception, economic manipulation as well as social hedonistic debaucheries are strongly condemned.

The ultimate goal of the Islamic economic system is to narrow the gap of gross wealth inequality between the financially disadvantaged and the wealthy; where the establishment of business, in accordance with *Fard Kifayah* (collective obligations), is a nation’s priority in order to meet the public’s minimum and basic needs.

The growing affluent Muslim population in Muslim majority and minority countries, has spurred the rate of growth of *halal* markets especially *halal* products and services. *Halal* market is estimated to grow at 15 per cent annually and forecasted to reach USD 30 trillion by 2050. This indicates that the *halal* market alone is worth USD 2.1 trillion a year and increasing at USD 500 billion a year (Centre for Excellence in Islamic Finance, 2016).

“At a time when many other larger consumer segments are reaching a saturation point, Muslims are a new outlet from which to build a base for future growth” (A.T. Kearney, 2007).

“The Muslim consumer market, consisting of 1.8 billion people now is the next important and largely untapped global opportunity given that two-thirds of the Muslim population are under 30 years old” (Shelina Janmohamed, 2013).

Numerous other reports indicate that *halal* market is no longer emerging as a new growth sector but a universally competitive economy. In its Global Islamic Economy Report 2016/2017, Thomson Reuters and Dinar Standard estimated that the global Islamic spending was worth USD 1.9 trillion in 2015, excluding the Islamic Finance sector worth USD 2 trillion in asset values (Centre for Excellence in Islamic Finance, 2016). It highlighted that this lucrative industry is expected to grow exponentially as the population of moneyed young Muslims worldwide is forecasted to reach 29% by the year 2030.

Leading a modern way of life, Muslim millennials adhere strictly to their faith, and are increasingly asserting their values online as businesses rush to cater to their needs. This distinctive demand has triggered the expansion of the *halal* industry to comprise a host of business sectors, such as food, non-food, financial, service and lifestyle offerings (Fleishman Hillard Majlis, 2011; Dar *et al.*, 2013). This generation is technologically active especially in the use of mobile applications for communications and assorted transactions.

There are vast opportunities to be tapped. The Islamic finance market alone was estimated to be worth \$1.814 trillion in 2014 and could rise to \$3.247 trillion by 2020. The consumers' expenditure on *halal* food, travel and fashion — is expected to grow from \$1.8 trillion in 2014 to \$2.6 trillion by 2020. Combined, these markets could also be the solution to what the International Monetary Fund describes as ‘secular stagnation’ due to a decline in investments and an ageing population. “The Islamic economy stands in stark contrast, offering the most viable solution to global economic growth and success in the 21st century” (Robert Anderson, 2016).

A Muslim majority nation of 96.3% Muslims (Pew Research Centre, 2009), Uzbekistan is known as the cradle of the culture of Central Asia and was once part of the ancient Silk Road. Historically, Uzbekistan was a thriving trading nation and a melting pot of Islamic and scientific knowledge. Rich in history and culture, with striking landscapes, Uzbekistan was once a wealthy nation, before the Soviet Union took over.

During the century reign of the Soviet, the Uzbeks were subdued and subjected to Russification reprogramming. Decisive efforts made to displace the practice of Islam, and her traditions and culture were curbed and discouraged. In retrospect, the once flourishing Uzbekistan economy faced an imbalanced economic development, which escalated the downfall of her social and economic development (GlobalSecurity.org, n.d.). After the fall of the Soviet rule, the new government established a secular system. The Islamic economy it once upheld, lost its footage. The strong Islamic influence in economic governance became sidelined through Communists doctrine.

This paper thus seeks to demonstrate metaphorically that Uzbekistan, through economic intervention via *Halal* Economy and Islamic Finance, can reacquaint its citizens to practise Islam holistically; wherein industry players, in their endeavour to seek wealth, will need to be knowledgeable and understand Islam comprehensively in order to apply *halal* practice, to consequently attain God's grace.

Ultimately, Islam strongly encourages individuals to gain a greater understanding about the religion, as being born a Muslim does not automatically mean the individual knows Islam in-depth, and fully implement the practical aspects in the daily life. Faith-based knowledge can provide societal betterment; by utilising modern technology and tools in Industry 4.0, which relies on Islamic foundations, to facilitate the process of wealth creation.

2. Importance of *Halal* Economy Towards Wealth Creation and Revival of Islam In Secular Uzbekistan

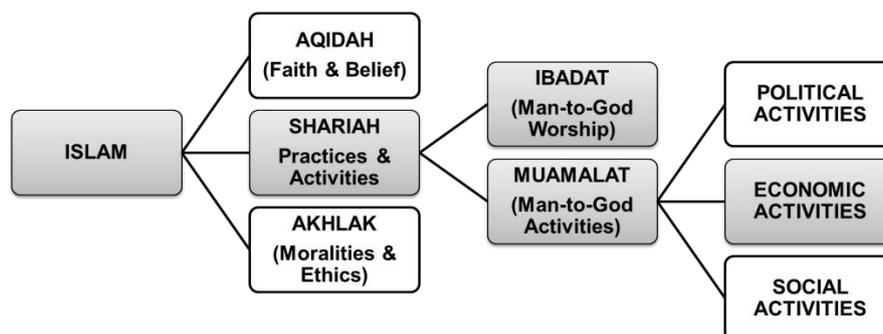
a. Importance of Business in Islam

Islam views business as a critical activity in the livelihood of mankind and the al-Quran, complemented by the hadith, which has documented rules for commerce, contracts, interest and debts, that must be followed to ensure a successful life in this world and the hereafter. Islam encompasses and governs every aspect of a Muslim's life, despite the differences between Muslim consumers in diverse locations or different social class, highlights its tolerance of myriad needs from different cultures, and global diversification. Islam also recognises that the economy of a nation is affected and amplified manifolds by commerce and trade, but principally it must be aligned to the law of Shariah and for societal well-being. Business, economic and social systems are well-established in Islam and ingrained deeply into every Muslim; dictating the correct etiquette that needs to be conducted socially and culturally. Therefore, it is fundamental for business entities, both Muslims and non-Muslims, to grasp the impact that Islam has on Muslim societies.

Figure 1 demonstrates that Islam consists of 3 elements namely, '*aqidah* (faith and firm belief in Allah [SWT] and His might), Shariah (Islamic law derived from the al-Quran and Sunnah that dictates a Muslim's life) and *akhlak* (a Muslim's virtue, integrity and attitude). Shariah is further divided to encompass *ibadat* (unselfish acts of servitude to Allah [SWT]) and *muamalat* (laws governing daily inter and intrapersonal transactions).

Figure 1

Islam and Shariah



There are many verses of the al-Quran and narration of Sunnah that refer to business and trade, such as:

“It is no sin for you that ye seek the bounty of your Lord (by trading). But, when ye press on in the multitude from ‘Arafat, remember Allah by the sacred monument.

Remember Him as He hath guided you, although before ye were of those astray” (al-Quran 2:198).

“O ye who believe! Shall I show you a **commerce that will save you from a painful doom**? Ye should believe in Allah and His messenger, and should strive for the cause of Allah with your wealth and your lives. That is better for you, if ye did but know.” (al-Quran 61:10–11).

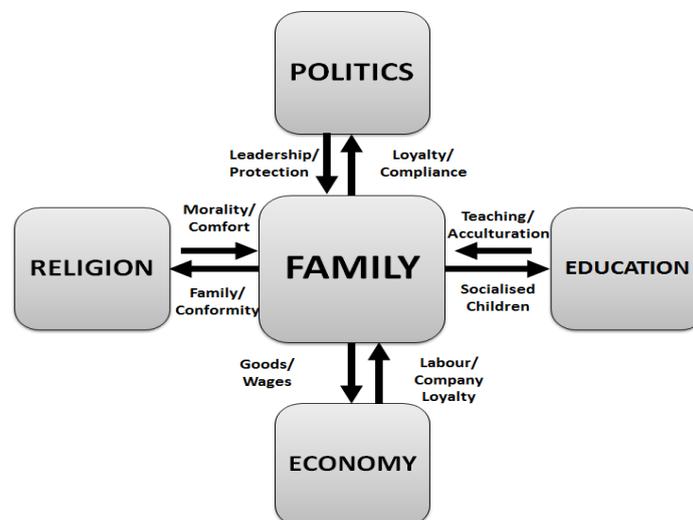
Huzaifah reported that the Messenger of Allah said: “There was a man amongst those who were before you. The angel came to him to take his breath. He was questioned: Have you done any good deed? “I don’t know” replied he. “Look” it was directed to him. He said: “I don’t know anything except that I used to **carry on business** with the people in the world, **show kindness** to them, give **time to the solvent and remit the needy**”. Then Allah admitted him in Paradise” (Hadith as narrated by Bukhari and Muslim, 10).

When the Holy Prophet Muhammad (PBUH) migrated to Madinah, he immediately developed trade and founded a market in accordance with Shariah jurisprudence to supersede the earlier market, where elements of usury, exploitation, and injustice were rampant. He urged his Companions to embrace trade as their profession, and said: “**Honest and reliable merchants are with prophets, saints and martyrs**” (Hadith as narrated by Tirmidhi, 4). To safeguard the development and longevity of the Islamic economy, practitioners were warned to be honest and ethical regardless of the type of business. Biasness and prejudice in business that are based on differences in religion, race or gender were denounced; in fact his wife Khadijah was a well-known wealthy merchant.

Weber’s article “The Protestant Ethics” emphasised that religiosity is an independent variable factor that could influence economic outcomes as religious ethics, attitude and characteristics that lead to better efficiency and productivity, culminating in economic growth. Talcott Parsons’ Structural-Functional Theory states that society is made up of various interrelated and interdependent institutions, including religion, working together and in tandem (Figure 2).

Figure 2

Structural-Functional Theory



Source: Adapted from Savage, S.P. (1977)

Business transactions which depend on unlawful interest or *riba* are not in accordance with Shariah law, are prohibited, as only *halal* income is allowed. Once when the Holy Prophet (PBUH) discovered that some wheat, which appeared dry on top, were actually wet, he chastised the trader and said “*Those who deceive are not of us*” (Hadith as narrated by Muslim, 99 & Abu Dawud, 1). Clearly the moral behind this incident reveals that income received through deceit and trickery cannot morally advance, nor spiritually elevate an individual towards God. The structural-Functional Theory illustrates the complexities of interactions between a family unit, religion, education and economic which relate the practice of individual integrity, progressing towards the family, and interconnected to other institutions that relate to the society’s economy and productivity.

b. Halal Economy

The Islamic economy has been associated with Islamic financial law, based on the moral code and religious requirements. The term ‘*Halal Economy*’ has been increasingly used since it was coined at the World *Halal* Forum held in Kuala Lumpur in 2011. *Halal* economy includes diverse areas and activities, from ritual slaughtering of meat and poultry, to food manufacturing and retailing, restaurant chains to logistics and shipping, along with *halal* certifications. It integrates the production of *halal* products and the Islamic financial system (Fahrul Irfan Ishak *et al.*, 2013).

Though there is no direct reference of *Halal Economy* in the al-Quran or Sunnah, references can be deduced from the actual meaning of *Halal* and *Toyyiban*. *Halal*, an Islamic term derived from the Arabic word, means permissible and from a broader scope covers the concept of ‘*Halalan Toyyiban*’ which includes safety, cleanliness and quality. These points were described in Surah *al-An’am*, verse 145; *al-Araf*, verse 157; *al-Maidah* verses 1, 4, 5 and 88. Clearly, from these verses, everything that is permitted is *halal* unless there is definite proof that it is *haram* (forbidden).

Abdulla al-Muaini, head of the Emirates Authority for Standardisation and Metrology, said that by 2030, the Muslim population is expected to reach 2.2 billion and will be the main consumer market for *halal* products. He stressed that, “*Halal industry is expected to be one of the steady growing sectors across the global economy.*”

UAE Minister of Economy, Sultan bin Saeed Al Mansouri, in a report by *HalalFocus* on 17th September 2017 commented, “*Today, non-Muslim countries view Islamic finance, halal lifestyle, and Shariah-compliant trade and industry as the pillars of their sustainable development plans*”.

The State of the Global Islamic Economy Report 2017–2018, reported that global Muslim consumer spending on food, beverage, and lifestyle sectors reached USD 2 trillion in 2016, accounting for 11.9% of global expenditure (Centre for Excellence in Islamic Finance, 2016). By segment, expenditure on *halal* food and beverage by Muslims was USD 1.24 trillion, followed by modest fashion at USD 254 billion, media and entertainment at USD 198 billion, tourism and hospitality at USD 169 billion, and pharmaceuticals and cosmetics at USD 83 billion and USD 57.4 billion respectively. This report also estimated that by the end of 2018, the *halal* food industry alone would be worth USD 1.6 trillion and is projected to reach USD 2.1 trillion by 2030.

The understanding of *halal* and *Toyyiban* is rapidly increasing amongst Muslim and non-Muslim industry players, and nations are clamouring to capture the *halal* market. In fact, *halal* markets in Muslim-majority countries and non-Muslim majority economies, such as China, Japan, US and UK are thriving; they understand that for Muslims, *halal* is a way of life, and to seize this market they have to comply and satisfy the demand for *halal* offerings. Worldwide demand for *halal*-certified products that have resulted in the increase of demand for hygienically processed food, as well as *halal* and Shariah-compliant services are mostly from the 1.8 billion Muslim consumers as well as non-Muslim countries such as China, Japan, Taiwan and Hong Kong (Afiq Aziz, 2018).

Generation M's love of travel has also led to the flourishing of *halal* and Muslim-friendly tourism; growing beyond Hajj and Umrah religious pilgrimage. *Halal* tourism across Europe took off by storm, especially in Spain when they hosted the inaugural *Halal* Tourism Conference in 2014. Muslim minority in the Philippines achieved resounding success when they launched *Halal* tour packages targeted at young Muslims and families from Saudi Arabia and the United Arab Emirates (TTG Asia, 2014). Japan too has shown its commitment towards Muslim tourists by allocating prayer rooms in major airports and publishing Muslim-friendly booklets on the availability of *halal* food and location of prayer places in addition to encouraging restaurants and hotels to offer *Halal* food and Muslim-friendly facilities respectively (The National, 2014).

At present, many internet platform providers have exploited the use of blockchain technology to create Muslim mobile apps which provide information that facilitates the lives of modern Muslims and assists them in carrying out their daily life while adhering to their religious beliefs. Such technology if used universally will support stakeholders in conducting their businesses and personal affairs, thus better utilisation of resources and societal well-being.

Sayyidina Abu Hurairah (May Allah be pleased with him; RA) narrated that the Prophet Muhammad (PBUH) said: *Allah (SWT) has commanded the faithful to do that which he commanded the Messengers, and the Almighty has said: "O Messengers! Eat of the pure things and do right"; and "O you who believe! Eat of the pure things We have provided you."*, (al-Quran, 23:51; al-Quran 2:172) then *Rasulullah (PBUH) mentioned (the case of) a man traveling on a long arduous journey, greatly troubled and distressed, with disheveled hair crying to Allah (SWT), O Lord! O Lord! But, his food from illegal sources, his drink from a source that is unlawful, his clothing from prohibited source and he is nourished with haram. How then will his prayers be accepted"* (Hadith as narrated by Muslim, 2214).

The hadith shows that prayers are rejected not only because of the consumption of unlawful food and drinks; it also emphasised that the means of obtaining resources must be in accordance with Shariah law; thereby, implicating that creating a *halal* ecosystem is imperative.

c. Business as a Means to Understand Islam

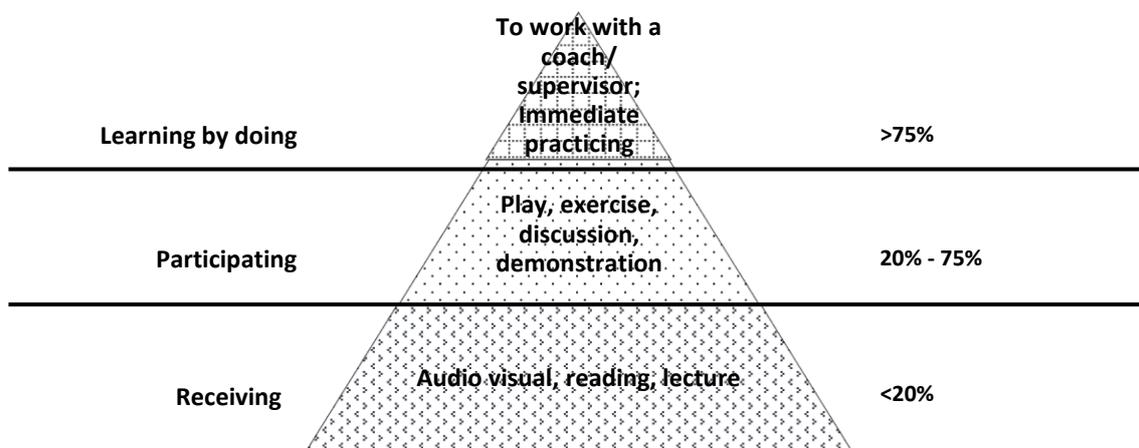
In 400 BC, Sophocles was cited as saying, "One must learn by doing, for though you think you know it — you have no certainty, until you try" and much earlier, in 479 BC Confucius, was quoted as saying, "I hear and I forget, I see and I remember, I do and I understand".

More recently, Patrick (2011) pointed out that *experiential learning* can be defined as the process of learning through experience i.e. “*learning through reflection on doing*”.

While academic learning and experiential learning seek to teach new knowledge, how it is conducted differs (Figure 3). Academic learning is done through a classroom-based technique where knowledge or new information is learned without the necessity of direct experience; however, in experiential learning, the participant gains knowledge by undergoing an actual experience that involves analysis, initiative, and immersion (Stavenga de Jong *et al.*, 2006).

Figure 3

Retention of Learning



Source: Adapted from Kokcharov, I (2015)

As highlighted, prophet Muhammad (PBUH) was a successful trader and encouraged his companions and the community to engage in business for the sake of *maslahah* to attain God’s favour for this life and the next. This example led early Muslim traders to journey across the continent to conduct business. Within a century of its founding, Islam spread swiftly, through trade, from the Middle East to Africa, Europe, the Indian subcontinent, China and the Malay Peninsula. Numerous researchers reasoned that this phenomenon occurred as Islam provides continuity to previous religions whilst the conduct of virtuous Muslim merchants acted as a catalyst for reversion amongst Christians and Judaists. Other reasons included public disenchantment with the then tyrannical rule and lack of economic and social equality. During this period, advanced nations like the Chinese, Persians and Indians, progressed to become Muslims out of admiration towards the early practising Muslim traders. The spirit of tolerance in Islam facilitated its expansion, and ultimately Islam became a religion of the masses in Asia, Central Asia and Africa and parts of Europe. These examples illustrate Islam was also spread by experiential learning and self-reflection through the involvement of commerce conducted between non-Muslim traders and Muslim traders.

The principle of Islamic commerce is based on transaction, entrepreneurship and effective use of resources (finance, human resource, material resources, *etc.*). Allah (SWT) the Almighty says: “*O ye who believe! Eat not up your property among yourselves in vanities: But let there be amongst you traffic and trade by mutual good will*” (al-Quran 4:29). “*God hath permitted trade and forbidden usury*” (al-Quran 2:275).

A study conducted by Faizal *et al.* (2013) coined that a Muslimpreneur must have *taqwa*; gain *Halal* income through selfless acts to meet the needs of the community; avoid wastage; perform timely and regular *Solat*; practise high moral values, honesty, trustworthiness and be knowledgeable; care for society and environment; and concern for the welfare of all, regardless of race and religion.

Halal is a part of Shariah, as it guides Muslims' actions and behaviour; but not to be confused with *halal* as part of a codified system of Shariah law. *Halal* prescriptions might be considered by observant Muslims to be religious obligations, but confusing to non-Muslim majority countries. These countries are secular countries and *halal* forms no part of any laws and regulations of those particular countries.

The required characteristics of an Islamic merchant indicate that they have to observe high moral values and etiquette. Consequently, constantly participating in Islamic business dealings and observing Islamic etiquette will ideally create a wide, pervasive, and unintentional 'ripple effect' within the society and indirectly awaken its need to reacquaint itself with Islam.

d. Financial Technology and Industry Revolution 4.0

Undeniably the world is witnessing a fourth industrial revolution which is metamorphosing economies, job landscape and civilisations. Rapid technological innovations brought on by Industry 4.0, where analytics, artificial intelligence, cognitive technologies converge and then coupled with the Internet of Things (IoT), have led to instant global interconnectedness and automated decision making.

Islamic Finance complies with Shariah Law which prohibits usury fees such as *riba*, and finances only *halal* commerce activities and prohibits *haram* commerce such as casinos, alcohol manufacturing, *etc.* Islamic Fintech, contrary to conventional western finance, currently offers the world an ethical alternative and influences all forms of finance globally.

Fintech has immense potential in promoting standardisation, integration and harmonisation of Islamic finance products universally while still evolving rapidly (Wintermeyer & Basit, 2017). The presence of affluent tech-savvy middle class Muslims has made it necessary for the finance industry to harness Fintech to give it the leading edge to compete effectively since it provides agility and simpler financial solution. Fintech is now used in *Murabaha* instruments in buying and selling goods, as well as other Shariah compliant investment funds to finance micro, small and medium-sized enterprises and provide digital infrastructure.

A report presented by the International Monetary Fund (IMF) for the 13th World Islamic Economic Forum (WIEF) held in Sarawak Malaysia, 'Fintech and Financial Services: Initial Considerations' highlighted that, "Fintech leverages the explosion of big data on individuals and firms, advances in artificial intelligence (AI), computing power, cryptography, and the reach of the internet" (Kong, 2017).

The use of Fintech would complement the bid made by Uzbekistan President Shavkat Mirziyoyev's plans to restore Uzbekistan economy, by introducing Islamic finance regulations and setting up Islamic Finance institution; this would enable its banking sector to expand and enter the foreign markets.

Concurrently, blockchain technology has increased processing power and storage capacity tremendously, which translates to improved and transformed standard Islamic

finance, enhanced safety and security features and cuts the cost of financial services by up to 95%.

Both Fintech and blockchain complement each other which has led to facilitating online payments and financing; individual and corporate asset management, insurance, and financial advice. Such technology when applied to *halal* economy comprehensively, will certainly lead to effective and efficient Islamic commerce which will eventually heighten the standard of living and *maslahah* of the public. The same technology can be employed to provide more information about the holistic nature of Islam to proponents and users of mobile apps.

e. Brief History of Uzbekistan

Uzbekistan (Figure 4) is one of the most captivating countries in Central Asia and famous for its Silk Road cities of Bukhara, Tashkent and Samarkand starting from the first millennium BC. It shares the same border with Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Afghanistan. According to historical chronology, in 328 BC Alexander the Great and then in 1220 Genghis Khan, conquered Samarkand which later became the capital of Tamerlane's Timurid Empire. The development of Islamic architecture and arts took place here when the Arabs introduced Islam in the 8th–9th century. During the height of the Abbasid Caliphate, Uzbekistan experienced a golden age and Bukhara became one of the leading centres of learning, culture and art in the Muslim world. Bukhara was also the largest Islamic centre for the study of Sufism for seven centuries and home to hundreds of beautiful mosques and madrasas. The ancient Islamic World had always referred to Bukhara for its economic and scientific development during the Middle Ages and is now duly recognised by The United Nations Educational, Scientific and Cultural Organization (UNESCO) as an exemplary medieval city.

Figure 4

Map of Uzbekistan



Source: Infoplease (n.d.)

Prominent Uzbekistan Muslim scholars, including Imam Bukhori, Imam Tarmidhzi and Abu Mansur Maturidi have influenced the Muslim society until today. World-renowned physician and philosopher Ibn Sina a.k.a. Avicenna was born near Bukhara; eminent scholar

Al-Khwarizmi, the father of algebra, was also born in Uzbekistan. These eminent scholars contributed to not just Islam but the whole world. Thereby, Uzbekistan was a thriving trading nation and the focal centre of Islamic and scientific knowledge.

In the late 19th century, when the Soviet Union ruled Uzbekistan, this great nation lost its standing in the Islamic world and its economy battered. After gaining independence in 1991, Mr. Kamirov, its first president, declared Uzbekistan a secular nation, despite it being a Muslim majority country, and administration was based on the pre-existing structure of Soviet times, where religion and government administration are totally separated. However, after his death in 2016, Uzbekistan became accessible to the rest of the world, her economy slowly improved. In December 2016, the administration of the newly-elected President Shavkat Mirziyoyev acknowledged the need to transition to a market-oriented economy underpinned by private sector growth. In February 2017, the Government announced a broad market-oriented reform programme to enhance macroeconomic stability and improve the business climate by promoting economic development and ensuring personal and public security through inter-ethnic and religious tolerance and constructive foreign policy.

f. Halal Economy and Its Potential in Uzbekistan

Halal economy, when coupled with Islamic Finance, will provide an admirable advantage to the nation as it dispenses itself off any social injustice and creates an Islamic Economy.

The *halal* food industry, predicted to be worth USD 1.6 trillion in 2018 and projected to reach USD 2.1 trillion by 2030, is the most diverse and highest revenue-generating sector to the Islamic Economy. It encompasses not just meat products but includes agricultural products, beverages, ready-made meals, confectionaries, snacks, pastries, specialised food and many more. The sustainable and dynamic nature of *Halal* food industry is undeniable as the Muslim population is likely to reach 26% of global population in 2030 (State of the Global Islamic Economy Report, 2017/2018; Pew Research Centre, 2011). Concurrently, as reported in Corporate Maldives (Zakwaan, 2016), studies conducted by Joan Henderson, Associate Professor at Nanyang Technological University (Singapore) and Ala Al-Hamarneh, Assistant Professor at University of Mainz (Germany), indicated that the majority of these Muslims disregard brands and are inclined towards extravagance and high food consumption, as long as the products are Shariah compliant. This last feature is especially inviting to new market entrants who can now create new *Halal* brands for their *halal* offerings. An encouraging development in this food industry is the increase in the accreditation of *halal* certification bodies globally (JAKIM, 2018), reflecting the rise in demand for *halal* certified offerings to meet the regulations and requirements of export countries.

Blessed with fertile land, Uzbekistan is recognised to be the fifth largest producer of cotton and supplier of wheat and fresh fruits, such as cherries and pomegranates. According to the International Trade Administration (ITA) (2017), the U.S. Department of Commerce, agriculture currently accounts for 17.6% of Uzbekistan's GDP and employs 26% of its labour.

In January 2018, Hideki Mori, World Bank Country Manager for Uzbekistan conveyed in a press statement that the World Bank will be supporting horticultural projects worth USD 2 billion to assist the Uzbek government to transform and diversify its agricultural industry, to the more lucrative horticultural sector of fruits, vegetable, and livestock and enable the nation to provide better-paid jobs plus expand its export market (Table 1). Of the total revenue generated from agriculture, 50% revenue is from fruit and

vegetable production which contributes towards 35% of the export worth (The World Bank, 2018).

Table 1

Uzbekistan — Agricultural Sector

	2014	2015	2016	2017 (Estimated)
Total Local Production	USD16,005,630	USD 16,293,025	USD 16,334,266	USD 13,600,546
Total Exports	USD 2,719,300	USD 2,107,200	USD 1,707,000	USD 1,395,913
Total Imports	USD 1,509,900	USD 1,585,200	USD 1,439,700	USD 1,473,439
Total Market Size	USD 14,796,230	USD 15,771,025	USD 16,066,966	USD 13,678,072
Exchange Rates	2309	2595	2965	3982

Source: Data for 2017 was estimated by Post using company project implementation progress reports. Imports from the U.S. were derived from the U.S. census bureau. Estimate as of 22nd May 2017

Then an article published in Financial Times, written by Buckley in February 2018, observed that the Uzbek government plans to expand its industries to food processing, pharmaceutical and tourism.

A joint study in 2011, conducted by CrescentRating and DinarStandard reported that *halal* travel and tourism market (excluding pilgrimage travel segment), is worth USD 126.1 billion and growing at a rate of 4.8% through 2012–2020 in comparison to the global average of 3.8%. Muslims' expenditure on tourism rose to USD 169 billion in 2016, and by 2022 is forecasted to reach USD 283 billion. This phenomenon is brought on by the fact that many Muslim majority markets are rising economies, comprising of affluent travellers leading to a corresponding increase in demand for *halal* tourism services including country destinations, hotels and resorts, airlines and restaurants. The same report stated that Muslim respondents when asked “which of the following are important to you when travelling for leisure?”, answered, “*Halal* food” (67%), followed by “Overall price” (53%), and “Muslim-friendly experience” (49%).

An added value advantage Uzbekistan has lies on its picturesque landscapes and equally fascinating history, as a trading post in the ancient Silk Road and the pivoting role it played during the Golden Age of Islam. Uzbekistan is also the only Central Asian country that shares its borders with Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan and Afghanistan. These unique features make Uzbekistan ideal as a tourist destination for Muslims. Thus,

creating the infrastructure to support the *halal* economy is plausible. However, serious efforts must be made to ensure ethical governance and proper regulation of the *halal* industry.

3. Conclusion

Shariah compliant commerce and trade are lawful, as highlighted in numerous verses from both the al-Quran and narrations of hadiths, to provide sustainable wealth creation for the betterment of society. The admiration of the medieval world towards the early Muslim traders who exhibited exemplary ethics and tolerance had, within just a century, resulted in a high rate of religious reversion, in many populations. In fact, the Golden Age of Islam saw the rise of the Muslim states as they became a force to be reckoned with in terms of economic wealth and scientific knowledge.

Halal industry and Islamic finance is economically immense, comprehensive and on the rise. The rapid growth of the *halal* industry, that includes food and beverages, ingredients, healthcare products and services, to personal care, tourism as well as financial services, has been propelled by the growing demand from Muslims worldwide and to some extent non-Muslims who view *halal* as clean, pure and environmentally sustainable.

Business traders who deal in Islamic transaction need to practise a high code of ethics to achieve success in this world and the next. When the Shariah code of conduct is inculcated and practised daily, through experiential learning, it will lead to a ripple effect, giving enlightenment to those who adhere to the Islamic religious practices, thereby increasing their needs and desires to reacquire themselves with Islam.

As highlighted in Weber's "*The Protestant Ethics*" and Parson Talcott's Structural-Functional model, a society having and practising religious ethics and values can together create a better and more efficient economy.

The *halal* sectors on which Uzbekistan can focus on is *halal* horticultural sector and Muslim-friendly tourism as it already has the infrastructure in place and only needs further enhancement in terms of regulations and proper governance. The potential of the *halal* industry has significant outreach and includes organic, health, fair trade and other bio-type food industries (Mandhai, S. & Umutlu, A., 2017). An equally attractive economic sector would be Islamic finance which is supported by Fintech and block chain technology.

Uzbekistan has all the necessary features and infrastructure to become a *halal* hub and Islamic financial centre for Central Asia. It should take this opportunity, as this agenda is currently pursued by even non-Muslim majority countries. Indeed, creating a *halal* economy is conceivable and advantageous, as it can lead to greater employment and wealth creation since it will open opportunities to Uzbeks to expand their Islamic businesses locally and internationally. A hidden advantage of this economic pursuit is that as its citizens immerse themselves in the *halal* economy and Islamic finance, they become more productive, ethical and conversant about Islam. In other words, *halal* economy can become a vehicle for its citizens to gain experiential knowledge and re-acquire themselves with Islam.

Uzbekistan once glorious history as a thriving trading nation and a melting pot of Islamic and global scientific knowledge can finally be repeated.

In conclusion, *Halal* Economy and Islamic Finance are the Hidden Catalyst Towards Wealth Creation and Sustainability, and the Revival of Islam in Uzbekistan.

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