

GLOBALIZATION OF ISLAMIC FINANCE AND DEVELOPMENT TRENDS IN CHINA

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Abstrak: Tujuan penelitian ini yaitu untuk mengetahui tren perkembangan keuangan Islam secara global di China. Metode yang digunakan dalam penelitian ini adalah metode dengan pendekatan deskriptif kualitatif. Kajian deskriptif dilakukan dengan mendeskripsikan dan menjelaskan objek penelitian secara objektif dan faktual berdasarkan sumber data yang diperoleh dalam perkembangan globalisasi keuangan syariah dan tren keuangan syariah di China. Hasil dari penelitian menunjukkan bahwa perkembangan keuangan Islam di berbagai negara dan wilayah non-Muslim memicu persaingan yang semakin ketat untuk pusat keuangan Islam sehingga Globalisasi keuangan syariah mencerminkan tren perkembangan globalisasi keuangan Islam dan dapat meningkatkan popularitas keuangan syariah dalam negeri serta memancarkan program pertukaran bersama internasional di universitas dan lembaga penelitian, China juga tertarik dengan keuangan Islam, Tetapi terlalu dini untuk mendirikan pusat Keuangan Islami di Cina karena banyak pembatasan di dalam negeri dan minatnya sendiri pada keuangan Islam. aset keuangan syariah selama lima tahun dari 2013 hingga 2017 Totalnya bisa tumbuh 17% per tahun, akhirnya mencapai \$2,7 triliun. Faktor-faktor yang berkontribusi terhadap pertumbuhan ini termasuk kondisi Demografis, permintaan pembiayaan infrastruktur, aturan permodalan bank,

dan insentif untuk kesesuaian dengan Islam dan permintaan aset Islam. Tetapi kuncinya adalah bahwa di dunia non-Islam, melihat perkembangan global keuangan Islam, pasar keuangan terbuka dan mendukung basis keuangan hukum Infrastruktur dan dukungan pemerintah adalah prasyarat untuk pengembangan keuangan Islam.

Kata kunci: *Keuangan Islam, Bank Islam, Globalisasi Keuangan Islam*

Abstract: *This study aims to determine the global development trend of Islamic finance globally in China. The method used in this study is a method with a qualitative descriptive approach. Descriptive studies describe and explain the object of research objectively and factually based on data sources obtained in the development of Islamic financial globalization and Islamic financial trends in China. The results of the study show that the development of Islamic finance in non-Muslim countries and regions triggers increasingly fierce competition for Islamic financial centres so that the globalization of Islamic finance reflects the development trend of Islamic financial globalization and can increase the popularity of domestic Islamic finance and promote international cooperative exchange programs at universities. Moreover, research institutes in China are also interested in Islamic finance. However, it is too early to establish an Islamic Finance centre in China because of many restrictions at home and its interest in Islamic finance. Islamic financial assets for five years from 2013 to 2017 The total could grow 17% per year, eventually reaching \$2.7 trillion. Factors contributing to this growth include demographic conditions, demand for infrastructure financing, bank capital rules, incentives for conformity to Islam and demand for Islamic assets. However, the key is that in the non-Islamic world, the global development of Islamic finance, open financial markets and support of the legal and financial base Infrastructure and government support are prerequisites for the development of Islamic finance.*

Keywords: *Islamic finance, Islamic bank, Islamic Financial Globalization*

Introduction

At the beginning of the development of the Islamic Bank, politicians and financiers were skeptical of it. 30 years later the Islamic Financial Development Xunbang, once considered a financial, attracted bankers and international investors with Great interest.¹ Not only religiously minded Islamic countries but also established international countries such as London and New York Emerging markets such as Singapore and Hong Kong are trying to compete for regional Islamic finance or global Convergence central status. In early 2007, the Hong Kong Special Administrative Region proposed the establishment of an Asian Islamic financial center, and it was actively practiced.² Mainland China also began testing the Islamic Bank window in 2009. However, due to various factors, the pace of development of China's Islamic finance is very slow. For non-Islamic countries, the analysis of the development of Islamic finance in the region can provide enlightenment for the development of Islamic finance in China.³

From the very beginning, Islamic finances have not been cut off from its territory. With the globalization of finance and petrodollars with a large current, Islamic finance inevitably moves towards internationalization and globalization, that is, across geographical and

¹ Zhonghua Han, Kok Kheng Yeoh, and Wan Marhaini Binti Wan Ahmad, 'An Empirical Investigation of Chinese Muslims' Intention to Adopt Islamic Banking Services in Western China', *Advanced Science Letters*, 23.9 (2017), 8741–46 <<https://doi.org/10.1166/asl.2017.9962>>.

² Tian Guang and others, 'Food Consumption and Economic Development in Contemporary China', *Contemporary Chinese Political Economy and Strategic Relations*, 4.3 (2018), 1179–1206.

³ Md Nazirul Islam Sarker, Most Nilufa Khatun, and GM Monirul Alam, 'Islamic Banking and Finance: Potential Approach for Economic Sustainability in China', *Journal of Islamic Marketing*, 11.6 (2020), 1725–41 <<https://doi.org/10.1108/JIMA-04-2019-0076>>.

religious red circles for the domain, develop it on a larger scale and at a higher level. The globalization of Islamic finance is also separate from the course of the "three modernizations". In 2008, the international financial crisis broke out, and the traditional financial system was in danger. Only Islamic finance stands proudly and has achieved remarkable results. According to Ernst & Young, 2013 Slan's financial assets will reach \$1.7 trillion, an annual growth rate of 17.6%, compared to the annual average from 2006 to 2013 The growth rate is 16.4%.⁴ Islamic financial institutions around the world have about 38 million customers, with on average each client owning Islamic financial products. 78% of Islamic financial assets are owned by 6 Islamic countries controlled that two-thirds of the clients of Islamic financial institutions live in the six countries mentioned above. and although small, they are growing rapidly, Ernst & Young estimates Islamic financial assets will reach \$2 trillion by 2018.⁵

Since the 1970s, accompanied by Islamic revivalism and rolling petrodollars, the State of Sri Lanka began to establish Islamic banks, which are still one of the most important forms of Islamic finance. In 1972, Egypt established the Nasser Social Bank in Cairo, "the first Islamic banking for urban customers." Bank of The Republic of the lands".⁶ After the establishment of the Islamic Development Bank

⁴ Josua Tarigan and Hatane Semuel, 'Pengungkapan Sustainability Report Dan Kinerja Keuangan', *Jurnal Akuntansi Dan Keuangan*, 16.2 (2015), 88–101 <<https://doi.org/10.9744/jak.16.2.88-101>>.

⁵ E Y Global, 'Transparency Report 2013', *Google.Com*, 2013, 1–6 <<http://www.google.com/transparencyreport/?hl=ar>>.

⁶ Scheherazade S. Rehman and Hossein Askari, 'How Islamic Are Islamic Countries?', *Global Economy Journal*, 10.2 (2010) <<https://doi.org/10.2202/1524-5861.1614>>.

in 1975 and the International Islamic Banking Association in 1977 the Gulf Region and the Islamic world have seen a wave of Islamic banking.⁷

With the increase in economic cooperation of Islamic countries, so is a cooperation between Islamic banks. Saudi Arabia played a decisive role. Egypt's Faisal Islamic Bank, Sultan Faisal's Islamic Bank, and the Philippines' Shah Bank Faisal, among others, contain more than 40% of Saudi authorized and private capital⁸. In 1980 In 2000, Saudi Arabia established the Islamic Investment Agency in Geneva, Switzerland, which successfully entered the financial markets of Western countries. Since then, Saudi Arabia has vigorously expanded the Islamic Bank, in the United Kingdom (London and Birmingham), Turkey, and Tunisia There are branches of Islamic banks in Sri Lanka, Malaysia, and other countries. In less than 20 years, the Islamic gold Company has grown from one to almost 40.⁹ Islamic financial products are mostly Islamic banking products and are prohibited.

Literature Review

Islamic Economic Globalization

The globalization of the Islamic economy is a process resulting from innovation, human creativity, and technological advances that are utilized by the development of Islamic finance. It refers to the

⁷ Seyed Vali Reza Nasr, 'Towards a Philosophy of Islamic Economics', *The Muslim World*, 77.3–4 (1987), 175–96 <<https://doi.org/10.1111/j.1478-1913.1987.tb02799.x>>.

⁸ Bob Olivier, *Islamic Revivalism and Politics in Malaysia: Problems in Nation Building, Critical Studies of the Asia-Pacific*, 2020.

⁹ Hamdi Khalfaoui and Hassan Guenichi, 'Does Islam Promote Growth: Evidence from Arab Muslim Countries and Non-Arab Muslim Countries', *International Journal of Law and Management*, 64.2 (2022), 206–24 <<https://doi.org/10.1108/IJLMA-07-2021-0166>>.

improvement of economic integration throughout the world, mainly through the movement of goods, services, and capital across borders.¹⁰ The term sometimes also refers to the movement of people and knowledge across international borders. For example, the national economy has become part of the global economy which is suspected of the power of the world market. Islamic financial institutions performed well throughout periods of high growth in the industry, but, with the global financial landscape constantly changing rapidly, efforts to maintain stable growth are one and many challenges come their way. So far, Islamic banks have been capitalized by rapidly growing market gaps, but with many existing Islamic banks and the increasing interest of conventional institutions to exploit these new markets, the industry is now becoming highly competitive.¹¹

Here are some of the main challenges facing Islamic financial institutions. As brilliant as the growth record of individual Islamic banks is, the fact is, now they largely serve as intermediation between Muslim financial resources and large commercial banks in the West. In this context, there is only a one-way relationship. No major Islamic bank has yet developed an intermediation method between Western financial resources and the demand for such resources in Muslim countries.¹²

¹⁰ Al Junaibi Juma, 'Knowledge Economy and the Global Islamic Economic Indicators in the United Arab Emirates', 2018.

¹¹ Adel Ahmed, 'Global Financial Crisis: An Islamic Finance Perspective', *International Journal of Islamic and Middle Eastern Finance and Management*, 3.4 (2010), 306–20 <<https://doi.org/10.1108/17538391011093252>>.

¹² Saba Mushtaq and Danish Ahmed Siddiqui, 'Effect of Interest Rate on Economic Performance: Evidence from Islamic and Non-Islamic Economies', *Financial Innovation*, 2.1 (2016) <<https://doi.org/10.1186/s40854-016-0028-7>>.

Islamic Finance Trends in China

For a supplier and client to have a great relationship, trust is necessary according to Selnes.¹³ According to reports, the people of China trusted the Islamic financial system after pilot projects were completed in Ningxia. Furthermore, every Islamic financial institution has a Shariah advisory board that monitors and controls its finances. Both Muslim and non-Muslim financial experts participate in the Shariah advisory. This board monitors decisions made by investors. Shariah boards connected to a country's central bank oversee investment decisions.¹⁴ One difference between conventional and Islamic financial systems is the availability of different financial products. Mansour and Majdoub noticed a correlation between Islamic and conventional stock prices. Muslims, so most Muslims in China are trying to avoid the traditional banking system.¹⁵

Method

The method used in this study is a method with a qualitative descriptive approach.¹⁶ Descriptive studies are carried out by describing and explaining the object of research objectively and factually based on data sources obtained in the development of Islamic financial

¹³ Fred Selnes, 'Consequences of Trust and Relationships', *European Journal of Marketing*, 32.3/4 (1998), 305–22.

¹⁴ Dafiq, B. I., Hidayati, A. N., & Habib, M. A. F. (2022). Pengaruh literasi keuangan, literasi digital, digital marketing, brand image dan word of mouth terhadap minat generasi z pada bank syariah. *Fair Value: Jurnal Ilmiah Akuntansi dan Keuangan*, 4(11), 4971-4982.

¹⁵ Jihed Majdoub and Walid Mansour, 'Islamic Equity Market Integration and Volatility Spillover between Emerging and US Stock Markets', *North American Journal of Economics and Finance*, 29 (2014), 452–70 <<https://doi.org/10.1016/j.najef.2014.06.011>>.

¹⁶ John W. Creswell, *Qualitative Inquiry and Research Design*, Sage, 2006, MCMXCIX.

globalization and Islamic financial trends in China. The research literature study is used to collect important data. This is done in Scopus-indexed journals, books, and Islamic finance sites that will be studied and supplemented with data. The study is descriptive, with an emphasis on analysis using logical methods. Primary data are collected through literature studies, which can provide a descriptive Explanation, in this case, the globalization of Islamic finance and developmental trends in China. Secondary data is information obtained from non-primary sources, such as newspapers and trusted online news. Because this data contains items that are not included in the primary data, that is, it is utilized as a complement. Documentation techniques are data collection techniques for secondary data sources. Internal data validity is achieved through increased vigilance in data collection, selection, and processing. Meanwhile, the pattern transfer capability is used to perform external validity or extrapolation. This research will evaluate the data using qualitative data analysis techniques and case study methodologies. The purpose of using qualitative data is to obtain a deeper knowledge of social phenomena and subject points from the point of view of this study.¹⁷

Results And Discussion

The Development of Islamic Financial Globalization and The Prospects for Its Development in China

Stop dabbling in financial derivatives. The first wave of Islamic financial development is referred to as the "first" Islamic finance

¹⁷ Vickie a. Lambert and Clinton E. Lambert, 'Qualitative Descriptive Research: An Acceptable Design', *Pacific Rim International Journal of Nursing Research*, 16.4 (2013), 255–256
<<http://antispam.kmutt.ac.th/index.php/PRIJNR/article/download/5805/5064>>.

Modernization", especially around the interpretation, legitimacy, and other textual work of Islamic jurists The year 1990 is an important watershed in the international political landscape, finance based on neoliberalism. Liberalization has spread throughout the world.¹⁸ The policy of financial liberalization opened the door for Islamic finance to enter the Western countries of the Gate of Profit, the rise of Islamic revivalism in the Middle East, the increasing status of the Muslim middle class in Western countries, and so on All of them have had a positive impact on the development of Islamic financial globalization. At the same time, there are more and more Islamic financial products Metamorphosis, banks and non-bank financial instruments are divided equally. Islamic financial activity is also moving eastward from the Middle East to the South Asian Expansion. Malaysia, with strong support from the Government, has developed a flexible and pragmatic way of doing business, which has resulted in success.¹⁹ During the Islamic financial center of the new area. Bank Islam and traditional banks that were most hostile early skeptics began to move towards cooperative relations, especially manifested in: First, the opening of Islamic banks by traditional banks Window banks, offering Islamic financial products; Secondly, financial institutions from non-Islamic countries are also involved in Islamic countries Lan financial business, the number of Islamic banks is increasing; Third, some non-Muslims have also begun to pick up financial products that are subject to Islam;

¹⁸ Adam Mohamed Rahim and Mansur Masih, 'Portfolio Diversification Benefits of Islamic Investors with Their Major Trading Partners: Evidence from Malaysia Based on MGARCH-DCC and Wavelet Approaches', *Economic Modelling*, 54 (2016), 425–38
<<https://doi.org/10.1016/j.econmod.2015.12.033>>.

¹⁹ Olivier.

Fourth, in terms of financial product innovation, traditional financial institutions and Islamic gold The cooperation between the ensemble and the community are particularly prominent in non-Islamic. At the end of the 20th century, Islam's global financial assets exceeded \$150 billion, and there were more than 170 Islamic financial institutions. This period can be called the second Modernization of Islamic Finance, emphasizing the "moral economy" or "spiritual principles" of Islam, and assessing the conformity of modern financial instruments with Islamic law.²⁰

The 21st bad enters an era of high oil prices, and Islamic countries are rich in petrodollars and international financial markets The strong demand for the field has led to the third wave of development in Islamic finance, that is, "third modernity." ". The huge petrodollars and huge market potential have led to the continuous involvement of traditional banks in the Islamic financial industry Islamic finance also gradually expands into non-Islamic countries, centered in the Middle East and Southeast Asia, and radiates to Europe More than 50 countries and regions, such as traditional international financial centers and emerging markets, have reached Islamic financial institutions More than 300, including more than 200 Islamic Banks and more than 100 other Islamic banks, including Banking businesses, investment banks, insurance companies, fund management companies, and other financial services companies, in addition, There are more than 190 Islamic banking windows established by traditional banks, and Islamic financial assets reach 17,000 billion and grow at a rate of 15% to 20% per year.²¹ Islam Finance is growing into an international financial system an

²⁰ Rahim and Masih.

²¹ Tarigan and Semuel.

important component, mainly manifested in the diversification of financial institutions, the innovation of financial products, the breadth of customers, and the internationalization of the business scope. In addition, international Islamic financial organizations such as the Islamic Financial Services Commission (Islamic Financial Services Council, IFSB) and so on, strengthen Islamic finance. The integrated supervision and coordination of the industry will encourage its benign development.²²

The rise and development of Islamic finance are closely related to the petrodollars and the Islamic Revival Movement; Islamic Economic reforms and structural adjustments of the State of the Republic of the World, as well as financial liberalization and globalization, are also fraught with Islamic finances. The expansion of the ball created favorable conditions. Thus, the development of Islamic finance reflects the development of globalization of financial trends. How Islamic civilization will integrate the future waves of human globalization is the global influence of Islamic finance an important influence factor. It should be noted that due to the political environment, and economic and religious situation. The degree of dependence varies from country to country between Islamic financial institutions in the scope of their licensing and participation. The overall level of differentiation indicates the fact that Islamic finance is constantly evolving in showing where the political and economic environment is, to some extent, liberal. This is because it is widely questioned. If the integration system can develop rapidly, it must be given room for

²² Ahmed.

experimentation and development beyond the strict control of the government.²³

Practice and Development of Islamic Finance in Non-Islamic Countries

In overcoming the challenges of financial globalization, there is greater room for development and raising more funds, Iraq Slane Finance is no longer limited to the mainland and the region, and is gradually infiltrating non-Islamic countries, its tentacles extending To Asia, Europe, and the United States and the main financial centers of the world, the formation of trends of global expansion. British wine battle in 1992 The bank became the first international commercial bank to provide Islamic banking products, successfully pushing up international financial markets that were based on Islamic finance. There are no more than five reasons for the development of Islamic financial centers in the global economy. The first is to attract Petrodollar Islamic countries, especially oil-producing countries in the Middle East, to obtain economic development funds. Many Islamic countries are large producers of oil and gas, and their reserves are quite large; The third is for the City of Islam Get a profit from the investment. Islamic markets such as the Middle East represent the next economic development with great potential after the BRICS countries Exhibition area; Fourth, Islamic finance, which has eliminated "toxic" assets, is currently the most respected in the global financial performance One of the star industries for the purpose. Fifth, 23% of the world's Muslim population (will reach 27% by 2030).²⁴

²³ Khalfaoui and Guenichi.

²⁴ Khalfaoui and Guenichi.

Only 1% of financial assets are Islamic compliant, and only 12% of Muslims worldwide use Iraqi Skewed Financial Products. Less than 20 percent of adults across the Middle East have formal bank accounts, the mouth shortage is now presented with a huge opportunity ahead of international markets. Currently, the Middle East region accounts for all Islamic financial assets the proportion of financial assets in the Islamic Islands is 71.72%, and the Asian region (excluding West Asia) accounts for 22.56%. Europe, the United States, and Australia accounted for 4.52%, and Sub-Haran Africa accounted for 1.29%.

The UK is the Strongest Financial Center in the West

According to 2013 statistics from the Islamic Financial Services Commission, Islamic gold financing in Europe, the United States, and Australia assets The share of global Islamic finance is 4.52%, which is the highest in non-Muslim regions. London, Central England, is the strongest Islamic financial center, ranking eighth by country, while the top seven are all Islamic countries.²⁵

1. Overview of the Islamic Financial Market in the UK

London's presence as one of the largest international financial centres, coupled with more than 2 million Muslims, does not attract fewer Middle East Islamic Banks. Britain introduced Islamic finance in the 1980s, but Lack of relevant mechanisms and regulations, unattractive and unproductive Islamic financial products, and government support was insufficient, and the Retail Market for Islamic Finance had stalled until the 21st century when it was in England It was

²⁵ Jane Pollard and Michael Samers, 'Islamic Banking and Finance: Postcolonial Political Economy and the Decentring of Economic Geography', *Transactions of the Institute of British Geographers*, 32.3 (2007), 313–30 <<https://doi.org/10.1111/j.1475-5661.2007.00255.x>>.

only then that Sri Lanka Finance developed rapidly, becoming the strongest Islamic financial centre in non-Islamic countries. In 2004 the UK Financial Services Agency (OJK) mandated the British banking system to accept Islamic banking operations, and at the same time the first Islamic Bank in the UK and all Western countries was approved in 2008 (Islamic Bank of England plc., IBB), the bank was established by a consortium of West Asian countries.²⁶

In 2008, the British established three new companies, London Middle East Bank, European Islamic Investment Bank, and European Finance Corporation of Islamic Financial Institutions, traditional banks also provide Islamic financial services by establishing Islamic windows. Among them, the demonstration effect of Lloyds Trust Savings Bank TSB and HSBC Bank is more prominent. The Lloyd Customer Service Project Manual prints Trust And rough Bank contains a special chapter on the Islamic banking system Interpretation. Since then, many traditional banks have followed suit, consulting with Islamic scholars and hiring Islamic finance specialists House dabbling in Islamic service counters. The UK Treasury has also embarked on a series of measures to bring it in line with Islam the legalization of savings accounts and mortgage services in Islam. Q European and American countries and Islamic bank offshore centers total of 49, there are 22 in the UK (6 of which are Islamic silvers operating exclusively by Islamic law). Line, the other 16 are in Islamic windows set up in traditional banks), 10 in the United States, and Australia and Australia There are 4 in Switzerland, 3 in France, and 1 in the rest. Islam Finance in the UK is

²⁶ Valentino Cattelan, 'Islamic Finance in Europe', *Islamic Finance in Europe*, 2013 <<https://doi.org/10.4337/9781781002513>>.

primarily concentrated on consumer financial markets, such as housing finance, to avoid double stamps paid by financial institutions and lenders. The British government has abolished stamp duty when financial institutions acquire immovable property including Cambridge from a dozen universities or business schools in the UK, including universities, that have established courses in Islamic finance and juga as understanding. To address the poverty of certain Muslims in the country, the government also plans to introduce several government projects that are consistent with Islamic finance Examples are student financing, entrepreneurial financing, and business grants, with the development of Islamic finance as the promotion of social harmony an important means.²⁷

2. The British Sought to Establish an Islamic Financial Center

The British also planned to establish Islamic financial centers in Europe and around the world. Back in the 1980s of the 20th century, the London Metal Exchange introduced Mudarabah and Murabaha. To encourage Islamic finance, the British continued to implement tax incentives and an open-door policy. Standard Chartered Bank and Islamic Banking subsidiary HSBC have set an important foundation for the development of Islamic finance in the UK. In the area of equity, the UK launched the "Global Islamic Indices Series" and Islamic Equity Funds.²⁸

In 2006, Gordon, then Chancellor of the Exchequer, Brown expressed his desire for Britain to become the Western gateway to portal

²⁷ Fredj Jawadi, Nabila Jawadi, and Waël Louhichi, 'Conventional and Islamic Stock Price Performance: An Empirical Investigation', *International Economics*, 137 (2014), 73–87 <<https://doi.org/10.1016/j.inteco.2013.11.002>>.

²⁸ Cattelan.

Islamic finance to the world. To this end, the British government established the Islamic Finance Task Force (Financial Task Force), which aimed to foster Britain into a Western Islamic financial center that attracted Islamic Capital and encouraging economic development. On October 29, 2013, the 9th World Islamic Economic Forum was held in the United Kingdom. The opening of London, the first time the forum was held in a non-Islamic country, reflected the UK as a global gold Smelting center status. British Prime Minister David Cameron announced at the opening ceremony that the UK Treasury is preparing for 2014 Issuing a total of around £200 million in Sovereign Sukuk (Sukuk), which will become the West For the first time, the country is issuing Islamic state bonds. Previously, Tesco (Tesco) and HSBC in the UK (HSBC) and other companies had issued Islamic corporate bonds through subsidiaries located in the Middle East and Southeast Asia Standards & Poor had been granted.²⁹

The move will support the entry of Islamic banking into the UK An expansionary move that will benefit Muslims and non-Muslims will encourage business institutions to adopt similar practices Further expanding the role of Sukuk in global capital markets will also help the UK get more out of what it needs overseas investment. The London Stock Exchange also plans to launch an Islamic market index to help investors Identify Islamic-compliant companies to attract more Islamic investors. There are currently 25 in the UK This company serves the Local and Global Islamic Finance sectors. Meanwhile, Islamic gold the method of integration is also more adopted in the urban development of London. Islamic finance not only creates jobs for the UK It also brings

²⁹ Cattelan.

investment. British media reported that Islamic investment in the UK has soared in the past seven years by 150%; Over the past five years, Islamic investment in the London market has been worth \$34 billion. The future Islam investment will continue to play an important role in infrastructure development in the UK, and will also be issued in London, England It became the world's Islamic financial center after Dubai.³⁰

3. British Regulations on Islamic Finance

The current financial regulator in the UK is called the Financial Services Authority of the United Kingdom (FSA), hereinafter referred to as the "golden man" Financial Authority), which has legislative powers and is responsible for overseeing the regulation of the Financial Services and Markets Act 2000 He is in charge of the banking, insurance and securities industry and is jointly under the Treasury with the Bank of England (BOE). The Financial Supervisory Authority Authority is responsible for the regulation of financial institutions, while the Bank of England is responsible for maintaining the stability of the financial market. Where engaged with Businesses relating to deposit collection, insurance, and investment businesses must comply with the Financial Services and UK Markets Regulations (FSMA). Generally, financial institutions must apply to the Financial Supervisory Authority to obtain a business license. The six professional Islamic banks that exist in the UK are also based on the British tradition of financial regulations and Islamic financial regulations are established. The

³⁰ Rehanna Nurmohamed, 'Shari'a Law and Its Impact on the Development of Muslim and Non-Muslim Business Relations in the United Arab Emirates', *Law and Development Review*, 13.2 (2020), 443–72 <<https://doi.org/10.1515/ldr-2020-0052>>.

Financial Supervisory Authority for Islamic finance is currently in the UK Difficulties are still faced in the implementation of the Financial Services and Market Regulations, among others.³¹

The first is the definition of the product name. Islamic financial products are designed by Islamic law, and the attribute of the same product names is not the same as traditional finance. For example, the Islamic financial deposit and loan business, and does not involve traditional financial interest costs, but is a unique asset sale and party Islamic financial leasing business Style. Therefore, for regulators, Islamic financial supervision cannot stand on an equal footing with traditional finance The basic point of view is that the personnel involved, and the scope of business are not the same. Especially today's financial laws and regulations are based on traditional financial models and may be neglected to regulate Islamic finance at the same time business is a little unregulated by law. To this end, Islamic financial institutions have held many consultations with the British regulatory authorities Traders, together, came up with solutions, such as the definition of "deposits", thus realizing Islamic and Traditional financial compatibility, which is an important big reference for the development of Islamic Finance China.³²

The second is Sharia law, British Islam Financial Regulation After many reforms, there is now a relatively complete organization and management procedures. To stabilize Islam the financial market operates, and the UK has established an independent Islamic Advisory

³¹ Juma.

³² Matthew S. Erie, 'The Traveling Waqf: Property, Religion, and Mobility beyond China', *Islamic Law and Society*, 23.1–2 (2018), 121–55 <<https://doi.org/10.1163/15685195-02512P05>>.

Committee to deal with Islamic financial institutions' supervision and consultation, and periodically reviews the operations of Islamic financial institutions by Islamic law. Most Islamic financial institutions have also established an Islamic Advisory Council within themselves, except for Canada in addition to strong business control, it also helped pass the audit of the Islamic Advisory Council. Since Islamic finance must be Islamically compliant, Islamic financial institutions must comply with the Islamic Financial Supervisory and Advisory Authorities. Only under the provisions of the Committee can we operate legally. In addition, Islamic scholars from the Council of Islamic Advisors also work for British regulators and Islamic financial institutions. So, regulators for some special businesses, both parties must communicate and understand in advance to reach a consensus.³³

The third is the promotion of Islamic financial products. Since the way Islamic finance works from traditional finance is very different, the relationship between banks and customers is a "risk sharing and profit sharing" partnership. The return on investment is not fixed, and the relationship between traditional banks and customers is a fixed income fixed interest this is strange for consumers. Therefore, consumers must be considered when marketing Islamic financial goods. The issue of protection is mainly reflected in two aspects of risk management and corporate governance. It requires advertising is important to adhere to the principle of "clear, realistic, and not misleading" and to clearly express what may arise in the business of investing risks, rather than blindly advertising profits and profits.³⁴

³³ Rehman and Askari.

³⁴ Rahim and Masih.

Development of Islamic Finance in Other Western Developed Countries

In addition to the United Kingdom, the United States, France, Switzerland, Russia, and Australia as well as other western developed countries are also involved in the Islamic financial industry to varying degrees. Islamic finance in the United States is not large, mainly concentrated in New York Housing financing is the main business. The most eye-catching aspect of the financial business Islamic is the introduction of Islamic amounts and Islamic equity funds, for example, the Dow Jones Islamic Market Index (DJIMI), the Dow Jones, and the Islamic Us Market Index (IMUS). Morgan Toudanly launches Global Islamic Index, and S&P Launches the "Global Sharia Index" to define the scope of Islamic financial investment and to be devout Muslims Providing essential "filters" for safe transactions and elections. Until the 2008 international financial crisis in France, the financial market was only open to Islamic banks. In June 2009, the first Islamic Bank in France was established in Paris There are already 3 Islamic banks in France, all from the Gulf countries of the Middle East.

Islam Finance in Switzerland has developed in a very short time also very quickly. In 2006, Faisal's private bank opening in Geneva, Switzerland, created a new situation in Swiss Islamic banking and thus encouraged the world's customers from many countries to flock to the table. Currently, there are 4 Islamic banks in Switzerland. Facing the golden age of Islami with the lure of integration and the desire for Arab capital, Russia also set foot in Islam Financial Property in June 2011 Pin, specifically the issue of Sukuk by the Muslim-majority Republic of Thetastan. This yi collection of Slan Bonds is guaranteed by

the Tingstein Government, and their underwriters are Luxembourg-based companies that are used to finance construction to create an integrated commercial center worth \$200 million in Kazan.³⁵ Australia also has 4 Ok Islamic Silvers, which are entering the Islamic financial market in the Moyuan atmosphere. In April 2013, Australia hosted its first Sub-Islamic Finance Forum, and several universities teaching Islamic Finance Courses La Trobe University also has a master's program in Banking and Islamic Finance. Currently, the main problem in the development of the Islamic financial market in Australia is the issue of taxation.

Islamic Finance Practices in Non-Islamic Countries in Asia

From the perspective of the development of Islamic Finance in the regions between regions Islamic finance has a trend of "shifting towards the east". Many the focus of investment by Islamic financial institutions shifted from West to East Asia, on the one hand in 1911 inside and the global anti-pilling impact led by the United States, European and American countries increased the supervision of funds in the Islamic world as well as resulted in a significant reduction in their returns, On the other hand, the economies of developing countries such as Asia have grown at a high speed, carried out large-scale reforms and reorganization of the country's financial system, and increased the level of openness to the outside world, to attract data from the Islamic World. Affected by the world financial crisis, Isis is rich in petrodollars and idle funds The willingness of Lanzhou countries to invest in European and American countries is sluggish, and they are more willing to seek cooperation with Asian countries. Non-Islamic Asia-Pacific Among the

³⁵ Global.

countries involved in Islamic Finance is Singapore, Japan, India, Thailand, and Brunei.³⁶

1. Singapore Seized the International Stronghold of Islamic Finance.

Singapore's Muslim population accounts for about 15% of the total population and there is a strong demand for Islamic finance. However, Singapore's Banking Act does not apply to Islamic banks. In September 2005, the Monetary Authority of Singapore approved "cost gallium sales" financial transactions in Islamic financial products. Since then, at home and abroad financial institutions have rushed to catch up with the Islamic banking train. In May 2007, the largest commercial bank in Singapore was the new Canadian Development Bank (DBS) and 22 Middle East Bay investors received a grant from the Monetary Authority of Singapore, the first Islamic Bank in Singapore was established, namely Asian Islam Bank. Citibank is also in Singapore. Launching a financial transaction "sale of fees". Due to the country's small Muslim population, the country is Iraq the Islamic financial consumer market does not have enough room for development, so the Singapore government intends to create relations between the Middle East and Asia the continent's international financial center pushed the Islamic Bank of Asia to the Middle East, and the Development Bank of Singapore was awarded the Permit award to open a branch in Dubai. With the development of Islamic finance, Petrodollars in the Middle East continue to flow and Singapore, to the IMMW market.³⁷

³⁶ Rehman and Askari.

³⁷ Sahraman D. Hadji Latif, 'Awareness and Perceptions of Muslim Society towards Islamic Banking in the Philippines', *International Journal of Islamic*

2. Japan Is Actively Expanding Its Islamic Finance Business Abroad.

Japan's Muslim population is very small, and the proportion is also low, which determines the consumption of Islamic finance in Japan. There is not enough room for the development of the cost market. However, due to a large amount of energy trade with Islamic countries as well as Islam Behind the huge business opportunities behind financial markets, Japan is still positive and extroverted to the development of Islamic finance. It is now displayed. The Japanese government is actively involved in international Islamic financial organizations such as the Islamic Financial Services Commission. In connection with these activities, Japanese financial institutions have also begun to provide Islamic financial products to Islamic countries. For example, the Department of International Cooperation of the Bank of Japan has hired Islamic finance experts to form an advisory group to assist in the establishment of the Islamic International Business Department of the Bank of The Landran officially launched the Islamic Finance Business.³⁸ In addition, the Japanese Asian Investment Corporation specializing in the Islamic Advisory Office was established, in collaboration with several banks in the United States, to establish the Department of Islamic Financial Management, which is Muslim.

In 2007, Aeon Credit Card Corporation established the first Islamic company in Japan and Malaysia as an industrial bond. In 2012 and 2013, Tokyo Mitsubishi Nikko and Sumitomo Mitsui Banking Co.,

Economics and Finance (IJIEF), 1.2 (2019), 209–28
<<https://doi.org/10.18196/ijief.1211>>.

³⁸ Rahim and Masih.

Ltd. partnered twice to become a Brunei company The government's maritime shipping company provided syndicated loans worth \$170 million and \$184 million. Japanese Finance The company is also actively involved in Takaful Insurance, the Tokyo maritime holding company affiliated with Tokyo Marine Daily Fire Insurance The company obtained business licenses for Takaful insurance in Saudi Arabia, Indonesia, Malaysia, and other places Orix, a leader in the integrated leasing industry, also expanding the scale of Takaful's business and leasing, which can be expected in the future Islamic-Lan insurance multi-country operations. At the same time, Japan began to attract large petrodollars and began to tidy up the domestic market to meet the needs of Muslim investors in the Middle East. For example, American Standard & Poor's Partnered with the Tokyo Stock Exchange to develop the Japan Islamic Stock Price Index (S&P/TOPIX 150), and the types of Islamic index stocks that will be further developed going forward in conjunction with the Islamic Index Fund, attracting Middle Eastern capital, thereby injecting vitality into Japan's sluggish economy.³⁹ Capitalization in the first letter.

3. Other Asian Countries Have Tried to Engage in Islamic Finance.

India has a population of about 150 million Muslims, more than 13% of the country's population, and is deeply religious Most Muslims do not open deposit accounts in Indian domestic financial institutions but keep them in cash. Printing Government laws and banking are not open to Islamic banks; however, Muslims can still do it in another way Find the Islamic Financial Services you need, namely the

³⁹ Nurmohamed.

Islamic Finance Corporation, but mostly small-scale businesses.⁴⁰ Over the years, India has been carrying out large-scale infrastructure construction to attract foreign investment, and ministers must raise funds. India set up a special committee to assess the feasibility of opening an Islamic bank and the feasibility of introducing Islamic insurance. The Indian stock market has several shares that are by Islam, and the Middle East Gulf is rich in petrodollars. The state has invested huge sums of money in the Indian stock market. In addition, there are similarities in some Islamic countries' Islamic underground money bank international remittance systems, overseas workers working in the Middle East tend to use hawala to send money to their home countries, especially India, Pakistan, Bangladesh, and South Asian countries such as Sri Lanka. Brunei's Muslim population is not the majority, but because of The Islamic silver practice the dual system of banks and the traditional banking system, coupled with a well-developed infrastructure, legal groups, and government forces, whether Muslim or non-Muslim will benefit. Thus, Brunei Islam Bank developed great Potential. Thailand has a Muslim population of more than 3.2 million, and in 2004 the National Assembly passed the Islamic Banking Regulations in August 2005, the first Islamic Bank was officially opened to the public.⁴¹

The Development Trend of Islamic Finance in China

Entering the new century, Islamic finance and petrodollars have shown a trend of "look to the east", intercontinental in 2008 The

⁴⁰ Nasiruddin Jamaluddin, 'Marketing of Shari'ah-Based Financial Products and Investments in India', *Management Research Review*, 36.4 (2013), 417–30 <<https://doi.org/10.1108/01409171311315012>>.

⁴¹ Khalfaoui and Guenichi.

financial crisis has accelerated this process. This represents a great opportunity for China to develop Islamic finance.⁴²

The Current Situation of China's Islamic Financial Development

With the increasing economic and energy trade relations between China and Islamic countries in the Middle East, as well as the international financial crisis after the outstanding performance of the Gulf sovereign wealth fund and Islamic finance, China also began to attach importance to Islamic finance and developed it's in 2007, the Hong Kong Government proposed the idea of establishing Islamic Financial Centre, which is strongly supported by the Government.⁴³ Under the situation of the superior status of the international financial center, the development of Islamic finance in Hong Kong can be described as booming. China also established a pilot Islamic bank in 2009, however, the pace of Islamic finance on the mainland is still very slow.⁴⁴

1. Hong Kong

In 2007 Hong Kong ambitiously proposed a plan for the Islamic Financial Centre and incorporated it into the Government's strategy and political report. In the Government Policy Speech 2008-2009, the proposed Sukuk trade was to be integrated into traditional bodies. Within the Department, it will review Hong Kong's tax system and establish a system of regulations and related supporting facilities that are in line with Islamic finance. Currently, Hong Kong already has Islamic Index Commodities, Islamic Fund Commodities, Sukuk

⁴² Guang and others.

⁴³ Sarker, Khatun, and Alam.

⁴⁴ Sarker, Khatun, and Alam.

Commodities, and Isis Business window Lan Bank. In 2008, Hong Leong Bank in Malaysia officially obtained a license to establish an Islamic window business. Becoming the first financial institution in Hong Kong to provide Islamic banking services. HSBC Hong Kong has also earned an award for being the first financial institution to sell Sukuk in Hong Kong. Hong Kong develops Islamic financial center. The advantage is that it has a superior position as an international financial center and is a bridge for international Islamic funds to enter mainland China. Liang, which has free religious beliefs and has strong support from the government, its advantage lies in the lack of Hong Kong domestic demand market. The market and industry do not have a competitive advantage (manufacturing and technology industries are relatively lacking, Traditional financial services and hotel industries are not suitable for Islamic financial investments), lack of relevant Islamic finance professionals and management personnel.⁴⁵

The Hong Kong government's determination to develop Islamic financial financing has been determined, and the most important key now is to change the regulations of the tax system and provide public services. Level the playing field for implementing Islamic finance. From a business nature perspective, Islamic finance in Hong Kong focuses on Iraq at Slane Securities, including Sukuk, Islamist funds, and equity exchange-index funds (ETFs). However, Sukuk is subject to more tax liabilities than more traditional bonds. For this reason, in July 2013, the Hong Kong Legislative Council passed the bill

⁴⁵ Zhonghua Han, Emile Kok Kheng Yeoh, and Wan Marhaini Binti Wan Ahmad, 'Does Religious Obligation of Muslims in Western China Influence Their Intention to Adopt Islamic Banking?', *Contemporary Chinese Political Economy and Strategic Relations*, 4.3 (2018), 1207–44.

to amend the Inland Revenue Ordinance and the Tax Relief Stamp Duty for the Sukuk trade. On January 10, 2014, Hong Kong Borrowed 2014.⁴⁶

The Amendment Bill was passed and submitted to the Legislative Council for its first reading on the 22nd of the same month to further promote Hong Kong and Iraq Slane's bond market development. The issuance of Sukuk by the HKSAR Government to raise funds will help promote Hong Kong's financial markets The development of diversified agricultural products and services consolidates its position as an international financial center and asset management center. The Hong Kong Monetary Authority is studying specific arrangements that will be finalized once the draft regulations have been adopted and depending on market conditions Implementing a viable solution for the issuance of Sukuk-s continued.

2. Mainland China

In March 2009 the Chinese Political Consultative Conference proposed the development of Islamic finance in mainland China, the program explored the relevant regulations and institutional provisions of the development of Islamic finance and translated the conference report into Arabic translation. China has become an Associate Member of the Islamic Financial Services Commission (ASSOCIATE). Ningxia is the only Hui Autonomous Region in China, and the permanent host of the China-Arab States Expo Islam Finance has unique advantages and conditions and should be a pilot area for Islamic finance. However, for various reasons, the pilot work of Ningxia Islam Bank stopped after 3 years of operation in 2012, the Government of Ningxia Hui Autonomous Region applied for the establishment of the "Islamic Land

⁴⁶ Rahim and Masih.

Financial Center" and the policy of opening public finances was approved by the State Council. In 2012, the third Economic and Trade Forum of Arab Countries released the "Financial Development Strategy Framework of the Arab States of China" China-Arab economic and trade cooperation gradually expanded from physical trade to the financial sector, but the initiative was not official. The proposal does not have much substantive significance in the eyes of industry insiders. For the slow process of mainland China, abroad Islamic financial institutions-Lan have begun to stretch in mainland China. 2006 Kuwaiti financial subsidiary Malay successfully issued its first Sukuk bond on the mainland, investing mainly in mainland China's electrical installations. In 2007, Hong Leong Bank Malaysia subscribed to Chengdu City Commercial Bank for 650 million new shares, this is an overseas strategic investor and became an overseas strategic partner of Chengdu City Commercial Bank. Malaysia 2008 CIMB acquired China's Liaoning Yingkou Bank, which has been converted from a local bank into a district of regional banks, and the area around Shenyang, Liaoning Province, is also one of the Muslim settlements in China.⁴⁷ With Malaysia's rich international Islamic Bank experience, the establishment of strategic partnerships with Chinese banks is beneficial for them to enter the Mainland Chinese market.⁴⁸

⁴⁷ Han, Yeoh, and Ahmad.

⁴⁸ By Gao Zugui, 'A Study of China's Relationship with the Islamic World By', 28–36.

Conclusion

Feasibility Analysis of Establishing an Islamic Financial Center in Mainland China

There is no doubt that Islamic finance and petrodollars have focused on mainland China in the Asia-Pacific region, the Chinese government and the financial community are also paying more and more attention to Islamic finance. However, in total Overall, compared to other countries and regions of the Asia-Pacific region, the development of Islamic finance in mainland China is only in the growth period of the Segment. The following factors should be considered in exploring the feasibility of Islamic finance in the development of mainland China.

The first is a vast market of domestic demand. China has a population of 1.3 billion, of which 2,300 are Muslim Wan which is a huge domestic demand market for the development of Islamic finance. Ningxia, Xinjiang, Qinghai, Gansu, and other provinces and regions constitute large Muslim settlements, still retaining traditional Islamic culture and customs, as opposed to Islamic finance Traditional finance is more in line with the needs of Muslims. Some developed cities in the east have good gold economic development systems finance is also an ideal place for Islam Finance to open the market. China's major infrastructure development and National development plan will also be a huge business opportunity for Islamic finance.

Second is the dividend of China's "opening up to the west" strategy and the "Silk Road Economic Belt". Today, expanding the Great Inland open, along the border, and in the west, with Eurasian countries, including Islamic countries strengthening cooperation and expanding mutual openness has become an inevitable option for China.

Thus, opening to the west A new focus and a new spotlight on China's foreign cooperation China's western region is rich in stone, coal, natural gas, and other resources, with the help of government policies, economic development should have a large Straddle. The "Opening to the West" and the "Silk Road Economic Belt" are conceived with "towards the East" of Islamic States in the Middle East Seeing "a trend that reverberates far and wide, through multilateral diversification cooperation, is expected to form a place of creation of new wealth in the world." Bring. Islamic finance will benefit from this and will make its contribution to this wealth creation zone. Only China Ningxia, the Hui autonomous region, has successfully held 4 sessions of Sino-Arab economic and trade theory because of its humanistic and political advantages Altar (upgraded to China-Arab States Expo in 2013) will become the "look east" of Arab countries and China's "Opening to the west" from inland areas is the intersection of two main strategies of two important regions.

The third is the complexity of the policy environment in China's financial system is not open enough to market access, based on the Islamic nature of Islamic finance, there is still a certain level of policy "sensitivity", so this needs to be handled carefully by regulators. As a result, until now, no Middle Eastern bank has opened in mainland China that has established branches and conducted business. The Chinese government's focus on the Sino-Arab economy and trade does not seem to be attracting oil to the United States Yuan Shang, paying more attention to the security of energy imports, project contracts, and labor exports. An Islamic challenge that is based on substantive asset trading and does not allow interest to be applied to China at this time.

The financial supervision system and the financial system as well as legitimate taxation exceed the limitations of laws such as the Commercial Bank Act money scope, in terms of product design, income system, accounting standards, iterative taxation, etc. with the traditional financial model there are fundamental differences. Islamic banks have many roles, including banks, direct investors, and fund managers. While bank depositors become investors rather than lenders, the relationship between depositors and banks is one dream of "profit sharing and risk sharing" partnerships, depositor returns are uncertain in advance. Furthermore, traditional banks have a relationship with customers in a kind of loan relationship, and depositors only have claims for principal and interest. In quasi-technical. In terms of people, Islamic Financials' accounting information management system, customer information management system, etc. are related to commercial banks and are completely different and need to be designed and built separately.

Some Suggestions for the Development of Islamic Finance in Mainland China

China has a wide domestic demand market for the development of Islamic finance, and the opening of the domestic demand market mainly focuses on the provinces and cities where Muslims are concentrated. In provinces and cities with relatively small Muslim populations, especially those with developed economies di well developed eastern regions, it is also possible to introduce long-term investment of Islamic funds, from the Islamic State of the Republic of the United Nations to establish external relations with international Islamic financial institutions s In addition to Iran, Lan Finance

Countries pursue a dual-track system of Parallel Islamic Banking and Traditional Banking, in quasi-and-credit business and technology natural humanitarian matters, problems that can be solved by other non-Islamic countries must also be solved by mainland China. The main mooring for the development of China's Islamic finance is the quasi-human aspect of the market. In this case, China can learn from the practices of countries such as the UK and Singapore and incorporate them into China's financial system over time natural regulatory framework.

First, relevant regions and fields should increase financial openness, support, and regulatory cooperation in a policy environment by the specified position, cultivation of financial markets, development of business operations, and other aspects are continuously optimized, improved, and built to provide a legal environment for fair competition and tax policies to cultivate land suitable of course for Islamic finance.

Secondly, in the case of the Islamic Bank, China can learn from Chengdu's list of commercial banks abroad to introduce Hong Leong Bank in an approach to strengthening its business with the Islamic banks of other countries. Islam Ningxia precisely ethics pilot bank completed, foreign banks can open the window of Islamic finance to develop Islamic Banking; Or the establishment of the Islamic Trust, as is the case with the Hong Kong Sar. Innovative Islamic Bank Products, through small interest-free loans and charitable undertakings such as "mother-in-law's water openness", small loans e.g., dating availability. These businesses can also introduce mark-up trade, financial leasing, and profit sharing promptly to solve the problems of small and medium-sized businesses The difficulty of financing the

industry. Expanding the customer base and including non-Muslims and foreigners in the scope of service. Malaysia Some banks, many customers are not Muslims, they carry out financial activities, not religious factors but the opposite where it comes from business interests, of course, this step will also benefit China's national integration.

Thirdly, China can consider the issuance of Sukuk or the creation of Islamic funds in the form of dana Arab countries, and large idle funds in China have been concentrated and invested in China's real industry the nature of the halal industry with the characteristics of China and the modern service industry, the funds needed to complete the transformation and improvement of Chinese enterprises have entered m promote the recovery and prosperity of the real economy. Britain, Russia, and Japan at the beginning of their foray into Islamic finance all attracted petrodollars to invest in their countries by issuing Sukuk. Silver Bahrain Shamir 2006. The Bank and CITIC and Group Company have formed a \$100 million Islamic fund dedicated to investing in Chinese real estate. China could consider issuing Sukuk abroad first, as in *shamiyah paimus* this moderate and moderate issue by Southeast Asian countries such as Malaysia, which attracts oil producers in the Middle East.

Fourth, major Chinese insurance companies can also learn from Japan and Singapore to enter Indonesia and Saudi Isis Lan Insurance Market Practices which are trying to run an Islamic insurance business. Due to the low level of insurance for the Islamic population in the future, Islam Insurance will have great potential to be developed, especially in life insurance.

Fifth, utilize the mechanisms and platforms of China-Arab Countries cooperation, China-Africa Cooperation Forum, and China-Arab States Expo Strengthen political, economic, and cultural exchanges with Islamic countries, and increase international Islamic funds to invest in Asia with a desire to build Ningxia "The center of cooperation between The Arab States of China" in establishing a level of bilateral investment and trade financing between China and Argentina. For example, when the Gulf states raise many funds they need, they can do so in addition to their petrodollar investments obtained by the Sukuk method and project financing. GCC countries have wind power, hydropower, and special financing schemes such as geothermal power plants. With the advent of new energy investments, future project financing plans will certainly note an increase. China's largest n-financing agency can learn from Japanese practice and take it through the Coastal Bay Area project financing plan. The move could also help China's photovoltaics and other new energy products in the Middle East.

Sixth, increase the popularity of domestic Islamic finance. Emanate international joint exchange programs at universities and research institutes, or to Islamic finance more maturely in the Gulf states and Malaysia to conduct field trips and studies, fostering the two familiar Lan Jiaofa was a compound talent who understood international financial knowledge. Legal regulations should be strengthened and will be distributed as profit and loss Islamic Finance contracted and then incorporated into the general regulatory framework of the CBRC and SFC while reflecting on Bassay Err 3 and related regulations formulated by the International Islamic Finance Organization in line with China's

specific national conditions and conditions under the characteristics of financial markets, regulatory synergies are established to ensure that the Islamic financial financing business can operate accordingly and Continue carefully.

Price Waterhouse Coopers (PWC) predicts Islamic financial assets over five years from 2013 to 2017 The total could grow 17% per year, eventually reaching \$2.7 trillion. Factors contributing to this growth include Demographic conditions, demand for infrastructure financing, bank capital rules, and incentives for conformity with Islam and Islamic asset demand. But the key is that in the non-Islamic world, looking at the global development of Islamic finance, financial markets are open and supportive of the legal financial base Infrastructure and government support are prerequisites for the development of Islamic finance. Britain was born in the 1980s of the 20th centuries there are Islamic financial transactions, but only in recent years has it become the center of European Islamic finance, just like Malaysia Asia which has developed Islamic finance since the 1960s and did not become a financial center in Southeast Asia until the 1990s. At present, the development of China's Islamic finance is still in its infancy, and the domestic financial system and its capital markets are still there and cannot be fully opened, Islamic finance cannot be "sensitive" besides that the government support is insufficient because it is too early to imagine a financial center in Islam, China. Therefore, China is developing an Islamic financial market where it must seek progress in stability, and following market demand, within the scope of national policy, we can develop step by step.

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