

Greater impact through shared values

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My name is Kurt Lieberman, and I am honored to be asked by IFN to author a monthly column. Each column will cover an aspect of sustainability, governance and Islamic finance.

My travels enable me to meet fabulous people around the world. We share common views on many issues yet challenge each other constructively through discussion and debate. These experiences will hopefully enrich the columns and make them interesting reading. This month I'm putting the spotlight on shared values.

More and more people around the world are applying values to investing. For Muslims, there is Islamic finance. For others, there are a variety of efforts ranging from responsible investing to environmental, social and governance to impact investing to corporate social responsibility. My fundamental quest, and it will be a recurring theme, is to look at what unites all of these efforts.

There is so much that we share globally, and it is important to use the common bits instead of focusing on the mostly minor differences. There is immense power and potential for impact when people share common ideas and work together.

We see examples around the world, and technology such as social media can help bring people together more rapidly. How can we bring together the many voices that seek to apply values in the financial system in order to shape a better world?

There are many presentations and lots of numbers about the



growth of Islamic finance and the growth of responsible investing. The money involved is measured in trillions, and whether ringgit or dollars, this amount is hard to comprehend. Instead of focusing on the input (such as the amount of money invested), I would like to focus your attention on the output (such as having impact).

As those who have read material written by my dear friend Daud Vicary Abdullah, he discusses relevance, trust and impact often. Being Relevant in every action that you take. Building Trust with everyone you encounter and ensuring that your actions lead to a positive and effective Impact. Basically, good people doing good things.

Perhaps the place to start is to consider whether these many voices of investing based on values share common ideas. I say emphatically, "YES". For Muslims, Islamic finance links the financial world to the ethical world through the strong connections to faith.

Outside the Islamic financial system, the aforementioned initiatives all focused on

bringing ethics to finance. A few years ago, international peer-reviewed journal 'Islam and Civilization Renewal' from the International Institute of Advanced Islamic Studies Malaysia published an article I wrote about these common ideas called 'Good is Always Good'.

Fortunately, these many investing initiatives are increasingly collaborating through the good work of organizations such as the United Nations Principles for Responsible Investment.

Until a few years ago, Islamic finance was viewed differently. Very few people anywhere in the world even asked the question about compatibility with responsible investing.

In 2016 in Kuala Lumpur, an organization called the RFI Foundation held its first summit with the express purpose of connecting Islamic finance and responsible investing. The summit identified many areas of compatibility.

People around the world can join together to increase the use of ethics in financial matters, and that is Relevant. Each of us brings our experience and our faith. These experiences and faiths make us stronger. The message here and in other venues should help build comfort and even Trust that we are attempting to move the world in the same direction.

Let us expand the collaboration to have maximum Impact. It is truly about relevance, trust and impact. ☺

