

ISLAMIC ECONOMIC DEVELOPMENT THROUGH HALAL BUSINESSES AMONG MALAYSIAN COMMUNITY

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Abstract

Since its independence in 1957, Malaysia has rapidly grown in economy. Malaysia has also been recognized as most developing Islamic country and aspired to be the world *halal* hub in 2020. *Halal* industry or more recently referred to *halal* economy is one of the fastest growing business segments in the world today. *Halal* economy comprised of *halal* food, modest fashion, Muslim-friendly travel, media and recreation, pharmaceuticals and cosmetics as well as Islamic finance. Among these, *halal* food and Islamic finance is one of the biggest contributors in *halal* development industry especially in Malaysia. The number of Muslim worldwide are increasing, however, the availability of *halal* products are still inadequate to supply the demands for the Muslim population which means that the Muslim markets are still under-served. The value of global *halal* economy is estimated at RM 8,4 trillion and almost RM 2.5 trillion of that total comes from *halal* food sector. Malaysian Government has taken many initiatives to develop the *halal* economy in Malaysia. One of this is by incorporation of HDC to help SMEs and works with all the relevant ministries and agencies among the *halal* industry players. HDC also facilitates and support *Halal* entrepreneurs to penetrate the *Halal* global market through branding, marketing and promotional campaigns of *halal* products. With this kind of effort from the government, Malaysian community especially SMEs should grab the chance by joining this lucrative *halal* market and ventured internationally as well as contribute to the developing of Islamic economic domestically and globally.

Keywords: Economic development, *Halal* economy, Muslim community, *Halal* food