

In the name of Allah, the Merciful and the Compassionate!

The speech of H.E. Nursultan Nazarbayev, President of the Republic of Kazakhstan at the 7th World Islamic Economic Forum

**Dear Forum Participants!
Distinguished Guests,
Ladies and Gentlemen!**

I am pleased to welcome on Kazakh soil the distinguished guests from all over the world.

This meeting of leading politicians and business people of the Islamic world in Astana is taking place on the eve of our country's chairmanship in the Organization of the Islamic Conference.

I thank wholeheartedly the World Islamic Economic Forum Foundation and its chairman Mr Tun Musa Hitama for their decision to convene the 7th forum in Astana.

Our beautiful capital, Astana, located in the heart of Eurasia, is turning into a significant hub of the world community today.

Astana welcomed more than ten thousand distinguished guests during the past month only. Our capital hosted the 4th Astana Economic Forum and the 20th Annual Meeting of the European Bank for Reconstruction and Development.

Dear friends!

The people of Kazakhstan have for ages been part of the Muslim World.

Islam came to our lands more than a thousand years ago. The Lord Creator and geography have defined Kazakhstan as a unique place for advancing dialogue between the Islamic and Western civilizations.

The beginning of the 21st century's second decade turns out to be a time of great challenges for the Ummah.

The global financial crisis, dependency on food import, youth unemployment, and a wide range of other problems have caused unprecedented upheavals in a number of countries in North Africa and the Middle East.

The shifts in the political regimes of Tunisia and Egypt, as well as the humanitarian catastrophe faced by Libya have brought about the emergence of hundreds of thousands of refugees.

Problems of many Muslim states in terms of sustainable development have come into particular prominence on the background of other dynamically developing regions of the world.

Today, the Islamic world encompassing almost one and a half billion people is not a unitary whole.

We know Islam as a religion has consolidated roots, but the community of Islam is made up of different geographic territories which are sometimes distinguished by diametrically opposite models of development.

Therefore, prior to considering the Islamic world as a whole, we need to conceive modern trends in the development of the Muslim community.

As of today, there exist three development strategies in the Islamic world.

The first one is the strategy of inertial development.

Unfortunately, recent developments have clearly shown that conservative approach will unavoidably sooner or later lead to outbursts of protests.

The second strategy is based on the radical return to the past and a complete denial of the institutions of modern society. In its extreme forms, this option implies absolute denial of modern economic and political standards.

Finally, the third strategy is aimed at modernization of Islam.

However, one should not oversimplify the strategy, perceiving it as a single copying of someone else's models.

As the wise saying goes, "among many deeds the best one is in the middle".

The strategy of modernized Islam is the very thing which in the modern context is in the middle.

Islam as a religion is not experiencing any kind of crisis.

This is one of the most dynamic religions of the present-day world.

It is only some regions of the Islamic community that experience the crisis.

And modernization of society doesn't stand for distortion of fundamentals of Islam itself.

The necessity to modernize the Muslim community is obvious.

This, above all, has to do with technologic, scientific and economic development.

No one can deny this, unless they shut their eyes towards reality.

The Muslim world constituting one fifth of the world's population falls far short of its potential in the economic sphere.

For instance, there is no member in the Group of Eight (G8) representing the Ummah.

It is the reflection of a true "weight" of Islam in the global economy.

How many Islamic universities are there in the top hundred leading higher educational institutions of the world?

And how many Nobel Prize winners in natural sciences and technology have been fostered by the Ummah over the last twenty years?

How many global technological innovations have been made up in the Islamic world?

We should ask ourselves these questions in order to give the dignified answers in the nearest future.

Some critics of Islam claim the majority of Muslim states fall behind other regions in the development because of the religion itself.

Nothing could be further from the truth.

We must not forget that it was the Muslim world that provided the continuity between antique and modern Western cultures.

Islamic Cultural expansion in the Middle Ages gave the world its greatest achievements in mathematics, chemistry, astronomy, medicine, architecture, philosophy and poetry.

Educational stream and new knowledge was for centuries coming from the Muslim East to the Christian West.

It was Muslims who demonstrated tolerance, remarkably relaxed attitude to dissent for centuries.

Currently, the Islamic world is going through a difficult phase in its development. It is facing serious political turmoil, social, economic and demographic problems.

For example, in the recent 60 to 70 years, the number of Muslims in the world has quintupled despite the acute food crises.

Many Islamic states bear a so-called "burden of commodity-dependent countries".

I would like to mention one painful issue for all of us.

Global international media mostly demonize Islam as a threat to global security, cultural and religious backgrounds.

Thus, Islam is shown as a religion, endorsing political violence, extremism and terrorism.

We cannot tolerate such a situation.

If we look back into the history, we can see that extremism and terrorism were a political reality in many industrial societies of the 20th century.

Let us remember widespread political terrorism in Europe in the 1960s and 1970s.

We proceed from the belief that terrorism and extremism — no matter how they are being positioned and what religious slogans they are using - have nothing in common with the world's greatest religions.

I call on you to think — isn't the Muslim world the main goal and target of global terrorism today?

Every year thousands of innocent people are killed in the Islamic countries, including the elderly, women and children.

Is it fair to equate Islam and terrorism?

The experience of the past years once again proves that terrorism is a product of very specific forces with very specific purposes.

Historically, modern terrorism has political and economic reasons in its basis.

It is strongly associated not only with transnational crime, drug trafficking and arms smuggling. Unfortunately, it has geopolitical roots as well.

We must work together to build a positive image of Islam as a religion of peace, kindness, tolerance and justice.

It is time to seriously think about a major media project of the Islamic countries to stand together on the global and regional level against the discrediting of the great teaching.

Many experts claim that in the 21st century, Islam may become the world's largest religion in terms of number of followers. Only projected timings differ.

However, we must understand that not just numbers and timing matter, it is about what the 21st century's Muslim societies will look like.

It is certain that the economic, political, financial and information infrastructure of the modern world will change.

However, a number of systemic characteristics of the modern world will not simply persist but rather strengthen.

First of all, this is due to the increasing importance of cultural capital, "economy of knowledge", "soft power" as real indicators of the nations' real competitiveness.

It is obvious today that a society of the nearest future will be an information society. This also applies to technology, management procedures and models of cultural development.

We see there are Muslim nations which respond adequately to the challenges of our age.

They represent examples of information societies, technologically advanced in industrial and financial sectors. There are indeed states of the Islamic world that demonstrate the high level of competitiveness.

This is sharp evidence of the fact that Islam is fully compatible with the dynamic and progressive development not only in the past but in the future as well.

The Muslim countries should undergo serious modernization.

Otherwise, the process of historical lagging behind may linger on for another century.

A precise and well-balanced choice of that type of modernization would be our common contribution to the progress of the 1.5 billion-strong Ummah.

In this respect, today Kazakhstan proposes a series of initiatives which we could implement together.

First, with the aim of creating a new dimension of economic cooperation we suggest building up a dialogue platform of the group of ten major Muslim economies.

The resources of Ummah afford to form a massive financial pool for investment cooperation.

Second, in view of the Islamic countries' technological gap I propose establishing an International innovation hub with the participation of interested OIC states.

Third, in order to support small and medium enterprises (SME) I propose to convene a WIEF ad hoc working group and discuss on the forum platform the creation of a special fund of SMEs under the Islamic Development Bank (IDB).

We are interested in the cooperation with the Islamic countries in terms of attracting Islamic finance instruments.

According to expert estimates, growth potential of Islamic investment in Kazakhstan in the short term may reach tens of billions of dollars.

Fourth, the main condition for expansion of cooperation is the availability of the transport/logistics and communication schemes.

Today, Kazakhstan extensively uses its geo-economic position by developing "West China –West Europe" international transit corridor.

We are building new railways, thus expanding cargo flows to China and the Persian Gulf region.

I invite IDB to increase its involvement in financing the construction of "Kazakhstan-Turkmenistan-Iran" railway stretching 963 km with the value of project totaling US\$ 1.5 billion.

Fifth, with the aim of consolidating food security I propose to elaborate a system of food assistance in the OIC region.

Setting up a regional fund similar to FAO under IDB Group and food pool of the OIC Member States may become a basis for such system.

I propose to allocate its General Headquarters in Kazakhstan, in a country which actively develops its food export potential.

Dear Forum participants!

Most of you have come to Kazakhstan for the first time.

The main purpose of today's Forum is to acquaint representatives of the Islamic business with the business and investment opportunities in our country.

As you all have noticed, Kazakhstan is a dynamically developing country.

This year will mark the 20 years since we gained our independence.

For such a historically short period, we have overcome a number of regional and global crises. Today experts worldwide refer to the "Kazakhstan Way" as a unique and exemplary way of a young nation's development.

We have built a beautiful city of Astana in barely ten years, and thus demonstrated the potential of Kazakhstan to the entire world.

The guarantee of our success lies in political stability, interethnic accord and properly chosen economic strategy.

Many world religions can find common ground, and so it should be.

The clear proof of that is Kazakhstan, where the representatives of 140 ethnic and 46 religious communities peacefully co-exist.

This is a fruitful result of sustained adherence to the enlightened Islam in our country.

We have set ourselves great goals and reached them in short time.

In particular, gross domestic product per capita has expanded 12-fold and reached more than US\$ 9,000.

We aim to raise this to beyond US\$ 15,000 within five years.

Last year, we adopted a special program for accelerating our economy's industrial and innovative development. In the coming years, we will implement about 300 projects worth more than US\$ 55 billion.

We have opened a new international university in Astana to raise the level of human capital and the introduction of the foundations of economic education in the country. The world's leading universities are its real partners.

We have achieved success in the field of investment.

During the years of independence, Kazakhstan has attracted more than US\$ 120 billion in foreign direct investment. Domestic investment was even higher than that.

Our country intends to further expand ties through investment.

This will be achieved through the establishment of the Customs Union with Russia and Belarus and subsequent Common Free Market Zone's formation.

Thereby a large market covering the 170 million customers will open.

According to the World Bank's Doing Business rating, Kazakhstan is a worldwide leader in improving conditions for doing business in a country.

Kazakhstan has many opportunities to create an intellectual hub and innovative cluster in our region.

Kazakhstan was the first among other post-Soviet states to have adopted laws regulating Islamic banking. Thus, the first Islamic bank in the country was opened last year.

Kazakhstan is also actively involved in the joint efforts of the international community in matters of security, economic and cultural cooperation.

A striking example of it is the chairmanship of our country in the Organization of Security and Cooperation in Europe, the first among Muslim (as well as post-Soviet) countries. The OSCE Summit, which has not been convened in the last 11 years, was held in Astana on our initiative. One of the initiatives of our chairmanship was the attracting the world's attention to Central Asia's problems.

Kazakhstan clearly understands its responsibilities in a dynamic and sustainable process of development in Central Asia, which we consider as an integrant part of Islamic civilization.

Today, Kazakhstan is trying to prove to the world that a nation with a predominantly Muslim population is capable of making major strides in socio-economic and democratic reforms.

In conclusion, I would like to express the belief that the Seventh World Islamic Economic Forum will boost wider cooperation and dialogue between our countries.

I wish success to the forum participants.

Welcome to our capital!

Thank you for your attention!