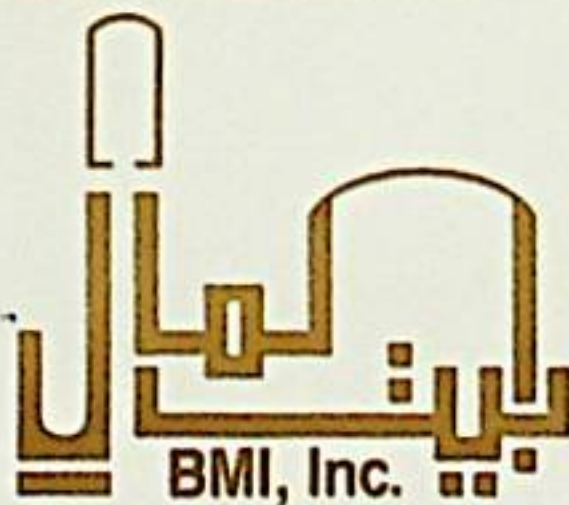
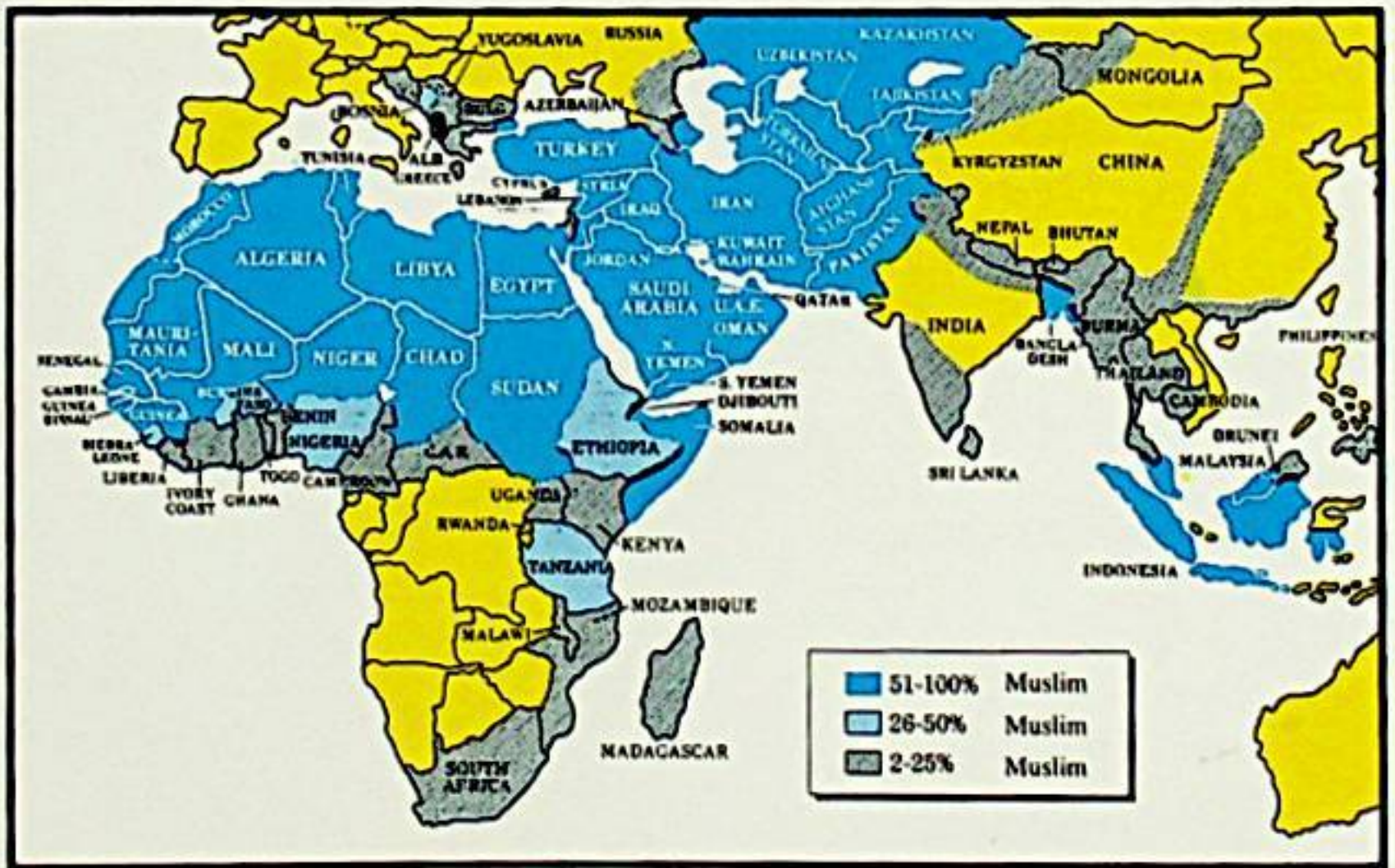


المسلمون في أرقام

MUSLIMS IN NUMBERS 1994 A.D. - 1414 A.H.



BMI Finance and Investment Group



Afghanistan

Albania

Algeria

Azerbaijan

Geography and Demography

Area in 1,000 sq. km	652.2	29.0	2,381.7	86.6
Population, in millions	18.1	3.4	26.4	7.2
Population in urban/rural areas, in %	18.2/81.8	35.2/64.8	51.7/48.3	53.5/46.5
Birth Rate per 1,000 population	43.7	25.2	31.0	26.4

Economy

GDP per capita, \$	166	—	1,238	—
Gross domestic product (GDP), in billion \$	3.0	—	32.7	—
% in agriculture	—	51.8	15.1	—
% in industry	—	24.9	47.3	—
% in services	—	23.3	37.5	—
Average annual growth in real GDP (1990-1992), in %	-0.9	-15.2	0.6	-12.9
Average annual inflation (1990-1992), in %	161.9	130.8	23.8	216.6
Total external debt, as a % of GDP	0.1	82.8	87.6	—
Total Trade Balance, in million \$	(585.8)	(179.1)	767.3	2,600.0

Transport and Communications

Railroads, in km	10	684	4,293	2,090
Length of roads, in km	19,200	18,450	90,000	36,700
Number of newspapers	16	2	6	168
Persons per telephone	12.0	—	23.0	—
Persons per television	169.0	13.0	16.0	5.7

Literacy and Health

Literacy in males/females, in %	44.1/13.9	100/100	63.4/35.8	—
Persons per physician	4,797	574	1,062	255

Defense

Total active duty personnel, in thousands	45.0	40.0	139.0	5.0
Military expenditure, as % of GNP	9.1	4.1	5.1	12.5
Government expenditure on, as a % of GDP				
Defense	—	—	—	—
Education	—	—	—	—



Bahrain	Bangladesh	Bosnia and Herzegovina	Brunei	Burkina Faso	Chad	Comoros	Djibouti	Egypt
0.7	144.0	51.1	5.8	274.4	1,284.0	1.9	23.2	997.7
0.5	110.6	4.4	0.3	9.5	6.0	0.5	0.6	56.0
83/17	24.4/75.6	36.2/63.8	63.6/36.4	8.6/36.4	32.0/68.0	27.8/72.2	80.7/19.3	43.9/56.1
27.9	32.8	14.1	29.0	47.0	43.3	47.0	45.8	32.2
8,000	212	3,182	11,667	277	206	520	567	540
4.0	23.4	14.0	3.5	2.6	1.2	0.3	0.3	30.3
2.0	35.1	8.6	20.0	43.8	48.2	39.6	2.8	18.1
44.0	16.6	—	52.4	19.7	18.0	11.9	17.9	29.7
54.0	48.3	—	27.6	36.5	33.8	48.5	79.3	52.1
2.0	4.7	-16.2	—	2.2	3.6	1.2	2.1	1.4
1.1	7.8	5291.7	—	1.4	0.1	2.4	5.6	16.9
27.5	55.8	—	0.0	36.4	49.0	75.4	104.4	134.1
49.4	(1,378.2)	—	1,144.7	(279.3)	(278.7)	(33.7)	189.9	(17,591.6)
none	2,745	1,039	19	495	none	none	106	8,831
2,614	193,283	21,168	2,199	13,134	40,000	750	3,067	45,500
3	55	3	none	2	1	2	1	17
3.5	519.0	6.0	5.1	569.0	555.0	132.0	100.0	34.0
2.8	320.0	5.1	2.6	233.0	1,050.0	4,332.0	39.0	15.0
82.1/69.3	47.1/22.0	96.5/76.6	90.9/78.7	27.9/8.9	42.2/17.9	54.2/39.0	—	62.9/33.8
713	5,500	624	1,469	29,914	47,640	12,237	5,258	1,816
6.0	107.0	67.0	4.5	7.2	25.2	0.8	3.2	410.0
6.5	1.6	—	5.8	2.7	5.6	1.9	9.0	5.0
—	1.4	—	4.0	2.3	—	—	—	5.4
—	1.7	—	2.0	1.5	—	—	—	5.7



Gambia Guinea Indonesia Iran Iraq Jordan Kazakhstan Kuwait Kyrgyzstan

10.7	245.9	1,919.3	1,638.1	435.1	88.9	2,717.3	17.8	198.5
0.9	7.2	184.8	59.6	18.8	3.6	17.0	1.2	4.5
21.5/78.5	25.6/74.4	31.4/68.6	56.7/43.3	70.4/29.6	68.0/32.0	57.6/42.4	95.6/4.4	38.1/61.9
44.9	47.0	32.2	44.0	46.0	45.7	21.7	25.9	29.3
230	408	630	1,627	—	979	—	7,292	—
0.2	2.9	116.5	97.0	—	3.5	—	8.8	—
28.5	32.6	18.6	24.0	—	7.3	27.9	0.0	28.4
13.8	32.2	40.8	28.8	—	27.5	29.5	52.0	37.8
57.6	35.2	40.7	47.2	—	65.2	42.6	48.0	33.8
3.8	2.9	6.6	8.4	—	5.0	-9.1	—	-8.8
10.3	18.5	8.2	12.5	—	27.3	492.0	—	314.7
162.3	89.4	63.4	11.9	—	245.2	—	82.3	—
(117.5)	56.9	3,838.2	3,717.0	2,790.0	(1,750.4)	(9,900.0)	5,173.8	(1,300.0)
none	662	6,583	4,473	2,389	788	14,550	—	789
2,386	28,400	250,314	153,327	45,554	6,007	164,900	4,273	19,100
1	1	60	13	5	5	450	9	128
80.0	355.0	172.0	26.0	25.0	11.0	8.5	6.9	14.0
—	108.0	16.0	26.0	18.0	13.0	3.5	2.6	5.9
39.0/16.0	24.0/13.4	85.6/70.0	64.5/43.3	69.8/49.3	89.3/70.3	—	77.1/66.7	—
17,604	9,732	7,427	2,882	1,922	813	244	695	275
0.9	9.7	278.0	528.0	382.5	99.4	62.0	11.7	0.8
0.7	1.2	1.7	2.2	18.2	12.7	—	6.2	—
—	—	1.6	3.9	—	11.4	—	10.4	—
3.5	—	1.8	2.4	—	3.0	—	4.9	—



Lebanon	Libya	Malaysia	Maldives	Mali	Mauritania	Morocco	Niger	Nigeria
10.2	1,757.0	330.4	0.3	1,248.6	1,030.7	458.7	1,186.4	923.8
2.8	4.4	18.6	0.2	8.5	2.1	26.2	8.3	89.7
83.7/16.3	70.2/29.8	38.2/61.8	25.9/74.1	24.9/75.1	39.1/60.9	49.5/50.5	15.3/84.7	35.2/64.8
29.6	46.0	28.0	46.0	51.0	49.6	32.6	51.3	46.5
1,714	6,568	2,526	870	288	490	1,055	275	380
4.8	28.9	47.0	0.2	2.5	1.0	27.7	2.3	34.1
33.3	—	—	31.0	42.4	29.1	14.1	35.2	36.5
—	—	40.0	6.0	13.3	27.6	34.4	14.8	38.2
—	—	—	63.0	44.3	43.3	51.5	50.0	25.3
—	5.3	9.2	9.9	2.2	1.1	1.9	1.0	5.8
—	6.9	3.8	11.8	2.3	7.4	6.6	-2.2	21.9
18.8	12.1	45.6	40.2	103.3	223.2	76.7	72.4	101.1
(1,910.0)	4,043.5	(2,342.9)	(85.1)	(195.1)	85.5	(2,690.6)	(135.5)	3,464.7
417	none	2,222	none	646	689	1,893	none	3,505
7,370	19,300	52,501	—	18,000	7,558	59,450	39,970	124,000
39	1	47	2	1	1	11	1	24
18.4	8.0	8.8	60.0	730.0	431.0	62.0	563.0	117.0
3.3	8.7	9.1	47.0	830.0	1,861.0	21.2	321.0	30.0
87.8/73.1	75.4/50.4	86.5/70.4	90.6/90.1	40.8/23.9	47.1/21.4	61.3/38.0	16.7/5.4	62.3/39.5
771	690	2,638	5,377	20,602	10,128	4,415	38,500	6,573
94.6	85.0	127.9	1.0	7.3	9.6	195.5	3.3	76.0
—	14.9	2.9	—	2.0	4.3	5.5	1.3	0.5
—	—	2.6	3.8	—	—	—	—	—
—	—	4.0	3.8	—	—	—	—	—



Oman Pakistan Palestine Qatar Saudi Arabia Senegal Sierra-Leone Somalia Sudan

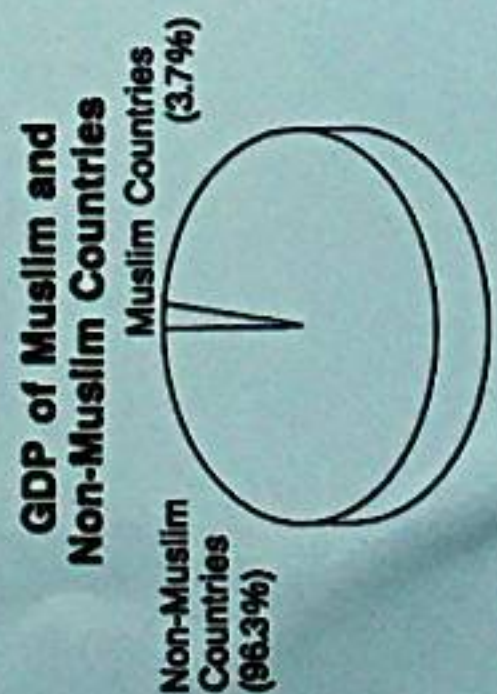
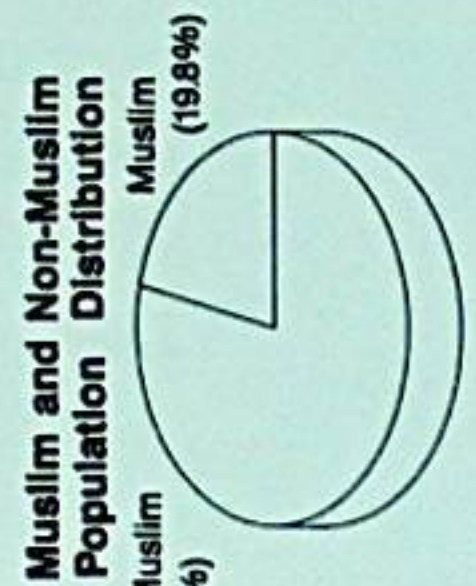
306.0	796.1		11.4	2,240.0	196.7	71.7	637.0	2,503.9
1.6	130.1	2.40	0.5	15.3	7.7	4.4	7.9	30.0
10.6/89.4	32.0/68.0	6.24	89.5/10.5	77.3/22.7	38.6/61.4	32.2/67.8	36.4/63.6	22.0/78.0
41.0	40.5		22.7	36.6	44.0	48.1	50.1	44.0
6,398	309		14,800	7,101	750	169	215	403
10.2	40.2		7.4	108.6	5.8	0.7	1.7	12.1
4.0	25.6		2.0	7.0	19.6	37.9	66.0	35.0
52.0	25.6		64.0	52.0	18.9	21.0	—	11.0
44.0	48.7		34.0	41.0	61.5	41.0	—	54.0
7.6	5.8		3.9	7.8	2.7	-0.4	—	5.4
6.9	10.7		2.7	2.1	0.2	90.6	77.3	101.1
26.3	57.1		14.9	17.4	61.0	173.8	111.8	131.5
2,533.7	(1,410.9)		1,360.8	20,347.3	(837.8)	(6.8)	(204.0)	(551.6)
none	8,775		none	893	904	84	none	4,725
27,438	140,077		1,080	121,516	14,117	7,500	17,215	6,599
4	271		4	10	1	3	1	5
14.0	131.0		3.1	12.7	150.0	160.0	882.0	338.0
1.6	61.0		2.8	3.3	125.0	170.0	2,270.0	117.0
58.0/15.2	36.0/15.2		76.8/72.5	73.1/48.1	38.8/19.4	30.7/11.3	42.7/14.0	42.7/11.7
1,078	2,364		568	623	17,072	13,150	19,071	10,130
35.7	580.0		7.5	102.0	9.7	6.2	—	82.5
20.3	6.8		48.9	16.0	2.0	0.7	3.2	2.2
22.3	8.0		—	—	—	0.8	—	—
3.7	1.0		—	—	—	1.1	—	—



Syria	Tajikistan	Tunisia	Turkey	Turkmenistan	U.A. Emirates	Uzbekistan	Yemen	Total
185.2	143.1	154.5	779.5	488.1	77.7	447.4	472.1	29,660.4
13.0	5.6	8.4	58.6	3.9	2.0	21.4	12.1	1,024.4
50.4/49.6	31.4/68.6	53.0/47.0	61.3/38.7	45.4/54.6	77.8/22.2	40.3/59.7	28.9/71.1	—
42.5	38.8	25.4	28.0	34.2	20.3	33.7	51.3	—
1,326	—	1,380	1,634	—	16,850	—	622	825
17.2	—	11.6	95.8	—	33.7	—	7.5	845.2
30.0	—	17.7	17.6	34.3	2.0	35.9	22.0	—
23.0	—	30.7	34.6	25.6	—	28.5	26.5	—
47.0	—	51.5	47.8	40.1	—	35.6	51.6	—
8.2	-11.4	6.7	5.2	-4.4	8.8	-2.0	—	—
11.7	318.9	6.6	65.5	250.4	5.3	261.3	40.0	—
97.6	—	71.6	52.5	—	32.6	—	86.0	—
908.2	(1,300.0)	(1,977.6)	(9,341.3)	(400.0)	8,651.2	(600.0)	(879.3)	3,079.5
1,525	891	2,162	8,429	2,120	none	6,800	none	97,226
29,732	—	29,183	367,409	13,400	4,360	89,207	39,152	2,396,460
9	74	6	31	66	9	279	2	1,849
17.0	19.6	24.0	7.0	15.0	5.2	14.8	157.0	—
17.9	6.6	13.0	5.4	1.9	11.0	6.5	39.0	—
78.3/50.8	—	73.6/51.7	89.7/71.1	—	74.5/68.4	—	53.3/26.3	—
1,347	362	1,834	1,108	274	1,057	—	5,531	—
404.0	13.0	35.0	579.2	34.0	54.5	15.0	63.5	4,854.9
11.6	—	2.8	4.1	—	5.3	—	12.4	—
6.4	—	2.1	3.4	—	—	—	—	—
1.5	—	6.4	5.7	—	—	—	—	—



USA	EC	Japan	China	Russia	India
9,529.1 255.4 75.2/24.8 16.2	2,363.7 345.7 78.7/21.3 11.9	377.8 124.3 77.4/22.6 9.9	9,572.9 1,165.9 26.2/73.8 19.7	17,075.4 149.5 73.9/26.1 13.4	3,165.6 889.7 25.7/74.3 29.9
21,969 5,610.8 2.2 28.0 69.8 0.6 4.2	13,650 4,719.0 3.0 — — 1.5 5.1	27,050 3,362.3 3.0 41.0 56.0 3.4 2.7	317 369.7 24.2 42.3 33.5 8.3 3.4	— — — — — — —	249 221.9 32.0 27.9 40.0 3.6 11.1
— (18,559.0)	— (56,835.0)	— (23,538.0)	16.4 (1,145.0)	— —	32.2 (6,581.0)
232,000 6,243,163 1,755 2.0 1.2	213,102 2,886,319 1,062 1.9 2.4	38,125 1,115,609 124 2.3 1.5	67,549 1,028,348 78 89.0 9.1	160,800 884,000 4,808 6.3 2.7	62,366 2,037,000 2,281 157.0 44.0
95.7/95.3 391	98.7/97.7 340	100/100 588	87.0/68.0 646	— 221	61.8/33.7 2,337
1,913.8 5.8	2,230.4 —	246.0 1.0	3,030.0 3.7	2,200.0 7.9	1,265.0 3.1
5.6 4.4	— —	0.9 3.2	— —	— —	3.4 1.2



The Importance of an Islamic Financial Institution

I. Muslim Community in North America

1. The Muslim community in North America is growing in numbers (5-7 million) and by every indication the community is here to stay.
2. The awareness of Islamic behavior and conduct is increasing among individuals and families of this community.
3. Careful study of this community proves that it is affluent and highly educated, therefore, its income is among the highest in the Islamic world.
4. An essential success factor for the stability and prosperity of this community is the completion of its socio-economic institutions. The Islamic shariah rules cannot be suspended with the excuse that we are not living in Islamic countries.
5. Among these institutions are:
 - The family as the primary social institution
 - Islamic centers and mosques
 - Islamic educational institutions
 - Islamic media
 - Islamic financial institutions
 - Islamic political institutions
 - Islamic charity institutions
 - Trust institutions (WAKF)
6. The progress of the Muslim community to establish and stabilize these institutions varies. The level of awareness within the Muslim community of the importance of each of these institutions differs.
7. There is enough evidence that the existing American legal system allows the establishment of an Islamic financial institution to conduct a major part of financial transactions according to shariah rules. Complying with the American legal regulations serves the Muslims by adding more protection to their financial affairs.

The founding partners of Baitul Mal, BMI Finance and Investment Group are fully aware of the above-stated facts.

II. How Can an Islamic Financial Institution Be Established in North America?

Establishing an Islamic financial institution can be done through one or more of the following ways.

1. **Importing an Islamic institution**, i. e. opening a branch of an existing Islamic bank or establishing an Islamic financial

institution in North America by one of the known financial powers in the world of Islamic banking.

A. This has not been done by existing Islamic banks primarily due to their own charters and laws in their respective countries.

B. There have been some trials by some of the financial powers in the world of Islamic banking. These trials did not develop in the intended direction for various factors. This approach is still open and the future might offer more trials.

2. **Non-Muslim Institution**

A. All financial transactions needed by Muslims can be provided by non-Muslim institutions like big money center banks and Insurance companies.

B. **Insurances Companies**

Some of these services are offered today to high net growth individuals overseas and to a greater number of Islamic institutions in the Arab Gulf.

C. The Muslim Community in the U.S. is not recognized by those non-Muslim institutions because of many reasons. But this might change in the future.

3. **Fard Alkefayah—(Individual or Group Initiative)**

A. Throughout Islamic history this shariah rule has motivated Muslims to rely upon themselves to establish whatever is needed for the Muslim community to ensure its Islamic conduct and prosperity.

B. We believe that Muslims in North America have the capability, and the means to do the same in terms of Islamic financial institutions.

C. We have witnessed Muslim minorities in other areas of the world who do not have the capabilities and financial clout of the Muslim community in America yet they still succeed in establishing their own financial institutions.

The founding partners of Baitul Mal, BMI Finance and Investment Group started their operations motivated by Fard Alkefayah rule.

III. **U.S. Regulations Regarding a Financial Institution.**

Regardless of the way in which an Islamic financial institution is established, one has to comply with the existing capital market regulations in the United States. These existing regulations can be summarized as follows:

1. **Capital Market Regulations**

A. A non-banking (i. e. deposit-giving or deposit-taking) finan-

cial transaction between individuals or institutions, lies under the capital market regulations.

- B. As soon as the number of individual and/or institutions involved in these transactions is above 25 persons, the Capital Market Regulations become effective.
 - C. The applicable laws are:
 - 1) Security Act of 1933
 - 2) Investment Companies Act of 1940
 - 3) Investment Advisors Act of 1941
 - 4) Real Estate Investment Trust (REIT) Act.
 - D. The governing authority of these acts is the Security and Exchange Commission. Its mission is "To protect the American investor."
 - E. The effect of these capital market regulations on raising capital for investment in the U. S. market is severe. Any one individual or institution who tries to raise capital from the general public without complying with the SEC regulations faces criminal liability, "Willful violation of the Securities Act of 1933 or of rules and regulations promulgated by the SEC pursuant to the Act carries a maximum fine of \$10,000 and up to 5 years imprisonment."
3. Compatibility of the Islamic shariah regulations and the American law.
- 1) American laws DO NOT forbid any Islamic corporate form, contract or Islamic transaction structure.
 - 2) Conversely, the Islamic shariah regulations does forbid many forms of American contracts and financial transaction structures. One has not to follow them.
 - 3) A careful study of Islamic banking procedures will conclude the fact that a great number of Islamic financial transactions (in terms of both investment as well as financing) can be conducted within the capital market regulations in America. Complying with American regulations serves the Muslims with added protection.

From the beginning the Management Team of BMI Finance and Investment Group has conducted business both within the shariah rules and the American legal system.

IV. What Can an Islamic Financial Institution Do for Muslims?

1. As Investors

- A. The potential savings fund of the committed sector in the Muslim community in North America is—by any financial modeling method—very large. An Islamic financial institu-

tion in North America can utilize this fund for investment according to the shariah rules, and within the existing American capital market regulations and laws.

- B. This goal can be carried out through many available investment vehicles depending on the preference of the Muslim investor in terms of safety, return on investment and time horizon.

2. As Consumers

The typical financial needs for an individual living in the United States, including Muslims are:

- A. Cars and equipment financing
- B. Home financing
- C. Insurance
- D. Credit cards
- E. Pensions
- F. Trade financing
- G. Venture capital for new business start-ups.

A successful Islamic financial institution must explore the possibilities of providing these financial services.

V. What is the Role of Every Muslim Individual?

The needed Muslim institutions in America cannot be built by themselves. It is the responsibility of each and every committed Muslim. Everyone must find his role to carry this responsibility, which can be summed up under the following points:

- A. **Keep yourself informed** about every Islamic institution.
- B. **Get involved:**
 - 1. By becoming an Investor;
 - 2. By using the services of existing institutions;
 - 3. By becoming an expert to either work or cooperate with such institutions; and/or
 - 4. By defining a role for yourself according to your knowledge and capabilities.

Distribution of Oil, Natural Gas, and Coal by Reserves, Production and Consumption

% of World Total	Muslim	USA	EC	Japan	China	Russia	India
Crude Petroleum							
Reserves	73.08	2.71	0.65	0.01	2.47	5.87	0.63
Production	40.52	12.08	3.68	0.02	4.59	16.80	1.06
Consumption	12.43	22.47	15.90	6.30	3.65	15.20	1.80
Natural Gas							
Reserves	39.93	3.64	2.51	0.03	0.76	40.00	0.55
Production	17.64	22.60	8.44	0.07	0.66	34.84	0.58
Consumption	10.48	25.06	13.83	2.34	0.73	33.07	0.49
Coal							
Reserves	2.14	12.83	5.30	0.05	43.55	15.83	3.73
Production	4.00	18.65	13.00	0.16	21.34	14.44	4.18
Consumption	1.71	17.50	16.26	2.38	22.38	14.78	4.60

DEFINITIONS:

Gross Domestic Product (GDP)—GDP is a measure of all the value of goods and services produced in a country over a period of one year.

GDP per Capita—It is the GDP of a country divided by its population. It is often used as a measure of standard of living of the inhabitants of a nation.

Inflation—It is a measure of the purchasing power or money over a given period.

Total External Debt—The current outstanding debt of all periods of maturity for which the central government of a country and its organs are liable.

Trade Balance—It is the difference between the value of exports (f.o.b.) and imports (f.o.b.) of a country over a period of one year.

NOTES: We have selected all those countries with at least forty percent Muslims as Muslim countries. For comparison purposes China, European Community (EC), India, Japan, Russia and United States of America (USA) are included. The data was collected from various sources. As such, some variables were calculated from two or more sources. Therefore, the data presented here is to be used only as broad guide. (—) means data was not available. () Numbers in parentheses are negative.

SOURCES: 1993 Britannica Book of the Year, Encyclopedia Britannica, Inc., Chicago. • National Accounts Statistics: Main Aggregates And Detailed Tables, 1990, Parts I & II, UN. • Trends in Developing Economies 1993, A World Bank Book, The World Bank, Washington, D.C., 1993 • The Least Developed Countries, 1992 Report, Prepared by the UNCTAD Secretariat, UN, New York, 1993. • World Development Report 1993, Investing in Health, Oxford University Press, 1993. • The World Fact Book 1992, Central Intelligence Agency.



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