

Research Project List

Islamic Microfinance as a Tool for Poverty Alleviation: The Case of Bangladesh and Indonesia

Name of Research Representative	Names of Members	Category	Adopted Amount
BARAI Munim Kumar	SUZUKI Yasushi UDDIN Helal HASAN A K M Kamrul	International Finance	¥500,000

The success of conventional microfinance in alleviating poverty is widely accepted, with some controversies though. This calls for the attention of development strategists to think more of such models to accelerate the rate of poverty alleviation and lift the poor out of poverty. Despite the widespread success of conventional microfinance, there is a new polarization seen in the Muslim people not to include under the umbrella of conventional microfinance because of religious faith, where conventional microfinance deals with interest which is strictly prohibited in Islamic Shari'ah. Currently, there are 650 million Muslims living on less than \$2 per day and majority of them prefer to be included under the umbrella of Islamic finance. A survey by UNDP (2012) shows that 85 percent of the current borrowers from conventional MFIs admitted that they will switch to Islamic products if available. It appears that the Muslim clients are concerned about Islamic financial products which aim to fulfill the socioeconomic objectives of social justice in accordance with the objectives of Shari'ah. This research aims at looking at the emergence and functioning of Islamic Microfinance in Bangladesh and Indonesia with the specific focus on its role in alleviating poverty in those countries. As we know, Bangladesh and Indonesia are two Muslim majority countries, so a significant role of Islamic Microfinance in poverty alleviation can make the product widely accepted in other countries as well. However, the reality at the moment is that while mainstream Islamic finance is prospering at a rapid pace, its complementary institute, microfinance, is yet to make a big headway in those countries. This is mainly happening because of some challenges the product is facing. Identifying those challenges and offering policy measures to overcome those challenges are also the objective of the research. Attempts have been made by researchers to model Islamic microfinance as an important tool for poverty alleviation. However, empirical studies have so far failed to identify the reasons that are hindering the expected level of development of Islamic microfinance in Bangladesh and Indonesia. The proposed research, therefore, is an attempt to fill this research gap.

Exploration of a Social Enterprising Business Opportunity for the Creation of a Circular Economy through Cooperation with Muslim Society

Name of Research Representative	Names of Members	Category	Adopted Amount
KIM Rebecca ChungHee	TSUKADA Shunso MAHICHI Faezeh Mohan V Avvari	Industry-Academia Collaboration / Industry-Government-Academia Collaboration	¥1,000,000

The project aims to identify social enterprise (SE) business opportunities for the creation of a circular economy in Malaysia. The possible areas to be explored would include biofuel, biomass, urban mining, renewable energy or other areas. SE idea is highly welcomed in contemporary Asian market including Muslim society. However, the research on this phenomenon is conspicuously absent. To address this gap, the project seeks to stimulate public and academic debate on it and suggest a business opportunity of SE in Muslim society especially to Japanese corporations. The intellectual seeds of the research grew were sown in the acknowledgement of the big gap between the rhetoric and reality of SE. A social enterprise is a business that trades to tackle social problems, improve communities, people's life chances, or the environment. This might sound like charity work, but social enterprises are businesses and when they profit, society profits (Social Enterprise UK, 2011). Whilst positive arguments on SE is predominant, we witness that due to high emphasis upon addressing external social concerns, the authentic relationships of SE with business opportunity is questionable and not critically discussed. In this project, we specifically explore the voices and expectations of Muslim society on SE and suggest the way of tangible business planning of SE to Japanese corporations. We will also suggest how corporate social responsibility (CSR) and environmental responsibility issues are truly integrated into SE's business performance which is, we believe, timely and imperative discussion. By investigating the current market situation of Malaysia, we will provide the new frame of SE business model in Muslim society which differs from the West, and suggest implications to business practitioners, researchers and policymakers.

"Project about the current situation of multicultural symbiosis and the grope in APU and in Beppu which includes APU"

Name of Research Representative	Names of Members	Category	Adopted Amount
SEIKE Kumi	KIKKAWA Takuro TAKEZAWA Shoichiro	Searching for a Multi-Cultural Society	¥100,000

This project aims to present a new model for multicultural symbiosis or coexistence, through an analysis an advanced case of multiculturalism, APU, and of Beppu, which includes APU, as a place of "prefigurative politics". "Prefigurative politics" is a concept used by John Holloway, the political scientist and sociologist, who was influenced by the anthropologist David Craever, and is used to describe the characteristics of the Global Justice Movement within the context of movement research. Here, movement is not a means nor an objective of social reform, but movement itself provides a model for the future society: in other words, "another world" already exists. The search for a new order in globalization is partially synonymous with the search for a better multicultural symbiotic society. APU and Beppu which includes APU is a multicultural environment, and can be seen as a movement which is seeking a better form of multicultural coexistence. Prefigurative politics which are being unveiled "here and now" provide a model for the new social order. Therefore, this project aims to understand the current state of, and to consider the future directions of, multicultural symbiosis in APU and in Beppu, which includes APU.

In order to achieve the aims of the project, it is necessary to pursue research in three areas: ① the current situation, ② theory, and ③ practice. These three perspectives are (1) the current situation of multicultural symbiosis in APU and in Beppu, which includes APU, (2) a summary of theoretical approaches to multicultural symbiosis (sociology, ethics, political philosophy, and cultural anthropology), and (3) a practical examination of the potentialities of multicultural symbiosis.

At the same time, this research will also cover the essential and fundamental information required when building a new research center. Surveys to grasp the current situation, understanding and creating a database of relevant theory, and practice are all essential data that will be needed in the first year when the research center is founded. This research project is also significant in terms of this center. Finally, in pursuing this project, five actors will be involved: not just APU faculty and staff, but also students, alumni, and Beppu citizens. To that end, an investigation of the current situation, a Research Group to explore theoretical understandings, and a symposium to highlight current practice in multicultural symbiosis will be pursued.

A study of support for schoolchildren with limited Japanese language proficiency

Name of Research Representative	Names of Members	Category	Adopted Amount
TATEYAMA Hirokuni	SUMIDA Tamaki YATSUDA Hanae TATEYAMA Ai	Searching for a Multi-Cultural Society	¥730,000

As globalization proceeds, more and more foreign children are attending public schools in Japan, and many of them lack sufficient Japanese language proficiency. These children typically develop proficiency in conversational language relatively easily as they come to frequently use Japanese in daily personal and social situations. The attainment of proficiency in academic language, on the other hand, takes significantly more time, so they often find it difficult to keep up with their studies at school. In the current Japanese education system, Japanese is not required to be taught as a second language. In 2012, however, the Ministry of Education, Culture, Sports, Science and Technology (MEXT) considered specific ways to provide Japanese language education for foreign children with limited Japanese language proficiency as part of school education. Accordingly, an increasing number of local authorities have started implementing careful support programs for these children, including sending Japanese language instructors to the schools they attend.

In Beppu, there are currently about 20 foreign children with limited Japanese language proficiency attending public schools, approximately half of whom should be Muslims. The authorities in Beppu, which has recently ranked first in Japan for the proportion of resident foreign students to the total population, are working hard to make the city a comfortable place to live for foreign students, but we have yet to see more efforts to help these schoolchildren live comfortably. The goal of this research project is to propose to the City of Beppu a scheme for providing careful and sustainable support for schoolchildren with limited Japanese language proficiency according to their individual, actual situations. In order to archive this goal, we will do the following: 1) create profiles for individual children with limited Japanese language proficiency attending public schools in Beppu; 2) grasp and analyze efforts that have been made by the authorities in Beppu to support these children; 3) investigate and analyze advanced efforts that have been made by the authorities in other cities; 4) create provisional guidelines for Japanese language education that is to be provided as part of school education in Beppu; and 5) create a network of Japanese language instructors and other supporters.

Investigation on Musharaka Credit Risk Management in Indonesian Islamic Banks

Name of Research Representative	Names of Members	Category	Adopted Amount
SUZUKI Yasushi	Dahlan Nariman UEHARA Yuko Shoaib Khan	International Finance	¥500,000

The Indonesian Islamic banking industry has its unique features; (1) The credit and deposit market share held by Islamic banks in Indonesia remains a marginal level of less than 4%, in spite that Indonesia is the country with the largest Muslim population. In other words, the pace of "financial deepening" by Islamic banks is still slow. (2) There is the tendency that Indonesian Islamic banks suffer from lower returns on assets (ROA) and higher non-performing loan (NPL) ratio, in comparison with those of conventional banks (Note: In the other Muslim countries such as Bangladesh, Malaysia and many Gulf countries, in general, Islamic banks enjoy higher ROA and lower NPL ratio). (3) Indonesian Islamic banks are relatively more engaged in the "musharaka" financing (participatory financing) upon the Profit-Loss sharing agreement, than Islamic banks in the other countries are engaged in. This research aims to conduct a fact-finding survey on the musharaka financing and their way of credit risk management by Indonesian Islamic banks through the interviews with the Islamic banking regulators as well as the Islamic bank staffs in charge of credit divisions. In doing so, this research attempts to clarify the unique institutional settings and constraints embedded in Indonesian Islamic banking.

This research is a challenging exploratory and trans-disciplinary one which straddles over Economics (Institutional economics, Comparative financial systems), Political Philosophy (Social justice, Law philosophy), Religious Study and Sociology. This research is expected to clarify an institutional problem causing low ROA and high NPL ratio held by Indonesian Islamic banks and to propose a better system of corporate governance for improving their credit risk management to bail them out of the structural problem.