

WELCOMING SPEECH BY RECTOR UNIVERSITY MUHAMMADIYAH YOGYAKARTA

First of all, I would like to congratulate the Department of Economics, Faculty of Economics, University Muhammadiyah Yogyakarta for successfully organizing this prestigious event, **International Conference on Islamic Economics and Financial Inclusion (ICIEFI) 2015** entitled "Towards Establishing an Economic Equilibrium Encompassing Real and Monetary Sectors, and Poverty Eradication".

This topic is timely and important to be further elaborated due to large number of world's poor are Muslims. In 2011, World Bank recorded that 43.33% of Indonesia's population (105 million) live on less than \$2 a day. Unfortunately, within 105 million people, 86.1% was Muslims. This figure obviously demonstrates that poverty is one of dangerous problems faced by humanity. There is nothing more horrifying than the fact that as we live our happy life here, millions of our fellow human beings live in hunger and face starvation. Therefore, I wish that the two days conference is able to pinpoint several applicable and strategic points concerning poverty eradication, particularly in Indonesia.

Recently, Secretariat of the Vice President of the Republic of Indonesia (2012) raised the issue of financial inclusion into national agenda. Financial inclusion is believed as an integrated mechanism to combat poverty in Indonesia. Under financial inclusion agenda, financial services are provided to all segments of the society with a particular attention to low-income poor, migrant workers, and people living in remote areas. In my personal view, poverty is structurally caused by existing dichotomy of financial sector and real sector development. Therefore, by promoting the financial inclusion agenda, I wish every segment of human being can get benefited of the financial services at affordable costs so that society would have completely access to formal and informal institution.

However, the mutually support from real sector is cordially needed among disadvantaged segments of people. Hence, I personally agree to further promote the microfinance institution supported by microentrepreneurs which are based on Syariah principles. In other words, I do agree that poverty eradication need collaborative and strategic alliance between the monetary and real sector till reaching an equilibrium point.

Finally, on the behalf of University Muhammadiyah Yogyakarta, I would express my deep appreciation and gratitude to all parties who continuously and tirelessly support till the success of the event. I am convinced that the two days conference would generate fruitful contribution for the betterment of the Ummah, InsyaAllah. Thank You.

Yogyakarta, April 19, 2015

Rector of University Muhammadiyah Yogyakarta
Prof. Dr. Bambang Cipto, M.A

FOREWORD BY THE COMMITTEE

On behalf of the Steering and Academic Committee, let me apologize to give remarks on this outstanding event, namely International Conference on Islamic Economics and Financial Inclusion (ICIEFI), held in this "leading and enlightening university", Universitas Muhammadiyah Yogyakarta. The ICIEFI is jointly organized by the Department of Economics, which offers International Program for Islamic Economics and Finance (IPIEF) and Ekonomi Keuangan and Perbankan Islam (EKPI), with the Department of Muamalah or Ekonomi Perbankan Islam (EPI), and Center for Islamic Economics Development (PPEI) of Universitas Muhammadiyah Yogyakarta, in consonant with the 34th Anniversary (Milad) of the University.

The Departments of Economics and Muamalah have started unofficially long tradition in intellectual exercises since establishment of the two departments in 1999. The collaboration takes more a formal form when a couple of outstanding events have been organized in UMY such as:

- 1) Research Forum in Islamic Banking (FRPS) II in collaboration with Bank Indonesia and Central Board of IAEI in November, 2010, where the Grand Launch of EKPI and IPIEF was also held
- 2) Asean Workshop on Islamic Economics Curriculum, collaborating with international Institute of Islamic Thought (IIIT), USA; International Islamic University Malaysia (IIUM); Institut Pertanian Bogor (IPB); and Universitas Airlangga (Unair) of Surabaya, in November, 2013.
- 3) International Seminar on Islamic Monetary System, in April 2014, held in collaboration with Yayasan Pengurusan Ilmu, Malaysia; and al-Murabbithun, Spain; Ikatan Ahli Ekonomi Islam of the Special Territory of Yogyakarta (IAEI Yogyakarta); and Majelis Tarjih and Tajdid (MTT) Pimpinan Pusat Muhammadiyah.

As far as this particular ICIEFI Conference is concerned, partnership with a number of institutions of which attributes appears in ICIEFI attributes and in the cover of this proceeding is also realized. There is a number of potential sponsors having intention to participate in the conference even. Due to some technical reasons, only BII-Maybank Sharia is accepted, as the only sponsor. We are very pleased to have all of these in this ICIEFI Conference.

The Conference program is run under two types of sessions. *First*, plenary sessions are held including keynote speeches and video-conferencing speech. *Second*, in addition to invited papers or materials from outstanding speakers, the Committee also called for submission of the papers and received overwhelming interest of the potential authors, though in a very limited time. After a tired-less effort of the review, only about thirty are accepted for oral presentation. In addition, the papers presented on this conference will be conducted in four (4) languages, including Arabic, English, Indonesia, and Malay.

Finally, on behalf of the Steering & Academic Committee and Organizing Committee as well, we congratulate the selected papers for their effort and participation. Let us apologize for any inconvenience in this particular event, our great appreciation for all parties contributing and participating in this conference. This significant effort deserved rewards from Allah the al-Mighty, and may give benefits for the ummah as well as the whole communities.

Welcome to ICIEFI 2015, Congratulation for the 34th anniversary of UMY and welcome to UMY!!

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Chairman, Steering & Academic Committee