

Source: McCormick Foundation

Sheikh Yusuf Talal DeLorenzo

Sheikh Yusuf Talal DeLorenzo is considered the leading authority on Shariah finance in the United States and one of the half-dozen best-known Shariah advisors internationally. Although he has carefully avoided making public statements in support of Jihad, his religious background, professional affiliations, his high praise of fellow Shariah authorities such as Usmani, and his experience prove beyond much doubt that he subscribes fully to the Islamist agenda.

Background

DeLorenzo was born in 1948 in Northfield, Massachusetts. Sheikh Talal DeLorenzo is the grandson of Italian immigrants from Sicily. He currently resides in Ashburn, Northern Virginia with his Pakistani wife and three children.

Education

DeLorenzo attended the secular Northfield-Mount Herson Preparatory School in Northfield, Massachusetts. He then enrolled in the undergraduate program at Cornell University but dropped out. He studied Islamic sciences under prominent Deobandi scholars at madrassa Jamia Uloom Islamia, Binori Town, Karachi, Pakistan (see details below).

DeLorenzo completed three years of doctoral studies on the Legal Rulings of the Quran at Bahawalpur University, Pakistan, and allegedly studied in Egypt.

DeLorenzo's professional experience and affiliations include teaching courses on "The Principles of Islamic Investment," Dow Jones University. He is also the Director for the Master's Program for Imams, Graduate School of Islamic and Social Sciences (GSISS), Leesburg, Virginia. He has served as Director of Education for the Islamic Saudi Academy, Fairfax, Virginia, as Guest Scholar at the American Learning Institute for Muslims (ALIM), Canton, Michigan and as an Advisor on Islamic affairs and education to the President of Pakistan, 1981-1984.

DeLorenzo has many affiliations with Islamist Organizations:

Secretary—Fiqh Council of North America (FCNA)

Member of the Board—International Institute of Islamic Thought (IIIT)

Director—Graduate School of Islamic and Social Science

Director of Education—Islamic Saudi Academy

DeLorenzo is affiliated with a Shariah Finance Sponsoring Organization:

Special Consultant—Islamic Financial Services Board (IFSB). Appointed to the position by the Asian Development Bank and the Islamic Development Bank, Jeddah

De Lorenzo is affiliated with a wide range of Shariah-Compliant Banks and Institutions:

Chief Shariah Officer—Shariah Capital Inc. Greenwich, Connecticut and Dubai

Member—Shariah board, Dow Jones Islamic Market Index

Member—Shariah board, Guidance International Inc.

Member—Shariah board, Brown Brothers Harriman Islamic Global Equity Fund, New York

Member—Shariah board, Muslim E-Financials, Washington D.C.

Member—Shariah board, Ihilal.com, Dubai

Member—Shariah board, Thahabi Ijara Fund I, UAE

Member—Shariah board, Socially Acceptable Market Investments (SAMI), Toronto

Sole Shariah Advisor—Devon Islamic Ventures-Offshore, Ireland

Ideology and Views

Although Talal DeLorenzo has been very careful to avoid public statements advocating Jihad and the broad Islamist agenda, his religious background and professional and Islamic affiliations virtually without exception reveal a strong commitment to Shariah, its purposes and methods.

Much of his long religious training in Pakistan, for instance, took place in Jamia Uloom Islamia, Binori Town, Karachi—one of the largest and most Shariah-centered Deobandi madrassas in the country and one that has long supported and funded well known terrorist groups. According to a study of Karachi madrassas by the International Crisis Group (ICG), a human rights think tank based in Brussels, the Jamia Islamia is the “fountainhead of Deobandi militancy countrywide,” has “carried the mantle of Jihadi leadership since the days of the anti-Soviet Jihad” and “boasts close ties with the Taliban.” Moreover, the ICG report further claims, the madrassa “has played a major role in helping to establish and sustain,” as well as provide many of the recruits, for some of the most violent Pakistani jihadi and terrorist organizations, such as Harkat ul-Mujahideen (HuM), Jaish -e Muhammad(JeM) and Sipah -e-Sahaba Pakistan (SSP).

Moreover, DeLorenzo’s spiritual guru in Binori Town was the Mufti of Pakistan, Wali Hassan, a classic Deobandi Shariah authority who predictably considers Shia Muslims to be infidels and issued fatwas to that effect.

Sheikh DeLorenzo is further reported to have worked between 1981 and 1984 as an advisor to the Pakistani President Zia ul-Haq on Islamic education. Zia was the military dictator and zealous Islamist who Islamized Pakistan from the top down, beginning in the late 1970s, and put into place the network jihadi madrassas that eventually produced the Taliban. It would appear that DeLorenzo may have assisted Zia in this process.

Most of the Islamic organizations with which DeLorenzo has been closely associated since his return to the United States have also proven Islamist credentials.

The Fiqh Council of North America (FCNA), a fatwa-issuing organization in which DeLorenzo served as Secretary, for example, is an offshoot of the Muslim Brotherhood-affiliated Muslim Student Association (MSA) and the Islamic Society of North America (ISNA). Several of its key officials have been implicated and at least one has been jailed for terrorism-supporting activities. One of its founders, Taha Jaber Al-Alwani, was declared an unindicted co-conspirator in the Sami al-Arian trial for reportedly funding the terrorist Palestinian Islamic Jihad (PIJ). A FCNA trustee, Abdurrahman Alamoudi, is currently serving a 23-year sentence for terrorism related activities. After his sentencing, Alamoudi was found to have also provided large-scale financing to al Qaeda. Another individual identified by the U.S.

Department of Justice as an unindicted co-conspirator in a terrorism trial is Muzamil Siddiqui, a FCNA president for a number of years.

In addition, the International Institute of Islamic Thought (IIIT) of which DeLorenzo was a board member, has provided funds to convicted Islamist Sami al-Arian and to the designated terrorist entity Al-Haramayn. IIIT has also been tied to the notorious terrorism-enabler and apologist for suicidebombers, Yusuf Al-Qaradawi, and the Muslim Brotherhood.

As director at the Graduate School of Islamic and Social Sciences (GSISS), DeLorenzo has also been involved with two of the aforementioned Shariah advocates, Taha Jaber al-Alwani and Abdurrahman Alamoudi. Incredibly, they worked together on a program run by GSISS to train and certify Muslim chaplains for the *U.S. armed forces*. In fact, the GSISS and another Alamoudi operation, the American Muslim Armed Forces and Veterans Affairs Council were the only two Islamic educational institutions approved by the Department of Defense to provide this service to the United States government.

In the course of a 2003 Senate hearing examining these arrangements for securing Muslim chaplains for the military, Senator Jon Kyl of Arizona observed as follows: "It is remarkable that people who have known connections to terrorism are the only people to approve these chaplains." The GSISS was raided by U.S. law enforcement agents in March of 2002 as part of Operation Green Quest as part of an investigation into terrorism financing Islamic networks in America.

Finally, DeLorenzo has also served as Director of Education at the Saudi Islamic Academy in Fairfax, Virginia, an organization funded by the Saudi embassy in Washington D.C. So egregious has been this school's propagation of the Shariah-adherent and virulently intolerant Wahhabi creed that the congressionally mandated U.S. Commission on International Religious Freedom called on the Department of State in October 2007 to shut it down.

On Islamic Finance

As noted above, DeLorenzo's statements in English appear calculated to obscure, rather than reflect, his actual views. They certainly seem intended to allay concerns

about the SCF industry in which he plays a large role, rather than provide transparency about its true character and purposes.

DeLorenzo on benefits of SCF for Shariah more generally: “Adapting Islam to modern finance” could influence other areas of Shariah which has “essentially been in a coma for several centuries ... and desperately needs reviving.” (Interestingly, this formulation belies the real dynamic at work in Shariah-compliant finance: Under the influence of Shariah advisors like DeLorenzo, modern finance is forced to adapt to Islam, not the other way around.)

DeLorenzo on Shariah investment in Israeli companies: In answering a question from a Dow Jones University student of Islamic investment on whether Israeli companies, or those that invest in Israel, should be excluded by Shariah screens like companies that deal with alcohol, pork, etc., DeLorenzo responds that there is no “Shariah dialogue involving investment prohibition” in such companies and reiterates that for the Dow Jones Islamic Index, considerations related to politics, culture, history, etc., are not relevant. And then he adds this:

“Having said all of this, though, it is important to note the difference between an index and a fund. The purpose of an index is to measure the market and provide a performance benchmark. A fund, however, is a different matter because it invests the money of Muslims and puts it to use. Funds have the ability to embargo companies, by screening them out of their portfolios, or to engage them, by investing in those companies and then using corporate democracy to leverage their point of view.”

DeLorenzo on avoiding the use of the term Shariah in SCF-related business: “In order to be more readily understandable to regulators in Muslim minority countries, such as the U.S. and Europe, there is nothing wrong in using another term, like Ethical Advisory Board.”

DeLorenzo on the benign role of Shariah advisors: “It is of primary importance to understand Shariah supervision as consumer advocacy.” And “by assuming responsibility for the Shariah compliance..., the Shariah supervisor places himself in a position of directly representing the religious interests of the investor.” The problem with this remark, of course, is that it contradicts what Shariah authorities and even non-Muslim Shariah scholars have said repeatedly.

DeLorenzo on Islamic finance as a modernizing force in Islam: “Islamic finance is a modernist movement in Islamic communities. It has no political agenda—it’s about a new Islamic identity for moderate Muslims and an attempt to bring Muslims out of the mosque and into the market [as] they interact and trade with people.” The problem with this remark, of course, is that it contradicts what Shariah authorities and even non-Muslim Shariah scholars have said repeatedly.

Interestingly, DeLorenzo has been assailed for his public comments about Shariah-compliant hedge funds as “a thinly-veiled advertisement piece for the ‘Islamic hedge

fund' that retains his services" by Rice University professor of Islamic finance, Mahmoud El-Gamal. El-Gamal went on to denounce DeLorenzo's conduct as "a case of willful fraudulent advertisement to unsophisticated investors, something that would not be tolerated in the developed world."

Publications

Sheikh Talal DeLorenzo is the author of *A Compendium of Legal Opinions on the Operations of Islamic Banks*, a collection of fatwas and legal rulings on Islamic finance that is considered an authoritative reference work on the subject. He also wrote the introduction to *Islamic Bonds*. His articles have appeared in journals and newsletters and as chapters in books, including *Euromoney Magazine's Islamic Asset Management*, *Islamic Retail Finance* and *Islamic Finance: Innovation & Growth*. He is the author of entries on the terminology of Islamic Finance in the Oxford Dictionary of Islam.

DeLorenzo is also a well-known translator from Arabic, Persian, and Urdu with some twenty translated books to his credit.

Sheik Yusef Talal DeLorenzo on Shariah Finance:

"Adapting Islam to modern finance" could influence other areas of Shariah which has "essentially been in a coma for several centuries... and desperately need reviving."