Editorial

In the name of Allah, most gracious, most merciful

In the early years of the Islamic finance industry, an attempt to implement the Islamic economic system via the top-down approach was made by three countries in the 1980s, notably Iran, Sudan and Pakistan. To date, Iran continues to be the top country with the highest Islamic finance assets, albeit following a different jurisprudential school than that of the Sunnis, the Jafari School. Pakistan and Sudan faced challenges in implementing a fully Islamic system and instead joined the majority of the countries that practice Islamic finance through the dual financial system where Islamic financial institutions operate side by side with their conventional peers.

Within the dual financial system, it is crucial that the government supports the development of Islamic finance for the industry to flourish. One of the ways that governments have shown their commitment is by setting out their national strategies for Islamic finance development in financial sector blueprints, roadmaps or masterplans. The masterplans of key Islamic finance countries such as Malaysia, Indonesia and Saudi Arabia, among others, are popularly examined by stakeholders to understand the strategic thrusts the regulators of the respective countries are leveraging on to drive the Islamic finance sector. In January 2022, Bank Negara Malaysia set out the development priorities of the Malaysian financial sector for the next five years in its Financial Sector Blueprint 2022–2026. It considers value-based finance, sustainable/green initiatives, social finance and digitalization as main strategies for advancing Islamic finance leadership in Malaysia.

These areas continue to garner interest among academic researchers while the progress of Islamic finance worldwide further promotes a range of diverse research. In this Volume 14 Number 1 of *ISRA International Journal of Islamic Finance*, seven research articles are published, the summaries of which are provided below:

The first article is titled "*Islamic finance and economic growth: the Turkish experiment*" by Mohammed Ayoub Ledhem and Mohammed Mekidiche. It highlights the New Turkish Economy Program (2019–2021), which aims to boost economic growth in Turkey by enhancing the Islamic finance share in the overall banking sector and the global market. In this light, the article seeks to empirically investigate whether Islamic finance contributes to economic growth in Turkey using the endogenous growth model. It tests the model using data spanning from 2013Q4 until 2019Q4 and finds robust evidence on the positive contribution of Islamic finance to Turkish economic growth.

The second article is titled "*Cash waqf from the millennials' perspective: a case of Indonesia*" by Khaled Nour Aldeen, Inayah Swasti Ratih and Risa Sari Pertiwi. This article examines the concept of cash waqf from the millennials' perspective. Millennials comprise an important study sample in Indonesia given that they represent more than one-third of Indonesia's total population. One of the findings is that Muslim millennials have a high level of awareness about cash waqf but a lower level of willingness to contribute to it. It appears that they prefer other modes of charity such as *ṣadaqah* instead.

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The third article is titled "*Validity of zakat ratios as Islamic performance indicators in Islamic banking: a congeneric model and confirmatory factor analysis*" by Naji Mansour Nomran and Razali Haron. This article relies on a logical premise that zakat has a dynamic ability to reflect the profitability of Islamic banks just as tax ratios do. Thus, it proposes the use of zakat ratios as performance measurement indicators for Islamic banks besides conventional performance indicators. It tests this proposition using a sample of 214 yearly observations of 37 Islamic banks located in Indonesia, Malaysia, Bahrain, Saudi Arabia and the United Arab Emirates over the period 2007–2015.

The fourth article is titled "*Performance comparison between Islamic and conventional stocks: evidence from Pakistan's equity market*" by Munazza Jabeen and Saba Kausar. As the title suggests, this article aims at examining the performance of Islamic and conventional stocks of companies listed on the Pakistan Stock Exchange. It uses the Karachi Meezan Index-30 (KMI-30) and the Karachi Stock Exchange Index-30 (KSE-30) as proxies for Islamic and conventional stock prices, respectively, to undertake the comparison over the period 9 June 2009 to 20 June 2020. Overall, the findings reveal that the Islamic index outperforms its conventional counterpart.

The fifth article is titled "*Factors necessary for effective corporate waqf management for Malaysian public healthcare*" by Raja Aishah binti Raja Adnan, Mahazan Abdul Mutalib and Muhammad Ridhwan Ab. Aziz. This research looks into a model of collaboration between waqf institutions and public hospitals to provide improved healthcare services at reduced costs to the larger public. As such, it seeks to determine the factors needed to propose such a platform that would also incorporate the elements of good governance and sustainability.

The sixth article is titled "*Sharīʿah governance and agency dynamics of Islamic banking operations in the Kingdom of Saudi Arabia*" by Abul Hassan, M. Sadiq Sohail and Md Mahfuzur Rahaman Munshi. It analyses the dynamics of agency theory in the context of Sharīʿah governance in full-fledged Islamic banks and those offering Islamic windows in the Kingdom of Saudi Arabia. Overall, it finds that the majority of the surveyed Islamic banks recognize the importance of Sharīʿah governance and conform with the requirements of the system. Challenges faced pertain to audit, control, transparency and disclosure.

The seventh article is titled "*Proposing an organizational framework for the Sharīʿah Secretariat of Islamic banks in Bangladesh*" by Md. Kausar Alam, Abu Umar Faruq Ahmad, Aishath Muneeza, Mosab I. Tabash and Md Adnan Rahman. Given the important role that the Sharīʿah Secretariat plays in assisting Sharīʿah Supervisory Boards in achieving Sharīʿah compliance in Islamic banks, this study seeks to propose a framework that will set a uniform benchmark for the functioning of the Sharīʿah Secretariat in Islamic banks in Bangladesh.

As you may be aware, *ISRA International Journal of Islamic Finance* currently operates under a platinum open access model. All costs associated with making published works open access on Emerald's platform are covered by ISRA, the sponsoring institution. Whilst our collaboration with Emerald has been successful to date, we have taken the decision to publish the journal via an alternative outlet going forward. To facilitate this transition, we have had to presently close new article submissions to allow us to process existing articles and will open submissions as soon as the new platform is ready. To this end, we rely on the understanding and support of the Islamic finance academic/research community as this journal takes a new turn in its pursuit of further progress.

On this note, we congratulate the authors who have published with us in this issue and thank all our stakeholders for their continuous support.

Allah (SWT) is the Bestower of success, and He knows best.

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