

November 2013

Editors' Note

Follow this and additional works at: <http://epublications.bond.edu.au/ijbf>

Recommended Citation

(2013) "Editors' Note," *International Journal of Banking and Finance*: Vol. 10: Iss. 2, Article 2.
Available at: <http://epublications.bond.edu.au/ijbf/vol10/iss2/2>

This Journal Article is brought to you by the Bond Business School at [ePublications@bond](mailto:EPublications@bond). It has been accepted for inclusion in International Journal of Banking and Finance by an authorized administrator of [ePublications@bond](mailto:EPublications@bond). For more information, please contact [Bond University's Repository Coordinator](#).

The International Journal of Banking and Finance, Volume 10 (Issue 2), 2013: Page i-ii.

EDITORS' NOTE

It is with great satisfaction that we present this issue to readers as a special issue on Islamic finance. Islamic financial industry, which started as a niche market in early 1960s, has been growing at double-digit rates and has now crossed US\$3trillion mark. Market chatter suggests that Islamic finance (also called participation finance) has excellent prospects of further growth to meet demand of investors for ethically attractive banking, debt, investment, insurance, and capital market products. Starting from the Middle East, it has now spread all over the globe. Following a pioneering move by the Bank of England in 2002, several Western governments have enacted new laws or changed existing ones to accommodate Islamic financial products to be offered on level playing field with modern financial instruments.

Leading international publishers are regularly issuing books on Islamic banking and finance. Several Western universities have introduced teaching programs in the new area, especially at postgraduate levels. Institutions like the World Bank (few years back, it raised capital using Islamic debt market) and the International Monetary Fund have published several studies about this new form of financial intermediation as attractive alternative form of finance with a number of salient features that make this form of intermediation attractive. Given the increasing acceptance of Islamic finance as a *bona fide* academic area within the broader banking and finance discipline, it is befitting that the IJoBF as an academic journal and the Islamic Economic Institute to collaborate for producing a Joint Issue for readers on the tenth anniversary of the founding of the IJoBF in 2013. It is jointly published with *Journal of KAU Islamic Economics*, which is an established journal for our literature. The usual standard of double-blind review process was applied to the selection of the papers included in this issue. One of the articles - Credit Risk of Islamic Banks in GCC Countries – won a best paper award at the Fifth Foundation of Islamic Finance Conference in July, 2012, in Malaysia.

Persuaded by this background, the Editors of the *International Journal of Banking and Finance* took the initiative to approach the oldest journal in this field, “*Journal of King*

Abdulaziz University: Islamic Economics'' (IE) - which started in 1983 - to publish a Joint Issue devoted to Islamic finance. After their agreement, the Chief Editor of that journal kindly agreed to guest-edit this issue. In order to increase interaction with non-Arabic speaking readers, the Guest Editor has prepared a Glossary of Arabic terms occurring in the issue. He has also contributed a paper to introduce the basic features, principles, products and potential benefits of Islamic model of financial intermediation. This shall serve as the starting point for a discussion with the international community of scholars in the field of banking and finance.

In introducing this Joint Issue, we take this opportunity to invite our readers to comment on the issues discussed in the papers included here and to make contributions of their own or suggest topics that need to be addressed. If sufficient publishable material on the criteria of IJoBF is received, we can consider publishing more papers that pass the tests of original research. Contributions can be sent to aparhiz@fiu.edu or ariff13@gmail.com or munawariqbal@gmail.com.