



EDITOR-IN-CHIEF'S FOREWORD

It is with great pleasure that I present this final issue of the journal for the year, which brings together eleven scholarly articles that collectively address pressing contemporary challenges in Islamic economics, finance, governance, sustainability, and social development. The contributions in this issue reflect the increasing depth and breadth of Islamic scholarship in responding to global economic uncertainty, environmental concerns, institutional governance issues, and the evolving needs of modern financial systems, while remaining firmly anchored in Shariah principles and ethical values.

The articles featured in this issue span multiple regions, including Southeast Asia, the Middle East, and Africa, and employ diverse methodological approaches such as econometric modelling, qualitative case studies, normative legal analysis, historical inquiry, and maqāṣid-based frameworks. Together, they underscore the relevance of Islamic perspectives in advancing sustainable development, strengthening public and private institutions, and enhancing socio-economic justice.

Overview of Articles in This Issue

The first article, authored by Amri Sulong and Md. Ashraf Mohamed, examines fiscal stimuli and public debt sustainability among ASEAN-listed D-8 member countries through the Harrod–Domar growth model, viewed from an Islamic perspective. Using panel data from 1996 to 2023, the study highlights structural weaknesses in savings and investment, contrasts debt management practices in Malaysia and Indonesia, and calls for policy reforms to strengthen domestic savings mobilisation and reduce dependence on debt-financed growth.

The second article, by Azwar, Mohd Farid Ravi Abdullah, and Abur Hamdi Usman, analyses public financial management from the perspective of the Qur'an. Through a thematic interpretative approach, the authors identify key principles such as justice, amānah (trust), transparency, and accountability, and discuss their implications for Indonesia's financial system. The study argues that embedding these Qur'anic values can enhance public financial governance and mitigate challenges related to corruption and socio-economic inequality.

The third article, authored by Azeem Tunde Muhammed, Ismail Aderole Ayuba, Jamiu Adeniyi Yusuf, and Sikiru Okunlade Araoye, explores the integration of Islamic finance and green bonds in promoting sustainable development. Focusing on green sukuk initiatives in Malaysia and Indonesia, the study highlights their potential in mobilising Shariah-compliant funding for environmentally sustainable projects, while also identifying regulatory, coordination, and distributional challenges that require further attention.

The fourth article, by Dina Anisya Rufaedah, Mustofa, and Lilik Rahmawati, investigates the utilisation of productive zakat at LAZNAS Daarut Tauhiid Peduli East Java. Using a qualitative case study approach and impact measurement tools such as CIBEST and Social Return on Investment (SROI), the study demonstrates how productive zakat programmes contribute to poverty alleviation, income enhancement, and the fulfilment of both material and spiritual needs among mustahik.





The fifth article, authored by Amir Mursyid Roslan and Aishath Muneeza, examines the challenges of cultivating a Shariah compliance culture within Malaysian Islamic financial institutions. Drawing on qualitative interviews and thematic analysis, the study identifies issues related to divergent Shariah interpretations, tensions between ethical mandates and commercial objectives, and organisational constraints, while emphasising the importance of leadership commitment, governance, and capacity-building in embedding authentic Shariah values.

The sixth article, by Ani Yumarni and Jaih Mubarak, analyses the role of individual nazhir in Indonesian waqf management from the perspective of *maslahah* and *maqāṣid al-Shariah*. Using a normative juridical approach, the authors highlight the strategic importance of competent, professional, and trustworthy nazhir in ensuring productive waqf management and maximising its contribution to social welfare, education, health, and economic empowerment.

The seventh article, authored by Imene Tabet, Marjan Muhammad, and Wan Noorfatin Wan Mohd Zani, proposes a faith-aligned green taxonomy designed for Islamic micro, small, and medium enterprises (MSMEs). By integrating *maqāṣid al-Shariah* into sustainability classification systems, the paper offers a practical, values-driven framework that enables Islamic financial institutions and MSMEs to participate more meaningfully in climate finance and the green transition.

The eighth article, by Nor Fadilah Bahari, Zurina Shafii, Mustafa Mohammad Hanefah, and Nuzul Akhtar Baharudin, explores risk typologies and management strategies in ar-Rahnu cooperatives. The study identifies key operational, financial, governance, and Shariah risks, and underscores the importance of structured risk management frameworks to enhance institutional resilience, sustainability, and compliance within Islamic pawn-broking services.

The ninth article, authored by Andi Amri, Wing-Keung Wong, Mitra Sami Gultom, Muhammad Iman Sastra Mihajat, Nur Melinda Lestari, Gusniarti, and Rahmi Fitria Malik, examines the determinants of stock returns among Shariah-compliant state-owned enterprises listed under Indonesia's IDX-MES BUMN 17 index. Using quantitative analysis covering the period from 2020 to 2024, the study finds that traditional financial ratios do not significantly explain stock returns, suggesting that macroeconomic conditions, government policies, investor sentiment, and ESG considerations play a more prominent role in Shariah-compliant equity markets.

The tenth article, by Khurun'in Zahro', Syahrudin, Zalfa Nur Fadila, and Rif'atu Salimah, presents a historical analysis of Islamic waqf governance from the Prophetic era to the Ottoman Empire. Drawing on classical and archival sources, the study traces the evolution of waqf governance through ethical stewardship, legal codification, bureaucratic oversight, and institutional innovation, offering valuable lessons for strengthening modern waqf governance and socio-economic impact.

The eleventh article, authored by Nurnaddia Nordin, Nurhaiza Nordin, and Ahmad Yani Ismail, examines the relationship between money supply and economic growth in Malaysia, focusing on the moderating role of financial development. Using an ARDL bounds testing approach with data from 2000 to 2023, the study finds strong long-run relationships among monetary





expansion, financial development, and economic growth, highlighting the importance of aligning monetary policy with financial-sector reforms.

Conclusion

As we conclude this publication year, I would like to express my sincere appreciation to the Managing Editor, Associate Editors, Editors, and members of the International Advisory Board for their dedication, scholarly leadership, and continued support of the journal. I also extend my heartfelt thanks to our reviewers for their rigorous and constructive evaluations, and to all authors for their valuable contributions. Finally, I am deeply grateful to our readers for their continued engagement and trust. We look forward to your ongoing support as we continue to advance high-quality, impactful, and ethically grounded scholarship in the years ahead.

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