

Introduction: Role of Multidimensional Finance in Bridging Economic Resilience

Muhammad Syauqi Bin-Armia

Editor in Chief

The inaugural edition of *Sukuk: International Journal of Banking, Finance, Management and Business* (Vol. 1 No. 1, 2022) presents a diverse collection of articles that explore key issues in global finance, focusing on the intersection between Islamic finance, economic resilience, and market dynamics. This issue serves as a crucial platform for analyzing the structural and strategic developments shaping financial markets, with special attention to the implications of global disruptions such as the COVID-19 pandemic and Brexit. By bridging the realms of conventional and Islamic finance, this edition underscores the necessity for adaptive legal frameworks and financial innovations that align with economic sustainability and ethical principles.

A key theme that runs through this issue is the impact of macroeconomic events on financial systems, particularly in the context of volatility, mergers and acquisitions (M&A), and regulatory shifts. The articles provide empirical evidence and theoretical reflections on how financial institutions navigate crises, integrate new policies, and maintain resilience in fluctuating market conditions. Special attention is given to the role of Islamic finance in promoting stability, highlighting its ethical foundations and risk-sharing mechanisms as potential solutions to economic uncertainty.

Moreover, this edition delves into the evolution of global trade and investment strategies post-pandemic, examining challenges and opportunities in financial markets, agricultural trade, and regional integration. By assessing the financial implications of regulatory interventions and technological advancements, the contributions in this issue aim to inform policymakers, industry leaders, and academics on sustainable economic strategies for the future.

Financial Market Resilience and Strategic Growth

One of the key discussions in this edition revolves around financial market resilience amid economic shocks and strategic growth initiatives such as mergers and acquisitions. Studies in this issue examine the volatility of financial markets in response to global crises, particularly highlighting how Indonesia's financial market was affected during the COVID-19 pandemic. The findings emphasize the role of regulatory frameworks and policy interventions in mitigating instability, underscoring the necessity of robust financial regulations to cushion against market fluctuations.

Similarly, the impact of travel bans on European stock markets highlights the interconnected nature of financial systems. With tourism, aviation, and hospitality industries suffering significant losses, stock markets in key economies such as Italy, Spain, and the UK exhibited pronounced volatility. The research stresses the need for coordinated policy responses to stabilize markets during crises and ensure long-term economic sustainability.

The role of mergers and acquisitions (M&A) in financial market adaptation is also explored in this issue, providing insights into the performance of acquiring firms during economic transitions. The study on Brexit-era M&A transactions challenges conventional assumptions, revealing that payment methods—whether cash, stock, or hybrid—did not significantly influence post-acquisition financial performance. Additionally, research on the implications of M&A in the banking sector compares the experiences of conventional and Islamic banks, highlighting the strategic benefits and regulatory challenges involved in these transactions.

Islamic Finance as a Sustainable Alternative

This edition further explores the role of Islamic finance as a sustainable alternative to conventional financial systems, particularly in the context of regulatory frameworks, ethical investment, and market resilience. The study on Malaysia's donation-based crowdfunding platforms calls for enhanced legal mechanisms that align with Shariah principles, advocating for greater transparency, accountability, and ethical considerations to foster investor trust and ensure long-term sustainability in digital finance.

Another article investigates the impact of tax policies, specifically the effect of VAT on Sukuk yields in Saudi Arabia. The findings reveal significant implications for Islamic financial instruments, emphasizing the need for tax policies that support rather than hinder Shariah-compliant investment structures.

Additionally, ASEAN's agricultural trade post-pandemic is examined, with a focus on financial instruments such as Sukuk-based funding to support agricultural development. The research suggests that integrating Islamic finance into economic policy frameworks can enhance trade networks, sustain agricultural growth, and reduce market volatility in emerging economies.

As financial markets continue to evolve, the ethical foundations of Islamic finance, coupled with its risk-sharing approach, present a compelling alternative to conventional systems. This issue discusses the relevance of Islamic nomocracy as a governance model, offering valuable insights into the integration of Shariah principles in economic policies. The discussion emphasizes the potential of Islamic finance in fostering economic justice and reducing systemic financial risks.

Conclusion

The articles in this inaugural edition of *Sukuk Journal* highlight the evolving landscape of financial markets, addressing themes of economic resilience, regulatory adaptation, and market innovation. By exploring the intersections of conventional and Islamic finance, this issue provides

a comprehensive perspective on how financial institutions navigate uncertainty and leverage strategic growth opportunities.

The emphasis on justice, equity, and sustainability resonates throughout the contributions, underscoring the transformative role of financial regulations and ethical investment practices. From theoretical explorations to practical policy recommendations, the insights presented in this issue aim to inform scholars, practitioners, and policymakers on the pathways toward a more stable and inclusive global financial system. The editorial board extends its gratitude to all contributors and reviewers, whose valuable insights have enriched this edition, setting the stage for continued dialogue and research in the field of Islamic and conventional finance.

The editorial team sincerely appreciates the dedicated efforts of both the authors and reviewers, whose contributions have been instrumental in shaping this issue. We hope that the insights shared within these pages will spark thoughtful discussions and encourage initiatives that promote progress and enhance societal well-being.

The United Kingdom, 01 January 2022

Dato' Dr. Muhammad Syauqi Bin-Armia, MBA, CSAA