
The Role of Islamic Banks in Achieving the Economic Dimension of Sustainable Development - A Case Study of the International Islamic Arab Bank during the period 2010-2022

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ABSTRACT

This study aims to highlight the role of Islamic banks in enhancing the economic dimension of sustainable development by analyzing the statistical tables and annual financial reports issued by the Islamic International Arab Bank during the period 2010–2022.

The study concluded that the Islamic International Arab Bank contributes significantly to achieving sustainable development by supporting the economic dimension through financing economic sectors, providing financial solutions to companies, commercial and service institutions, and reducing the unemployment rate.

Keywords

Efficiendi eum; Apeirian; Omnium; Doctus quaestio congue

Introduction

The term "sustainable development" is not a recent concept but rather the result of a lengthy evolution in developmental thought. The process of development has undergone different phases, and a review of its global history demonstrates the continuous and clear evolution of its concept. Some view sustainable development as an ethical and humanitarian issue, while others see it as an environmental developmental issue including three dimensions: economic, social, and environmental. In its broad sense, sustainable development is a comprehensive process that necessitates contributions from material and non-material values, requiring financial investments at various stages.

Recently, Islamic banks have indicated their ability to satisfy customer needs and their efficiency in fulfilling development through optimal use of economic resources, avoiding waste and extravagance, and developing economic sectors in a balanced manner. They have also proven effective in offering social services and activities, such as providing zakat and Qard al-hasan (benevolent loans).

Based on preceding and to further encompass the study's topic, we formulated the following research problem statement: To what extent do Islamic banks contribute to achieving sustainable development by enhancing the economic dimension? What is the reality of this contribution in the Islamic International Arab Bank?

Study Importance:

The importance of this study arises from the prominence of both Islamic banks and sustainable development, subjects that have generated significant debate and research. Islamic banks have made considerable strides in the financial and banking sectors, regionally and internationally, thanks to their distinctive financing methods. These methods provide various characteristics and advantages that promote their ability to support sustainable development.

Study Objectives:

The study aims to fulfill the following objectives:

- Defining sustainable development and its dimensions.
- Highlighting the role of Islamic banks in fulfilling sustainable development.

- Identifying the extent to which the Islamic International Arab Bank contributes to enhancing the economic aspects of sustainable development.

Study Methodology:

To discuss the raised problem statement, a descriptive approach was employed, benefiting from previous studies that have directly or indirectly addressed the topic to cover the theoretical aspect. Furthermore, an analytical approach is utilized to analyze the financial reports issued by the Islamic International Arab Bank during 2010–2022.

1. Theoretical Framework of Islamic Banks

1.1. Definition of Islamic Banks

The Organization of Islamic Cooperation (OIC) defines Islamic banks as financial institutions whose foundational systems, rules, and procedures require adherence to Islamic Sharia principles, including the prohibition of receiving and paying interest in any of their operations. (Debes, 2019, p. 13)

These institutions do not engage in interest (Riba), as stipulated by their regulatory framework and enshrined in their founding constitutions. Their purpose is to collect and allocate funds in accordance with Islamic law (Ismail Naima, 2014, p. 1755).

They conduct banking activities and perform funding and investment operations in the commercial, industrial, and agricultural sectors, seeking to fulfill economic and social development in line with Sharia principles.

1.2. Islamic Banks Features

Islamic banks' characteristics are derived from a fundamental principle: compliance to Sharia law. This means that their primary feature is the prohibition of interest in all their operations and adherence to the principles of halal (permissible) and haram (forbidden), ensuring that they invest their funds exclusively in activities compliant with Islamic guidelines (Aisha Al-Sharqawi Al-Maliki, 2000, p. 27). Furthermore, Islamic banks link economic and social development by mobilizing individual savings and investing in various economic activities for the benefit of society (Mohamed Al-Taher Qadri, 2014, p. 29). Moreover, they help prevent inflation by channeling idle funds into real investment opportunities.

1.3. Sources of Funds in Islamic Banks.

Islamic bank resources are divided into internal and external sources, allowing them to finance their investment projects.

1.3.1. Internal Resources:

Capital: Capital is the funds contributed by shareholders at the inception of operations. It is the main source from which other resources flow. It is employed to establish the bank, create its legal entity, and prepare it for operational activities. (Aggoun, 2009, p. 36)

Reserves: Like other banks and institutions, Islamic banks set aside a portion of their profits each year as reserves to cover the anticipated risks arising from their operational and investment activities.

Retained Earnings: These profits carried over to subsequent financial years relied on decisions made by the board of directors and the approval of the general assembly intended to foster the bank's financial position. (Mansouri, 2013, p. 11)

1.3.2. External Resources

Deposits: These are amounts deposited in the bank by clients as trust. Depositors have the right to request these funds at any time and in a manner they deem appropriate, withdraw them based on a predetermined and agreed-upon request, or invest them in a specific project and receive returns according to the principle of “al-ghunm bil ghurm” " No reward without risk.."

Islamic Investment Sukuk: These are financial tools of equal value and fixed duration, differing from conventional bonds in that they do not provide fixed returns or interest rates. Islamic banks issue them to offer financial resources, allowing them to undertake projects and fulfill their objectives. (Mahdi Abdul Muhaymen, 2020, p. 13)
Investment Funds: These category of investment funds that must align with the Sharia principles. They were created in response to the need of Muslim investors for profitable investments that comply with Islamic teachings. They are similar to traditional investment funds in that they serve as repositories for venture capital, collect individual savings, and share benefits . (Hariri, 2022, p. 16)

1.4. Islamic Banking Products and Services

Islamic banking institutions provide a wide range of products and services to satisfy customer demand for banking services compliant with the Sharia law. These involve corporate banking, investment banking, commercial financing, and general banking services for individuals. They offer funding for industrial sectors with Sharia-compliant financial products such as Murabaha, Mudaraba, Musharaka, Ijara, Musharaka Mutanaqisa , Bai Salam, Istisna , and AL-Wakala, as well as export financing facilities. They also offer deposit systems that enable customers to invest money through current accounts, savings accounts, term deposits, and various investment certificates. Furthermore, some Islamic banks offer investment services, such as financial advisory, private placement, syndicated loans, custody services, transfers (both domestic and international), online banking, and ATMs . (Saeed, 2014, p. 264)

1.5. Islamic Banks Objectives

Islamic banks seek to maximize legitimate benefits while adhering to the objectives and text of Sharia law. Fulfilling these benefits includes maximizing the profits of fund users (Berrabah, 2018, p. 10) . The objectives of Islamic banks can be summarized as follows (Bakhti, 2019, pp. 09-12) :

- Attracting and pooling surplus funds and mobilizing available resources within the country while enhancing savings awareness among individuals.
- Undertaking projects that contribute to job creation and promote economic and social prosperity by funding industrial and agricultural projects that play a crucial role in economic and social development.
- Attracting and increasing deposits to fight hoarding disrupts the growth of community wealth and preserves funds from loss and theft.
- Generating profits to ensure continuity and survival is a key indicator of the effectiveness of bank management in managing its assets.
- Offering distinguished and high-quality banking services to satisfy the current and future needs and desires of clients while attracting new customers, all within the framework of Sharia compliance.

- Establishing charitable projects, offering qard hasan (benevolent loans), and collecting and utilizing zakat funds in their designated areas to assist the poor, needy, students, and Islamic charitable organizations.

2. Islamic Banks and Their Relationship with Sustainable Development.

Sustainable development is a goal pursued by countries worldwide to transform societies and their components from their present state to a better one, especially in terms of living standards, reducing unemployment, and fulfilling high economic growth rates.

2.1. Concept and Dimensions of Sustainable Development

The term 'sustainable development' has been discussed in many books and articles with different, often competing, and sometimes contradictory definitions.

The United Nations Conference on Environment and Development (Earth Summit, 1992) defined sustainable development as the management of economic resources in a way that preserves or promotes resources and the environment, enabling future generations to live a better and more dignified life. (Shaheen, 2000, p. 17)

The World Bank defines sustainable development as focusing on fulfilling ongoing equity by ensuring that the same development opportunities are available for future generations by maintaining or continually increasing comprehensive capital over time. (Abdel Nasser Bouthalja, Miloud Bourahla, 2012, p. 224)

However, the commonly accepted definition comes from the 1997 report by the World Resources Institute (WRI), which defines sustainable development based on its integrated and interconnected dimensions (economic, social, environmental, and technological. (Tayel, 2006, p. 209)

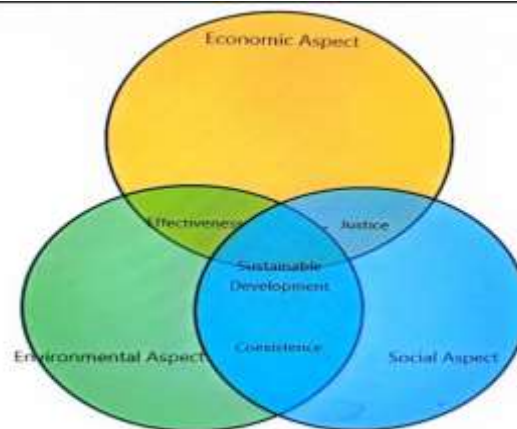
Economically, sustainable development in developed countries encompasses the reduction of energy and resource consumption. For developing countries, this means using resources to enhance living standards and reduce poverty.

Socially, sustainable development means striving for population stability and enhancing health and education services, particularly in rural areas.

Environmentally: This dimension focuses on preserving and maintaining the environment, handling natural resources responsibly, and employing them for the benefit of humanity without disrupting the environmental components of land, water, air, and the natural resources within them that contribute to the survival of humans, animals, and plants. (Bayazid, 2022, p. 279)

These dimensions are illustrated as follows:

Figure 01: Dimensions of Sustainable Development



Source: Khaled Hamrouni, Sustainable Development & SMEs: Introduction to the Concept of "Cleaner Production," First International Conference on Environmental Economics, Ourgla, 02/12/2007, 11

2.2. Sustainable Development Principles

The fundamental relationship between growth and the environment has determined the principles underlying the concept of sustainable development, as follows: (Ghonim, 2007, p. 30)

- Using a system approach to prepare and apply sustainable development plans is necessary. This is because the human environment is a subsystem of the entire system. Sustainable development seeks to fulfill a balance in the Earth's environment by maintaining the well-being of communities across economic, environmental, and social dimensions without adverse negative interactions between these aspects.
- Fulfilling sustainable development necessitates an appropriate form of decentralization that enables official, popular, and community bodies as well as the general population to participate in the preparation, application, and monitoring of development plans (public participation).
- Carefully setting priorities is necessary because of environmental problems and scarcity of natural resources. Priorities should be established, and remedial measures must be applied in stages. This plan should be based on a technical analysis of the health, productivity, and ecological impacts of environmental issues to determine problems that need to be addressed effectively.
- Maximizing the use of every monetary unit is essential, as most environmental policies, encompassing successful ones, are unjustifiably expensive. Emphasis has shifted towards cost-effectiveness. Efforts in different countries have demonstrated that advances in research can fulfill considerable accomplishments with limited resources, thus requiring a multidisciplinary approach. Environmental specialists and economists must work together to determine the least costly ways to address major environmental issues. (Maghraoua, 2017, p. 156)

2.3. Sustainable Development Objectives

Countries seek to fulfill a set of objectives through sustainable development, including (Amrani, 2015, pp. 47-48-49.):

- Improving the quality of life of populations through planning and applying development policies necessary for economic, social, psychological, and spiritual improvements.
- Focusing on the sensitive relationship between the natural environment and the built environment and working to develop this relationship into integration and harmony.
- Raising awareness among populations about existing environmental problems by promoting a sense of responsibility and encouraging active participation in identifying suitable solutions through involvement in sustainable development programs and projects.
- Ensuring rational exploitation and use of resources by establishing mechanisms and plans that preserve natural resources and prevent their depletion or destruction.
- Creating continuous and appropriate changes in community needs and priorities through methods that match available capabilities, enabling a balance that can activate economic development and address all environmental issues. The following diagram summarized the objectives of sustainable development.

Figure 02: Sustainable Development Goals



Source: International Arab Islamic Bank, 2021, p. 193.

2.4. The Role of Islamic Banks in Fulfilling Sustainable Development

Islamic banks play a crucial role by pooling and distributing their resources across several projects and programs in various sectors of the economy, especially the production sector, to contribute to sustainable economic and social development. This role can be outlined as follows:

2.4.1. Promoting Savings Awareness and its Significance

Islamic banks cater to individuals motivated by both non-profit- and profit-driven goals. They address the former by complying with ethical and community-oriented objectives, and the latter by offering profit in a

manner compliant with Sharia. Trust in these banks and their adherence to religious guidelines make them effective financial institutions, significantly contributing to funding several institutional projects and stimulating economic activity based on Sharia priorities. (Zaabat, 2014, p. 159)

2.4.2 Optimal Utilization of Available Financial Resources

Islamic banks provide a diverse range of funding structures and methods and offer the best options for project owners of various sizes. Unlike traditional banks, they necessitate fewer guarantees and finance projects after evaluating their economic viability and Sharia compliance. This approach ensures optimal resource allocation and contributes to a country's goals of sustainable economic and social development. (Nabil Bouflih, 2009, p. 14)

2.4.3. Linking Economic Development with Social Development

Islamic banking requires integrating both the material and spiritual aspects of human life. For instance, the provision of interest-free loans and contributions to Muslim marriages, among other social development activities, demonstrate this integration. Islamic banks not only connect economic and developmental aspects but also consider social development as a foundational component, ensuring that economic development fulfills its intended outcomes by respecting social dimensions. (Mahmoud Hussein Al-Wadi, 2007, p. 46)

2.4.4. Reducing Inflation and Maintaining Price Stability

It is well known that money multiplier or monetary expansion mainly occurs through lending operations, where the loan amount is deposited into the client's account, which can directly contribute to inflation. As Islamic banks do not engage in such operations, they do not directly contribute to inflation. Instead, their funding activities promote their economic stability by linking financing to real production. (Mahmoud Hussein Al-Wadi, 2007, p. 47)

2.4.5. Providing Zakat and its Effect on Employment and Production.

Islamic banks have established dedicated funds to collect and distribute zakat. Zakat plays a crucial role in affecting employment and economic activity, for employees and investment activities. It positively impacts employment and labor markets, supports credit and economic stability, and encourages skill development in halal investments and public welfare. This reflects the production and consumption patterns, which are economic indicators of sustainable development. (Al-Zaoui, 2017, p. 440)

3. Case Study of the Islamic International Arab Bank in Supporting the Economic Dimensions of Sustainable Development

3.1. Overview of Islamic International Arab Bank

In response to the rising demand for Islamic banking services locally and in Arab markets, the Islamic International Arab Bank was established as a public shareholding company under Companies Law No. 22 of 1997, and was registered under number 327 on March 30, 1997. The bank started its Sharia-compliant banking operations on February 9, 1998. Today, it is one of the most prominent Islamic financial institutions in Jordan and the region. (International Islamic Arab Bank)

3.2. Islamic Banking Products and Services Offered by the Islamic International Arab Bank

The bank offers a comprehensive set of products and services to individuals throughout the Kingdom through its branches, as follows (International Islamic Arab Bank):

- Accepting deposits and accounts in Jordanian Dinars and foreign currencies through various deposit accounts, savings and joint investment accounts, and private investment accounts.
- Direct financing to customers in areas such as Murabaha sales, a bargain (Musawamah) , Istisna'a, foreign exchange, operational and leasing (Ijarah) contracts ending in ownership, Al Musharakah, and Mudarabah, as well as investment agency services.
- Buying and selling foreign currencies, processing domestic and international money transfers, managing safety and handling company subscriptions.

3.3. The Role of the Islamic International Arab Bank in Attracting and Investing Deposits

Customer deposits are a significant source of funding for banks to finance their investment projects. An examination of the bank’s financial statements from 2010 to 2022 shows the following.

Table 1: Customer Deposits at Arab Islamic International Bank During 2010-2022
(Million Jordanian Dinars)

Statement	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Deposit Volume	961	1103	1188	1319	1526	1845	1872	1967	2134	2339	2521	2698	2785
Annual Growth Rate	—	%14	%07	%11	%12	%20	01%	05%	08%	09%	07%	07%	%03

Source: Prepared by the researchers based on the annual financial reports of Arab Islamic International Bank (2010-2022).

The above table demonstrates that the volume of deposits at the Islamic International Arab Bank has indicated consistent growth throughout the study period, although at varying rates. The bank fulfilled its highest deposit growth rate in 2015, with a 20% increase over 2014, amounting to 1,845 million Jordanian Dinars. However, this rate declined significantly in 2016 and 2017, with decreases of 1% and 5%, respectively. This decline was due to the overall economic conditions, which witnessed modest growth in several macroeconomic indicators during these two years, affecting the Jordanian banking sector as a whole, and the Islamic International Arab Bank in particular. The deposit growth rate started to rise again in subsequent years from 2018 to 2021, with rates ranging between 7% and 9%.

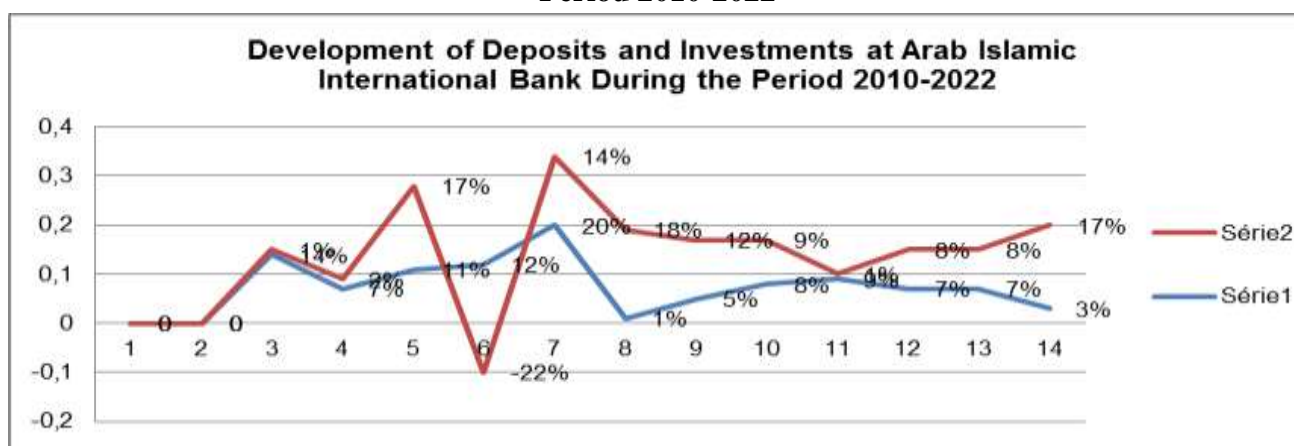
The Islamic International Arab Bank allocated a considerable portion of these deposits towards investments, which also witnessed continuous growth throughout the study period, except for 2014, which saw a 22% decrease in investment volume. Investments amounted to 981 million Jordanian Dinars, down from 1,266 million Jordanian Dinars, as indicated in the following table:

Table 02: Development of Investments in Arab Islamic International Bank During the Period 2010-2022
(Million Jordanian Dinars)

Statement	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
investments Volume	1038	1056	1082	1266	981	1121	1333	1496	1632	1650	1790	1943	2284
Annual Growth Rate	—	%01	%02	%17	%-22	%14	%18	%12	09%	01%	08%	08%	%17

Source: Prepared by the researchers based on the annual financial reports of Arab Islamic International Bank (2010-2022).

Figure 03: Development of Deposits and Investments at Arab Islamic International Bank during the Period 2010-2022



Source: Prepared by the researchers based on the previous tables.

3.4. Islamic Funding Instruments Offered by the Islamic International Arab Bank:

Diversification in funding instruments and methods is one of the key financial indicators that reflect how well the Islamic bank fulfills its objectives and contributes to economic development. The Islamic International Arab Bank provides a set of integrated banking and financial solutions that offer facilities for commercial companies and economic projects. These solutions encompass financing instruments that align with Islamic Sharia principles. By examining the financial data issued by the Islamic International Arab Bank, we have summarized the extent of the bank's diversification in its funding methods in the following table:

Table 03: Islamic Financing Instruments Provided by Arab Islamic International Bank During 2010-2022

(Million Jordanian Dinars)

Statement	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Murabaha	234	259.4	296.1	315.6	282.8	425.5	525.2	609.4	677.6	685.0	774.1	815.5	930.4
Mudaraba	7.4	3.8	3.3	4.0	80.	9.1	20.						
Istisna	6.7	7.1	8.8	10.9	14.1	12.7	12.5	16.2	19.1	16.7	15.5	11.6	12.8
Ijara	120.1	190.6	251.5	306.7	412.6	489.7	568.9	620.2	657.1	628.8	729.6	807.6	895.7
Musharaka	0.03	0.02	0.01	0.01									
Installment Visa cards				1.3	6.2	9.2	16.2	24.9	37.0	43.7	46.9	50.5	57.8
Jo'ala guarantees					1.1	1.5	1.9	2.2	4.6	6.5	8.5	11.0	14.2
Musawama	0.4	0.5	1.2	1.0	1.1	90.0	40.0	---	---		---		
Qardh al-hasan	0.5	0.5	3.9	3.0	1.2	1.0	2.8	2.1	3.9	5.0	6.0	7.9	8.1
Investments for clients	247.9	212.6	211.1	614.7	154.7	154.7	188.8	212.6	227.4	204.3	202.2	232.4	358.9
Self-investments	421.4	380.5	306.8	9.9	7.3	6.4	5.9	5.9	5.7	6.0	6.0	6.3	6.2
Customized commodity investment	163.7	147.6	191.4	163.5	135.5	122.9	118.1	121.7	206.6	294.9	244.5	189.9	192.5
Central bank agency investments						8.8	17.6	22.2	26.2	33.8	22.7	30.7	21.4
Customer pledges against documentary credits	17.0	22.7	20.9	22.4	27.2	22.5	22.9	25.7	20.6	309.0	25.9	32.1	33.0
Customer pledges in exchange for guarantees	14.3	16.9	30.1	31.6	38.2	50.5	55.0	56.5	55.4	39.2	29.1	35.5	39.4
Acceptances	6.4	7.6	6.5	10.3	8.7	8.2	9.7	5.8	8.7	13.2	6.9	17.9	10.2
Paid guarantee receivables					---						10.0	70.0	0.074

Source: Prepared by the researchers based on the annual financial reports of the International Arab Islamic Bank (2010-2022).

The table above indicates that there is a diversification in funding instruments by the bank under study. However, there is a greater emphasis on Murabaha financing, with the Islamic International Arab Bank providing Murabaha financing amounting to 930.4 million Jordanian Dinars in 2022, reflecting a 14% increase compared to 2021. This is followed by Ijarah, which has been approximately the same amount as Murabaha financing throughout the study period. The bank provided Ijarah financing amounting to 895.7 million Jordanian Dinars in 2022. Next are investments for clients, which exceeded 358.9 million Jordanian Dinars in 2022, and commodity investments, which were allocated 192.5 million Jordanian Dinars in the same year. Furthermore, the bank offers funding and services in the form of guarantees, documentary credits, Istisna, and Qard Hasan. This demonstrates that the bank follows a policy of diversification in its financing methods. However, it is observed that the bank has ceased financing through Mudarabah and Musharakah since 2016, and Musharakah financing has not been part of the bank's investment strategy since 2013.

3.5. Role of the Islamic International Arab Bank in Financing Economic Sectors:

Based on the analysis of data and annual financial reports issued by the Islamic International Arab Bank, we have summarized a table emphasizing the major sectors benefiting from the bank’s funding and specifying the share of each sector.

Table No. 04: Volume of Financing Provided to Economic Sectors at the International Arab Islamic Bank During the Period 2010-2022
(Million Jordanian Dinars)

Statement	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Industry and mining	34.7	55.5	50.4	53.5	66.4	70.5	66.1	82.6	125.5	110.0	122.6	124.9	138.9
Agriculture	11.1	15.8	8.8	16.3	17.4	20.5	25.6	22.8	31.7	22.2	28.2	39.7	48.9
Construction	1.5	124.6	205.2	280.2	357.1	406.5	462.8	511.2	503.8	565.6	629.4	738.9	810.8
General Trading	73.1	73.3	73.1	92.3	118.8	145.7	186.9	174.2	181.4	190.2	196.0	190.9	213.8
Transport services	7.6	6.0	8.5	7.0	8.0	8.7	10.1	9.1	7.4	5.8	5.7	4.4	7.1
Real Estate Financing	41.8	54.1	58.9	64.6	71.9	89.7	118.4	142.9	166.5	149.6	150.7	150.1	178.2
Car financing	34.7	40.9	90.1	84.7	124.2	157.8	202.6	244.4	262.5	265.5	202.4	333.4	379.3
Consumer Goods Financing	12.3	82.2	23.6	23.6	26.0	21.5	20.4	21.2	18.3	10.9	11.4	8.2	10.9
Other purposes	30.9	9.49	45.0	19.2	28.8	29.0	25.9	68.4	101.9	109.4	112.0	113.6	131.1

Source: Prepared by the researchers based on the annual financial reports of the International Arab Islamic Bank (2010-2022).

Table 05: Average and Rate of Economic Sector Financing at Arab Islamic International Bank during 2010-2022
 (Million Jordanian Dinars)

Statement	Industry and mining	Agriculture	Construction	General Trading	Transport Services	Real Estate Financing	Car financing	Consumer goods financing	Other Purposes
Average employment	96.07	26.01	509.41	173.01	7.4	129.97	224.1	17.23	73.62
Employment rate	6.65%	0.18%	35.28%	26.53%	0.51%	9.00%	15.52%	1.19%	5.10%

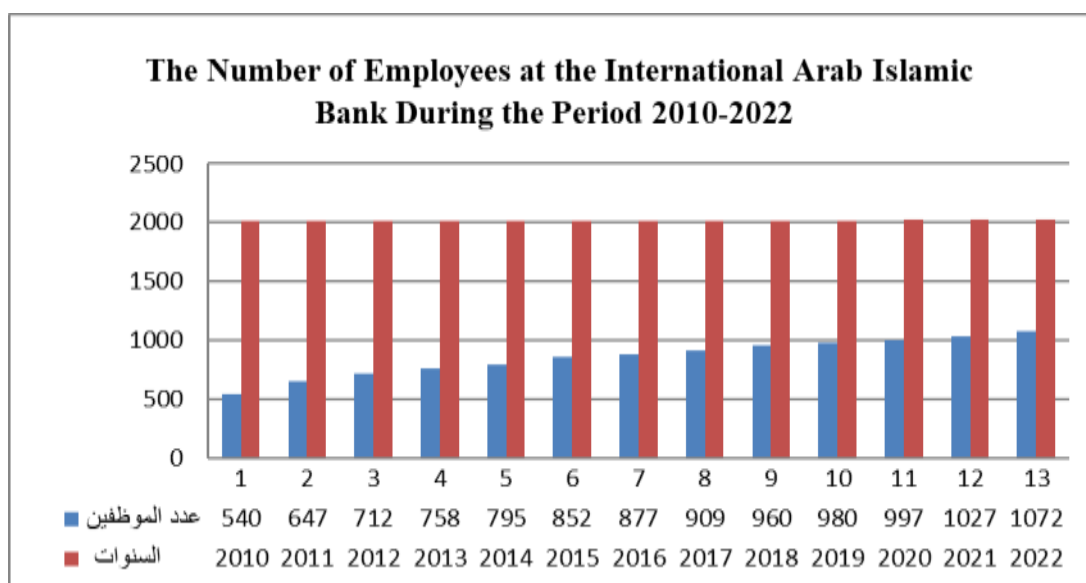
Source: Prepared by the researchers based on the data from Table 03.

The previous two tables indicate that the Islamic International Arab Bank allocated the largest portion of its financing to the construction and general trade sectors, with percentages of 35.28% and 26.53%, respectively. The bank allocated 15.52% of the total financing to automobile financing, followed by 9% for real estate purchases and 6.65% for the industrial and mining sectors. Furthermore, the bank directed 5.10% of the total financing to other economic sectors. In contrast, the consumer goods sector, transportation services, and agriculture received the smallest percentages of total financing, with 1.19% for consumer goods, 0.51% for transportation services, and 0.18% for agriculture.

3.6. Role of the Islamic International Arab Bank in Employment:

Unemployment is one of the most prominent issues encountered the economies of Arab countries. Thus, we will address the extent of the Islamic International Arab Bank's contribution to offering job opportunities for citizens during the period 2010-2022, as illustrated in the following chart:

Figure No. 04: Development of the Number of Employees at the International Arab Islamic Bank During the Period 2010-2022



Source: Prepared by the researchers based on the annual financial reports of the International Arab Islamic Bank (2010-2022)

The above chart illustrates a rise in banks' workforce throughout the study period. The number of employees was estimated to be 540 in 2010 and increased to 1,072 by 2022, reflecting a growth rate of 98.51%. This increase is attributed to the bank's expansion, growth, and increase in branches, indicating the bank's contribution and positive effect on employment, a crucial element of economic development.

Conclusion

Sustainable development has become an economic necessity for countries due to its focus on meeting present needs without compromising future requirements. It relies on a balance of economic and social considerations. Islamic banks are among the most prominent financial institutions capable of fulfilling sustainable development in all its dimensions because of their adherence to Sharia principles and the diverse range of funding methods they use. This enables them to simultaneously fulfill several economic, social, and environmental goals.

From our study on the role of Islamic banks in fulfilling sustainable development through the economic dimension and referring to the experience of the Arab Islamic International Bank, we have reached the following conclusions:

- Sustainable development is an integrated goal sought at enhancing human quality of life economically and socially.
- The avoidance of interest and the effective investment of available resources by Islamic banks significantly contribute to promoting the economic objectives of sustainable development.
- Financial data from the Arab Islamic International Bank's annual reports indicate continuous growth in deposits and savings, enabling it to fund several economic sectors.
- The Arab Islamic International Bank provides a variety of funding methods (Murabaha, Istisna, Ijarah, Qard Hassan, documentary credits, guarantees, etc.) that offer financial solutions for commercial enterprises and economic projects, directly supporting the economic dimension of sustainable development.
- The expansion of the Arab Islamic International Bank and the increase in the number of its branches have contributed to job creation and reduced unemployment rates in the Jordanian economy.

Recommendations

- Promoting closer cooperation and joint efforts between Arab and Islamic countries to develop Islamic banking systems to address the challenges of sustainable development.
- Fostering awareness of the nature of Islamic banks and clarify their developmental objectives as principles to support and promote sustainable development.
- Islamic banks can improve their role in fulfilling sustainable development through the economic dimension by employing investment-based financing methods.

- Organize conferences and scientific seminars focusing on the subject of Islamic banks and sustainable development and benefit from pioneering experiences in this domain.

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