Islamic Capital Market Research in Scopus Indexed Journals Q1: A Review

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This study tries to review the research around Islamic stock and Islamic capital market on reputable journals. It uses descriptive statistical analysis based on selected 88 article publications or papers related to Islamic stock, with international journals indexed by Scopus Q1. The entire sample journal publications have been published for ten years from 2009 to 2019. The results show that Islamic stock and capital market research is still dominated by empirical research (90%) rather than concept research (10%). In addition, the average time of journal publication is between 8 and 9 months. There are at least 17 Q1 Scopus journals that publish Islamic capital market and the most research with Pacific Basin Finance Journal, Journal of Business Ethics, Journal of Economic Behavior & Organization, Journal of International Financial Markets, Institutions & Money, Journal of Corporate Finance, and Journal of Banking and Finance. Furthermore, the comparison of quantitative research (88%) is still more than the qualitative approach (12%).

Keywords: Islamic capital market; Scopus Q1 journal; Bibliometric
INTRODUCTION

Currently, the Islamic financial economy is experiencing euphoria, both in developing countries, and even in developed countries. The financial industry and other forms of Islamic economic institutions are growing all over the world, from the Middle East, Asian regions to Western countries such as the UK. In Indonesia, the Islamic economy has largely manifested into the Islamic financial industry, especially Islamic banks, which also became the most marketable entity after the 1997 monetary crisis (Rusydiana et al, 2009).

If we use critical glasses, then there are things that deserve our attention. The development of Islamic economies at the practical level has not been matched by the development of Islamic economics on the theoretical side. In fact, as a science, Islamic economics should also not only need to be transformed into a practical-implmentative level but must also be accompanied by developments on the academic-theoretical side. Both must go hand in hand. Not then one runs and the other runs in place. And based on this argument, research on the scientific development of Islamic Economics is very important.

Karim (2007) classifies the thought of contemporary Muslim economists into three schools, namely the Baqir as-Sadr school, the Mainstream school and the Alternative-Critical school. The Baqir as-Sadr school argues that economics never goes with Islam, so according to them the term Islamic economics is inappropriate and wrong, instead offered a term derived from Islamic philosophy, namely iqtishad. In contrast to the Baqir as-Sadr school, the Mainstream school is a school that still uses conventional economic theories and sanctifies them (Abdalloh 2010). The Alternative-Critical school according to Karim (2007) is a critical school and they have the belief that Islam must be true, but Islamic economics is not necessarily true because Islamic economics is the result of human interpretation of the Qur'an and Sunnah, so the value of the truth is not absolute.

Until now, according to Abdalloh (2010), the development of capital markets that run parallel between conventional and Islamic is evidence that the Mainstream school approach is used in many countries. Thus, in these countries, a special body (Shariah Supervisory Board - SSB) was established to legalize all financial activities to comply with the principles of sharia. In Indonesia, the task of supervising all financial activities to be in accordance with sharia principles is carried out by DSN-MUI.

The sharia-compliant capital market is an integral part of the sharia-compliant financial system. Therefore, the basic principles of sharia that underlie every activity in the capital market that meets sharia criteria must refer to the basic principles of sharia that underlie the financial system that meets sharia criteria.

According to Narayan and Phan (2017), the Islamic finance industry after Islamic banking that has become the object of much research is the field of capital markets along with Islamic stocks. This area is a field that is quite widely researched by academics and Islamic finance researchers around the world. However, in its development, it is still rare to find writings that map research in the field of Islamic capital markets and Islamic stocks. In fact, this meta-analysis needs to be done so that we know where this research has been done.

From this background, the author is interested in discussing the development of research related to Islamic stocks as well as the Islamic capital market over the past 10 years (2009-2019). Some of the benefits that can be obtained from this research are knowing how far the portrait of the development of Islamic stock research in the world, especially those included in Scopus journal publications with Q1 criteria or the best journal categories.

Based on the background described above, the problem formulation in this study is as follows. First, what are the areas of study on Islamic stocks and Islamic capital markets and what is the percentage in Q1 scopus indexed journal publications. Furthermore, in terms of research methodology approach, what is the composition of research related to Islamic stocks in general. Then what is the percentage of the number of publications, type of research, research approach, subject matter and area of study on Islamic stocks over the past 10 years (2009-2019). These are some of the questions this research will try to answer.

LITERATURE REVIEW

Islamic Capital Market

In the concept of economic growth, the Islamic Capital Market has an important role in the economic development of a country. In general, the Islamic Capital Market has two benefits. First, it provides a source of financing for the business world in the long term and uses it optimally to expand the company. Second, it is a means or a place for the community to carry out various forms of investment instruments, be it mutual funds, stocks and others according to sharia principles.
The definition of conventional capital markets is still general, because it still does not touch the aspect of whether the form of transactions carried out or the securities traded are halal or haram. In general, Islamic capital market activities run parallel to conventional capital markets. Therefore, the concept that is currently developing is a model that uses a sharia supervision institution (Islamic Supervisory Board) as an integral part of Islamic capital market activities. Thus, according to Burhanuddin (2009), capital market activities that are carried out based on sharia principles can be referred to as Islamic capital markets, and what is meant by sharia principles in the capital market are the principles of Islamic law in capital market activities.

Abdalloh (2010) defines the Islamic capital market as a capital market that uses sharia values as the basis for conducting all trading activities, and all variables supporting the creation of the capital market must meet sharia criteria. So, a capital market can be said to be sharia-based if the transaction mechanism, buyers, sellers, prices or values and goods or services have met sharia criteria (sharia compliant).

Literature studies related to the theme of Islamic capital markets and Islamic stocks are the most research issues after the Islamic banking industry. Some of the issues that have become research materials are related to asset pricing, Islamic stock markets and Islamic financial market interactions. For example, for the theme of asset pricing, research that has been carried out is research by Shafron (2018), Narayan et al (2016), and Zaremba et al (2018). While related to the Islamic stock market, some research has been conducted by Azmat et al (2015), Azmar et al (2014), and Naifar et al (2016). As for the interaction of capital markets and Islamic finance, research that can be referred to includes research by Rizvi et al (2015), Kenourgios et al (2016), Alaoui et al (2015) and Alexakis et al (2016).

RESEARCH METHODS

This study uses data in the form of research journals during the 2009-2019 period that have been published and indexed by Scopus Q1 related to the capital market area and Islamic stocks. These journals can be obtained or accessed online from published journals. The methodology used in this research is, 1) a qualitative method approach with descriptive statistics of literature studies on 97 Scopus Q1 indexed journals and research on Islamic stocks. Qualitative research method is a research method based on the philosophy of postpositivism used to research on natural object conditions, (as opposed to experiments) where the researcher is the key instrument, data collection techniques are triangulated (combined), data analysis is inductive / qualitative, and qualitative research results emphasize meaning rather than generalization (Sugiyono: 2008).

Qualitative research is descriptive. The data analyzed is not to accept or reject hypotheses (if any). The results of the analysis are in the form of a description of the symptoms observed and do not have to be in the form of numbers or coefficients between variables (Subana and Sudrajat: 2005). According to Wijaya (2013), descriptive statistics is a field of statistics that studies ways of collecting, compiling and summarizing research data. The data must be summarized properly and regularly, either in the form of tables or graphical presentations, as a basis for various decision making (Wijaya: 2013). This research was processed using Ms. Excel.

This research uses a purposive non-probability sampling method. Purposive samples are samples that have the aim of understanding certain information. This sample can be grouped into decision samples (judgment) which select sample members according to certain criteria on the basis of past records or research objectives to be achieved, and quota samples, where the sample is selected based on a certain quota or category, selecting respondents for certain relevant characteristics that describe the dimensions (proportions) of the population (Wijaya: 2013). The criteria referred to in this study are 97 journal publications related to Islamic stocks and Islamic capital markets from 2009-2019. Research using bibliometric approach for the example can be seen at Puspita & Devi (2023), Maulida (2023), Rusydiana & Kanz (2023), Putri (2023), and also study conducted by Puspita (2023).

ANALYSIS AND DISCUSSION

Number of Periodical Articles

This section presents the number of journal publications from 2009 to 2019. There are 97 journals published and indexed by Scopus with Q1 cluster related to Islamic Capital Market from the last 10 years of observation. Figure 1 explains the distribution of journal articles per year which shows the number of published journals varies from 2009 to 2019 with a range of 1 to 42. The most journal publications related to the Islamic Capital Market were in 2017 (43%). While the fewest journal publications were in 2009 and 2011 (1% each).
There is an increasing trend in the number of articles published on the theme of Islamic Capital Market in Scopus Q1 journals. In 2009 and 2011 there was only 1 article published and indexed by Scopus with Q1 cluster. Furthermore, in 2014 it increased to 8 articles (8%) and 2015 to 9 articles (9%). The highest increase in the number of articles occurred in 2017, namely 42 articles (43%), from previously in 2016 only 13 articles (13%). However, there was a decrease in the number of articles in 2019 to 4 articles (4%), from 19 articles (20%) in 2018. The sample collection of journal articles in this study is until February 2019.

**NUMBER OF ARTICLES (PER YEAR)**

![Number of published articles per year](image)

Figure 1. Number of published articles per year

There is something interesting about the publication of Islamic Capital Market-themed articles in Scopus Q1 journal publications in relation to the title of research articles. From a total of 97 articles, there are 22 article publications with titles in the form of questions or about 23% of the total journals observed. The title in the form of a question either stands alone or is the second sentence/explanation in the title of the article.

Meanwhile, the shortest title is an article written by Chen et.al (2016), which discusses the relationship between the level of religiosity and a person's interest in credit loans, entitled "Religiosity and The Cost of Debt". The article with the relatively longest title is research conducted by Mensi et.al (2017) with the title "Dynamic risk spillovers between gold, oil prices and conventional, sustainability and Islamic equity aggregates and sectors with portfolio implications". This article discusses, analyze and also elaborate the correlation of risk exposure of gold, crude oil prices and conventional Dow Jones, sustainability and Islamic stock index aggregates with portfolio implications.

**Research Approach (Quanti-Qualitative) Publication Article**

According to Punch (2013), there are three types of research approaches: qualitative approach, quantitative approach, and mixed method approach. In this paper, Islamic Capital Market articles published in Scopus Q1 journals are only divided into two categories: quantitative and qualitative. Figure 2 shows the research methods used by each published journal over the past 10 years. In this observation, the most commonly used research approach is the quantitative approach with a total of 85 articles or 88%. Meanwhile, the number of articles published with a qualitative approach was 12 articles or only 12%.
Based on the "nature of research" according to Zulkhibri's classification (2018), the amount of conceptual research is much less than empirical research, with a ratio of 10% and 90%. Conceptual research consists of descriptive qualitative research and some mathematical modeling, while the majority of empirical research uses quantitative approaches and empirical data from Islamic Capital Markets in several countries.

Regarding the type of quantitative research methodology used in the observed journal publications, the most widely used methods are as follows: Ordinary Least Square method (30%), logistic regression method (logit, probit and tobit) (10%), Generalized autoregressive conditional heteroskedasticity/GARCH (9%), mathematical modeling (7%), panel regression (6%), Generalized Method Moment/GMM (3%), and others.


Apart from studies with quantitative approaches, there are 12 articles (12%) that use qualitative methods in their research. Some of these qualitative approaches include: descriptive (Bouslama 2015, Ebrahim et al. 2017, Abdelzaher et al. 2017, Mbengue 2017, Spalding 2014, Gumusay 2014), conceptual framework research (Artis 2015, Ullah et al. 2016, Ebrahim et al. 2016), literature review (Kirkebogolli et al. 2015), Mann Whitney (Riener 2015), and descriptive statistics (Narayan 2016, Chen 2016).

The publication areas of the 97 selected Islamic Capital Market journals vary, namely there are 14 journals. In this study, Pacific Basin Finance Journal (PBFJ) became the most journals in publishing Scopus Q1 articles related to Islamic Capital Market research with 30 articles, followed by Journal of Business Ethics (17 articles), Journal of Economic Behavior & Organization (12 articles), Journal of International Financial Markets, Institutions & Money (12 articles),
Journal of Corporate Finance (8 articles), and Journal of Banking and Finance (5 articles).

Beyond this list, there are several scientific journals that publish research related to Islamic economics and finance included in Q1 scopus journals under 5 articles, namely: Emerging Markets Review and Research in International Business and Finance (4 articles each), Energy Economics and Journal of Financial Services Research (3 articles each), and International Economics, International Journal of Energy Economics and Policy, Journal of Comparative Economics, Journal of Development Economics (1 article each).

The majority of the 14 journals are publications from Elsevier. As we know, the international publication agency Elsevier has its headquarters in the Netherlands. Meanwhile, outside Elsevier there are journals included in the Springer publication list which has a base in Germany. Apart from these two publishers, there is no other publication list included in Scopus Q1 for articles on the theme of Islamic economics and finance such as Emerald (UK), Thomson Reuters (Canada), Wiley and ProQuest (USA) as well as Taylor & Francis (UK).

Bibliometric Map of Islamic Capital Market Research by Keyword

From the search results through the Scopus database, 97 documents on the development of research results on the Islamic capital market were obtained, then the documents were exported to .txt format, inputted and analyzed with VOSViewer, the following results were obtained.

Co-word Map overlay visualization

The results of the network visualization of the co-word map of the development of research on Islamic capital markets are divided into 35 topics as shown in Figure 3 below. These topics are commercial contract, index futures market, creation, hidden co integration, eco Islam, Islamic stock, diversified portfolio, market risk, evolution, empirical evidence, agency cost, asymmetric impact, Asian Islamic equity index, earnings quality, manager, family firm risk, cost, new paradigm, hajj pilgrimage, investor choice, volatility, field experiment, herding, firm, fatwa repositioning, delta covar, Islamic perspective, commodity, difference, gharar, absorption, constraint, fast profit, study, and conceptual approach. The most discussed topics in the article are 7 topics, namely Islamic stock, firm, cost, Islamic perspective, volatility, market risk, and constraints.

![Figure 3. Visualization of the network map of research on Islamic capital markets](image-url)
Density Map Visualization Co-Author

The cluster density view, represents items (labels) that are marked the same as the visible items. Each item point has a color that depends on the density of the item at that time. This identifies that the color of a point on the map depends on the number of items associated with other items. This section is very useful to get an idea of the general structure of the bibliometric map by paying attention to the items that are considered important to analyze. Through this worksheet, we can interpret the most used keywords in a publication. The visualization of the co-author density map of the development of research on Islamic capital markets can be seen in Figure 4.

Figure 4 shows the density map which is the result of an analysis that uses all research development articles on Islamic capital markets. The authors who wrote the most articles are Paresh Kumar Narayan, Dinh Hoang Bach Phan, Aziz Jafar, M. Shahid Ebrahim, Shawkat Hammoudeh, Dawood Ashraf, M. Kabir Hassan, and Obiyathulla Ismath Bacha.

Research Findings

There are several important findings related to this research. Analysis of 97 journal publications related to Islamic Capital Market studies from 2009 to 2019 or for the last 10 years in scopus indexed journal publications Q1 criteria are as follows:

- There is a diversity of journal discussions related to the Islamic Capital Market published in reputable international journals. The highest number of publications was in 2017 with 42 articles out of 97 samples. There is an increasing trend in the number of articles published on the theme of Islamic Capital Market in Scopus Q1 journals from 2009 to 2019.
- Generally, the use of empirical research approaches to answer the phenomenon of Islamic Capital Market research in a particular country still dominates the research method, namely 87 articles (90%) of 97 sample journal articles. While the conceptual research approach is only 10 articles (10%).
- In general, out of 97 journal publications, the use of quantitative approach methods in discussing Islamic Capital Market research is 85 journal articles (88%), while the qualitative method approach only amounts to 12 articles (12%).
- Another research finding is that the average time for receiving articles from a total sample of 97 journal articles published from the time of submission until the paper is accepted is around 8.8 months or 8-9 months with the fastest period of 1 month and the longest period of 24 months.
CONCLUSION

The focus of this research is to try to find out the extent of the portrait of the development of Islamic capital markets in the world, especially those included in Scopus journal publications with Q1 criteria or the best journal categories. The results show that there is an increasing trend in the number of Islamic capital market publication articles, especially in Scopus Q1 journals during the period 2009-2019 or the last 10 years.

The comparison of quantitative research methods is still more dominant than the qualitative approach. The number of empirical research is far more than conceptual research. This is a potential for the future to increase further research on the Islamic capital market using different methods and perspectives.

In this study, the top 5 journals with the most Islamic capital market publication articles in Scopus index journals Q1 are: Pacific Basin Finance Journal, Journal of Business Ethics, Journal of Economic Behavior & Organization, Journal of International Financial Markets, Institutions & Money, and Journal of Corporate Finance. All of these journals are publications of the international publishing house Elsevier.

According to Narayan and Pahn (2017), there are several 'room for improvement' for future research on Islamic economics and finance. These potential developments include: (1) The need to focus on new research areas including the completeness of research data sets, (2) The need for economic significance of research statistical results, (3) The importance of conducting research that explores new formulations and hypotheses and (4) The need for strengthening in terms of 'robustness tests' of research findings.

REFERENCES


