

Corporate Social Responsibility of Islamic Banks: Analysis of the Jordan Islamic Bank Experience

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Abstract

This study aims at highlighting the meaning of the concept of corporate social responsibility in the Islamic banks, and discussing the degree of interest of Islamic banks to practice social responsibility, besides analyzing the Jordan Islamic Bank experience in the field of social responsibility as a case study.

This study and based on documented sources of reports and studies will identify the variables associated with the problem of the study, and then will try to answer its questions for achieving its objectives in the four divisions: the concept of corporate social responsibility of the Islamic Economics, the different aspects of the Islamic banks social responsibility, the trends of applications of social responsibility in the Islamic banks, and finally presenting with evidences, the Jordan Islamic Bank experience - as a model - for the detection of the most important achievements in the field of social responsibility in the Islamic Banks.

1.1 Introduction

Funding economic literature indicates the important role played by banks in stimulating the growth of their quest to perform the functions of financial intermediation and mobilization of savings; and direct them to the business sector according to the needs of investment in order to achieve efficient allocation of resources, and reduce of course to risks. In this context, Islamic banks have emerged as financial institutions that takes (Islamic Sharia) in their dealings. Despite the novelty of the experience of Islamic banks, and the difficulties and obstacles facing the Islamic banking industry, they were able to achieve successes that have enabled them to develop and grow in a short period of time.

Islamic banking industry has become a professional industry, enabling many institutions to achieve profitable growth and to respond to the needs of their customers. Islamic financial institutions are more than 300 institutions worldwide, as the report issued by the Foundation Services of Islamic banks in London in January 2011 that the market for Islamic banking in the world rose from 531 billion dollars at the end of 2010 to 729 billion dollars at the end 2012, a growth rate of 37% (International Financial Services London, 2008).

Hence, this expansion of the Islamic finance industry is not a complete success, as long as the industry does not care enough attention to what is known today as social responsibility, Islamic Banks must not seek to achieve a return only to satisfy the wishes of the shareholders, but must also take into account the needs and desires of employees, customers and the community, which carries a social responsibility necessitates including the exercise of certain activities, and provide some of the services which refers to its response to the hopes and aspirations of the society.

1.2 problem of the Study

The research problem lies in the interest of the Islamic banks to carry out its social responsibility towards various stakeholders, and in order to clarify this problem the study can raise these following questions:

1. What does the concept of the corporate social responsibility means in the Islamic Economics?
2. What does the concept of the corporate social responsibility means to the Islamic Banks?
3. What are the most important areas of s corporate social responsibility for Islamic banks?
4. What is the degree of interest in the possibility of the applying of corporate social responsibility in the Islamic banks?
5. What are the corporate social responsibility development applications in the Islamic Bank?

1.3 importance of the Study

Corporate social responsibility is one of the most important topics that provoked the ire of economic researchers; because of its significant effects on the society on one hand, and on the financial environment on the other hand, making an urgent need to study the importance of researches reflected in the reference to the concept of social responsibility of Islamic banks. Besides that, and in the same context to highlight the Islamic Bank development stages in adopting the various aspects of social responsibility so as to contribute in offering awareness for those in charge, and especially for the banking feasibility in practicing corporate social responsibility.

1.4 Objectives of the Study

This study aims at:

- Highlighting the meaning of the concept of corporate social responsibility in the Islamic banks.
- Discussing the degree of interest of Islamic banks to practice corporate social responsibility.
- analyzing the Jordan Islamic Bank experience in the field of corporate social responsibility

1.5 Research Methodology

This study adopts the descriptive analytical method based on documented sources of reports and studies published that dealt with aspects of the subject of the study, in order to identify variables associated with the problem of the study, and to answer its questions for achieving its objectives. Therefore, and to reach the objectives, and to answer the questions of the study, it was divided into four dimensions:

1. Discussing the concept of corporate social responsibility of the Islamic Economics.
2. Analyzing the different aspects of the Islamic banks corporate social responsibility.
3. Discussing trends of application of the corporate social responsibility in the Islamic banks.
4. Presenting the Jordan Islamic Bank experience - as a model - for the detection of the most important achievements in the field of corporate social responsibility.

1.6 Literature Review

1.6.1 Corporate social responsibility concept in the Islamic Economics

Islam have a great interest in protecting the elements of power in the community, and devoted to savings culture and rationality in the management of economic resources of the nation and to maintain the public interest and the private interest of preservation of the rights of future generations.

As devoted scholars of these principles within the rules of jurisprudence and public purposes of the college of Islamic law, which focused on keeping religion and psychology, money, supply and mind.

the general principles of Islam economy derived from its rules assures that money and wealth are for God and the community in which the individual lives in has a right in this money, for using it to achieve its interests first and second for his favor. Among the most prominent is evidenced by the legislation based on the verse, "Give not unto the foolish (what is in) your (keeping of their) wealth, which Allah hath given you to maintain; but feed and clothe them from it, and speak kindly unto them" (An-Nisâ, 5), and besides giving a share for the orphans as verse (6) says: "Prove orphans till they reach the marriageable age; then, if ye find them of sound judgment, deliver over unto them their fortune; and devour it not squandering and in haste lest they should grow up. Whoso (of the guardians) is rich, let him abstain generously (from taking of the property of orphans); and whoso is poor let him take thereof in reason (for his guardianship). And when ye deliver up their fortune unto orphans, have (the transaction) witnessed in their presence. Allah sufficeth as a Reckoner" (An-Nisâ, 6), which emphasize the right of the orphan in the disposition of wealth, which shows the priority of the group over the individual to dispose money in order to preserve the society from damage and loss and misuse, and of course protect the owner of the money and his creditors from the consequences. Without that overlook as called for by the tolerant law of social solidarity and cooperation on land and ways to goodness truth is illustrated in verse (6), "but help ye one another unto righteousness and pious duty. Help not one another unto sin and transgression, but keep your duty to Allah. Lo! Allah is severe in punishment" (Al-Mâ'idah, 6), such examples are: the building of mosques and the reconstruction and construction of hospitals, charities ... etc.

1.6.2 The concept of corporate social responsibility in the Islamic banks

1.6.2.1 Corporate Social Responsibility "CSR"

The success of the contemporary Islamic banking and finance movement owes much to the contribution and patronage of Sheikh Saleh Kamel, the founder of Al Baraka Banking Group. Although the Group is young as a single legal entity, its antecedents go back to the late 1960s, when Sheikh Kamel directed the devising of Islamic contracts for use in his business operations when dealing with conventional banks (there being no Islamic banks in existence at that time), which was his preferred route for doing business with them. This early insistence on strict adherence to fundamental Islamic principles was then quickly overtaken by the next stage of development when, in the early 1970s, Sheikh Kamel oversaw the establishment across the Arab world of a series of Islamic financial institutions bearing the Al Baraka name. Today, Al Baraka Banking Group brings together under one unified grouping the accumulated experience of 10 banks delivering Islamic products and services over three decades. We at Al Baraka Group are proud to look back on this heritage, whilst at the same time we keenly look

forward to the next stage in our development, as we gradually expand into new regions and new markets and build a wider customer base.

As members of a banking group founded on Islamic principles and values, we at Al Baraka Group believe that we have a particular obligation to society, through patronage and sponsorship of educational and social projects, to enhance the living conditions and quality of life of needful individuals in the local communities of which we are part. In meeting this commitment to society we make all possible effort to apply one of the important philosophical pillars of Islamic banking: the concept of "construction of land", which means adding tangible value to assets. This concept has a direct relevance to the development of society and its social and economic progress and we seek to apply it through active investment mediation, which complements real and value-added production, and through the exchange of commodities and services, which enables us to offer practical alternatives to those financial intermediaries that provide no benefit to society at large.

The interest in corporate social responsibility in the Islamic economic system is a moral imperative inherent, and not the capitalist system. This is based on the originality that the ownership of the money in the Islamic perspective is for God Almighty, and therefore the Almighty God has the right of the money, and the right of the Islamic concept of God ownership is a right for the community.

Under this reference, Islamic banks work to achieve a serious development in accordance with the law of God. Therefore, the sense of corporate social responsibility in the Islamic banks is issued by the faith of its members, and their responsibility in achieving the objectives ordered by God and by facilitating the use of money to employ them in the service of the individuals and the society. This reflects the characteristics of the Islamic banks and foundations that are governing their activities and operations and the distinct nature of their social responsibilities, which in turn is characterized by other organizations.

From this perspective corporate social responsibility in Islamic banks can be defined as "the commitment of the Islamic Bank to participate in some activities, programs and social ideas to meet the social requirements in order to please God and work to achieve progress and social consciousness of individuals taking into account the balance and fairness concern for the interests of various its categories" (Mograbi, 2004).

And also defined as "the commitment of a devotional moral system based on the organizers impact of the Islamic banks managements to contribute to the formation and to the improve and protect the welfare of the society as a whole and take care of the interests and social goals of its members through the formulation of procedures and activation methods connected to it, in order to satisfy God, and contribute in the solidarity, cooperation and progress of social awareness, and also to achieve comprehensive development" (Ayash, 2010).

From this, it's clear that the previous definitions of corporate social responsibility in the Islamic Bank built on four main pillars, which are:

- 1- Commissioning of responsibility: This indicates that the source of the commissioning is God, and that through his approach and laws enact the commitment of the slaves (all people) in all their transactions. The importance of this approach leads at the Islamic Banks into the followings:
 - The unity of source and the stability of orders will improve commitment in all various destinations.
 - Clarifying how to conduct bank transactions in various fields and activities.
 - The achievement of justice and balance between the various groups associated with the bank.
 - The clarity of the penalties corresponding to the work of the Islamic Banks, therefore, the commissioning of the consequent "penalty" is related to the tasks.
- 2- Motivation and commitment to the principles of applications: The Islamic bank is committed to accept and to mandate entrusted with the performance and commitment to its social role in the community, by fulfilling its social responsibilities in different areas, whether inside or outside the bank, by the commitment to the consequent areas of social responsibility. The motivation of the Islamic Bank's commitment to social responsibility adopted to realize the Bank's shareholders and employees by the goals and objectives set by God trading rules, and that in their desire to make a profit and revenue in light of the physical commitment to the God's plan for His slaves.
- 3- Areas of corporate social responsibility: Islamic Banks multiple relationships elements with its different nature with individuals, groups of public and private organizations, and governmental and international organizations, are not just payable and indebtedness relations only, such relations are governing the activities and services of traditional banks, but they are based on the principle of participation and Islamic speculation, thus widening the circle of mutual influence between Islamic Banks and the surrounding environment is a must, therefore Islamic banks should be working on:

- A- Providing fund for individual, investors and the communities in which it operates, including, for example, participation and speculation, trade and direct investment, which leads to:
 - Contribute in solving problems in the society, such as housing, food security, transport and communications.
 - Providing employment opportunities.
 - Moving the circulation of wealth and redistribution a head by functioning capital and labor.
 - B- Mating the two elements of capital and labor, and thus purification financial transactions and investment of usury and all that is forbidden in financial and commercial transactions and encourage labor earning wife, which would contribute to the elimination of unemployment.
 - C- Contribute in strengthening the social environment of Muslim community with attention to social justice, and through a variety of methods and means such as:
 - Avoiding religiously forbidden transactions.
 - Collecting Zakat, and spending it in legitimate ways.
 - Granting interest-free loans, with attention to small industries and crafts.
 - D- The enrichment of Islamic culture thought out raising the awareness among members of the banking community, especially in the jurisprudence of transactions, and through publication like books, periodicals, and through seminars and conferences that serve this purpose.
 - E- Attracting the money that was locked off in the hands of those who don't want to deal with Riba.
- 4- Evaluation and penalty: The penalty will be based on the extent of the commitment of the Islamic Bank in fulfilling its responsibility, and to adopt a social approach which plans the commissioning source.

1.6.3 Trends of corporate social responsibility in the Islamic financial institutions

Corporate social responsibility is one of the most important areas of interest in the Islamic banks, as it is the bridge that leads from which Islamic banks and duty to the community to participate in the fight against poverty, and the distribution of wealth; to contribute in the dissemination of justice. Islamic banks used several products to fulfill their social responsibility, such as donations and loan financing, besides financing the health services and the instruction sector, and supporting charities, and religiously gathering and distributing Zakat.

Social services are a moral duty, but also a means to improve productivity and maximize profits. Scientific research has shown that most banks are taking more attention to their sensitivity to their social environment, which has been able to be more profitable in the long term.

Islamic financial institutions recently engaged processes that operate plans and programs to develop products in line with the modern concept of social responsibility. Although the nature of the charity still dominates many of these practices are recorded; these trends can be summarized, but are not limited to:

- The establishment of funds for charity and public welfare.
- Establishing and managing the Zakat funds.
- Fund-raising campaigns for social solidarity and care for orphans, older people and people with special needs.
- Financing programs, educational institutions, and hospitals of social nature.
- Distribute aid, and feed the fasting in Ramadan.
- Funding programs to preserve environment.

1.7 The Jordan Islamic Bank (JIB) experience in the field of corporate social responsibility

1.7.1 The Jordan Islamic (JIB)

Jordan Islamic Bank was established in 1978, as a public shareholding limited company to carry out all kinds of banking, financing and investment business operations in compliance with the glorious Islamic Sharia' and in accordance with the provisions of Jordan Islamic Bank's Special Law, which was superseded by one chapter on Islamic banks in the Banks' Law which was in effect as of 2nd August, 2000. The Bank's first branch commenced its business on 22/9/1979, with a paid up capital of about JD (2) million from its authorized capital that reached JD (4) million. The Bank's capital will be increased to JD(150) million instead of JD (125) million (which is equivalent to about US\$211.57 million) after the approval has been issued by Board of commissioners of Financial Security Commission and the bank's finalizing all procedures for the inclusion of capital increase shares by JD 25 million/ share. They will be distributed as free shares to shareholders each according to his/ her portion in the bank's capital at the end of day 10/6/2014 through capitalizing JD 15 million

from voluntary reserves and JD 10 million from retained profits. In the 1st of July, 2010, the bank changed its logo and launched its new corporate identity in order to be unified with the subsidiaries of AlBaraka banking group.

The Bank offers its banking, financing and investment services through its (70) branches and (15) cash offices in the different locations in the country, as well as through the Bonded office.

The Bank also presents services through (146) ATMs all over the country.

The Bank's staff reached about (2000) employees who have sufficient knowledge and experience to provide Islamic banking services. The number of the clients' accounts performing in the Bank reached about (629.4) thousand accounts. The Bank was able to grow rapidly and enhance its position among Jordanian banks, As it presents banking and investment services to the clients in conformity with the Islamic Rules of Sharia' which has a special method of Islamic economy and adopts a vision of money function different from that of conventional banks.

1.7.2 Jordan Islamic Bank's Social Role

Jordan Islamic Bank's business practices are based on a system of values and rules which control its trajectory, determine its milestones, and regulate its policies in order to achieve its goals. This system is represented, in its most essential form, by a network of applied Sharia' precepts.

The bank's commitment to serve the society, and its provision of a legitimate alternative to banking needs in Jordan aims at more than the maximization of returns--it aims to strengthen Islamic values in business transactions and to consolidate the ties of social unity and compassion and solidarity. These goals are apparent in many of the bank's various activities, yet they become most clear in the following programs:

1.7.2.1 Social Committees

There is a social responsibility committee at the Board of Directors level and another one at the Executive Management level in affirmation of our bank's attention of the social affairs, and to strengthen the Board of Directors' and Executive Management's commitment to social responsibility.

1.7.2.2 Donations

The bank allots a yearly sum for the purpose of donating to various charitable aspects. The bank's total donations in 2013 reached approximately 601 thousand dinars; whereas the bank's total donations, since its inception till the end of 2013 have reached approximately 8 million dinars.

1.7.2.3 Al Qard Al Hasan

Jordan Islamic Bank has undertaken, since it started doing business, to grant Al Qard Al Hasan to citizens to help them meet their social needs such as medical treatment, education, and marriage. The value of Al Qard Al Hasan which the bank disbursed throughout 2013 reached approximately 22.3 million dinars, with approximately 33 thousand citizen beneficiaries; the bank disbursed 20.4 million dinars worth of Al Qard Al Hasan in 2012, with approximately 22 thousand citizen beneficiaries. 348 thousand citizens have benefitted from Al Qard Al Hasan since the bank's founding until the end of 2013, while the total value of said loans has reached 197 million dinars.

Among these loans are those that the bank granted to youth about to get married, in cooperation with Al-Afaf Charitable Society, with the total value of said loans reaching approximately 4.8 million dinars disbursed to 8,823 beneficiaries; and those granted to teachers, as per the bank's agreement with the Jordan Teachers' Association, with the total value of 1.2 million dinars disbursed to 1,859 beneficiaries (Social Responsibility Report 2013).

1.7.2.4 Mutual Insurance Fund

The bank initiated this activity at the beginning of 1994, inasmuch as the bank's debtors sharing in the fund are jointly liable for mitigating the harm that may befalls any one of them, by paying the balance of his debt obligation in case of death, permanent disability or continuing financial hardships. The fund's balance reached approximately 44.7 million dinars by the end of 2013, and disbursed compensation in 1,692 cases, with a sum of about 5.3 million dinars. The number of participants in the fund reached approximately 122 thousand by the end of 2013, and the balance of their debt obligation reached around 636.4 million dinars. Throughout 2013, the fund disbursed compensation in approximately 162 cases, and the total value of said compensation reached 680 thousand dinars; as for 2012, compensation was disbursed in 162 cases, and the total value of said compensation reached approximately 645 thousand dinars.

1.7.2.5 Professionals and craftsmen financing Program

Since its inception, the bank has been keen to finance the projects of professionals and craftsmen through the mode of (Murabaha), and in 1994, the bank created a special program for financing the projects of this sector of society, in form of diminishing partnerships (Musharaka) which end in the transfer of ownership to the professional/craftsman, a process

which requires the repayment of financing through personal revenues garnered from the craftsman's project. In addition, in 2013 the bank increased the capital of its subsidiary Al-Samaha Company for Financing and Investment to 8 million dinars, and modified the company's basic structure to include the financing of the aforementioned projects and of those practicing artisanal crafts.

1.7.2.6 Education and Training

- Interaction with a number of educational and academic and preparatory agencies in Jordan, whether they be universities or colleges or schools or students; for example, throughout 2013 the bank undertook to sponsor or support or honour or train: The Second International Conference on "The Role of Distinction and Leadership in the Superiority of Business Institutions," organized by the World Islamic Sciences and Education University/Department of Business and Finance, by providing a sum of 3 Thousand dinars.
- The First International Conference for the Applications of Information Technology in Developing Renewable Energy Sources and Systems, organized by the University of Petra/Department of Information Technology, by providing a sum of a thousand dinars.
- High school valedictorians and outstanding teachers' children in all of the provinces, in cooperation with the Jordanian Teachers' Association, by providing a sum of 12 thousand dinars disbursed to 300 students, and a sum of 2,400 dinars disbursed to sponsor a celebratory ceremony for said students.
- Ten Chinese students studying at the University of Jordan, by paying their tuition, room and board, and plane tickets, from their enrolment in the university until the end of 2013, with approximately 94 thousand dinars disbursed, with 50 thousand disbursed in 2013. These sums represent 50% of the students' total expenses, with the company Dallah Al-Baraka/Iqraa for human relations covering the remaining 50%.
- The International Jordanian Agricultural Exhibition, organized by the Agricultural Department/University of Science and Technology, by providing a sum of two thousand dinars.
- The printing of a thousand copies of a research guide on the Islamic Economy and Islamic banks in Jordan/a second reprinting, by providing a sum of 4,250 dinars.
- The World Islamic Sciences and Education University, by providing a sum of 3 thousand dinars.

As part of its mission to spread Islamic practices in the realm of business, in 1986 the bank founded the AlOmariyah Schools Company, and the bank currently owns 94.4% of the company's capital, worth approximately 8.6 million dinars, where 4,369 students are enrolled.

The bank has continued to provide training opportunities, and opportunities to become familiar with its work, to new groups of students from educational institutions. 14,142 students have been trained from the bank's founding until the end of 2013; 960 students was trained throughout 2013. Additionally, a total of 219 employees from non-Jordanian banks have been trained in our bank's business style, among them 175 employees throughout 2013.

As for the bank's interest increase the performance of its employees, 3,220 employees participated throughout 2013 in courses and conferences organized by the bank's training centre, 673 employees were dispatched to other training centres within Jordan and 41 employees to centres outside of Jordan. Since the bank's founding and until the end of 2013, the training centre has organized 2,419 courses and conferences, with a grand total of 38,232 employees participating, and it has dispatched 7,783 employees to training centres within Jordan and 351 employees to centres outside of Jordan.

1.7.2.7 Culture, Arts, Literature and Heritage

The bank undertakes to support a number of agencies connected to literature, the arts, culture and heritage, agencies whose leanings are consistent with the bank's general orientation. For example, throughout 2013 the bank undertook to sponsor, or support, or honour, or present:

- The Conference on Jerusalem and Israeli Aggression from the Standpoint of International Law, organized by the University of Yarmouk/Law School, by providing a sum of two thousand dinars.
- The International Conference titled "Islamic and Christian Awqaf in Holy

- Jerusalem,” organized by the Arab Thought Forum, by providing a sum of 5 thousand dinars.
- The Second Scientific Forum titled “The Fatwa and its Impact on the Ummah’s Unity,” organized by the Iftaa Department, by providing a sum of 4 thousand dinars.
- The Jerusalem Day Society’s competition among school students, titled
- “Raising Future Generations’ Awareness in the Fields of Short Story Writing and Drawing,” by providing a sum of 15 thousand dinars.
- Awards for the Fourth Holy Competition for School Students – Al-Quds Cultural Forum, valued at two thousand dinars.

1.7.2.8 Health

The bank has supported a number of health agencies and facilities in Jordan—for example, throughout 2013 it undertook to sponsor, or support, or donates to:

- King Hussein Cancer Centre, for the purpose of building four rooms in the intensive care unit, by providing a sum of 200 thousand dinars.
- A celebration to honour the families of cornea donors, and their supporters, by providing a sum of approximately 9 thousand dinars.
- The Martyr Amr Al-Majali Cornea Donation Foundation, by providing a sum of a thousand dinars.
- Activities of The Jordanian Red Crescent, by providing a sum of 500 dinars.
- The Second Juristic Health Conference, titled “Modern Medical Developments between Islamic Jurisprudence and the Law,” organized by the World Islamic Sciences and Education University, by providing a sum of one thousand dinar.

1.7.2.9 People with Special Needs, Underprivileged Communities and the Poor

The bank has supported a number of agencies which care for special needs individuals, underprivileged communities, and orphans in Jordan. For example, throughout 2013 the bank undertook to sponsor, or support, or donates to:

- Al-Aman Fund for the Future of the Orphans, by providing a sum of 32 thousand dinars throughout 2013; since the founding of the Al-Aman Fund in 2008 until the end of 2013, the bank’s total donations to the fund reached 192 thousand dinars.
- The opening ceremony for the Circassia Society’s Marriage Solidarity Fund, by providing a sum of 10 thousand dinars.
- Ibn Maktoum school for the Blind, by providing recording and conversion devices to help the students through the learning process. Throughout 2013, the bank donated a sum of 1,500 dinars for the purchase of those devices, one thousand dinars to build a canteen, and one thousand dinars to sponsor a ceremony to honour the graduates; the bank has presented recording and conversion devices to the school since 1995.
- Maa elsama Kindergarten for the Blind, a branch of Elsama Association for Individuals with Special Needs, by providing a sum of 500 dinars.
- The bank cooperated with Al-Afaf Charitable Society to organize yearly group weddings, by providing wedding presents to both the husband and wife; in 2013, the bank provided 3,200 dinars to 32 spouses. The bank also provides Al Qard Al Hasan to spouses in cooperation with Al-Afaf Charitable society; throughout 2013, the bank provided approximately 175 thousand dinars in Al Qard Al Hasan to 251 beneficiaries. In total, the bank has provided, in cooperation with Al-Afaf Charitable Society, approximately 4.8 million dinars in Al Qard Al Hasan to 8,823 youths wishing to marry.

1.7.2.10 Energy and Environment

The bank’s most remarkable activities throughout 2013:

- The bank began to furnish its branches with alternative energy sources, through the use of solar cells—installed on the roof—which generate electricity. This development has decreased electricity bills, contributed to alleviate the high electricity burdens on the Kingdom, and, subsequently, helped to support the national economy and protect the environment. It is worth noting that this program encompassed three branches as its first step, and it is currently expanding to encompass six other branches.
- The bank supported the programs and activities of the Jordan Hashemite Fund for Human Development and Queen Alia Competition for Social Responsibility, whereas the aforementioned 2013 competition carried the title “Recycling Means Various Benefits and Environmental Protection and Economization –

A Greener Jordan.” This competition aimed at raising awareness of environmental issues among school and university students, and at increasing the awareness, among citizens, of the concept of green building and its applications. Throughout 2013, the bank disbursed a sum of 5,500 dinars to support another competition, which will launch in 2014, under the title “It rose, how beautiful its light! The sunny sun” whereas this competition aims to raise awareness about the uses of solar energy, and the economization which can be realized through efficient legislation.

- The bank supported a ceremony, organized by Al-Balqa’ Applied University, to honour the nation’s workers in Al-Balqa’ Province, by providing them with gifts in kind, out of recognition for their efforts in serving the province’s residents.
- The bank reduced its usage of paper in order to preserve natural resources, by electronically automating its processes and archives.
- The bank sponsored the Conference on Water in the Arab Nation, titled “The Reality. The Opportunities...The Challenges,” by providing a sum of two thousand dinars.
- The bank sponsored the Second National Students’ Environmental Conference held in Al-Ridwan schools, in cooperation with the Ministry of Environment, and the Jordan Environment Society, by providing a sum of 500 dinars.

1.7.2.11 Interaction with and Development of Local Society

Those activities which have a tangible impact on societal life, and which benefit and develop society are top priorities for the bank. In 2013, the bank undertook to sponsor, support, or donate to:

- The Jordan Hashemite Fund for Human Development, by providing a sum of 83 thousand dinars; and between 1981 and 2013, the total value of donations to the fund (including the Piety and Giving Campaign, the Queen Alia Competition, and the Queen Alia Centre for Social Development) reached approximately 693 thousand dinars.
- The Jordan Hashemite Charity Organization for Relief and Development and Arabic Islamic Cooperation, by providing a sum of 25 thousand dinars to the Clothing Charity Bank, enough to cover the costs of 15 clothes containers and donations boxes.
- Al-Monasara Zakat Committee for the Palestinian People, by providing a sum of 15 thousand dinars.
- Ministry of Awqaf and Islamic Affairs and Holy Places/the Zakat Fund, by providing a sum of 5 thousand dinars.
- AL-Hassan Youth Award, by providing a sum of 5 thousand dinars.
- The Public Security Directorate, specifically the Preparation Council for World Traffic Day and Arabic Traffic Week, by providing a sum of two thousand dinars.
- Traffic awareness-raising programs, organized by the Traffic Department, by providing a sum of approximately 13 thousand dinars.
- The bank has organized several blood-donation campaigns in several provinces, in cooperation with the “Blood Bank Directorate,” whereas employees of all different administrative levels donated units of blood, in addition to a group of the bank’s auditors and business partners.
- Through these campaigns, the bank aimed to shoulder its share of social and humanitarian responsibility towards local society, and affirm its adherence to the principle of solidarity and compassion between members of a single society. The bank held two workshops to raise awareness among employees of the duties of the General Directorate of Civil Defence (Aid, Rescue, and Evacuation), in cooperation with the General Directorate of Civil Defence, and several other sessions were held on First Response.

1.8 Conclusions

1. At the conclusion of this research it became clear that corporate social responsibility is one of the most important areas of activities of the Islamic banks, as it is the bridge that leads Islamic banks towards society, reaching the following results:
2. Corporate social responsibility is an integral element in the culture of Islamic banks driving their legitimacy from Islamic laws and regulations that are not imported from the West.
3. The ongoing commitment to the application of corporate social responsibility by the Islamic bank requires the necessity of faith in the cause of corporate social responsibility.
4. Corporate social responsibility of Islamic banks affecting all aspects of social life, which ensures the economic development of a balanced and sustainable community.
5. Among the important factors in the success of the bank to be intrinsically linked to its environment.

6. Although there are good indicators of interest in financial institutions in corporate social responsibility, but the contributions by Islamic banks does not fit with the hopes and aspirations of the communities where it is active.

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