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ISLAMIC ECONOMIC LAW AS FIQH MUAMALAH IQTISHADIYYAH, NOT FROM CONVENTIONAL ECONOMIC SCIENCE

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ABSTRACT This research aims to explore Islamic economic law, such as Fiqh Muamalah Iqtishadiyyah, which is different from conventional economics. Using qualitative methods, this research examines the concepts, principles and applications of Islamic economic law through literature analysis and in-depth interviews with experts in the field. Fiqh Muamalah Iqtishadiyyah offers a unique perspective rooted in the teachings of the Quran and Hadith, emphasizing ethics, justice and balance in economic activities. The research found that Islamic economic law not only focuses on material aspects but also considers economic transactions' moral and social implications. The results of this study show that the Fiqh Muamalah Iqtishadiyyah approach provides a holistic and sustainable alternative to the conventional economic model, often dominated by worldly and practical principles. As such, this research contributes to a deeper understanding of the role and potential of Islamic economic law in creating a more just and sustainable economic system.

KEYWORDS Islamic Economic Law; Fiqh Muamalah Iqtishadiyyah; Global Economic Dynamics.

INTRODUCTION

Muamalah problems are the joints of life where every Muslim will be tested for religious values and prudence, as well as consistency in the teachings of Allah SWT. As is known, wealth is the sibling of the soul (spirit), which has various temptations and is prone to misuse. So it is natural that a weak religious person will find it challenging to be fair to others in the matter of leaving property that is not his right (haram property), as long as he can get it, even by deception and coercion (Budianti et al., 2022).

Islamic teachings cover all aspects of life, including worldly and afterlife issues, including aqidah, akhlaq, and sharia (Ajmain et al., 2022). Muamalah is the scope of sharia that regulates human relations or social relations. The field of fiqh muamalah is included in the complex ijthadi scope, covering all aspects of dynamic human life. So, muamalah matters are part of the demands of Islamic teachings in regulating human life. The Koran

As-Sunnah are the primary sources of reference in making laws, but the ijthad of the scholars must create legal products that are not explicitly explained in the Koran and As-Sunnah. So, the effort of ijthad is closely related to the discussion of ushul fiqh science and fiqh rules that will produce fiqh products (Khosim et al., 2021).

The study of fiqh iqtishad, which gave birth to Islamic economic law products, is one of the scopes of muamalah, which is increasingly complex. As time progresses, various economic transaction activities require settlement based on Sharia rules. The Etihad aspect, which includes economics and finance, is one of the studies that always develops and raises various problems that require answers as a solution to all problems.

Fiqh iqtishad is one of the sources for developing economics and finance in the modern era. Its role is vital and needed as a reference for the general public and economics and Islamic finance practitioners.

The concept of Sharia-based economics and finance today has increased, universally accepted and adopted by Islamic countries in the Middle East region and various countries in Asia, Europe and America. This is characterized by establishing Islamic financial institutions and issuing various Sharia-based financial instruments. The purpose or direction of sharia's application in the muamalah field, especially in transactions, is the creation of blessed income or *al-falah* (*falah-oriented*) (Gustino, 2023).

In conventional economics, doing business in any way will be valid, but not with Islamic economics. Islam has an economic order called Islamic economics. Islamic economics is an application of Sharia orders or Islamic law in transactions where the explanation is that we are Islamic in economics, not otherwise. Summarizing the Islamic economy as an economy imbued with Islamic values because, indeed, the Islamic economy is built on religious principles and based on divine revelation.

METHODS

This research is a type of qualitative research. Qualitative research is usually conducted to explain a phenomenon and later construct a related theory. This research method is primarily narrative. In this case, it explains what Islamic economic law is like as *fiqh muamalah iqtishadiyah*, not from conventional economics. Of course, this research is conducted in a library, which usually reviews the literature, mainly previously conducted research, journals, and other sources available in the library.

RESULT AND DISCUSSION

Basic Concepts of Muamalah (Economics) in Islam

In Islam, transactions are better known as *muamalah*. The definition of *muamalah* is an activity that regulates matters relating to the way of life of fellow human beings to fulfill their daily needs. Examples of *muamalah* activities include buying and selling, renting, debt and credit, etc. (Supriyadi & Ravaşdeh, 2024).

If Muslims conduct transactions by *muamalah* or Islamic law, the book's life will be more secure. Moreover, we will avoid reprehensible actions, such as harming, cheating, etc. By avoiding despicable acts, we also avoid sin. In addition, *muamalah* transaction activities can reduce conflict because one party feels disadvantaged.

Muamalah has a broad scope, as formulated by Muhammad Yusuf Musa, namely the rules of God that must be followed and obeyed in social life to

protect human interests. But lately, the definition of *muamalah* is more widely understood as the rules of God that regulate human relations with humans in obtaining and developing property, or more precisely; it can be said to be Islamic rules about economic activities carried out by humans (*Fikih Muamalah Maliyah*). The basic concepts that underlie Islamic economics are based on three fundamental concepts, namely *tawhid* (faith in Allah), leadership (*khilafah*) and justice (*adalah*):

1. *Tawhid*, which is the most fundamental concept. He is implementing activities concerning *mah doh* worship: prayer, *dhikr*, *sham*, *tilawat*, *Qur'an*, *muamalah* (including economics) deliberation to *akhlak*. *Tawhid* contains an understanding that Allah SWT created the universe. *Tawhid* also implies that the basis of *muamalah*, or more specifically, when transacting business, must be related to belief in Allah SWT and the goal of expecting His pleasure.
2. Leadership (*khilafah*): humans are the *khilafah* of Allah on earth. As the *Khilafah* of Allah, humans are responsible for all human activities throughout nature, including business transactions. This responsibility is borne by Muslims, meaning that Muslims understand business transactions and must be conveyed to humans throughout nature.
3. Justice (*Adalah*): *This concept means that in Sharia business, the principle of justice must be applied.* The wisdom of this concept is that it will realize a sense of brotherhood.

Muamalah, derived from the Arabic root word "amal" (to act or work), encompasses all forms of social and economic interactions and transactions among individuals and groups in an Islamic society. It extends beyond financial transactions to include various social and ethical considerations, making it a comprehensive guide to human interactions. In economics, *Muamalah* focuses on establishing justice, equity, and welfare through adherence to Islamic principles derived from the Quran and Sunnah. This essay delves into the basic concepts of *Muamalah* in Islamic economics, exploring its foundational principles, objectives, and practices that distinguish it from conventional economic systems (Atabik, 2021).

Foundational Principles of Muamalah

1. *Tawhid* (Oneness of God)

The concept of *Tawhid* is central to Islamic belief and permeates all aspects of life, including

economics. It signifies the oneness of God and the belief that Allah ultimately owns all resources and wealth. Human beings are considered stewards (Khalifah) of these resources and are responsible for utilizing them by divine guidance. This principle instills a sense of accountability and ethical responsibility in economic activities, ensuring that actions are aligned with the greater good and not merely individual gain.

2. Adl (Justice)

Justice is a core value in Islam and imperative in economic dealings. Adl emphasizes fairness, equity, and the prohibition of exploitation. Financial transactions must ensure mutual benefit and fairness, avoiding practices that lead to unjust enrichment or oppression. This principle underpins various economic regulations in Islam, such as the prohibition of *riba* (interest), which is seen as exploitative and unjust.

3. Maslahah (Public Interest)

The concept of Maslahah refers to the pursuit of public interest and welfare. Islamic economics prioritizes the collective well-being over individual interests, advocating for economic policies and practices that enhance the overall quality of life. This principle encourages the equitable distribution of wealth and resources, social justice, and poverty eradication.

4. Rizq (Provision)

Rizq denotes the sustenance and provision granted by Allah to all creatures. In Islamic economics, it is believed that Allah provides for every individual, and thus, economic systems should ensure that everyone's basic needs are met. This principle promotes a sense of security and reliance on divine provision while encouraging productive effort and hard work.

5. Shura (Consultation)

Shura, or consultation, is a crucial principle in Islamic governance and decision-making. In economic matters, it advocates for inclusive and participatory decision-making processes. By involving various stakeholders, shura ensures that economic policies reflect the community's needs and aspirations, leading to more just and effective outcomes.

Objectives of Muamalah

1. Achieving Economic Justice

Economic justice is Muamalah's primary objective. This involves creating an economic environment where wealth and resources are distributed fairly and opportunities are available to all.

Eliminating economic disparities and providing equal access to financial resources are crucial to achieving this objective.

2. Promoting Social Welfare

Islamic economics aims to enhance social welfare by addressing the needs of society's less fortunate and vulnerable members. This includes initiatives such as *zakat* (obligatory almsgiving), *sadaqah* (voluntary charity), and *waqf* (endowment), which are designed to redistribute wealth and support social welfare programs.

3. Ensuring Economic Stability

Economic stability is essential for the well-being of individuals and society. Muamalah seeks to create a stable economic environment through ethical business practices, regulation of market activities, and prevention of economic crises. The prohibition of speculative activities and excessive risk-taking is part of this objective.

4. Encouraging Productive Effort

Islamic economics encourages productive effort and entrepreneurship. Muamalah seeks to enhance productivity, innovation, and economic growth by promoting work and trade within ethical boundaries. This includes supporting lawful (*halal*) business ventures and discouraging harmful or unethical activities.

Practices and Instruments of Muamalah

1. Prohibition of Riba (Interest)

One of the most distinctive features of Islamic economics is the prohibition of *riba*, commonly translated as interest or usury. This prohibition is based on the belief that *riba* leads to exploitation and unjust enrichment. Instead, Islamic finance promotes profit-and-loss sharing arrangements, such as *mudharabah* (profit-sharing) and *musharakah* (joint venture), which align the interests of investors and entrepreneurs.

2. Zakat (Almsgiving)

Zakat is one of Islam's five pillars and a fundamental instrument for wealth redistribution. It requires Muslims to give a fixed portion of their wealth (usually 2.5%) to those in need. Zakat aims to reduce economic inequality, support the poor and needy, and promote social cohesion.

3. Sadaqah (Voluntary Charity)

In addition to *zakat*, *sadaqah* refers to a voluntary charity that goes beyond obligatory almsgiving. Sadaqah can take various forms, including financial assistance, donations of goods, and acts of kindness. It fosters compassion and solidarity within the community.

4. Waqf (Endowment)

Waqf is an Islamic endowment of property or assets for charitable purposes. It involves dedicating assets for the benefit of the community, such as funding educational institutions, hospitals, and social services. Waqf plays a significant role in promoting social welfare and sustainable development.

5. Bay' (Trade and Commerce)

Trade and commerce are highly encouraged in Islam, provided they adhere to ethical standards. The concept of bay encompasses various forms of trade, including sale, lease, and partnership. Islamic principles mandate honesty, transparency, and mutual consent in all commercial transactions and prohibit deceit, fraud, and exploitation.

6. Islamic Banking and Finance

Islamic banking and finance are built on the principles of Muamalah, providing Sharia-compliant financial services. These institutions offer various products and services, such as Islamic mortgages, investment accounts, and sukuk (Islamic bonds), which avoid interest-based transactions and promote risk-sharing.

Ethical Considerations in Muamalah

1. Honesty and Integrity

Honesty and integrity are paramount in all economic transactions. Islam emphasizes truthful conduct, transparency, and contract fulfillment. Deceptive practices, fraud, and misrepresentation are strictly prohibited.

2. Fairness and Equity

Economic activities must ensure fairness and equity. This includes fair pricing, just wages, and equitable treatment of all parties involved. Islam prohibits exploitation, monopoly, and unfair competition.

3. Social Responsibility

Individuals and businesses are expected to act with social responsibility. This involves contributing to the community's welfare, avoiding harm, and ensuring that economic activities do not negatively impact society or the environment.

4. Moderation and Balance

Islam advocates for moderation and balance in all aspects of life, including economics. This principle discourages extravagance, wastefulness, and excessive accumulation of wealth. It promotes a balanced approach to consumption and resource utilization.

The basic concepts of Muamalah in Islamic economics offer a holistic approach to economic activities, emphasizing ethical conduct, social justice, and collective welfare. By integrating spiritual and moral dimensions into economic practices, Muamalah seeks to create a just and equitable economic system

that serves the needs of all members of society (Karimullah, 2023). Islamic economics provides an alternative to conventional economic systems through its foundational principles, objectives, and practices. It advocates for a balanced and ethical approach to wealth creation and distribution, ensuring that economic activities contribute to the overall well-being of individuals and society. In a world facing increasing economic disparities and ethical challenges, the principles of Muamalah offer valuable insights and solutions for creating a more just, equitable, and sustainable economic system (Barom, 2018).

The Urgency of Ushul Fiqh and Fiqh Rules that Play a Role in Fiqh Iqtishad

In understanding, fiqh iqtishad can not be separated from the tools, namely ushul fiqh and fiqh rules, which are essential in determining fiqh. Ushul fiqh has a significant role in producing fiqh products because ushul regulations are used by scholars to produce fiqh (Meidina et al., 2023). In general, ushul fiqh examines the rules of law derived from the words of command, prohibition, general and specific and *nasikh mansukh*. Ushul fiqh includes the methodological principles of Islamic science, which is known as the center of Sharia science, and can create Islamic legal products (fiqh and fatwa).

The science of ushul fiqh provides understanding for mujtahids in formulating and determining Islamic legal issues (istinbat methodology). The science of ushul fiqh also has a vital role in developing Islamic law. Islamic economic scholars are part of the mujtahids who make ijthad to issue fiqh solutions to various economic problems, such as the validity of transactions in modern business, provide solutions to economic thinking, and review transaction contracts that are suitable for Islamic financial institutions so that the scholars or sharia experts who do ijthad must be qualified in mastering the science of ushul fiqh comprehensively (Firdaus et al., 2020).

The science of ushul fiqh is used by classical and contemporary scholars to determine Islamic economic law and develop economic activities and transactions in the modern era. Likewise, the science of ushul fiqh can be used as a consideration of the origin of differences in the views of the mujtahids. The science of ushul fiqh examines the method of taking laws derived from the Nash, namely the Koran and As-Sunnah, but if it is not found from the Nash, it uses ijthad methods such as qiyas, istihsan and others based on benefit (Bahiyah, 2024).

In an effort to understand the process of ijthad, it is not enough to study *ushul fiqh*, but *qawa'id*

fiqhiyyah/kaidah fiqh, which also plays an important role in guiding Islamic jurists, namely as a basis for understanding the purpose of maqashid shari'ah comprehensively and facilitating the process of legal istinbat on issues that will be determined by law. Understanding the *qawa'id fiqhiyyah* is a must in ijthad because problems in muamalah are constantly evolving from time to time. So that an understanding of the rules of *fiqh* will facilitate mastery of the increasingly complex *furu'iyah* (branch) problems. In addition, the rules of *fiqh* serve as a foothold in the process of inferring new laws on contemporary issues that do not yet exist in the texts of the Koran and Hadith so that the results can be easily accepted and applied in the wider community.

Some of the roles of *fiqh* rules are:

1. As a reference for jurists in solving *fiqh* problems by grouping similar problems in one rule.
2. As an instrument of interpretation of the texts for determining law, especially for vague laws that are not explicitly explained in the Quran or Hadith.
3. *Fiqh* studies are used to find similarities between a problem and similar problems.

The method used in formulating award *fiqhiyyah* is by conducting research on the laws and problems of *fiqh*, then making a *fiqh* rule through the inductive method so as to form general guidelines in the form of propositions (Arabic grammar and generalized meaning of *fiqh* laws). Islamic economic *fiqh* rules are a collection of general rules, and there are branches of *fiqh* law in the field of muamalah / business economics. The context of economic and financial *fiqh* rules provides a strong foundation in the determination of Islamic law (*fiqh*) and development and innovation in formulating contract products in Islamic financial institutions so that *fiqh* rules become one of the foundations for determining Islamic economic fatwas used by DSN-MUI.

The fundamental difference between *ushul fiqh* and *fiqh* rules is in the object. The object of *ushul fiqh* is the source of law, while the rules of *fiqh* are the actions of mukalaf. In addition, the difference in the way or process of formation, namely *ushul fiqh*, is formed deductively while the rules of *fiqh* are formed inductively. The main difference between the science of *fiqh* and the study of law is that the science of *ushul fiqh* is the study of methods and processes of finding the law.

The use of *ushul* rules and *fiqh* rules in formulating and issuing *iqtishad fiqh* products and Islamic economic fatwas plays a very important role, namely as a basis for legal footing and solutions to various problems that arise. So *fiqh iqtishad* can be a source of economic development and Islamic finance

that is dynamic and relevant to the needs of the people in the modern era.

Implications of *Fiqh Iqtishad* as a Source of Islamic Economic and Financial Development

The foundation of *ushul fiqh* and *fiqh* rules has been a strength in developing Islamic economic law. *Fiqh iqtishad* is one of the products of *ijthad*, which is used as a source in the development of Islamic economics and finance. The implication is the application of Islamic law that is positified into Indonesian legislation in an effort to strengthen the material law of Islamic economics. So, positive Islamic law was born, namely Islamic law formalized as national law. According to Rifyal Ka'bah, Islamic law in the context of national law is a local *fiqh* based on *ijthad* and local situations decided by the lawmakers of a country, but it remains that Islamic law in various places comes from the source of Islamic sharia in accordance with the objectives in Maqashid Sharia (Noviani et al., 2024).

The development of Islamic economics and finance globally in the modern era is increasingly rapid, including in Indonesia itself. The birth of the law in the field of Islamic economics in Indonesia shows the Indonesian economic system. In positive law in Indonesia there are rules for the operation of Islamic financial institutions which means that the Indonesian government supports the application of Islamic teachings through the field of economics and Islamic finance even though it is still not perfect.

The birth of Islamic economic law that has been positioned in Indonesia is an implication of *fiqh iqtishad* as a source of Islamic economic and financial development. Some regulations that are a source of reference in determining Islamic economic and financial activities include:

1. Legislation

- a) Law No. 3/2006 on Religious Courts, namely the authority to resolve disputes in the sharia economy in various Indonesian Sharia Financial Institutions (LKS) and sharia businesses.
- b) Law No.19 of 2008 on SBSN (National Sharia Securities), which is the legal basis for the issuance of state sukuk by the government. The SBSN Law is an effort to stimulate the government to finance the state budget through Islamic financial instruments to realize the progress of global and retail sukuk development.
- c) Law No. 21 of 2008 concerning Islamic Banking. The birth of a special law on Islamic banking can provide the strength of the legal foundation of Islamic banking so that it is comparable to

conventional banks and strengthen the existence of Islamic banking in Indonesia which is able to encourage an increase in the role and contribution in improving the welfare of the community and national development.

- d) Law NO. 23 Year 2011 on Zakat Management is a need of Muslims supported by the government, where the potential of Zakat has very large implications for the welfare of society. So there is hope that zakat can be a potential source of state income, as enacted during the time of the Prophet Muhammad SAW and the caliphate.
- e) Law No. 41 Year 2004 on Waqf. Waqf is a philanthropic instrument that, like zakat, has tremendous potential. Through productive waqf, the development of waqf today is growing with various contemporary waqf instruments.

2. Supreme Court Regulation No. 02 of 2008 concerning the Compilation of Sharia Economic Law (KHES)

KHES emerged in response to the development of Islamic economic studies and efforts to make positive Islamic civil law within the scope of national law. KHES is also used as a guideline for various increasingly complex problems and efforts to solve them. KHES contains 4 studies, including Legal Subjects and Amwal, Agreements, Zakat and Grants, and Sharia Accounting.

3. Fatwa DSN-MUI (National Sharia Council - Indonesian Ulema Council)

MUI is a religious institution authorized for the interests of Muslims in Indonesia. MUI established DSN on February 10, 1999, based on MUI Decree No. Kep-754/MUI/II/1999. DSN oversees determining and supervising the application of Sharia principles in the operationalization of Islamic financial institutions. DSN issues Islamic economic fatwas based on requests for problems with the fastudy of Islamic economics and finance that exist in the ced by the public or Islamic financial institutions. Fatwa DSN-MUI has a major role in the development of Islamic economics and finance; until now, it has issued approximately 125 fatwas related to activities, operational systems, and products or services within the scope of Islamic economics and finance. A Sharia Council must have comprehensive expertise in understanding the science of ushul fiqh and award fiqhiyah needed in formulating fatwas. The position of the DSNMUI fatwa does not have binding legal force because it is not made by an authorized official, but it is a doctrine of jurists that can be a source of material law and formally applies as a moral appeal.

Fiqh and fatwas have an important role, namely as guidelines in guiding the daily lives of Muslim

communities. The books of iqtishad fiqh are a source of reference for jurists who are formulating and stipulating a fatwa. Fiqh iqtishad and Islamic economic fatwa are legal guidelines for solving economic and financial problems that arise in contemporary life; both are dynamic and relevant to the needs of the present. The implementation of iqtishad fiqh which is a source in the development of Islamic economics and finance is at the level of practice in Islamic financial institutions that can adjust the needs of the people by innovating various products and contracts that are innovative, competitive, and marketable (Mun'im Saleh et al., 2023).

Fiqh Iqtishad, derived from Islamic jurisprudence (Fiqh), encompasses the ethical, moral, social, and economic guidelines that govern financial transactions in an Islamic framework. Its implications for economic and financial development are profound, offering a distinct alternative to conventional economic systems. This analysis explores ten critical implications of Fiqh Iqtishad in shaping the landscape of Islamic economic and financial development (Mu'adzah, 2022).

Fiqh Iqtishad emphasizes justice and fairness in economic transactions, which directly impacts the development of equitable financial systems. Unlike conventional economies that often prioritize profit maximization, Islamic economic principles advocate for balanced wealth distribution. This reduces income inequality and promotes social welfare, fostering a more inclusive economic environment where all members of society can thrive.

The prohibition of interest (riba) under Fiqh Iqtishad fundamentally alters the structure of financial products and services. Islamic finance relies on profit-sharing, leasing, and joint ventures, which align the interests of investors and entrepreneurs. This risk-sharing approach not only mitigates systemic risk but also encourages entrepreneurial activity and innovation, leading to sustainable economic growth. Fiqh Iqtishad places significant importance on ethical investments. Islamic finance principles mandate that investments must comply with Shariah law, excluding businesses that engage in gambling, alcohol, and other prohibited activities. This ethical screening process ensures that capital is directed towards socially responsible and environmentally sustainable ventures, contributing to long-term economic stability and ethical financial practices (Mirakhor & Smolo, 2014).

The Zakat (almsgiving) concept within Fiqh Iqtishad has substantial implications for poverty alleviation and economic development. By mandating the redistribution of wealth from the affluent to the

needy, Zakat acts as a social safety net, reducing poverty levels and enhancing economic security. This compulsory act of charity fulfills a religious obligation and stimulates economic activity by increasing the purchasing power of the lower-income groups. Risk-sharing and asset-backed financing principles in Fiqh Iqtishad lead to a more resilient financial system. Unlike conventional finance, which often involves speculative and highly leveraged transactions, Islamic finance requires tangible assets to back financial transactions. This reduces the likelihood of financial bubbles and crises, contributing to a more stable and robust economic environment (Iskandar et al., 2021).

The emphasis on transparency and honesty in business dealings under Fiqh Iqtishad enhances trust and confidence in the financial system. Clear contractual terms and ethical business conduct are mandated, reducing the incidence of fraud and malpractices. This ethical framework fosters a trustworthy economic environment, which is essential for attracting investment and fostering economic development. Fiqh Iqtishad promotes financial inclusion by providing access to financial services for underserved populations. Islamic microfinance institutions, which adhere to the principles of Fiqh Iqtishad, offer interest-free loans and other financial products tailored to the needs of the poor. This inclusivity not only empowers disadvantaged groups but also stimulates economic growth by integrating more people into the financial system (El-Hawary et al., 2007).

The role of Islamic financial institutions, guided by Fiqh Iqtishad, in infrastructure development is significant (Muheramtohad, 2020). These institutions can mobilize funds for large-scale projects through instruments like Sukuk (Islamic bonds), which are structured to comply with Shariah principles. This ability to finance infrastructure projects without relying on conventional debt financing facilitates sustainable economic development and enhances public welfare. The principles of Fiqh Iqtishad encourage a long-term perspective in financial planning and investment. Islamic finance discourages short-term speculation and emphasizes long-term investment in productive assets. This focus on sustainable growth rather than short-term gains contributes to economic stability and the development of resilient financial markets.

Integrating Fiqh Iqtishad into the global financial system presents opportunities for cross-cultural economic collaboration and growth. As Islamic finance expands beyond Muslim-majority countries, it introduces ethical and sustainable financial practices to a broader audience. This global

integration can lead to a more diversified and resilient international financial system, promoting global economic stability and growth (Cipta & Zakirman, 2024).

In conclusion, Fiqh Iqtishad offers a comprehensive Islamic economic and financial development framework that prioritizes justice, ethical investment, risk-sharing, and social welfare. Its principles foster a more inclusive, stable, and sustainable economic environment, presenting a viable alternative to conventional economic systems. As Islamic finance continues to grow globally, the implications of Fiqh Iqtishad will play an increasingly important role in shaping the future of economic development.

CONCLUSION

In Islam, transactions are better known as muamalah. The definition of muamalah itself is an activity that regulates matters relating to the way of life of fellow human beings to fulfill their daily needs. Meanwhile, those included in muamalah activities include buying and selling, renting, debt and credit, etc. If Muslims conduct transactions in accordance with muamalah or Islamic law, the life of the book will be more secure. Moreover, we will avoid despicable acts, such as harming, cheating, and so on. By avoiding despicable acts, we also avoid sin. In addition, muamalah transaction activities can also reduce the occurrence of conflict because one party feels disadvantaged.

In understanding, fiqh iqtishad can not be separated from the tools namely ushul fiqh and fiqh rules that have an important role for the determination of fiqh (Efendi et al., 2023). Ushul fiqh has a major role in producing fiqh products because ushul rules are used by scholars to produce fiqh. In general, ushul fiqh examines the rules of law derived from the words of command, prohibition, general and specific and nasikh mansukh. Ushul fiqh includes the methodological principles of Islamic science, known as the center of Sharia science, and can create Islamic legal products (fiqh and fatwa).

The foundation of ushul fiqh and fiqh rules has been a strength in developing Islamic economic law. Fiqh iqtishad is one of the products of ijtihad, which is used as a source in the development of Islamic economics and finance. The implication is the application of Islamic law that is positified into Indonesian legislation in an effort to strengthen the material law of Islamic economics.

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