

EXPLORATION OF MAQASID AL-SHARIAH CONCEPTS IN THE DEVELOPMENT OF ISLAMIC ECONOMIC POLICIES

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Abstract: This study examines the concept of maqasid al-shariah in the context of Islamic economic policy development, emphasizing its understanding, implementation in policy, and evaluation of its impact on society and welfare. The research employs a literature review method, conducting a comprehensive analysis of relevant sources across various disciplines. The findings indicate that maqasid al-shariah serves as a moral compass within Islamic economics, providing a foundation for a just, sustainable, and ethical economy. Its implementation requires the establishment of robust Islamic financial institutions, the regulation of economic activities in accordance with Islamic law, and the preservation of moral values in business practices. The evaluation of its impact underscores the significant role of Islamic economics in safeguarding the core objectives of protecting religion, property, life, intellect, and lineage. This study highlights the ongoing relevance of maqasid al-shariah as a guiding framework for Islamic economic policies, offering a bridge between theoretical principles and practical applications to foster a more just and ethical society.

Keywords: *Maqasid Al-Shariah; Islamic Economics; Policy Development.*

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Introduction

Islamic economic policy has become an increasingly important topic in today's global context. This not only reflects the growing interest in economic principles that are ethical and sustainable but also reflects the need to understand and apply principles consistent with Islamic teachings in the economic domain.¹ To develop a solid framework for Islamic economics, the concept of maqasid al-shariah has a vital role.

Maqasid al-Shariah, often translated as "*the aims of shariah*," is a fundamental principle in understanding Islamic teachings that provides a philosophical foundation for various aspects of human life, including economics.² This concept emphasizes the importance of achieving the desired goals in Islamic law, such as maintaining religion, soul, offspring, reason, and property.³ Thus, exploring the concept of maqasid al-shariah in the development of Islamic economic policy becomes necessary to ensure that ethical and moral principles are deeply integrated into economic practice.

This exploration is relevant for countries with a majority Muslim population and has global implications due to the economic growth of Muslim countries and Muslim communities worldwide. In a broader view, the concept of maqasid al-shariah can provide valuable guidance in addressing the various economic challenges modern societies face, including inequality, poverty, economic instability, and negative environmental impacts.

The exploration of the concept of maqasid al-shariah in the development of Islamic economic policy involves a deep understanding of the values, principles, and objectives of Islamic teachings that can be applied in the planning, implementation, and evaluation of economic policy. It also includes ethical, social, and environmental considerations in economic decision-making. The exploration of the concept of maqasid al-shariah in the development of Islamic economic policy has profound significance in

¹ Veland Ramadani et al., "The Context of Islamic Entrepreneurship and Business: Concept, Principles and Perspectives," *International Journal of Business and Globalisation* 15, no. 3 (2015): 244–61, <https://doi.org/10.1504/IJBG.2015.071906>; Rodney Wilson, "Islamic Economic Principles," in *Oxford Research Encyclopedia of Religion*, 2019, <https://doi.org/10.1093/acrefore/9780199340378.013.687>.

² Muhammad Nooraiman Zailani, Nurul Huda Mohd Satar, and Roza Hazli Zakaria, "Maqasid Al-Shariah Based Index of Socio-Economic Development: A Literature Review," *Journal of Muamalat and Islamic Finance Research* 19, no. 1 (2022): 47–62, <https://doi.org/10.33102/jmifr.v19i1.409>.

³ Suud Sarim Karimullah and Lilyan Eka Mahesti, "Tinjauan Maqashid Al-Syariah Terhadap Perilaku Berutang Masyarakat Desa Sukawangi Pada Masa Pandemi Covid-19," *Tahkim* 4, no. 1 (2021): 79–98, <https://doi.org/10.29313/tahkim.v4i1.7274>.

the face of increasingly complex global economic challenges.⁴ Historically, Islamic economics has made substantial contributions to the development of economics, including ethical principles in business and commerce. However, in the modern era, when commercialization and globalization have drastically changed the economic landscape, Islamic economics practitioners and academics need to evaluate and adapt the principles to remain relevant and practical.

The concept of maqasid al-shariah offers a broad and holistic view of Islamic economics that goes beyond mere legal or regulatory aspects. This allows the application of Islamic values in a wide range of economic policies, from a fairer income distribution to the protection of the natural environment. Therefore, this exploration can also help overcome critics of Islamic economics who may consider it an outdated or overly rigid paradigm. In addition, developing Islamic economic policies based on maqasid al-shariah will help build a more stable foundation for long-term economic growth and reduce the risk of economic instability.⁵ Maqasid al-Shariah principles, such as justice, balance, and sustainability, can help prevent economic bubbles and instability that can harm society.

In a modern society often driven by the profit motive alone, the concept of Maqasid al-Shariah recalls the importance of spiritual and social goals in economic life. Incorporating principles such as justice, balance, and sustainability can create an economy that is more stable, secure, and beneficial to all walks of life. It is also important to remember that maqasid al-shariah is not a static concept but has the flexibility to adapt to the times. This is an important feature that allows the teachings of Islam to be relevant in various economic and social contexts. For example, the concept of maqasid al-shariah can be used to formulate solutions to contemporary challenges such as technological revolution, globalization, and climate change. In addition, the exploration of the concept of maqasid al-shariah in the development of economic policy is also an effort to strengthen the identity and excellence of the Muslim community in the global scope. It

⁴ Abdurrohman Kasdi, "Actualizations of Maqāṣid Al-Shariah in Modern Life; Maqāṣid Al-Shariah Theory as a Method of the Development of Islamic Laws and Shariah Economics," *Justicia Islamica: Jurnal Kajian Hukum Dan Sosial* 16, no. 2 (2019): 247–68, <https://doi.org/10.21154/justicia.v16i2.1666>.

⁵ Maura Campra et al., "Islamic Countries and Maqasid Al-Shariah towards the Circular Economy: The Dubai Case Study," *European Journal of Islamic Finance* 17 (2021): 1–10, <https://doi.org/10.13135/2421-2172/4560>.

can strengthen the role of Islamic economics in providing a more sustainable and equitable alternative in the international community.

The importance of this exploration is also reflected in the fact that most countries with majority Muslim populations have a range of economic challenges that need to be addressed, including high levels of unemployment, poverty, and inequality.⁶ Thus, studying maqasid al-shariah in the economic context can provide valuable insights in dealing with these problems and formulating better solutions. In this context, this study aims to deepen the understanding of how maqasid al-shariah can be a solid foundation for developing Islamic economic policies that are more equitable, sustainable, and by Islamic values. The study will also identify challenges and potentials in applying this concept in modern economic practice. Thus, this study contributes to the existing literature on Islamic economics and presents a more comprehensive view of the role of maqasid al-shariah in formulating a better and more equitable economic future.

Research Methods

The research method used in this study is a literature study with a comprehensive literature analysis. This approach was chosen because this study aims to investigate and understand the concept of maqasid al-shariah in the context of Islamic economic policy development. Literature study allows researchers to gather information from various sources, including books, scientific articles, research reports, and other documents relevant to the research topic.

A comprehensive literature analysis will involve an in-depth evaluation of the existing literature, both theoretical and focused on the practical application of maqasid al-shariah concepts in an economic context. Through the analysis of this literature, researchers will look for patterns, perspectives, and different views on this concept and identify recent contributions in this field. Using a comprehensive literature study and analysis method, this study aims to build a deep understanding of maqasid al-shariah and how this concept can be integrated into the development of Islamic economic policy. The results of this study are expected to provide valuable insights for policymakers,

⁶ Mohamed Aslam Haneef et al., "Integrated Waqf Based Islamic Microfinance Model (IWIMM) for Poverty Alleviation in OIC Member Countries," *Middle-East Journal of Scientific Research* 19, no. 2 (2014): 286–98, <https://doi.org/10.5829/idosi.mejsr.2014.19.2.12565>; Negin Vaghefi, Chamhuri Siwar, and Sarah Aziz Abdul Ghani Aziz, "Green Economy: Issues, Approach and Challenges in Muslim Countries," *Theoretical Economics Letters* 05, no. 01 (2015), <https://doi.org/10.4236/tel.2015.51006>.

academics, and economic practitioners interested in developing economic models that align with the values and goals of Islamic teachings.

The Concept of Maqasid al-Shariah in Islamic Economics

Maqasid al-Shariah, often translated as "*the aims of shariah*," is one of the core pillars of understanding Islamic teachings and has profound implications in Islamic economics. This concept summarizes the main goals of Islamic laws (*sharia*) for humans. Classically, maqasid al-shariah can be divided into five, namely the maintenance of religion (*dīn*), maintenance of the soul (*nāfs*), maintenance of offspring (*nāṣl*), maintenance of reason (*‘aql*), and maintenance of property (*māl*).⁷ This concept reflects the deep and sustainable principles that guide the lives of Muslim individuals and societies, including the economic aspect.

The preservation of religion (*dīn*) is one of the main goals of Maqasid al-Shariah. In an economic context, it refers to the ethical principles individuals and institutions must adhere to in transacting and investing. For example, usury (interest) is considered a great sin in Islam; therefore, Islamic finance principles prohibit usury. The maintenance of religion also includes the implementation of zakat, that is, the obligation to give part of the property to the needy, which becomes an essential instrument in the distribution of wealth in Muslim society.⁸ Then, maintaining the soul (*nāfs*) means protecting and sustaining human life. In the economic context, this requires consumer protection, business ethics, and an emphasis on fair trade. Islamic finance, for example, prohibits investing in sectors that are high-risk and detrimental to society.

Hereditary maintenance (*nāṣl*) includes marriage, heredity, and family. In economics, this includes providing families with sufficient resources, including basic needs such as food, shelter, and education. Islamic economic policies emphasize a fairer income distribution so that people can provide for their families. Then, maintaining reason (*‘aql*) means protecting human intelligence and thinking ability. In an economic context, this includes prohibitions against gambling, excessive speculation, or business

⁷ Suud Sarim Karimullah, *Pendekatan Multidisipliner Dalam Studi Islam* (Pati: Al Qalam Media Lestari, 2023), 49–56.

⁸ Meri Indri Hapsari and Zainal Abidin, "Zakat Distribution in Maqasid Al-Shariah Framework," *Journal of Islamic Financial Studies* 02, no. 02 (2016): 15–25, <https://doi.org/10.12785/JIFS/020202>.

practices that can mentally harm individuals. Islamic economic principles promote transparent and ethical transactions. In addition, the maintenance of property (*māl*) means protecting and preserving property and wealth. Economic emphasizes the importance of private property rights, protection against theft, and avoidance of exploitative practices in commerce.

In Islamic economics, the concept of maqasid al-shariah reminds us that the economy is not the ultimate goal but the means to achieve more significant goals in the teachings of Islam. Thus, Islamic economics must integrate ethical, social, and moral values in economic activity. Sustainable business, social justice, and environmental sustainability should be integral to Islamic economics. In addition, the concept of maqasid al-shariah also provides a foundation for innovation in Islamic economics.⁹ In the face of modern challenges such as globalization, technology, and climate change, this concept can be used to formulate solutions that align with Islamic values and are relevant globally.

To apply the concept of maqasid al-shariah in Islamic economics, Islamic financial institutions, such as Islamic banks and Islamic investment firms, play an essential role in ensuring that these principles are integrated into their business practices. They also educate and counsel the community to increase understanding of the importance of an economy based on Islamic values. Thus, the concept has the potential to provide valuable guidance in facing global economic challenges and in building an economy more in line with Islamic values and principles.

The concept of maqasid al-shariah has significant implications in various aspects of Islamic economics. The concept of maqasid al-shariah emphasizes the importance of maintaining religion (*dīn*) and the soul (*nāfs*), including the prohibition of usury. In Islamic economics, usury is considered one of the major sins because it can damage social and economic justice. Therefore, the prohibition of *ribā* is a fundamental principle in the Islamic financial system, where the practice of *ribā* is replaced by profit-sharing or Sharia financing that does not involve interest. The maintenance of offspring (*nāṣl*) and property (*māl*) is also an integral part of maqasid al-shariah. This principle leads to the need for a more equitable distribution of wealth in society. Zakat, one of the five pillars of Islam,

⁹ M Qoshid Al Hadi, "Fiqh Mu'amalah in Theory and Practice: An Overview of Islamic Economics," *Al Hurriyah: Jurnal Hukum Islam* 6, no. 2 (2022): 102–17, <https://doi.org/10.30983/alhurriyah.v6i2.5010>.

plays a vital role in achieving this goal. Zakat must give part of the property to needy people and serve as an instrument to reduce economic inequality.¹⁰

The maintenance of reason (*'aql*) and soul (*nāfs*) also encourages the importance of social justice in the economy. This principle emphasizes protecting individuals and communities from exploitation and injustice in trade and business. It also supports equitable access to resources and economic opportunities for all citizens. Protecting the natural environment also becomes relevant in the context of resourceful maintenance (*'aql*). Maqasid al-Shariah reminds us that humans are responsible for maintaining the balance of ecosystems and behaving ethically towards nature. Therefore, Islamic economics encourages the practice of environmentally friendly and sustainable products.

Maintaining the soul (*nāfs*) also contains an essential message about business ethics. In Islamic economics, business must be conducted with integrity, honesty, and transparency. This principle creates the foundation for fair and ethical business practices. In the context of nurturing *nāṣl* (descent), Islamic economics supports entrepreneurship and investment that can create jobs and advance society. Economic empowerment of individuals and communities is considered a means to maintain the *nāṣl*. Thus, the concept of maqasid al-shariah provides a solid philosophical foundation for an Islamic economy more oriented towards welfare, justice, and morality. Implementing these principles through Islamic financial institutions, government policies, and business conduct can create a more sustainable, inclusive, and equitable economy for the Muslim and global communities.

However, it is essential to note that the concept of maqasid al-shariah also allows flexibility in adapting to changing and diverse economic contexts. It enables Islamic economics to remain relevant in the face of challenges and changing times, including technological revolution and globalization. In this regard, the development and renewal of the concept of maqasid al-shariah has also become an essential part of the evolution of Islamic economics. The maintenance of reason (*'aql*) in maqasid al-shariah shows the importance of science, education, and innovation in Islamic economics. This principle promotes the continuous and sustainable development of the knowledge economy. In practice, this means support for research and economic development by Islamic values.

¹⁰ Syamsuri Syamsuri, Yaumi Sa'adah, and Isma Aulia Roslan, "Reducing Public Poverty Through Optimization of Zakat Funding as an Effort to Achieve Sustainable Development Goals (SDGs) in Indonesia," *Jurnal Ilmiah Ekonomi Islam* 8, no. 1 (2022): 792–805, <https://doi.org/10.29040/jiei.v8i1.3872>.

Maqasid al-Shariah encourages maintaining the soul (*nāfs*), which contains important messages about social responsibility and philanthropy. In Islamic economics, individuals and businesses are encouraged to contribute to the welfare of society through charity and social projects. Zakat and alms are the primary means to achieve this goal. In maintaining property (*māl*), the principles of maqasid al-shariah encourage a long-term view in managing economic resources.¹¹ This includes responsibility to future generations and protection against exploitation that could harm the economy long-term.

The whole concept of maqasid al-shariah considers the importance of economic harmony with Islam's moral and ethical values. This means that business and investment practices in Islamic economics must be within the limits set by Islamic moral and ethical principles. The nurturing *nāṣl* principle can also be interpreted as supporting women's economic empowerment. This includes greater access for women to education, employment, and business opportunities. Women's empowerment is seen as an integral part of achieving the goals of maqasid al-shariah in an economic context.

In a global context, the maqasid al-shariah concept can also support tolerance and open policies in international trade. These principles open the door for economic cooperation with different cultures and religions without compromising Islamic values. The application of maqasid al-shariah in Islamic economics is an ongoing effort and involves a wide range of stakeholders, including the government, the private sector, and the public. These principles also help Islamic economics address contemporary challenges such as climate change, technological revolution, and population growth. By integrating the principles of maqasid al-shariah into economic practice, Islamic economics can become a more equitable, sustainable, and ethical means of achieving greater social and economic well-being.¹² This is not only for Muslim societies but can be a valuable guidance for developing better and fairer economies worldwide. Along with its economic and social evolution, the concept of maqasid al-shariah continues to

¹¹ Farrukh Habib, "Islamic Finance and Sustainability: The Need to Reframe Notions of Shariah Compliance, Purpose, and Value," in *Islamic Finance, FinTech, and the Road to Sustainability: Reframing the Approach in the Post-Pandemic Era* (Springer, 2023), 15–40, https://doi.org/10.1007/978-3-031-13302-2_2.

¹² Muhammad Nouman et al., "Nexus between Higher Ethical Objectives (Maqasid Al Shari'ah) and Participatory Finance," *Qualitative Research in Financial Markets* 13, no. 2 (2021): 226–51, <https://doi.org/10.1108/QRFM-06-2020-0092>; Mohd Noor Omar and Norhanim Mat Sari, "Maqasid Al-Shariah Philosophy In Monetary Regime Towards Inclusive Sustainable Growth," *International Journal of Islamic Economics* 1, no. 02 (2019): 95–110, <https://doi.org/10.32332/ijie.v1i02.1802>.

play an essential role in maintaining the relevance and integrity of Islamic economics in the contemporary world.

Implementation of Maqasid al-Shariah in Islamic Economic Policies

Implementing maqasid al-shariah, which refers to the goals of Islamic law, in Islamic economic policy is the key to creating an economy that is just, sustainable, and by Islamic values. One of the main aspects of implementing maqasid al-shariah is the development of an Islamic financial system based on the principles of sharia.¹³ This includes the development of Islamic banks, Islamic insurance companies, and other financial instruments that comply with the prohibition of *ribā* and promote the principles of fairness and sustainability in finance.

In the Islamic financial system, profit-sharing and Sharia-based financing, principles such as *mudarabah* and *musharakah* replace interest in financial transactions. It allows the maintenance of religion (*dīn*) by avoiding usury and the maintenance of property (*māl*) by ensuring fairness in the distribution of profits and losses. Then, the implementation of maqasid al-shariah in Islamic economic policy includes efforts to achieve a more equitable distribution of wealth in society. *Zakat*, one of the five pillars of Islam, is an essential tool in achieving this goal. Governments and Islamic financial institutions must work together to ensure that *zakat* is appropriately collected and distributed to needy people.¹⁴ In addition, taxes such as *zakat māl* (wealth tax) and *waqf* can also be applied in Islamic economic policies to support the goal of a more equitable distribution of wealth. It also includes regulations that favor protection against economic exploitation.

¹³ Luhur Prasetyo and Khusniati Rofiah, "The Formulation of Islamic Bank Performance Based on Contemporary Maqasid Al-Sharia," *Justicia Islamica: Jurnal Kajian Hukum Dan Sosial* 18, no. 2 (2021): 318–34, <https://doi.org/10.21154/justicia.v18i2.3163>; Fahmi Ali Hudaefi and Abdul Malik Badeges, "Maqāṣid Al-Sharī‘ah on Islamic Banking Performance in Indonesia: A Knowledge Discovery via Text Mining," *Journal of Islamic Marketing* 13, no. 10 (2022): 2069–89, <https://doi.org/10.1108/JIMA-03-2020-0081>.

¹⁴ Norazlina Abd Wahab and Abdul Rahim Abdul Rahman, "A Framework to Analyse the Efficiency and Governance of Zakat Institutions," *Journal of Islamic Accounting and Business Research* 2, no. 1 (2011): 43–62, <https://doi.org/10.1108/17590811111129508>; Darlin Rizki, "A Peer-to-Peer Lending Methods in Management of Zakat Funds through Sharia Financial Institutions," in *Indonesian Conference of Zakat-Proceedings*, 2019, 25–40, <https://doi.org/10.37706/iconz.2019.146>.

Social justice is one of the main goals of maqasid al-shariah. Islamic economic policy includes creating systems that reduce social and economic inequality.¹⁵ This can be achieved through social protection programs, affordable education, better access to health services, and fairer employment opportunities. These principles also include provisions to protect the rights of workers and consumers and avoid practices that harm society. Business ethics based on Islamic values must be applied in Islamic economic policy.

The maintenance of reason (*'aql*) in maqasid al-shariah includes responsibility for the natural environment. Implementing this in Islamic economic policy includes the development of regulations and incentives to encourage environmentally friendly product practices. In Islamic economics, natural resource exploitation and environmental pollution violate the principles of nature conservation.¹⁶ The implementation of maqasid al-shariah in Islamic economic policy also includes the promotion of high business ethics. This principle requires the implementation of transparency, honesty and integrity in business practices. Governments and regulatory agencies need to ensure that business practices that harm society and violate Islamic moral principles are stopped or punished.

To maintain *nās* (descent), Islamic economic policies must support the economic empowerment of individuals and communities.¹⁷ This includes economic education and training, support for small and medium-sized businesses, and better access to economic resources. Economic empowerment is considered a means to achieve the goals of maqasid al-shariah in an economic context. Implementing maqasid al-shariah in Islamic economic policy involves various stakeholders, including governments, Islamic financial institutions, civil society, and academia. It also requires a sustainable and adaptive approach to ensure these principles are relevant in changing times and global economic challenges. By integrating maqasid al-shariah into Islamic economic policy, Muslim societies can create economies more aligned with Islamic values and principles. It can also provide valuable guidance for developing better and more equitable economies

¹⁵ Muhammet YURTSEVEN and Kamola BAYRAM, “The Role of Islamic Economy in Reduction of Social Injustice and Sustainable Development Goals,” *Bilimname* 2020, no. 42 (2020): 111–53, <https://doi.org/10.28949/bilimname.687766>.

¹⁶ Muhammad Anis and Irham Zaki, “How Islamic Economics View on Ecology?,” *AFEBI Islamic Finance and Economic Review* 4, no. 02 (2019): 115–22, <https://doi.org/10.47312/aifer.v4i02.366>.

¹⁷ Mustafa Omar Mohammad and Syahidawati Shahwan, “The Objective of Islamic Economic and Islamic Banking in Light of Maqasid Al-Shariah: A Critical Review,” *Middle East Journal of Scientific Research*, 2013, <https://doi.org/10.5829/idosi.mejsr.2013.13.1885>.

worldwide, reflecting the moral goals in Islamic teachings. Thus, implementing Maqasid al-Shariah in Islamic economic policy is essential to a more just, sustainable and welfare-oriented society.

Implementing maqasid al-shariah in Islamic economic policy also includes the application of laws and regulations by sharia principles. This creates a solid foundation for fair enforcement in the event of violations of business ethics or fraud in economic transactions. Governments and regulatory agencies must ensure that practices that violate Islamic law are appropriately sanctioned. The implementation of maqasid al-shariah also refers to inclusive policies. Islamic economic policies should ensure that all levels of society have equitable access to economic opportunities, education, and health services.¹⁸ This created a foundation for social justice and the maintenance of the *nāṣl*.

Implementing maqasid al-shariah in Islamic economic policy also includes the development of a solid Islamic economic infrastructure. This includes establishing Islamic financial institutions, such as Islamic banks, Islamic insurance companies, and Islamic capital markets. In addition, robust regulatory and supervisory mechanisms are needed to ensure that business and investment practices comply with Sharia principles. To maintain reason (*‘aql*), Islamic economic policies must support investment in Islamic economic education and training. This includes formal education in higher education institutions specializing in Islamic economics and practical training for individuals wishing to work within the Islamic economic sector. Investment in Islamic economic knowledge is necessary to ensure the Islamic economy can thrive and adapt well to global economic changes.

To ensure the maintenance of religion (*dīn*), Islamic economic policy should include implementing strict sharia standards and certification. It allows products and services produced in the sharia economy to meet the requirements of Islamic ethics and law. Quality supervision and control must also be carried out regularly to ensure compliance with Sharia principles. Maintaining property (*māl*) in maqasid al-shariah requires Islamic economic policy to consider the long-term effects of economic action. Therefore, economic policy should focus on sustainable and future-oriented economic

¹⁸ Suziraha Dzulkepli and Mohd Nizam Barom, “Financial Inclusion and the Goal of Distributive Justice in Islamic Economics,” *The Journal of Muamalat and Islamic Finance Research*, 2021, 66–77, <https://doi.org/10.33102/jmifr.v18i1.330>; Ezzedine Ghlamallah et al., “The Topics of Islamic Economics and Finance Research,” *International Review of Economics & Finance* 75 (2021): 145–60, <https://doi.org/10.1016/j.iref.2021.04.006>.

development. This includes improving resource efficiency, sustainable management of Natural Resources, and financial sustainability.

To maintain *nāṣl* (descent), Islamic economic policies must support entrepreneurship and innovation. It creates economic opportunities for individuals and communities to develop businesses and create jobs. Support in business licensing, access to capital, and innovation facilitation is needed to foster more inclusive economic development. Islamic economic policy must seek alignment with global moral values. Although inspired by the principles of sharia, Islamic economics can establish cooperation and trade with other countries with various religions and beliefs.¹⁹ These principles create the foundation for a more just and ethical global economic cooperation.

Implementing maqasid al-shariah in Islamic economic policy should also encourage community empowerment through the economy. This includes providing opportunities for people to actively participate in the economy, develop their businesses, and have greater access to economic resources. Community empowerment through economics is one way to achieve *nāṣl's* maintenance goals. In implementing maqasid al-shariah in Islamic economic policy, it is essential to adopt a holistic approach covering various policy aspects. Economic policies based on the principles of maqasid al-shariah will help create a more just, sustainable society by Islamic values. It can also set an example for developing better and more ethical economies worldwide, reflecting the moral goals in Islamic teachings. Thus, implementing maqasid al-shariah in Islamic economic policy is essential to a better society and a fairer economy.

Evaluation of the Societal and Welfare Impact of Islamic Economic Policies

Evaluation of the impact of Islamic economic policy is a critical process to understand the extent to which the policy achieves the goals set by maqasid al-shariah, namely the maintenance of religion (*dīn*), property (*māl*), soul (*nāfs*), intellect (*‘aql*), and heredity (*nāṣl*). This evaluation helps governments, Islamic financial institutions, and

¹⁹ Hisam Ahyani and Memet Slamet, “Building the Values of Rahmatan Lil’Alamin for Indonesian Economic Development at 4.0 Era from the Perspective of Philosophy and Islamic Economic Law,” *Al-Ihkam: Jurnal Hukum & Pranata Sosial* 16, no. 1 (2021): 111–36, <https://doi.org/10.19105/al-lhkam.v16i1.4550>; Aisalkyn Botoeva, “Islam and the Spirits of Capitalism: Competing Articulations of the Islamic Economy,” *Politics & Society* 46, no. 2 (2018): 235–64, <https://doi.org/10.1177/0032329218776014>.

civil society measure Islamic economic policies' effectiveness in creating a more just, sustainable, and moral values-oriented society.

Economic growth is one of the first aspects evaluated in the impact of Islamic economic policies. The impact can be measured through indicators such as gross domestic product, per capita income, and the unemployment rate. Healthy economic growth is usually a positive indicator of successful economic policy. However, economic growth is not the only measure of success in evaluating Islamic economics. In addition to measuring growth, the evaluation should also consider the distribution of wealth, social justice, and the social impact of such growth. In this context, it is essential to ensure that economic growth supports the maintenance of property (*māl*) and social justice.

One of the main goals of Islamic economics is to achieve a more equitable distribution of wealth in society.²⁰ Therefore, an evaluation of the impact of Islamic economic policies should include an analysis of how much they have improved economic equality and reduced income inequality. Indicators such as the gini coefficient and the poverty index can be used to measure the distribution of wealth. The evaluation of Islamic economic policy should also examine its impact on social justice. This includes better access to health services, education and employment for the whole community, including the disadvantaged. The evaluation may include an analysis of community well-being, including improved access to affordable health and education services.

Considering economic sustainability is essential in evaluating the impact of Islamic economic policies. It covers policy impacts on the natural environment, natural resource management, and long-term economic growth. The evaluation should consider whether the policy has resulted in an environmentally and economically sustainable economy. The evaluation should also reflect how Islamic economic policies have empowered the community. It includes an analysis of job opportunities, training, and support for small and medium-sized businesses. The evaluation can check whether the policies have actively allowed the community to participate in the economy.

Islamic economic policies should aim to protect people from poverty and deprivation. Impact evaluation should include an assessment of the effectiveness of policies in reducing poverty and improving the lives of the most vulnerable. Examining

²⁰ Aang Kunaifi, Fadali Rahman, and Risca Dwiaryanti, "The Philosophy and Authentication of Welfare Equalization in the Islamic Economy," *Islamic Research* 4, no. 2 (2021): 54–62, <https://doi.org/10.47076/jkpis.v4i2.67>.

the extent to which they comply with sharia principles is essential in evaluating the impact of Islamic economic policies. It includes an analysis of transactions and business practices by Islamic law. The positive impact in this regard is the increasing adherence to Islamic moral and ethical principles in the business world. The impact evaluation should also include an analysis of the effectiveness of education and public awareness programs focusing on Islamic economics. Public awareness of the economic benefits of sharia and its principles is essential to achieving the goals of maqasid al-shariah.

In evaluating the impact of Islamic economic policies, measuring the level of innovation and development of the Islamic economy is essential. The evaluation should consider whether the policy has promoted the development of better Islamic economic products and services. The evaluation of the impact of Islamic economic policies should also consider the community's social welfare and quality of life in general. This includes access to decent housing, quality health services, quality education, and quality of the living environment. Increased social welfare and quality of life are positive indicators that Islamic economic policies have succeeded in nurturing the soul (*nāfs*) and offspring (*nāṣl*).

Islamic economic policy should also be measured by its ability to maintain economic security and stability. The evaluation should consider whether the policy has reduced economic volatility, avoided a financial crisis, and created a stable business climate. Economic security and stability create a more conducive environment for investment and long-term growth. To achieve the maintenance of property (*māl*), evaluating the impact of Islamic economic policies should include their impact on the environment. It includes efforts to reduce negative environmental impacts, such as pollution and exploitation of natural resources. The evaluation may also consider measures to support environmental sustainability, such as investments in renewable energy and sustainable agricultural practices.

The evaluation should also reflect whether Islamic economic policies have improved public access to Islamic financial services. This includes the growth of the Islamic finance sector, an increase in the number of Islamic bank accounts, and better access to Islamic financing. Increased access to Islamic financial services can help improve financial inclusion and empower communities. Evaluating the impact of Islamic economic policies must also consider the balance between Sharia and economic

efficiency. Although adherence to sharia principles is essential, ensuring the economy remains competitive and efficient is also important. The evaluation should check whether the policy has reached the right balance.

The evaluation should also consider the sustainability of the Sharia economy itself. This includes the growth of the Islamic finance sector, product innovation, and the development of the Islamic capital market. The sustainability of the Islamic economy is an essential factor in ensuring that the Islamic economy can continue to develop and provide long-term benefits to the community. The evaluation should also include the views and perceptions of the public towards Islamic economic policies. This can be done through surveys, public consultations and dialogue with various stakeholders. Community participation in the evaluation process is essential to understand the impact of the policy more comprehensively.

Good governance in the implementation of Islamic economic policy should also be evaluated. It covers government and Islamic economic institutions' transparency, accountability, and leadership qualities. This evaluation helps ensure that economic policies are carried out effectively and by Sharia principles. In addition, evaluating the impact of Islamic economic policies must consider social sustainability. This includes consideration of social stability, inter-group relationships, and the long-term positive impact on society. Social sustainability creates an environment that supports peace and harmony in society.

One of the goals of Islamic economic policy is to increase economic inclusion, that is, to provide economic opportunities to all levels of society, including the disadvantaged. The evaluation should examine whether policies have successfully expanded people's access to economic opportunities and reduced economic disparities. The impact evaluation should also examine how much Islamic economic policies have increased awareness of moral and ethical values in business and finance.²¹ This includes whether business practices that conform to Shariah principles have become the norm in society.

The evaluation of Islamic economic policy should also consider whether the policy has resulted in a more stable financial system and can avoid financial crises that

²¹ Shifa Mohd Nor, "Integrating Moral in a Dynamic Model of Corporate Social Responsibility in Islamic Economics and Finance," *Asian and African Area Studies* 11, no. 2 (2012): 137–50, <https://doi.org/10.14956/asafas.11.137>.

can harm society. The security and resilience of the financial system is an essential factor in maintaining economic stability. The evaluation should include the impact of policies on social progress and human development. This includes improvements in education, health, and the general welfare of the community. Social progress and Human Development create healthier, more educated, and more competitive societies. In addition, the evaluation should examine whether Islamic economic policies have improved the quality of Sharia products and services available to the public. This includes increased sharia banking, insurance products, and other products that comply with Sharia principles.

The evaluation should also include the views and satisfaction of customers towards Sharia economic products and services. Sharia business reputation is also an essential factor in attracting customers and investments. This evaluation helps to maintain the integrity and trust of the community in the sharia economy. Finally, the evaluation of the impact of Islamic economic policy should conclude the extent to which the policy has succeeded in achieving the objectives of maqasid al-shariah, namely the maintenance of religion (*dīn*), property (*māl*), soul (*nāfs*), intellect (*‘aql*), and heredity (*nāṣl*). This conclusion will be the leading indicator in assessing the success of Islamic economic policies. Through careful evaluation, communities can ensure that Islamic economic policies remain relevant and practical and create greater well-being for the entire community. The evaluation also provides valuable guidance for future policy improvements and adjustments to achieve moral and economic goals more effectively. Good evaluation also helps ensure that Islamic economic policies are not only by sharia principles but are also effective in creating the welfare of society and maintaining the integrity of moral values in the business and financial world.

Conclusion

The importance of understanding and applying the concept of maqasid al-shariah in the development of Islamic economic policy. Maqasid al-Shariah, focusing on preserving religion, property, soul, reason, and descent, provides a solid ethical foundation for economic practice. Implementing this concept requires a holistic approach, including the development of Islamic financial institutions, regulation by Islamic law, and support for the Islamic economic sector. However, the evaluation of the impact of Islamic

economic policies on society and welfare is also a critical step in maintaining a balance between economic and moral aspects. This evaluation covers various dimensions such as equitable distribution of wealth, social justice, sustainability, community empowerment, and protection against poverty. The evaluation results used to correct and refine the policy will help create an Islamic economy that conforms to Islamic moral values, supports equitable welfare, and maintains the goals of maqasid al-shariah. Thus, the Islamic economy can be a means to achieve broader goals, developing a more just, sustainable and ethical society by the teachings of Islam.

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