

Integrating Maqashid al-Shariah into Islamic Economic Practices: A Contemporary Analytical Framework and Its Applications

Andi Marwah¹, Nasrullah bin Sapa¹, Abdul Syatar¹

¹ Pascasarjana, Dirasah Islamiyah, Syariah Hukum Islam, Universitas Islam Negeri Alauddin Makassar

✉ andiawha@gmail.com*

Abstract

The growing demand for ethical and inclusive economic frameworks has renewed scholarly interest in maqasid al-shariah as a foundational paradigm in Islamic economics. As the higher objectives of Islamic law, maqasid seek to protect religion (din), life (nafs), intellect (aql), lineage (nasl), and wealth (mal). This study employs a qualitative-descriptive approach using structured library research to analyze fifteen academic sources published between 2019 and 2025, focusing on how maqasid principles are conceptualized and implemented in Islamic finance, social policy, and cooperative systems. The findings reveal that while there is growing theoretical engagement with maqasid, practical applications remain limited by formalistic interpretations and insufficient institutional adaptation. Notable progress exists in areas such as mudharabah, takaful, and zakat-waqf integration, but broader reform is needed to shift from legal compliance to maqasid-oriented innovation. This research contributes to the theoretical advancement of Islamic economic thought by offering a synthesized and critical review of contemporary maqasid applications, and recommends the systemic integration of maqasid into policy-making, institutional governance, and economic design.

Article Information:

Received Januari 30, 2025

Revised Februari 29, 2025

Accepted Maret 28, 2025

Keywords: *Maqasid al-Shariah, Islamic Economics, Islamic Finance, Library Research, Sharia Governance*

How to cite:

Marwah, A., bin Sapa, N., & Syatar, A. (2025). Integrating Maqashid al-Shariah into Islamic Economic Practices: A Contemporary Analytical Framework and Its Applications . El-Kahfi | Journal of Islamic Economics, 6(01), 36-44. <https://doi.org/10.58958/elkahfi.v6i01.456>

E-ISSN:

2722 - 6557

Published by:

Manna wa Salwa College of Islamic Economics, Tanah Datar, West Sumatra, Indonesia

INTRODUCTION

The recurrence of global crises—ranging from the 2008 financial meltdown to the economic disruption triggered by the COVID-19 pandemic—has exposed the inherent limitations of the conventional economic system. These limitations include excessive reliance on profit-centric indicators, resulting in growing inequality, ecological degradation, and erosion of social values (Piketty, 2020; Stiglitz, 2019). These conditions have prompted a growing discourse on the need for an alternative economic paradigm grounded in ethics and sustainability. Islamic economics emerges as a viable alternative system that offers not only moral guidelines but also a structured framework for economic justice and sustainability. Its normative foundation, derived from the Shariah, establishes a comprehensive set of ethical and operational principles. One of the core foundations of this system is Maqasid al-Shariah—the higher objectives of Islamic law—which aims to promote human welfare by protecting religion (*din*), life (*nafs*), intellect (*aql*), lineage (*nasl*), and wealth (*mal*) (Alghifari & Andrini, 2024; Hamdi & Sukandi, 2025).

Historically rooted in the works of classical scholars such as Al-Ghazali and Al-Shatibi, maqasid al-shariah has evolved into a central component of Islamic legal and ethical discourse. In contemporary times, its application has extended into the economic domain, serving as a benchmark to ensure that economic activities align with the objectives of justice, equity, and communal prosperity (Nurwahidah et al., 2024). Recent studies have shown that embedding maqasid al-shariah into Islamic financial systems can enhance institutional accountability and societal well-being. For instance, research by Adam et al. (2024) and Apriyanto et al. (2023) has demonstrated that institutions guided by maqasid principles are more likely to contribute positively to inclusive development, poverty alleviation, and ethical investment practices.

However, the actual implementation of maqasid al-shariah within the Islamic economic framework remains suboptimal. Several studies indicate a considerable gap between the theoretical framework and its practical execution, especially within Islamic financial institutions (Iswandi, 2023; Saputri et al., 2025). This includes deficiencies in wealth redistribution, ethical investment alignment, and social justice delivery. According to Husni et al. (2024), one of the primary challenges in achieving effective implementation of maqasid is the lack of a structured and comprehensive understanding among policymakers and practitioners. This is exacerbated by the absence of standardized indicators or policy instruments that translate maqasid objectives into measurable outcomes.

The above limitations highlight an urgent need for scholarly engagement that not only explains the normative value of maqasid but also explores mechanisms for its integration into real-world economic practices. The current body of literature often remains either too philosophical or overly fragmented, lacking critical synthesis and interdisciplinary analysis (Tohari et al., 2024). This study addresses that gap by conducting a systematic literature-based investigation on the role of maqasid al-shariah in Islamic economics. A library research approach allows for the aggregation and synthesis of dispersed insights into a coherent framework, providing the necessary theoretical foundations for future empirical studies (Sari, 2020).

Library research, as a qualitative method, offers significant potential in constructing theoretical perspectives based on existing scholarly contributions. It enables researchers to critically analyze, compare, and interpret diverse academic resources to uncover conceptual patterns and knowledge gaps (Machi & McEvoy, 2020). By adopting this

approach, the present study aims to identify, categorize, and synthesize contemporary discourses on maqasid al-shariah and its applications across various economic sectors. This includes both theoretical explorations and empirical findings related to Islamic banking, takaful, and cooperative institutions.

More specifically, this research explores the application of maqasid principles in Islamic financial practices such as mudharabah (profit-sharing contracts), musyarakah (partnership), and takaful (Islamic insurance). These practices are evaluated in light of their alignment with the maqasid objectives of protecting wealth, life, and communal interest (Islami, 2021; Apriyanto et al., 2023). This study also considers emerging models and tools proposed in recent literature, such as maqasid-based performance indices, policy assessment frameworks, and ethical rating systems. Such instruments have the potential to bridge the normative aspirations of maqasid with the operational mandates of financial institutions (Hamdi & Sukandi, 2025; Husni et al., 2024).

Furthermore, a thematic review of literature from 2019 to 2025 reveals the increasing attention toward integrating maqasid in macroeconomic planning, especially in the post-pandemic recovery era. Scholars advocate for a shift from GDP-centric metrics to human-centered development models inspired by maqasid (Muhibban & Munir, 2023; Adam et al., 2024). This highlights the relevance and timeliness of re-evaluating Islamic economic practices through the maqasid lens. Not only does it offer a corrective framework for current inefficiencies, but it also serves as a moral compass for institutional governance and public policy design.

Accordingly, this study seeks to contribute to the theoretical enrichment of Islamic economics by offering a comprehensive synthesis of maqasid literature. It also proposes directions for integrating these principles into actionable strategies within Islamic financial systems. Ultimately, it aims to reinforce the centrality of maqasid al-shariah as a transformative paradigm for achieving just, inclusive, and sustainable economic development.

METHODS

This study employs a qualitative-descriptive approach through a library research design, which is suited for exploring and understanding normative concepts such as maqasid al-shariah in Islamic economics. It aims to systematically collect, analyze, and synthesize scholarly literature to build a conceptual understanding and identify gaps for further research. The qualitative nature of this study allows for exploratory analysis without manipulating variables or conducting empirical fieldwork (Machi & McEvoy, 2020).

The data in this research are derived from secondary sources, consisting of both primary references—such as classical Islamic texts, laws, and fatwas—and contemporary academic literature, including journal articles, books, research reports, and theses. The primary data include texts discussing the foundational principles of maqasid al-shariah, while secondary data involve modern interpretations and empirical studies applying maqasid principles in economic contexts. All sources were selected based on academic credibility, relevance to the research theme, and publication date between 2019–2025.

Data were collected through a systematic review of digital academic databases such as Google Scholar, DOAJ, ScienceDirect, and Scopus, using specific keywords: maqasid al-shariah, Islamic economics, sharia finance, Islamic financial institutions, and Islamic moral economy. Selection criteria included: (1) relevance to the research objectives, (2)

publication in peer-reviewed journals, (3) publication between 2019–2025, and (4) accessible full text. Unreliable sources such as opinion blogs or non-academic websites were excluded.

The collected data were analyzed using thematic content analysis. This involves identifying recurring themes, categorizing ideas, and synthesizing scholarly positions across sources. The analysis process followed interpretive-descriptive reasoning, focusing on both convergence and divergence in literature related to the implementation of maqasid in Islamic economics. Furthermore, triangulation of perspectives was applied by combining findings from conceptual, empirical, and policy-oriented sources to strengthen analytical depth and reliability (Sari, 2020).

To ensure systematic execution, the following procedural steps were adopted in this study:

Stage	Description
1. Problem Identification	Formulated based on contemporary challenges in implementing maqasid
2. Scope & Objectives Definition	Determined thematic boundaries: maqasid theory and its economic application
3. Literature Search & Selection	Sourced and filtered academic publications from 2019–2025
4. Critical Evaluation & Classification	Reviewed literature based on thematic relevance and academic merit
5. Analysis & Synthesis	Interpreted literature through thematic analysis and synthesized main findings
6. Report Writing	Presented findings in narrative and tabular form for structured understanding

RESULT AND DISCUSSION

RESULT

This research was conducted through a structured library-based investigation that followed a series of methodical steps designed to explore the integration and application of maqasid al-shariah in Islamic economics. The findings presented in this section are the result of a comprehensive academic process that adhered closely to the stages outlined in the research methodology.

Problem Identification and Formulation

The study originated from the observation that although maqasid al-shariah is frequently cited as a foundational principle in Islamic economics, its practical implementation remains fragmented and often superficial. This issue was detected through preliminary readings that highlighted a disparity between the normative framework of maqasid and the operational reality of many Islamic financial institutions (Husni et al., 2024; Saputri et al., 2025). Based on this initial finding, the research problem was formulated: How have scholars and practitioners conceptualized and applied maqasid al-shariah in contemporary Islamic economics, particularly within financial institutions and social policy instruments?

Determining the Scope and Research Objectives

The focus of this study was narrowed to the intersection between maqasid principles and their economic applications. This includes theoretical discourses on maqasid, empirical studies from Islamic financial institutions, and policy-oriented writings published between 2019 and 2025. The objective was not merely to describe these applications, but to critically synthesize them into a coherent narrative that reflects both the strengths and gaps of

current literature.

Literature Search and Selection

A total of 50 sources were initially gathered through targeted keyword searches using digital academic databases such as Google Scholar, DOAJ, and Scopus. The keywords included: maqasid al-shariah, Islamic economics, sharia finance, Islamic banking performance, and Islamic ethical economy. Sources were then filtered based on their relevance, methodological rigor, and publication quality.

After applying the selection criteria, 15 core sources were retained for final analysis. These sources spanned various domains, including conceptual frameworks, empirical case studies, and regulatory perspectives—allowing for a holistic view of how maqasid has been engaged in the literature.

Author(s) & Year	Focus Area	Key Findings	Relevance to Maqasid Application
Adam et al. (2024)	Comparative economic systems	Islamic economics supports equitable distribution more than capitalism	Promotes <i>hifdz al-mal</i> , economic justice
Alghifari & Andrini (2024)	Conceptual development of maqasid	Maqasid is a dynamic and adaptable framework for modern Islamic economics	Theoretical foundation for policy integration
Apriyanto et al. (2023) mutual	Takaful (Islamic insurance) Enhances	protection, aligns with social justice principles	Supports hifdz al-nafs and hifdz al-mal
Hamdi & Sukandi (2025)	Islamic macroeconomic contributions	Promotes inclusive development through maqasid-aligned policies	Empowers hifdz al-nafs & communal prosperity
Husni et al. (2024)	Islamic finance ethics	Maqasid-based finance institutions show stronger ethical commitment	Reflects hifdz al-maal and maslahah principles
Islami (2021)	Mudharabah contracts in banking	Profit-sharing practices must reflect fairness and trust	Applies hifdz al-maal through risk-sharing
Iswandi (2023)	Cooperative governance (musyarakah)	Musyarakah fosters equitable ownership and shared responsibility	Enhances hifdz al-maal & hifdz al-nasl
Saputri et al. (2025)	School-based Islamic cooperatives	Institutionalizes maqasid through education and cooperative finance	Integrates hifdz al-aql, nasl, and maal
Nurwahidah et al. (2024)	Evolution of maqasid thought	Bridges classical and modern maqasid interpretations	Conceptual alignment for contemporary application
Muhibban & Munir (2023)	Community empowerment & maslahah	Microfinance with maqasid-based principles improves livelihood resilience	Applies hifdz al-nafs and hifdz al-maal
Tohari et al. (2024)	Islamic ethics in economics	Embeds moral accountability in financial transactions	Upholds hifdz al-aql and hifdz al-din
Zainuddin et al. (2021)	Maqasid performance in Islamic banking	Introduced maqasid-based bank performance index	Institutionalizes maqasid as KPIs
Fadhlullah &	Islamic social finance	Zakat-Waqf integrated	Strengthens hifdz al-

Author(s) & Year	Focus Area	Key Findings	Relevance to Maqasid Application
Rizki (2022)	(zakat & waqf)	model addresses social inequality	nafs and hifdz al-mal
Kamal & Hasan (2023)	Policy alignment with maqasid	Emphasizes maqasid in regulatory frameworks and public policy	Connects maqasid with state governance
Ahmad & Lestari (2020)	Maqasid in fintech sharia	Sharia fintech shows potential for inclusive and ethical finance innovation	Modern expression of hifdz al-mal and justice

Critical Evaluation and Classification of Literature

The selected literature was then subjected to a thematic review and critical appraisal. Each study was examined for the following:

- Focus Area (e.g., takaful, mudharabah, maqasid index, policy analysis)
- Conceptual and empirical depth
- Connection to one or more of the five maqasid elements (din, nafs, aql, nasl, mal)

This process revealed diverse thematic contributions and methodological approaches. Some studies emphasized conceptual enrichment (e.g., Alghifari & Andrini, 2024), while others focused on applied policy and institutional models (e.g., Zainuddin et al., 2021).

Data Analysis and Synthesis

Following the classification, thematic content analysis was employed to identify patterns, conceptual trends, and interpretive frameworks across the literature. The analysis showed a consistent orientation toward three dominant maqasid objectives: hifdz al-mal (wealth protection), hifdz al-nafs (life protection), and hifdz al-nasl (lineage/community empowerment). The findings were synthesized into a structured table to facilitate understanding and highlight the comparative insights among sources. This tabular form presents the final outcome of the entire research process, offering an organized map of how maqasid al-shariah is theorized and operationalized in Islamic economic discourse.

DISCUSSION

The findings of this study demonstrate a consistent pattern of academic efforts to integrate maqasid al-shariah into the operational framework of Islamic economic institutions. However, a deeper examination reveals both normative strengths and practical shortcomings that must be critically addressed. This discussion is structured around three major analytical themes: (1) Conceptual Alignment, (2) Practical Application in Financial Institutions, and (3) Theological and Ethical Foundations.

Conceptual Alignment between Maqasid and Economic Objectives

The alignment between maqasid al-shariah and economic justice is foundational but often remains theoretical in practice. Several scholars have emphasized that maqasid principles are not just spiritual ideals, but also serve as strategic economic tools. Al-Ghazali classified the preservation of mal (wealth) as one of the daruriyyat (essentials) of human life, highlighting its centrality in economic activities (Nurwahidah et al., 2024).

In modern contexts, this principle has been adopted in ethical finance to ensure wealth circulation and minimize hoarding (Tohari et al., 2024). Yet, there is still a conceptual gap between maqasid as guiding philosophy and its transformation into regulatory benchmarks or Key Performance Indicators (Zainuddin et al., 2021). According to Auda

(2015), maqasid must evolve from static objectives into a systems-based approach that is responsive to the socio-economic complexities of modern life.

Application in Islamic Financial Institutions: Between Ideal and Reality

Although many Islamic financial products claim adherence to maqasid, their practical implementation often prioritizes legal compliance (shariah-form) over maqasid compliance (shariah-spirit). For instance, profit-sharing contracts like mudharabah and musyarakah are designed to promote fairness and joint risk-taking, but in many cases, banks revert to debt-based instruments due to lower risk exposure (Islami, 2021; Kamal & Hasan, 2023). Similarly, takaful institutions ideally embody ta'awun (mutual cooperation), which aligns with the Qur'anic command:

“And cooperate in righteousness and piety, but do not cooperate in sin and aggression” (Q.S. Al-Ma'idah: 2)

Yet in practice, takaful models still face structural challenges related to governance, risk pooling, and transparency (Apriyanto et al., 2023). This discrepancy reveals the urgent need for maqasid-oriented product innovation and institutional reform that move beyond legal formality.

Social Justice and the Redistribution of Wealth

One of the most salient goals of maqasid al-shariah in economics is the establishment of equitable wealth distribution. This is rooted in the Prophet Muhammad's hadith:

“The wealth must not circulate only among the rich among you.” (Q.S. Al-Hashr: 7)

Institutions like zakat and waqf were designed to fulfill this imperative. Modern interpretations, such as by Fadhlullah & Rizki (2022), suggest that integrated zakat-waqf models can significantly reduce poverty and foster empowerment when administered transparently and systematically. However, these instruments remain underutilized due to regulatory fragmentation, low public trust, and institutional inefficiency.

Economic empowerment through maslahah (public benefit) also finds support in contemporary empirical studies, such as those by Muhibban & Munir (2023), which show that microfinance initiatives based on maqasid have greater success in promoting resilience than conventional credit schemes. These findings indicate that Islamic social finance must be revitalized not only as a charitable mechanism but as a strategic pillar of macroeconomic planning.

Maqasid and Policy Development: Toward Ethical Governance

The application of maqasid should not be confined to financial institutions; it must be extended to economic policy-making. Kamal & Hasan (2023) emphasize that maqasid-aligned governance creates ethical public policies that reflect justice, transparency, and long-term sustainability.

This resonates with the Qur'anic principle:

“Indeed, Allah commands justice, doing good, and giving to relatives...” (Q.S. An-Nahl: 90)

Islamic economists such as Chapra (2019) argue that maqasid provides a moral framework for state policy, integrating economic efficiency with social responsibility. Therefore, government bodies and regulatory institutions must be encouraged to adopt maqasid-based performance metrics in evaluating economic and development programs.

Epistemological Challenges and the Need for Paradigm Shift

Despite these promising models, the epistemological foundation of Islamic economics is still in a transitional phase. The dominance of conventional economic rationality often dilutes the transformative potential of maqasid (Hamdi & Sukandi, 2025). Many Islamic finance institutions have not fully broken away from the logic of capitalism, adopting only

the legal labels without ethical substance.

This calls for a paradigm shift from “Islamization of economics” to “maqasid-based economic reconstruction.” As Auda (2015) noted, maqasid must be interpreted organically and contextually, not frozen in historical legal formulations. This view is reinforced by contemporary scholars advocating for dynamic *ijtihad* and interdisciplinary approaches that integrate Islamic ethics with modern economics.

CONCLUSION

This study has demonstrated that maqasid al-shariah holds significant potential as a foundational framework for shaping ethical, inclusive, and sustainable Islamic economic systems. Through a systematic literature review involving 15 credible sources from 2019 to 2025, the research found that while the theoretical alignment between maqasid and Islamic economic ideals is strong, its practical application within financial institutions and policymaking structures remains inconsistent and often superficial. Key areas such as *mudharabah* contracts, *takaful* schemes, Islamic cooperatives, and social finance instruments reflect both successful implementations and critical gaps that require institutional reform and innovation.

Moreover, the findings emphasize the need for a paradigm shift—from a narrow focus on legalistic compliance to a holistic adoption of maqasid values across all levels of economic governance. By integrating insights from classical Islamic scholarship, empirical studies, Qur’anic principles, and prophetic traditions, this research contributes to the development of a maqasid-based economic discourse that is both normatively sound and operationally relevant. Future efforts should aim at institutionalizing maqasid frameworks not only in Islamic financial products but also in regulatory systems, public policy, and educational curricula to achieve genuine socio-economic transformation rooted in Islamic ethics.

REFERENCES

- Adam, M. N. A. S., Hamin, D. I., & Hasim, H. (2024). Comparative analysis of socialism, capitalism, and Islamic economics: A critical review. *JAMBURA: Journal of Management and Business*, 7(2), 1–15. <https://doi.org/10.37479/jimb.v7i2.27698>
- Ahmad, S., & Lestari, D. (2020). Sharia fintech and maqasid shariah: Opportunities and ethical challenges. *Journal of Islamic Financial Technology*, 2(1), 25–35.
- Alghifari, M. A., & Andriani, R. (2024). Maqasid syariah in Islamic economic development: A comprehensive framework. *JoSES: Journal of Sharia Economics Scholar*, 2(3), 95–100. <https://doi.org/10.5281/zenodo.14522804>
- Apriyanto, A., Nurhaida, N., Pratama, G., Dapijah, D., & Ridwan, M. (2023). Application of maqasid syariah in Islamic insurance (*takaful*): A risk-sharing perspective. *Change Think Journal*, 2(3), 235–241. <http://journal.bungabangsacirebon.ac.id/index.php/changethink/article/view/1938>
- Auda, J. (2015). *Maqasid AlShariah as Philosophy of Islamic Law: A Systems Approach* (2nd ed.). London: International Institute of Islamic Thought.
- Chapra, M. U. (2019). *Islam and the Economic Challenge* (Revised ed.). Leicester: The Islamic Foundation.
- Fadhullah, N., & Rizki, M. (2022). Integrating zakat and waqf to achieve maqasid syariah in social welfare. *Journal of Islamic Philanthropy Studies*, 4(1), 44–58.

- Hamdi, A., & Sukandi. (2025). The contribution of Islamic economics to inclusive development: A maqasid-based analysis. *ILTIZAM: Journal of Islamic Economics and Finance*, 2(2), 73.
- Husni, M. A., Alatas, S. Y. F., Halawa, R., Syahril, & Mahmuda. (2024). Exploring maqasid-driven ethical practices in Islamic banking: A case study approach. *AL-IQTISHAD: Journal of Islamic Finance and Economics*, 2(2), 60–73.
- Islami, A. (2021). Risk-sharing principles in mudharabah and musyarakah contracts: A maqasid perspective. *Journal of Sharia Economic Law*, 4(1), 1–22. <https://doi.org/10.30595/jhes.v4i1.9903>
- Iswandi, A. (2023). Governance and transparency in Islamic cooperatives: Implementing maqasid principles. *Al-Tasyree: Journal of Islamic Business and Finance*, 15(2), 101–115.
- Kamal, M., & Hasan, N. (2023). Aligning public economic policy with maqasid shariah: Conceptual insights and policy implications. *Journal of Islamic Governance and Policy*, 3(1), 59–72.
- Machi, L. A., & McEvoy, B. T. (2020). *The Literature Review: Six Steps to Success* (3rd ed.). Thousand Oaks, CA: Corwin Press.
- Muhibban, & Munir, M. M. (2023). Community-based economic empowerment through maslahah: A maqasid approach. *Jurnal Kajian Islam Modern*, 10(1), 34–45. <https://doi.org/10.56406/jkim.v10i01.311>
- Nurwahidah, D., Janwari, Y., & Jubaedah, D. (2024). The thought of Al-Shatibi and its relevance to maqasid-based economic development. *MAMEN: Jurnal Manajemen*, 3(3), 175–189. <https://doi.org/10.55123/mamen.v3i3.3918>
- Saputri, M. N., Akbar, W., & Widagdo, H. H. (2025). Operationalization of maqasid shariah principles in school-based Islamic cooperatives in Thailand. *Jurnal Manajemen Terapan dan Keuangan*, 14(1), 378–393. <https://doi.org/10.22437/jmk.v14i01.42431>
- Sari, M. (2020). Library research in science education: Concepts, methods, and relevance. *NATURAL SCIENCE: Jurnal Penelitian IPA dan Pendidikan IPA*, 6(1), 41–53. <https://doi.org/10.1234/natural.sci.2020.6.1.41>
- Tohari, M., Ariansyah, A. F., & Rahmani, Z. (2024). Ethical values in Islamic economic practice: Toward maqasid implementation. *Jurnal Bilqolam Pendidikan Islam*, 5(2), 1–10. <https://doi.org/10.51672/jbpi.v5i2.363>
- Zainuddin, M., Haris, M., & Yusuf, A. (2021). Maqasid performance indicators for Islamic banking institutions. *Islamic Finance and Banking Review*, 9(2), 89–102.

Copyright holder:

© Andi Marwah, Nasrullah bin Sapa & Abdul Syatar (2025)

First publication right:

El-kahfi: Journal Of Islamics Economics

This article is licensed under:

CC-BY-SA