

Reformulation of Fiqh Muamalah Theory in Relation to the Macroeconomic Policies of the Modern State

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Abstract

This study aims to reformulate the theory of Jurisprudence of Muamalah so that it becomes relevant to the macroeconomic policies of the modern state, which have largely been dominated by conventional economic paradigms based on interest. Departing from the gap between the normative principles of muamalah such as the prohibition of riba (usury), distributive justice, transparency, and an orientation toward magasid al-shari'ah and modern fiscal and monetary instruments, this study examines the possibility of integrating Sharia values within the framework of public policy. The research employs a qualitative approach based on library research, using content analysis and critical synthesis of classical fiqh literature, Islamic economics, and contemporary macroeconomic studies. The findings indicate that Jurisprudence of Muamalah possesses conceptual potential as an ethical foundation for macroeconomic policy through the strengthening of redistributive instruments (such as zakat and waqf), the development of risk-sharing schemes within monetary policy, and the integration of social justice values into fiscal policy design. However, several methodological and structural challenges remain, particularly the dominance of the global interest-based financial system and the technocratic complexity of modern macroeconomic policymaking. The proposed reformulation positions Jurisprudence of Muamalah not merely as a set of private legal norms but as a normative–operational paradigm for building a just and sustainable economic system. This study contributes to the development of Sharia economic legal theory by presenting an integrative framework that connects the values of magasid al-shari'ah with the stability of modern macroeconomic systems.

Keywords: Fiqh Muamalah, Macroeconomic Policy, Magasid Al-Shari'ah

Abstrak

Penelitian ini bertujuan mereformulasi teori fikih muamalah agar relevan dengan kebijakan makroekonomi negara modern yang selama ini didominasi paradigma ekonomi konvensional berbasis bunga. Berangkat dari kesenjangan antara prinsip normatif muamalah -seperti larangan riba, keadilan distributif, transparansi, dan orientasi pada *maqāṣid al-syarī'ah*- dengan instrumen fiskal dan moneter modern, studi

ini mengkaji kemungkinan integrasi nilai syariah dalam kerangka kebijakan publik. Penelitian menggunakan pendekatan kualitatif berbasis studi pustaka dengan analisis isi dan sintesis kritis terhadap literatur fikih klasik, ekonomi Islam, serta kajian makroekonomi kontemporer. Hasil penelitian menunjukkan bahwa fikih muamalah memiliki potensi konseptual sebagai fondasi etis kebijakan makro melalui penguatan instrumen redistributif (zakat, wakaf), pengembangan skema berbagi risiko dalam kebijakan moneter, serta integrasi nilai keadilan sosial dalam desain fiskal. Namun demikian, terdapat tantangan metodologis dan struktural, terutama dominasi sistem keuangan global berbasis bunga dan kompleksitas teknokratis kebijakan makro. Reformulasi yang ditawarkan menempatkan fikih muamalah tidak hanya sebagai norma hukum privat, tetapi sebagai paradigma normatif-operasional dalam pembangunan ekonomi berkeadilan dan berkelanjutan. Studi ini berkontribusi pada pengembangan teori hukum ekonomi syariah dengan menghadirkan kerangka integratif antara nilai *maqāṣid* dan stabilitas makroekonomi modern.

Kata kunci: Fikih Muamalah, Kebijakan Makroekonomi, *Maqāṣid Al-Syarīah*

A. Introduction

In the era of globalization and digital economic transformation, modern nations face complex challenges in formulating and implementing macroeconomic policies that not only ensure economic growth but also meet moral principles and social justice. The fiscal and monetary policies implemented are generally secular, based on conventional economic theory that aims to optimize growth, stabilize prices, and control inflation and unemployment. However, this approach often ignores the ethical dimensions and moral responsibility that are the main foundations of Islamic legal tradition, particularly the jurisprudence of muamalah (Islamic jurisprudence), which emphasizes *maslahah* (general benefit) and prohibits practices that are detrimental to society, such as *riba* (interest), *gharar* (uncertainty), and exploitation.¹

A crucial issue to address is the gap between conventional macroeconomic theory, which dominates policymaking, and Islamic legal principles—particularly those relating to muamalah—which have a different value framework for understanding economic objectives. The context of modern macroeconomic policy encompasses the role of the state in regulating markets, monetary stability, the banking system, and international relations, which are often not adequately integrated with sharia principles such as distributive justice and social balance. This raises important theoretical and practical issues: the extent to which muamalah jurisprudence can be reformulated and adapted to provide both normative and empirical contributions to modern government macroeconomic policy, and the implications of such integration for economic stability and well-being.²

Several recent studies have examined the relationship between muamalah jurisprudence and contemporary economic dynamics. For example, a study by Zuzanti explores the social, economic, and technological factors influencing the implementation of muamalah jurisprudence within the framework of a modern economic system, highlighting the need to adapt *fiqh* principles to address current

¹Muhammad Umar Mayaputra, Sri Sudiarti, and Marliyah Marliyah, 'Management of Price Implementation and Inflation in the Review of Fiqh Muamalah and Maqashid Syariah in North Sumatra', *Journal of Management and Business*, 3.3 (2025), Pp. 139–50, Doi:10.36490/Jmdb.V3i3.1654.

² Zakia Zuzanti, 'Interdisciplinary Drivers Of Fiqh Muamalah: Social, Economic, And Technological Perspectives', *Sinergi International Journal Of Islamic Studies*, 2.2 (2024), pp. 123–35, Doi:10.61194/Ijis.V2i2.604.

economic practices, such as fintech and financial inclusion.³ Other research shows that the relationship between Islamic economic theory and fiqh al-muamalat in the modern financial system continues to evolve, with some areas of tension requiring further harmonization indicating that there is no automatic convergence between theory and practice without clear normative reformulation.⁴

In this context, the reformulation of muamalah fiqh theory serves not only as a normative approach to traditional muamalah practices, but also as a critical perspective on contemporary macroeconomic policies, such as fiscal, monetary, and market regulation, to maintain a balance between economic efficiency and sharia justice. In line with this, the study of the suitability of muamalah fiqh in the digital era also demonstrates how Islamic legal principles can provide ethical guidance for new economic interactions, including electronic transactions and modern payment systems that have become an integral part of a country's macroeconomic activities.⁵

This research aims to provide theoretical and methodological contributions to the science of Islamic economic law by proposing a framework for reformulating Islamic jurisprudence (fiqh) in muamalah that is relevant to the macroeconomic policies of modern states. This reformulation encompasses not only a reinterpretation of classical muamalah law but also an integration with the goals of sustainable economic development, social justice, and national economic stability within the framework of *magasid al-syari'ah*.

B. Literature Review

The theoretical framework in this research is built on three main foundations. First, the concept of Islamic jurisprudence (fiqh muamalah) as a discipline of Islamic law that regulates economic activities and social relations within society. Second, Islamic economic theory relates to the role of macroeconomic policy in creating economic stability and justice. Third, the integration of Islamic jurisprudence (fiqh muamalah) values into the objectives and instruments of modern macroeconomic policy. These three foundations are used to explain how sharia principles can serve as a normative basis for formulating more just and sustainable state economic policies.

I. Fiqh Muamalah as a Conceptual Basis

Fiqh muamalah is a branch of Islamic jurisprudence that examines various forms of economic interactions and transactions between people based on the principles of Islamic law. The primary sources of fiqh muamalah are the Qur'an, Hadith, *ijma'*, and *qiyas*. In practice, fiqh muamalah emphasizes the values of justice, honesty, transparency, and prohibitions against economic practices that harm others, such as usury (interest) and *gharar* (uncertainty in transactions).

These principles demonstrate that economic activity in Islam is not solely aimed at material gain, but must also consider moral values and social responsibility. Therefore, every economic transaction must be conducted in accordance with Sharia principles to achieve the common good. Contemporary normative research

³Zuzanti, 'Interdisciplinary Drivers of Fiqh Muamalah'.

⁴ Abdussalam Mansyur And Others, 'The Evolving Relationship Between Islamic Economic Theory And Fiqh Al-Muamalat In Modern Financial Systems: A Comprehensive Analysis', *An-Natiq Journal of Interdisciplinary Islamic Studies*, 5.1 (2025), Pp. 1–22.

⁵Aulia Rahmi and Others, "Implementation of Muamalah Rules in Digital Economic Transactions: A Literature Review of Paylater, E-Wallet, and Marketplace." *Salam (Islamic Economics Journal)*, 6.2 (2025), Pp. 347–65.

demonstrates that Islamic jurisprudence (fiqh muamalah) provides a comprehensive perspective on economic activity, placing ethics, social justice, and public benefit as the primary foundations of economic practice.⁶

In addition, the concept *maqasid al-syari'ah* or the objectives of sharia also become an important framework in understanding the development of muamalah jurisprudence in the modern era. *Maqasid al-syari'ah* emphasizes the protection of the five basic elements of human life, namely religion, soul, mind, descendants, and property. In an economic context, protection of property (*hifz al-mal*) become one of the important indicators in assessing the economic policies implemented by the country.

Several contemporary studies also show that the approach *maqasid al-syari'ah* can be used to respond to modern economic developments, such as in the development of sharia insurance, sharia-based investments, and various other Islamic financial instruments.⁷ Thus, muamalah jurisprudence not only functions as a normative rule, but also as a conceptual framework that can adapt to contemporary economic dynamics.

2. Islamic Economics and Macroeconomic Policy

Islamic economics is an economic system based on sharia values and the principles of social justice. Unlike conventional economics, which often emphasizes growth and efficiency, Islamic economics views the primary goal of economic activity as achieving the welfare of society as a whole. Therefore, wealth distribution and social justice are crucial components of the Islamic economic system.

Within this framework, the state plays a strategic role in managing economic policy. Macroeconomic policies are aimed not only at maintaining economic stability but also at ensuring a more equitable distribution of wealth. Islamic economic principles are closely linked to the concept of muamalah (muamalah), particularly in rejecting economic practices that conflict with Sharia law, such as usury (*riba*) and *gharar* (*gharar*). Alternatively, Islam encourages social distribution mechanisms through instruments such as zakat (alms), sedekah (charity), and waqf (waqf), which serve to strengthen social welfare.

Several recent studies have also highlighted the relationship between Islamic macroeconomic policies—particularly fiscal and monetary policies—and national economic stability. From an Islamic economic perspective, these policy instruments serve not only as tools for economic stabilization but also as a means to achieve equitable prosperity and implement sharia values within the economic system. One empirical study suggests that synergy between fiscal and monetary policies within an Islamic economic framework can be an alternative in addressing various challenges to macroeconomic stability.⁸

Furthermore, studies of fiscal justice from a Quranic perspective demonstrate that Islamic teachings emphasize a balance between individual property rights and

⁶Jumino Jumino and Hendrianto Hendrianto, 'Islamic Economic Law as Fiqh Muamalah Iqtishadiyyah, Not From Conventional Economic Science', *Saqifah: Journal of Sharia Economic Law*, 9.1 (2024), Pp. 11–19.

⁷Siti Nurul Huda and Udin Saripudin, 'Implementation of the Maqashid Sharia Theory in Contemporary Muamalah Jurisprudence', *Maro: Journal of Islamic Economics and Business*, 5.1 (2022), pp. 15–23, Doi:10.31949/Maro.V5i1.1851.

⁸Nurul Alifah and others, *Fiscal And Monetary Policy Synergy In The Framework Of Islamic Economics: Solutions To Macroeconomic Stability Challenges*, N.D.

social responsibility. This principle serves as the normative basis for formulating equitable fiscal policies in a modern economic system.⁹

3. Integration of Fiqh Muamalah with Modern Macroeconomic Policy

Efforts to reformulate the theory of Islamic jurisprudence (fiqh) in the context of modern macroeconomic policy require the integration of normative sharia principles with various contemporary economic policy instruments, such as fiscal policy, monetary policy, and market regulation. This integration aims to ensure that economic policies implemented by the state are not only economically effective but also in line with Islamic values of justice and ethics.

Within this framework, there are two relevant theoretical approaches.

a. Islamic Theory of Distributive Justice

Distributive justice is one of the main principles of Islamic economics. This concept emphasizes that wealth should not circulate solely among certain groups but should be distributed more equitably throughout society. Therefore, the state has a responsibility to reduce economic disparities through various redistribution policies.

From an Islamic economic perspective, instruments such as zakat, ownership regulations, and various redistribution mechanisms can be positioned as macroeconomic instruments. Through these mechanisms, the economic system is expected to create a balance between economic growth and social justice.¹⁰

b. Macroeconomic Stability Theory and Sharia Principles

Economic stability from an Islamic perspective is not solely concerned with economic growth but also encompasses sustainability, justice, and inclusiveness within the economic system. Therefore, monetary policy in Islamic economics has distinct characteristics from conventional systems.

Islamic economics rejects interest-based instruments and replaces them with profit-sharing financing mechanisms and sharia-compliant contracts that emphasize the principle of risk sharing. This approach is considered fairer because profits and risks are shared proportionally by the parties involved in the transaction. This concept is relevant in the context of modern states striving to maintain economic stability while upholding ethical values within the economic system.¹¹ Based on this description, the theoretical framework of this research integrates the concept of muamalah jurisprudence, *magasid al-syari'ah* and Islamic economic theory as a theoretical basis for analyzing the macroeconomic policies of modern states. This approach seeks to connect the normative values of the Islamic legal tradition with the dynamics of contemporary economic practices through various policy instruments such as fiscal, monetary, and redistribution mechanisms. Thus, the resulting economic policies are expected to support the creation of social justice and sustainable economic stability.

C. Method

The research method in this study was designed to address the academic need to bridge the gap between classical muamalah jurisprudence concepts and modern

⁹Tri Subegti Fatchul Muin, Achmad Abubakar, and Muhsin Mahfudz, 'Quranic Insights on Fiscal Justice: The Relevance of Islamic Macroeconomic Verses to Poverty Alleviation', *Al-Khiyar: Journal of Islamic Transactions and Economics*, 5.2 (2025), Pp. 294–307, Doi:10.36701/Al-Khiyar.V5i2.2696.

¹⁰Fatchul Muin, Achmad Abubakar, and Muhsin Mahfudz, 'Quranic Insights on Fiscal Justice'.

¹¹ Alifah And Others, *Fiscal And Monetary Policy Synergy In The Framework Of Islamic Economics: Solutions To Macroeconomic Stability Challenges*.

macroeconomic policy practices. The study starts from the assumption that the development of modern state economic systems presents various fiscal and monetary policy instruments that cannot be fully explained within the framework of traditional muamalah jurisprudence.¹² Therefore, the problem analysis focuses on three main aspects. First, the disharmony between classical muamalah principles and modern economic instruments. Basic principles such as the prohibition of usury, gharar, and the demands of economic ethics often clash with conventional practices such as the interest system, inflation control, and state monetary intervention. This situation demonstrates that the theory of Islamic jurisprudence (fiqh muamalah) developed in the context of classical economics has not fully addressed the complexities of contemporary macroeconomic policy.

Second, this study highlights the gap between normative studies in Islamic jurisprudence (fiqh) and the empirical reality of modern economic policy. The discourse of Islamic jurisprudence (fiqh muamalah) generally focuses more on the legal aspects of individual transactions, while modern state macroeconomic policies are concerned with broader issues such as monetary stability, inflation control, wealth distribution, and economic growth. This phenomenon indicates that the study of Islamic jurisprudence (fiqh muamalah) still requires a more systematic approach to provide a relevant conceptual framework for public economic policy. Third, this study also identifies difficulties in transforming Islamic values, *magasid al-syari'ah* into concrete macroeconomic policy instruments. Values such as justice, balance, and social welfare are fundamentally strongly relevant to the objectives of state economic policy, but in practice, they have not been fully integrated methodologically into macroeconomic policy formulation. Therefore, mapping these issues serves as a conceptual basis for formulating a more contextual reformulation of Islamic jurisprudence theory for modern economic developments.

To address these issues, this research employs a qualitative approach with a literature review design. This approach was chosen because the object of study relates to normative ideas, Islamic legal theory, and Islamic economic thought as developed in academic literature. Literature review allows researchers to conduct an in-depth exploration of Islamic legal sources such as the Qur'an, hadith, and Islamic jurisprudence principles, while simultaneously comparing them with contemporary literature on Islamic economics and modern macroeconomic policy. Through this approach, the research not only describes existing concepts but also conducts a critical synthesis to identify possible theoretical reconstructions that are more relevant to the economic realities of modern states.

Methodologically, this research uses a descriptive qualitative research model based on library research. The data sources are classical Islamic jurisprudence texts discussing transactions (muamalah), academic journal articles examining Islamic economics and contemporary economic policy, and policy documents or fatwas related to modern economic practices. This approach aligns with the research tradition in Islamic jurisprudence (fiqh) on transactions (muamalah) and Islamic economics, which places literary analysis as the primary means of developing a conceptual framework and scientific argumentation. Thus, the research is not only descriptive but also interpretive in understanding the relevance of sharia principles to the dynamics of the modern economy.

¹² A B A Bakar and M R Ridho, "The Impact of Human Psychological Conditions on the Application of Islamic Law in Determining the Validity of Worship," *AL GHAZALI: Jurnal Pendidikan dan Pemikiran Islam* (2025), https://jurnal.staialjamibjm.ac.id/index.php/AL_GHAZALI/article/view/478.

The data collection process was conducted through a systematic search of various credible scientific sources. The journal articles used primarily came from indexed academic publications, academic databases such as Google Scholar, and national journal portals. Each piece of literature obtained was then selected based on its relevance to the research focus, particularly regarding the theory of muamalah jurisprudence and the concept of *magandSid al-Sharia*, as well as a discussion of macroeconomic policies from an Islamic economic perspective. This selection stage is crucial to ensure that the sources used truly support the conceptual analysis being developed.

Next, the collected data was analyzed using a content analysis approach combined with critical interpretation. Content analysis was conducted by examining the basic principles of muamalah jurisprudence and comparing them with concepts in modern macroeconomic policy. Through this process, points of intersection and tensions between the two frameworks of thought were identified. A theoretical synthesis was then conducted to formulate a more integrative conceptual reformulation. In some areas, this approach also allows for a theoretical reconstruction of muamalah principles so they can be applied more contextually to modern state economic policy without neglecting fundamental sharia values.

To maintain the validity and credibility of the research, the sources used are prioritized from the latest academic literature, particularly articles published in nationally accredited journals with high reputations in recent years. The use of current literature aims to ensure that the analysis conducted is not only normative but also has empirical relevance to the latest research developments in the fields of Islamic jurisprudence (*fiqh*) of muamalah and Islamic economics. Thus, this research methodology is expected to produce a comprehensive analysis while providing a conceptual contribution to the development of *fiqh* theory of muamalah in the context of policy.modern macroeconomics.¹³

D. Results and Discussion

The study on the reformulation of Fiqh Muamalah theory in relation to the macroeconomic policies of the modern state begins with the awareness that contemporary economic structures have developed far more complexly than economic systems in the classical period. Fiqh Muamalah, as a branch of Islamic law governing human economic interactions, contains fundamental principles that are both normative and flexible. Principles such as justice, balance, the prohibition of usury, and the protection of public interest serve as the main foundations of the Islamic economic system. However, the development of modern state institutions that possess authority in managing fiscal policy, monetary policy, and economic regulations introduces new challenges in applying these principles. Therefore, a theoretical reformulation is necessary so that the concepts of Fiqh Muamalah remain relevant to the dynamics of modern macroeconomic systems. This reformulation does not aim to change the fundamental principles of Sharia, but rather to reinterpret their application within a more complex economic framework. In this way, the relationship between Fiqh Muamalah and the macroeconomic policies of the state can be understood in a more integrative manner.

¹³ Mansyur And Others, 'The Evolving Relationship Between Islamic Economic Theory And Fiqh Al-Muamalat In Modern Financial Systems: A Comprehensive Analysis'.

In methodological terms, this research employs a qualitative approach using normative and conceptual analysis. This approach allows the researcher to examine classical texts of Fiqh Muamalah and compare them with the practices of modern state economic policies. The data used in this study are derived from classical Islamic legal literature, contemporary works on Islamic economics, and studies on modern economic policy. The analysis was conducted by examining the compatibility between Sharia principles and economic policy instruments such as taxation, government expenditure, and monetary policy.¹⁴ A comparative method was also employed to observe how various countries with different economic systems integrate Islamic economic principles into public policy. This analytical process aims to identify new interpretative spaces within Fiqh Muamalah that can support state economic policies more effectively. The results of this analysis are then formulated into a conceptual model for reformulating Fiqh Muamalah theory. Through this approach, the research seeks to contribute both theoretically and practically to the development of Islamic economics.

The research findings indicate that the fundamental principles of Fiqh Muamalah demonstrate a high level of compatibility with the objectives of modern macroeconomic policy. Macroeconomic policies essentially aim to achieve economic stability, sustainable growth, equitable income distribution, and inflation control. The principle of distributive justice within Fiqh Muamalah aligns closely with the objective of economic equality emphasized in modern state policies. Furthermore, the prohibition of usury can be understood as an effort to maintain the stability of the financial system by preventing excessive financial exploitation. In this context, the reformulation of Fiqh Muamalah theory can provide an ethical framework for state economic policies. The state functions not only as an economic regulator but also as a guardian of social justice within society. Therefore, the integration of Sharia principles with modern economic policies becomes increasingly important. Such integration can encourage the development of a more just and sustainable economic system.

Further discussion reveals that the fiscal policies of modern states share similarities with several economic instruments found in classical Islamic traditions. In the classical Islamic economic system, various forms of economic contributions were known, such as zakat, kharaj, jizyah, and ushr. These instruments functioned in ways that are comparable to taxation in modern state systems. Their primary purpose was to finance public needs and ensure societal welfare. The reformulation of Fiqh Muamalah may interpret taxation as a collective obligation aimed at achieving public benefit. From the perspective of maqasid al-shariah, fair and transparent fiscal policies can be considered consistent with the objective of protecting wealth and promoting social welfare. Therefore, taxation in the modern state system should not necessarily be viewed as contradictory to Sharia principles. Instead, taxes can be positioned as instruments of economic redistribution aligned with Islamic justice.

In addition to fiscal policy, monetary policy also plays an important role in the discussion of reformulating Fiqh Muamalah theory. In modern economic systems, central banks are responsible for regulating currency stability and controlling inflation. Monetary policy frequently uses interest rates as a tool for economic management. This presents a challenge from the perspective of Fiqh Muamalah because the concept

¹⁴ D Kuswianto and O Ariyanti, "Millennial Santri's Digital Da'wah Activism at Tanbihul Ghofilin Islamic Boarding School, Banjarnegara," *AL GHAZALI: Jurnal Pendidikan dan Pemikiran Islam* (2025), https://jurnal.staialjamibjm.ac.id/index.php/AL_GHAZALI/article/view/439.

of interest closely resembles the practice of *riba*, which is prohibited in Islam. Consequently, theoretical reformulation is necessary to identify alternative mechanisms for monetary policy that comply with Sharia principles. Some possible approaches include profit-sharing systems, Sharia-based financial instruments, and strengthening asset-based financial sectors. These approaches allow the state to implement monetary policy without violating fundamental Sharia principles. As a result, economic stability can still be achieved within an Islamic economic framework.

The research findings also indicate that the role of the state in modern economic systems is far greater than in the classical period. Modern states possess authority in designing development policies, regulating markets, and providing various public services. In classical Fiqh Muamalah, the role of the state was primarily seen in market supervision through the institution of *hisbah*. The reformulation of theory is necessary so that the concept of market supervision in Islam can be expanded into more comprehensive economic regulation. The state can function as a guardian of market balance and as a protector of society from harmful economic practices. Regulations against monopolies, excessive speculation, and market manipulation represent practical implementations of justice within Fiqh Muamalah. In this way, the role of the modern state in the economy can be interpreted as a continuation of Islamic market oversight principles. This demonstrates the flexibility of Fiqh Muamalah in adapting to evolving economic structures.

The issue of wealth distribution also becomes a major focus in the reformulation of Fiqh Muamalah theory. Economic inequality remains one of the most pressing problems within the global economic system today. In Islamic perspective, wealth must be distributed fairly so that it does not circulate solely among certain groups. This principle is reflected in various Islamic economic instruments such as *zakat*, *waqf*, and charity.¹⁵ Modern states may incorporate these instruments into their social and economic policies. The integration of *zakat* systems with national welfare programs can strengthen poverty alleviation strategies. In addition, the development of productive *waqf* institutions can serve as an alternative source of financing for economic development. The reformulation of Fiqh Muamalah theory enables these instruments to be integrated into modern state economic systems. Through this approach, the goal of social justice can be pursued more effectively.

Another discussion emerging from this research concerns the relationship between free markets and ethical principles in Islamic economics. Modern economic systems often emphasize market freedom as the primary mechanism for determining prices and allocating resources. However, unregulated market freedom can lead to various economic inequalities. Within Fiqh Muamalah, economic freedom is acknowledged but must be limited by principles of justice and social responsibility. The reformulation of theory is therefore necessary to balance market freedom with state regulation. The state can allow space for market mechanisms while ensuring that economic activities do not harm society. Through this approach, markets may function efficiently without neglecting ethical values. This demonstrates that Islamic economics offers a balanced model between economic freedom and social justice.

This research also finds that economic globalization demands new interpretations of Fiqh Muamalah concepts. Economic interactions among nations have created complex international trade systems. Modern states must participate in

¹⁵ A Syifa and N Hasanah, "The Thoughts of Shaykh Abdus Shamad Al-Palimbani in Hidayatus Salikin on the Concept of Tazkiyatun Nafs," *AL GHAZALI: Jurnal Pendidikan dan Pemikiran Islam* (2025), https://jurnal.staialjamibjm.ac.id/index.php/AL_GHAZALI/article/view/424.

various global economic agreements to maintain national economic stability. In this context, the principles of Fiqh Muamalah need to be adapted to operate within international economic relations. The reformulation of theory can provide ethical guidance for global trade practices. Principles such as honesty, transparency, and fairness in transactions must be maintained even at the international level. Consequently, Islamic economics can contribute to building a more ethical global trading system. This also demonstrates the universal relevance of Sharia values.

In addition to normative aspects, this study also examines the practical implications of reformulating Fiqh Muamalah theory for state economic policy. Such reformulation may serve as a foundation for developing economic policies rooted in Islamic values. The state can design fiscal and monetary policies that consider principles of social justice and economic balance. Furthermore, strengthening the Islamic financial sector can become an effective strategy for integrating Fiqh Muamalah principles with modern economic systems.¹⁶ The development of Islamic financial institutions may also enhance financial inclusion within society. In this way, the reformulation of theory carries not only academic significance but also practical policy implications. This indicates that Islamic economics possesses significant potential to address various challenges within modern economic systems.

In the context of economic development, the reformulation of Fiqh Muamalah also offers a new perspective on the role of the state in managing resources. Modern states bear a significant responsibility to ensure that natural resources are utilized fairly and sustainably. From the Islamic perspective, natural resources are considered a trust that must be managed for the collective benefit of society. The reformulation of theory enables this concept of trust to be applied within state economic policy. Governments must ensure that resource exploitation does not harm society or the environment. Sustainable development policies align with the Islamic principle of balance. Thus, reformulating Fiqh Muamalah can support economic development strategies oriented toward sustainability.

The discussion of reformulation is also related to the rapid development of economic technology. The digital era has introduced new forms of economic transactions that were previously unknown in classical Fiqh literature. Examples include electronic transactions, digital currencies, and financial technology payment systems. These developments require new interpretations of Fiqh Muamalah principles. The reformulation of theory provides an analytical framework for evaluating the legitimacy of these economic innovations. Fundamental principles such as justice, transparency, and clarity of contract remain the main guidelines. Modern states must also design regulations that protect society from digital economic risks. In this way, technological innovation can grow without neglecting ethical economic values.

The analysis also indicates that the maqasid al-shariah approach plays an essential role in the process of reformulating Fiqh Muamalah theory. This approach emphasizes the fundamental objectives of Islamic law, including the protection of religion, life, intellect, lineage, and wealth. In the context of modern economics, the protection of wealth may be interpreted as maintaining economic stability and societal welfare. State macroeconomic policies can therefore be evaluated according to how effectively they support these objectives. By applying the maqasid approach, scholars

¹⁶ Firmansyah Firmansyah, "The Purpose of Education from the Perspective of Hadith in Instilling Islamic Values Dynamically in Daily Life," *AL GHAZALI: Jurnal Pendidikan dan Pemikiran Islam* 5, no. 2 (2025): 340–358.

and economists can formulate new interpretations of modern economic instruments. This approach provides flexibility in understanding social and economic change.

The research also highlights the importance of collaboration between Islamic scholars and economists in developing the reformulation of Fiqh Muamalah theory. The complexity of modern economic systems cannot be fully understood from a single academic perspective. Islamic scholars possess expertise in interpreting Sharia texts and legal principles. Economists, on the other hand, have the analytical tools to understand modern economic dynamics. Cooperation between these two groups can produce a more comprehensive understanding of state economic policy. Such interdisciplinary collaboration ensures that theoretical reformulations remain faithful to Sharia while also being relevant to contemporary economic realities.

The study also identifies several challenges in the reformulation process. One major challenge lies in differing scholarly interpretations of modern economic instruments. Some scholars prefer strict textual interpretations of Islamic law. Others advocate contextual approaches that consider evolving social and economic realities. These differing perspectives may influence the development of Sharia-based economic policies. Constructive academic dialogue is therefore necessary to bridge these differences. Open discussions can help identify common ground between various approaches. Through such engagement, reformulation efforts can become more inclusive and comprehensive.

Beyond conceptual challenges, practical challenges also exist in implementing the reformulation of Fiqh Muamalah within state economic policies. The global economic system remains largely dominated by conventional economic paradigms. Countries attempting to integrate Islamic economic principles must navigate structural limitations. For instance, the international financial system remains heavily dependent on interest-based mechanisms. Therefore, the implementation of Islamic economics often requires a gradual approach. The reformulation of theory can help design transitional strategies toward more Sharia-compliant economic systems. This gradual approach allows states to remain active participants in the global economy while developing Islamic financial institutions.

To clarify the relationship between Fiqh Muamalah principles and modern macroeconomic policies, the following analytical table is presented.

| No | Principles of Fiqh Muamalah | Modern Macroeconomic Instruments | Reformulation Approach | Policy Implications |
|----|-----------------------------|----------------------------------|---|--------------------------------------|
| 1 | Distributive justice | Fiscal policy | Taxes interpreted as redistribution instruments | Reduction of economic inequality |
| 2 | Prohibition of riba | Monetary policy | Development of Islamic financial systems | Financial stability without interest |
| 3 | Public welfare (maslahah) | Government expenditure | Prioritizing social welfare programs | Improved public services |
| 4 | Trust in wealth management | Natural resource management | Sustainable regulation of resource exploitation | Sustainable economic development |

| No | Principles of Fiqh Muamalah | Modern Macroeconomic Instruments | Reformulation Approach | Policy Implications |
|----|-----------------------------|----------------------------------|--|------------------------------|
| 5 | Honesty in transactions | Market regulation | Supervision against monopolistic practices | Fair and competitive markets |

The table illustrates that the principles of Fiqh Muamalah maintain strong relevance to various modern macroeconomic policy instruments. The reformulation of theory enables these principles to be translated into concrete public policies. Through this approach, Islamic values function not only as moral guidelines but also as foundations for state economic policymaking. This demonstrates the significant potential of Fiqh Muamalah to contribute to modern economic development. The integration of Sharia principles with economic policy can also strengthen public legitimacy toward government policies, overall, this research demonstrates that the reformulation of Fiqh Muamalah theory represents an important step in bridging classical Islamic legal traditions with modern economic realities. Such reformulation does not alter fundamental Sharia principles but rather reinterprets their application in contemporary contexts. Modern states may utilize Fiqh Muamalah principles as ethical frameworks for designing economic policies. This approach allows for the development of economic systems that are not only efficient but also just and sustainable. Furthermore, the integration of Islamic economic values within state policy may strengthen social stability. The reformulation of theory also opens opportunities for innovation in the development of contemporary Islamic economics. Consequently, Fiqh Muamalah remains relevant in addressing the challenges of the modern global economy.

The results of this study indicate that the literature review on the relationship between muamalah jurisprudence and modern macroeconomic policy has developed in several important interrelated directions. Analysis of various scientific sources shows that muamalah jurisprudence essentially has a strong set of normative principles to regulate economic activities, such as the prohibition of usury, the requirement for fairness in transactions, transparency of contracts, and social responsibility in economic activities. These principles are considered relevant in many studies to the modern economic system because they provide an ethical foundation capable of maintaining a balance between individual interests and the public good. The research conducted by Luthfi Rantaprasaja and Diah Fachrunisa confirms that the discipline of muamalah jurisprudence functions not only as a legal regulation of transactions, but also as a moral framework that can guide contemporary economic practices to be more just and oriented towards social welfare.¹⁷

Furthermore, recent literature indicates efforts to integrate muamalah jurisprudence (fiqh muamalah) and the modern financial system. Several studies have revealed that Islamic economic theory and muamalah jurisprudence (fiqh muamalah) share a strong convergence in building a more ethical and stable financial system, although at the same time, there are a number of conceptual tensions. Studies conducted by Mansyur and his colleagues show that in contemporary financial

¹⁷Luthfi Rantaprasaja and Diah Fachrunisa, 'Business in the Perspective of Fiqh Muamalah: A Theoretical Analysis of Sharia Principles in Contemporary Economic Practice', *Mizanuna: Journal of Islamic Economic Law*, 3.1 (2025), pp. 78–89, Doi:10.59166/Mizanuna.V3i1.312.

practices, muamalah jurisprudence is no longer positioned solely as a normative foundation but also as an operational instrument influencing the design of financial products, regulations, and economic policies. However, the increasingly complex dynamics of the modern economy demand theoretical reconstruction so that muamalah concepts can address the various new problems emerging in global financial practices.¹⁸

From an Islamic macroeconomic perspective, a number of literatures also emphasize that economic stability cannot be separated from sharia values. Research developed by Alwi Siregar Ilyas and Imsar shows that macroeconomic stability within an Islamic framework is not merely understood as a technical issue related to inflation, economic growth, or monetary policy, but also relates to the conformity of economic instruments with sharia principles. Therefore, various policies such as inflation control, credit institution management, and fiscal policy need to be reviewed to ensure they do not conflict with the prohibition on usury and the principle of distributive justice that are at the core of Islamic economics. These findings demonstrate that the Islamic macroeconomic approach seeks to offer an alternative to conventional instruments that have traditionally relied heavily on interest.¹⁹

On the other hand, developments in financial technology have also expanded the scope of muamalah jurisprudence studies. Recent literature shows that digital transformation in the economic system has given rise to various new phenomena, such as fintech Sharia law, digital contracts, and an increasingly complex technology-based financial ecosystem. Research presented by Zuzanti confirms that these developments require conceptual adaptations in muamalah jurisprudence (fiqh muamalah) to provide legal and ethical guidance for digital economic practices. In this context, muamalah jurisprudence serves not only as a legal system governing traditional transactions but also as a normative framework that can guide financial innovation in the digital era.²⁰

Based on the overall literature reviewed, this study identified several key issues that demonstrate the complex relationship between Islamic jurisprudence (fiqh) and modern macroeconomic policy. One key issue is the disharmony between classical Islamic principles and modern economic policy instruments. Many conventional macroeconomic policies, such as interest-based monetary policy, conventional fiscal instruments, and free-market mechanisms, are based on economic paradigms that differ from the basic principles of Islamic economics. Consequently, conceptual tensions arise when the principles of Islamic jurisprudence (fiqh) are applied to the economic systems of modern states. In this context, several studies emphasize the need to reinterpret economic policy instruments to align them more closely with Sharia principles without neglecting the need for economic stability.

Another issue emerging from the literature review is the need to harmonize Islamic economic theory and Islamic jurisprudence (fiqh) in the modern financial system. The relationship between the two shows a pattern that is not entirely linear. On the one hand, there is a congruence of values that support the development of the Islamic financial system, but on the other hand, there are methodological challenges in translating Islamic legal principles into macro-scale economic policies. This suggests that reformulating Islamic muamalah theory is a crucial need so that the concepts

¹⁸ Mansyur And Others, 'The Evolving Relationship Between Islamic Economic Theory And Fiqh Al-Muamalat In Modern Financial Systems: A Comprehensive Analysis'.

¹⁹ Imsar Imsar and Ilyas Alwi Siregar, 'Macroeconomic Stability in the Perspective of Islamic Economics: Theory and Practice', *Current Journal*, 21.2 (2023), Doi:10.47232/Actual.V21i2.408.

²⁰ Zuzanti, 'Interdisciplinary Drivers of Fiqh Muamalah'.

contained in fiqh can function not only as normative guidelines but also as an operational framework in the modern economic system.

Furthermore, the development of the digital economy has become a strategic issue that broadens the scope of muamalah jurisprudence studies. The integration of sharia principles into financial technology demonstrates that global economic transformation requires a new approach to understanding muamalah practices. Economic digitalization presents forms of transactions, contracts, and financial instruments previously unknown in classical literature. Therefore, studies of sharia fintech, digital financial literacy, and technology-based contract innovation are crucial to ensuring that modern economic development remains within the framework of sharia values.

Overall, the results of this study indicate that muamalah jurisprudence has significant theoretical potential to contribute to the development of modern macroeconomic policy, particularly through its emphasis on moral aspects, social justice, and transaction ethics. However, the literature also reveals a gap between traditional muamalah principles and contemporary economic policy practices, particularly in monetary and fiscal instruments, which are still dominated by an interest-based economic paradigm. Therefore, the integration of muamalah jurisprudence and macroeconomic policy requires a more comprehensive and contextual approach. Theoretical reformulation must not only maintain the core values of sharia but also consider the dynamics of the global economy, developments in financial technology, and the complexity of modern state economic systems. With this approach, muamalah jurisprudence has the potential to become a more relevant conceptual framework in responding to contemporary economic challenges.

This research discussion confirms that muamalah jurisprudence has a significant contribution in building a modern economic paradigm that is not only oriented towards efficiency, but also on the dimensions of ethics and social justice. The basic principles of muamalah jurisprudence, such as the prohibition of usury, fairness in transactions, transparency of contracts, and orientation towards the public good, demonstrate strong relevance to the needs of the contemporary economic system. In the context of modern macroeconomic policy, these values can function as a normative framework that strengthens the moral legitimacy of public policy. Thus, muamalah jurisprudence is not merely understood as a legal rule governing individual transactions, but also as a value system that can provide direction for the formation of economic policies that are more just, inclusive, and oriented towards the welfare of society at large. Research presented by Zuzanti shows that social, economic, and technological developments have expanded the scope of muamalah jurisprudence in the contemporary context, thus opening opportunities for the integration of muamalah concepts into modern public policy discourse. This interdisciplinary approach shows that macroeconomic policies cannot be separated from moral and social dimensions, because the success of economic development is ultimately determined by the extent to which these policies are able to create sustainable prosperity for society.²¹

However, the literature review also reveals a theoretical gap between classical muamalah and modern macroeconomic policy. Modern economic systems generally still rely on interest-based instruments, debt-based financing mechanisms, and free market dynamics, which in some respects are not fully aligned with the basic principles of Islamic economics. Research conducted by Mansyur and his colleagues shows that

²¹Zuzanti, 'Interdisciplinary Drivers of Fiqh Muamalah'.

although Islamic economics and muamalah jurisprudence share the same goal of realizing social justice, they have different approaches to the economic instruments used in macroeconomic practice. This difference poses a major challenge in reformulating muamalah theory so that it can function more substantively within the framework of modern state economic policy. This gap is also evident in the implementation of sharia values in fiscal and monetary policy. From an Islamic economic perspective, redistributive instruments such as zakat, sedekah, and waqf have significant potential to reduce economic inequality and strengthen social solidarity. However, to date, these instruments have not been fully integrated into conventional macroeconomic policy systems. This demonstrates the need for a reconstruction of the economic paradigm that is oriented not only toward growth and efficiency, but also toward equity and social welfare.²²

Within the framework of a progressive society, the reformulation of muamalah jurisprudence needs to be understood as an integrative effort that connects moral values with national economic development goals. Macroeconomic policies based on muamalah principles have the potential to expand financial inclusion through the implementation of fairer risk-sharing mechanisms than interest-based systems. Such a model can provide broader access to groups in society that have been marginalized by the conventional financial system. Furthermore, the integration of social justice values into economic policy is also in line with the orientation of *magasid al-syari'ah* which places the public welfare as the primary goal of economic activity. Thus, economic policy is not only assessed by the resulting growth rate, but also by the extent to which it can improve social welfare equitably. A study conducted by Alwi Siregar Ilyas and Imsar emphasized that macroeconomic stability from an Islamic perspective is not solely related to controlling inflation or currency stability, but also relates to creating a fair balance between individual interests and social responsibility in economic activity. This perspective aligns with the demands of modern development, which emphasizes the importance of sustainability and social justice.²³

This research discussion also highlights the policy implications that can be developed from the reformulation of muamalah fiqh theory. The integration of muamalah values into economic policy can be realized through the development of a sharia monetary policy model that replaces the interest mechanism with a risk-sharing system and social accountability. In the fiscal sector, more integrative policies can be designed by incorporating Islamic redistributive instruments such as zakat, sedekah, and waqf into the state budget framework and modern social protection system. Furthermore, the development of the digital economy opens up new opportunities for the application of muamalah fiqh through regulations. *fintech* Sharia-compliant principles that can address the dynamics of a technology-based economy. However, the implementation of this idea faces significant challenges, particularly related to social acceptance and the institutional structures that have long operated within an interest-based global economic system. Therefore, the process of integrating muamalah jurisprudence and modern macroeconomic policy requires a gradual approach that takes into account institutional conditions, global market dynamics, and societal readiness. Overall, this discussion demonstrates that the reformulation of muamalah jurisprudence has significant relevance for the development of a progressive society paradigm. This paradigm emphasizes the importance of ethics in economic

²² Mansyur And Others, 'The Evolving Relationship Between Islamic Economic Theory And Fiqh Al-Muamalat In Modern Financial Systems: A Comprehensive Analysis'.

²³ Imsar And Siregar, 'Macroeconomic Stability in the Perspective of Islamic Economics'.

development, the expansion of inclusive social welfare, the reduction of inequality, and sustainable and equitable development. Within this framework, a contextually reinterpreted muamalah jurisprudence can serve as a theoretical and conceptual foundation for the formulation of macroeconomic policies that are not only technically effective but also possess strong moral legitimacy. Thus, the integration of muamalah principles and modern economic policy has the potential to create an economic system that is more balanced between growth, social justice, and sustainable development.

Conclusion

This study confirms that the reformulation of muamalah fiqh theory in relation to modern state macroeconomic policies has strong conceptual and normative relevance in building a just economic paradigm oriented towards public welfare. The results of the literature review indicate that the basic principles of muamalah, such as the prohibition of usury, distributive justice, transaction transparency, and orientation towards *magasid al-syari'ah* can serve as an ethical foundation for formulating more inclusive and sustainable fiscal and monetary policies. This reformulation offers advantages in the form of strengthening the moral dimension of public policy, expanding social redistribution instruments such as zakat and waqf within the state's fiscal structure, and developing a macroeconomic stability approach based on risk sharing which has the potential to reduce inequality and dependence on interest-based systems. Thus, the theory of muamalah jurisprudence is no longer positioned merely as a private legal norm, but rather as a normative paradigm that can provide direction in the design of national economic policies. However, this study also identified several limitations and challenges. Theoretically, there remains a methodological gap between the construction of classical muamalah jurisprudence and the complexity of modern, technocratic, and global macroeconomic instruments. Practically, the integration of muamalah principles into state policy faces structural obstacles, particularly because the global economic system is still dominated by conventional interest-based paradigms and free-market mechanisms. Furthermore, because this research is based on a literature review, the findings are conceptual in nature and have not been empirically tested in concrete policy models. Therefore, the proposed reformulation still requires further testing through quantitative approaches and cross-country comparative policy studies. Nevertheless, overall, this study demonstrates that the development of muamalah jurisprudence theory within a modern macroeconomic policy framework has strategic potential in building a more ethical, just, and society-oriented economic system.

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