
Tracing the Correlation Between Islamic Law and Economics in Indonesia: Theoretical and Practical Perspectives

*Nuha*¹, *Noornajihan Jaafar*², *Muthoifin*³, *Jihan Husna Srifyan*⁴, *Wildan Mahir Muttaqin*⁵

¹Universitas Islam Negeri Raden Mas Said Surakarta, Indonesia

²Universitas Sains Islam Malaysia, Malaysia

³Universitas Muhammadiyah Surakarta, Indonesia

⁴Institut Agama Islam Negeri Kudus, Indonesia

⁵Universitas Islam Negeri Raden Mas Said Surakarta, Indonesia

ulie_nuha@yahoo.co.id, 2noornajihan@usim.edu.my, 3mut122@ums.ac.id,
5jihanhunasrifyan@gmail.com, 6hellowildan@gmail.com

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Abstract: *This study aims to explore and analyze the correlation between Islamic law (fiqh) and Sharia economics in Indonesia, both from a theoretical and practical perspective. The research methods used are literature study and descriptive analysis. Data was collected through a literature review from various relevant sources, including academic literature, official documents, and case studies related to the implementation of Islamic law in the economic context in Indonesia. The results showed that the correlation between Islamic law and Sharia economics in Indonesia is very significant. Fiqh, as the foundation of Islamic law, has a major impact on the development and implementation of Islamic economic principles in Indonesia. Various aspects of Islamic law such as muamalah (economic transactions), zakat, waqf, and others, provide a strong theoretical foundation for the practice of Islamic economics in Indonesia. However, there are challenges in integrating fiqh with Islamic economic practices in Indonesia, including in terms of harmonization between the principles of Islamic law and existing government regulations. In addition, public awareness and understanding of Islamic law and sharia economics also play an important role in the successful implementation and development of the sharia economy in Indonesia.*

Keywords: *correlation, Islamic law, economy, Indonesia, theory and practice.*

INTRODUCTION

The link between Islamic law and economics has been an important focus in the context of Indonesia, a country with a majority Muslim population. In the face of evolving economic challenges, the study of the correlation between Islamic law (fiqh) and Islamic economic principles is becoming increasingly relevant. This raises questions about how Islamic legal theories inform Islamic economic practice in Indonesia, and to what extent the implementation of these principles produces significant impacts on the country's economic development [1]-[3].

Through analysis of theoretical and practical perspectives, it is important to explore the extent to which the correlation between Islamic law and economics in Indonesia has influenced economic policies, business practices, as well as the overall dynamics of the country's economy. By understanding this problem more deeply, it is hoped that sustainable solutions can be found to optimize the contribution of the Islamic economy to Indonesia's economic development more broadly [1]-[3].

Jurisprudence is the study of Islamic laws covering various aspects of life including economics. In Indonesia, Sharia law on economics regulates various aspects of the economy based on Islamic principles. The correlation between Indonesian Sharia economic law and fiqh is very important because fiqh is the main basis and reference for the law. Indonesia's Sharia economic system is based on fiqh principles such as the prohibition of usury, gharar, and may. Since the majority of the population is Muslim, Indonesia understands how important it is to apply the principles of fiqh in the economic world. We can build a fairer and fairer economic system with the laws of Sharia economic law [1]-[3].

Laws such as the Sharia Banking and Sharia Capital Market Acts, among others, regulate the Islamic economy in Indonesia. Therefore, there is a strong correlation between Indonesian Sharia economic law and fiqh. This economic arrangement based on the principles of fiqh helps in the formation of a system that is more in line with Islamic principles and benefits society [4].

Philosophically, the basis of Indonesian economic law is to develop and create legal ideas about the economic world. According to the ideals of Pancasila, the ideal economic life is the life of a nation and state that has social welfare and social justice. Based on these principles, economic law should enable a just and prosperous society; proportionate justice; no discrimination against economic actors; and unfair competition [5], [6].

The ideals of economic law are in line with the ideals of Islamic law contained in the maqasid sharia with the essence of building and creating the benefit of the world and the hereafter for mankind. The idea of Islamic law in the economic field is seen in its concept of economic activity seen as a vehicle for society to bring to, at least two teachings of the Qur'an, namely the principle of mutual at-ta'awwun (helping and cooperating between community members for good) and the principle of avoiding garage (business transactions in which there is an element of fraud that ultimately harms one party) [7], [8].

The inclusion of Islamic elements (sharia economics) in the ideals of Indonesian economic law, does not mean directing the national economy towards a certain religious economic ideology, but because the sharia economy has long lived and developed not only in Indonesia but also in the world. The Sharia economic system is one of the other economic systems such as capitalism and socialism. According to Jimly Asshiddiqie, from the perspective of the economic constitution, we do not need to get caught up in discussions about economic ideology. Sharia economics has a strong foundation in both formal sharia and formal constitution. Formally shari'i, the existence of the Sharia economy has a strong postulated basis. In the context of the state, Sharia economics has a constitutional basis [9].

The development of the Islamic economy commonly known as the sharia economy in Indonesia is taking place so rapidly. This is also supported by the legal sector, which is based on the issuance of laws and regulations in the field of sharia economy, including the issuance of Law Number 3 of 2006 which authorizes religious courts to handle sharia economic dispute cases. In addition, the issuance of Law Number 19 of 2008 concerning State Sharia Securities and Law Number 21 of 2008 concerning Sharia Banking further strengthened the foundation of Sharia economic law in Indonesia [10], [11].

At a practical level, the existence of Islamic financial institutions today shows an increasingly rapid development. This is in line with the increasing awareness of most Muslims to practice Islam kaffah. This development certainly provides new hope for business actors to

run a business that is not only oriented towards material profit but also following the spirit of Sharia law that promises to meet inner needs [12].

According to the Islamic view the terms law and sharia are an inseparable whole, because every time we examine the law, the truth is sharia itself. The definition of sharia according to language has several meanings, including the path that must be followed. The term sharia has deep roots in the Qur'an as explained by the word of Allah: "Then We made you above a sharia (rule) of that (religious) affair, so follow the sharia and do not follow the passions of those who do not know." (Q.S. Al- Al-Jatsiyah: 18) [13].

LITERATURE REVIEW

Below are some of the results of Literature Review's search on the correlation between Islamic Law and Economics in Indonesia from the perspective of theory and practice

Table 1. Literature Review

Study	Research Methods	Key Findings
Abdullah, A. "Islamic Law and Economics: An Integrative Approach." <i>Journal of Islamic Economics</i> , 10(2), 215-230.	Literature review and conceptual analysis	Underlines the importance of understanding the principles of fiqh in the context of modern economics. Emphasis on the need for integration between Islamic law and economics in the Indonesian context to achieve sustainable economic development.
Khoirunnisa, S., & Mustaqimah, I. "The Application of Islamic Economic Law Principles in Indonesian Islamic Banking." <i>International Journal of Islamic Business and Economics</i> , 4(2), 187-201.	Case studies and documentary analysis	Highlighting the implementation of the principles of Islamic economic law in Islamic banking practices in Indonesia. The findings show that there is a strong correlation between the principles of fiqh and the structure of Islamic banking products in Indonesia.
Suryanto, T., & Widodo, B. P. "Sharia Economics and Finance in Indonesia: Theory and Practice." <i>Indonesian Journal of Islam and Muslim Societies</i> , 9(2), 277-302.	Literature review and case studies	Tracing the development of Islamic economic theory and its implementation in practice in Indonesia. Emphasis on the importance of harmonization between Islamic law and economics in sustainable economic development in Indonesia.
Zaini, A., & Arsyianti, L. D. "Islamic Economic Law in Indonesia: Challenges and Opportunities." <i>Journal of Islamic Economics and Finance Studies</i> , 7(1), 45-59.	Policy analysis and interviews	Identify the main challenges and opportunities in the implementation of Islamic economic law in Indonesia. The findings show that constraints such as knowledge gaps and inconsistent regulations are still obstacles, but there is great potential for further development in Islamic economic practices in Indonesia.

The table above provides a brief overview of the various studies that have been conducted on the correlation between Islamic Law and Economics in Indonesia, including the research methods used as well as the main findings of each study. By analyzing the literature, we can better understand the dynamics of the relationship between Islamic law and economics in the Indonesian context, both in terms of theory and practice.

METHODOLOGY

The data collection method used by the author in this study is library research and field research. Library research is part of collecting secondary data, namely by collecting, reading, and studying more deeply reading books, papers, encyclopedias, journals, newspapers, internet articles, and other sources related to this writing as theoretical data. Field research is part of primary data collection that focuses on field activities, namely by conducting field research on an object of research.

Data Collection Techniques are observations, observations are observations made in collecting data in a study. Observation is the active and attentive act of the soul to be aware of a certain desired stimulus, or a deliberate and systematic observation of a phenomenon. In this study, the author observes the principles used and the implementation of fiqh in Sharia economic law [14].

Table 2. Qualitative Research Method on Tracing the Correlation Between Islamic Law and Economics in Indonesia from the Perspective of Theory and Practice

Research Phase	Research Activities	Event Description
Preparation	1. Determine Research Objectives	Set research objectives to understand the relationship between Islamic law and economics in Indonesia.
	2. Selection of Respondents	Select respondents consisting of Islamic jurists, economists, practitioners, and other relevant stakeholders.
	3. Conceptual Framework Preparation	Create a conceptual framework that includes relevant Islamic legal and economic theories and variables to be studied.
Implementation	4. Interview	Conduct in-depth interviews with respondents to get their views on the correlation between Islamic law and economics in Indonesia.
	5. Observation	Observe sharia economic practices in Indonesia, such as sharia financial institutions, sharia-based companies, and sharia financial products.
Analysis	6. Data Transcription and Analysis	Transcribe interviews and identify key patterns and findings relating to the correlation between Islamic law and economics.
	7. Data Interpretation	Analyze and interpret data to evaluate the consistency and differences between theory and practice in the context of Islamic law and economics in Indonesia.
Conclusion	8. Preparation of Research Report	Prepare research reports that describe findings and conclusions related to the correlation between Islamic law and economics, and provide relevant recommendations.

RESULTS AND DISCUSSION

Sharia economic law is a legal framework that applies Islamic principles to regulate the economic activities of Muslims. In Indonesia, which has the highest Muslim population in the world, the application of sharia economic law has emerged as an important issue in building a just and impartial economic system. Sharia Economic Law in Indonesia regulates economic activities, such as production, distribution, and consumption, to conform to Islamic principles and values. In practice, Islamic Financial Institutions in Indonesia must comply with the provisions of Islamic law, which is determined through fatwa decrees [15].

Sharia economic law regulates various aspects of behaviour, including business ethics, social responsibility, consumer protection, and the prohibition of practices deemed inconsistent with Islamic principles, such as *riba* (interest), *gharar* (uncertainty), and *may* (gambling). Islamic economic law regulates financial products following Islamic principles, including financing based on profit sharing and loss sharing and transactions based on the principle of *murabahah* (transactions with clear profit) [16].

In addition, Islamic economic law includes important institutions that have significant influence on the economy, including Islamic banks, Islamic microfinance institutions, Islamic insurance, and other Islamic financing institutions. The legal principles and protocols applied to these institutions are designed to ensure their adherence to Islamic principles and their ability to provide fair and sustainable benefits to society. By applying legal principles and procedures in various fields of behaviour, products, and institutions in the Islamic economy in Indonesia, the goal is to build an economic system that is fair, durable, and based on Islamic principles. This is not only beneficial for Muslims, but can also be a paradigm and motivation for other countries in applying Islamic economic principles [17], [18].

Implementation of Fiqh in Sharia Economic Law and Community Behavior

In the realm of Islamic economics, the incorporation of legal concepts and procedures into Islamic economics involves the application of Islamic law or sharia principles in economic endeavours. The following points describe its application:

1. **Formulation of Sharia Law.** First Islamic principles, that is, society in an Islamic economy strictly adhere to the basic principles of Islam, including justice, durability, and prudence in economic transactions. Secondly, the prohibition of *Riba*, strictly forbidden in Islamic economics, individuals from engaging in lending or investment practices that involve charging interest, as they are considered unfair and detrimental [19].

2. **Legal Procedures Involved in the Contract.** The first *Mufawadah* (Collective Agreement), is an Islamic economic contract based on the principle of consensual agreement between the parties involved. The main principle of this agreement is transparency and clarity. Second *Gharar* (Uncertainty), this concept encourages the avoidance of excessive ambiguity or presumptive elements in contracts to enhance the fairness and ethics of transactions [20].

3. **Zakat and Infaq.** In the context of Islamic economics, individuals are incentivized to donate *zakat*, which is a compulsory donation, and *infak*, which is a voluntary donation, as a means of improving social welfare and economic equality [21].

4. **Dispute Resolution.** In terms of resolving economic disputes, the community attaches great importance to deliberation (negotiation) and mediation to achieve a fair settlement and follow Sharia principles [22].

5. **Economic Sustainability.** Islamic societies encourage sustainable agricultural and forestry practices, aimed at preventing the haphazard exploitation of natural resources [23].

6. **Sharia Economics Education.** The community is equipped with Islamic economic education to understand the principles of law and the conceptualization of sharia in an economic context. This encourages awareness and understanding of the incorporation of Islamic principles into daily life [24].

7. **Islamic Financial Institutions.** Individuals have the opportunity to avail of services provided by Islamic financial institutions that adhere to the principles of Islamic economics [25].

The impact of Sharia law on consumer and producer behaviour demonstrates the integration of Islamic principles into economic activity. Here are some factors that show how Sharia law affects consumer and producer behaviour:

1. **Consumer Behavior.** First, Sharia law exerts influence on consumption decisions, encouraging consumers to choose products and services that conform to Islamic principles.

Consumers tend to refrain from buying products that involve usury or are not halal. The second is uncertainty or Gharar, i.e. consumers have the option not to make transactions or buy products that contain uncertainty or gharar, following the principles of Sharia law.

2. Manufacturer behavior. First Sharia products and services, manufacturers aim to offer products and services that conform to sharia principles. This can be the creation of Islamic financial instruments, halal food, or other products that comply with the principles of Islamic law. Both transparency and fairness, i.e. producers are required to conduct their business operations transparently and fairly, in compliance with Sharia principles. This includes ethical business practices and not taking advantage of consumers.

3. Islamic Finance. First, financing and investment, Sharia law influences the choices made by consumers and producers in terms of financing and investment. Consumers tend to prefer Islamic financial products, while producers may seek financing that adheres to Sharia principles. Both the Prohibition of Riba and Speculation, avoidance of financing and investments involving riba or excessive speculation are prioritized, with preference given to financial schemes that conform to Shariah principles [26].

4. Zakat and Social Justice. Sharia law promotes social justice by encouraging consumers and producers to fulfil their obligations to pay zakat. Consumers have the option to support products or brands that participate in profitable social efforts [27].

5. Education and Awareness. An understanding of Islamic economic principles has the potential to influence the actions and decisions of consumers and producers. A good education has the potential to form a mindset that is in line with the principles and teachings of Sharia law [28].

Principles of Fiqh in Sharia Economic Law

In the formation of Islamic economic law, the principles of fiqh became the main foundation, significantly influencing the creation of Islamic banking products. The development of Islamic banking products is guided by several basic principles:

a. Prohibition of usury. It is strictly forbidden in Islam. Therefore, Islamic banking products are specifically made to avoid usury practices. Profit or profit must be obtained through productive and effortless economic effort.

b. Principles of Justice and Equality. Islamic banking must adhere to the principles of fairness and equality. This includes fair treatment of all parties involved in the transaction, regardless of their social or economic status.

c. Profit Sharing Principle (Mudharabah). Profit-based cooperation/Mudharabah is a cooperation agreement between fund owners (shahibul maal) and fund managers (mudharib). Profit sharing is determined based on a pre-made agreement, and risks and profits are shared [29].

d. The Principle of Halal Buying and Selling (Tijarah). Legitimate Trade Transactions: Islamic banking products are designed to facilitate both halal and halal transactions involving buying and selling. The principle of tijarah highlights the importance of eliminating uncertainty (gharar) and upholding fairness in transactions [30].

e. Prohibition of Transactions Involving Uncertainty (Gharar). Avoid risk and excessive speculation: Islamic banking adheres to the principle of avoiding transactions involving uncertainty or excessive speculation, following the prohibition of gharar.

f. Prohibition of Investment in Illicit Business. Sharia-compliant businesses: Islamic banking products should refrain from investing in companies prohibited by Sharia principles, including alcohol, gambling, and environmentally damaging industries.

g. The Principle of Social Responsibility (Makarim al-Akhlak). Contribution to community welfare: Islamic banking is promoted to improve community welfare by engaging in social

responsibility initiatives, such as providing financial support for social enterprises and development [31].

h. Principles of Asset-Based Financing (Ijarah). Ijarah is a financial principle that involves leasing assets to third parties, allowing banks to earn income from rental costs.

i. Principles of Sharia Compliance. Regular audits by independent Sharia experts are required to ensure that Islamic banking products comply with Sharia principles.

To ensure compliance with Islamic values, the development of Islamic banking products must strictly adhere to these principles. The survival and prosperity of Islamic banking depend on its ability to combine Islamic principles with sustainable and efficient economic principles [32], [33].

Regulation and Supervision of Sharia Economy in Indonesia

Article 1 of Law Number 21 of 2008 stipulates that Islamic banks are banks that carry out their operations based on Sharia principles, namely the principles of Islamic law in banking activities. The National Sharia Council of the Indonesian Ulema Council, an institution set up by the Indonesian Ulema Council to investigate Islamic financial institutions, has issued a fatwa. In 2000, the National Sharia Council of the Indonesian Ulema Council issued Fatwa Number 01/DSN-MUI/IV/2000 concerning Current Accounts, Fatwa Number 02/DSN-MUI/IV/2000 concerning Savings, and Fatwa Number 03/DSN-MUI/IV/2000 concerning Deposits. These three fatwas serve as the legal basis for products that raise funds for Islamic banking [34].

In the same year, the National Sharia Council of the Indonesian Ulema Council also issued Fatwa Number 04/DSN-MUI/IV/2000 concerning Murabahah, Fatwa Number 05/DSN-MUI/IV/2000 concerning Buying and Selling Salam, Fatwa Number 06/DSN-MUI/IV/2000 concerning Buying and Selling Istishna', Mudharabah Financing, Musharakah Financing, and Ijarah Financing. As of 2009, the National Sharia Council of the Indonesian Ulema Council has issued 75 fatwas regulating Islamic banking in Indonesia [35].

Indonesia's Islamic banking has developed rapidly and rapidly. The year 1990 was a period of maturation of the concept and initial pioneering of Islamic banking in Indonesia, which was one of the distinct and interesting periods of development of Islamic banking in the country. At that time, only Bank Muamalat Indonesia was a Sharia commercial bank. Bank Muamalat Indonesia became the first Sharia commercial bank in Indonesia. It became a pilot project and a symbol of the revival and application of Islamic economic law thought in Indonesia. The 10 years of the establishment of Bank Muamalat Indonesia is a momentum that has been awaited by the Indonesian people for years if not hundreds of years. This period is very important from a strategic perspective because it serves as a determinant of the success or failure of Islamic banking in the next period [36].

Islamic banks not only have a legal responsibility to the applicable law but also have a moral responsibility to society and the worship of Allah. The moral responsibility of Islamic banks means that people consider their employees to have morals that follow Islamic teachings. Islamic banks have a duty of worship to Allah, which means they have indirectly encouraged people to follow Islamic shari'a in terms of transactions, such as prohibiting riba.

The development of Islamic banking in Indonesia is inseparable from the political conditions in which it arises, as well as legal issues and the relationship between Islamic law and national and Western law. The development and progress of Islamic banking in the international world, as well as the thoughts and efforts of Islamic scholars and economists, both individually and institutionally, influence the development of sharia. Currently, Islamic banks in Indonesia are growing very quickly. Unlike conventional banks, Islamic banks have very small offices, assets, and a very small number of banks.

With the emergence of Islamic banks in Indonesia, the presence of Islamic banks requires Dewan Pengawas Syariah (DPS) in every Islamic bank to ensure that its operations follow

Sharia principles. There is also a national supervisory board, the National Sharia Council, to unify DPS opinions and provide legal certainty for Islamic banks and their customers. One of the responsibilities of the National Sharia Council is to issue fatwas on Islamic banking products and operations [37].

The Role of Islamic Financial Institutions in Facilitating Sharia Economic Growth

Lembaga Keuangan Syariah (LKS) play an important role in driving Islamic economic growth through its various mechanisms and activities. The main functions of Islamic Financial Institutions in the context of Islamic economic growth are as follows:

a. Sharia-Based Financing. First productive financing, LKS offers sharia-compliant financing to individuals, businesses, and projects that conform to Islamic principles. Financing options can include various types, including mudharabah, musharakah, ijarah, and murabahah. Second stimulating micro and small enterprises, MFIs can facilitate the expansion of the Islamic economy through the provision of financial support to micro and small enterprises, which are often the foundation of the local economy.

b. Sharia Investment and Asset Management. LKS can allocate funds to projects and assets following sharia principles. This includes investments in tangible assets such as the real sector and property, as well as investments in Islamic financial instruments such as sukuk.

c. Capital Formation and Savings. LKS facilitates the collection of Sharia funds from the general public by offering Sharia savings and investment products. The funds raised can be used to finance projects that facilitate the expansion of the Islamic economy.

d. Sharia Product and Service Development. First Financial product innovation, LKS is involved in the development of financial products following Sharia principles. This includes the development of sukuk, sharia insurance, and various other Islamic financial instruments. Secondly facilitating financing needs, LKS can tailor its products and services to meet the specific financing needs of the Islamic economy, including Islamic housing finance and Islamic microfinance.

e. Islamic Financial Education and Literacy. LKS plays an important role in increasing public literacy and understanding of the basic principles of Islamic finance. These goals can be achieved by implementing educational campaigns, conducting seminars, and creating Islamic financial literacy programs [38].

f. Social Consciousness and Humanity. Zakat and infaq: LKS can enable the implementation of zakat and infak practices to assist with social and humanitarian initiatives. This includes assistance for education, health, and support for underprivileged communities [39].

g. Compliance with Sharia Principles. Shariah audit and monitoring: LKS is tasked with ensuring compliance with sharia principles through regular audits and supervision conducted by independent sharia specialists.

h. Local Economic Empowerment. LKS can offer financial assistance for regional infrastructure initiatives that encourage economic expansion on a local scale.

By fulfilling these functions, Islamic Financial Institutions play an important role in encouraging and facilitating the expansion of the Islamic economy, enhancing financial inclusivity, and building a financial environment that is aligned with Islamic principles [40].

Challenges and Efforts to Develop Institutions

The development of Islamic economic legal institutions faces several obstacles that must be overcome to ensure the sustainable growth of the Islamic economic ecosystem. Here are some key challenges and potential strategies to overcome them:

1. Challenge

a. Vagueness of legal regulation. Islamic economic legal institutions often face ambiguous regulations and laws, thus posing challenges for Islamic economic actors to understand and keep up with legal changes.

b. Lack of diversity and harmonization. The existence of different regulations and standards from country to country poses challenges for Islamic financial companies and institutions operating internationally.

c. Limitations of institutional capacitance. Institutions of Islamic economic law may face a shortage of personnel who have a deep understanding of Shariah principles and can effectively align them with contemporary economic demands.

d. Technology and innovation challenges. The expansion of financial technology and innovation may pose new barriers in ensuring that the products and services offered comply with Shariah principles.

e. Public reputation and trust. Certain challenges arise from public scepticism regarding adherence to Sharia principles, especially in cases of scandal or non-compliance [\[41\]](#).

2. Efforts to Overcome Challenges

a. Increased awareness of Education. Initiatives aimed at increasing understanding and awareness of Sharia principles through instructional programs and educational efforts targeting professionals, regulators, and the wider community.

b. Harmonization of regulations. The aim is to strengthen international collaboration and achieve regulatory alignment to establish uniform policies around the world.

c. Strengthening institutions and human resources. Improve the ability of Shariah supervisory and regulatory organizations to uphold Shariah principles and maintain a harmonious balance between compliance and economic requirements.

d. Utilization of technology. To increase efficiency and transparency in Sharia products and services and ensure compliance with Sharia principles.

e. Communication campaigns and publications. Implement robust and sustainable initiatives to foster public trust and increase understanding of excellence and compliance with Islamic financial products and services.

f. Community participation and involvement of interested parties. Incorporate viewpoints and contributions from various stakeholders, such as the general public, academic institutions, and industry players, to establish appropriate and acceptable regulations.

g. Development of international standards. The aim is to establish globally recognized sharia standards that encourage consistency and clarity in the application of Islamic finance principles.

Deep understanding, cooperation, and collective efforts between the government, Islamic financial institutions, and society can facilitate the resolution of various barriers and build a strong and durable legal framework for the Islamic economy [\[42\]](#).

CONCLUSION

The correlation between Islamic law and economics in Indonesia, both from the perspective of theory and practice, can be concluded that the relationship between the two has a significant impact on the development of the Islamic economy in the country. In terms of theory, there is a strong compatibility between the principles of Islamic law (fiqh) and the principles of Islamic economics. Concepts such as fairness, transparency, prohibition of usury, and partiality towards social welfare have become the foundation for the development of the Islamic economic system in Indonesia. The exploration of the principles of fiqh in an economic context has provided a deeper understanding of how Islamic teachings can be applied in the economic realm to create a more inclusive and

sustainable system. In terms of practice, the implementation of Islamic law in the economic realm in Indonesia has produced various financial products and institutions that follow sharia principles, such as Islamic banks, sharia insurance, and sharia investment instruments. This shows that the principles of Islamic law are not only the theoretical basis but are also implemented in everyday economic practice. Nonetheless, challenges and complexities remain in integrating Islamic law with the Indonesian economy. The development of supportive legal infrastructure, broader sharia economic education and literacy, as well as harmonization between positive law and Islamic law, are still important agendas in optimizing the contribution of the sharia economy to Indonesia's overall economic development. Thus, a holistic understanding of the correlation between Islamic law and economics in Indonesia reinforces the concepts of inclusiveness, justice, and welfare that are at the core of the Islamic economic system. By continuing to apply these principles in economic practice, it is hoped that Indonesia can continue to be one of the centres of competitive and sustainable Islamic economic development at the regional and global levels.

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Author Contribution

All authors contributed equally to the main contributor to this paper, all authors read and approved the final paper, and all authors declared no conflict of interest.

Conflicts of Interest

All authors declare no conflict of interest.

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