

Islamic economics education in Indonesia: Quranic view and epistemological problems analysis

[Pendidikan ekonomi Islam di Indonesia: Pandangan al-Quran dan analisis masalah epistemologi]

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ABSTRACT

Responding to the great potential of Shariah-based economics, various higher education institutions in Indonesia are trying to make breakthroughs by establishing a study program in Islamic economics. The issue stems from the fact that Islamic Economics is offered as a course at several Indonesian higher education institutions. Because economics and shariah have distinct philosophical science scopes, it will indirectly result in epistemological issues in the philosophy of science. These epistemological issues need to be answered and resolved to ensure that the outcomes of these educational programs do not conflict with the goals for which they were established. This study aims to provide solutions to these epistemological problems, particularly in the institutional environment or higher education institutions, and to analyze the Quranic view as well as the position and application of Islamic economics between the influence of economics and *Fiqh al-Mu'āmalah*. The methods of content analysis and library research were utilized in this qualitative-descriptive study. The study's results indicated that Islamic economics is not just a system or norm, as people have previously suspected, but also a scientific discipline discovered through scientific methodology. The position of Islamic economics between the influence of economics and *Fiqh al-Mu'āmalah* challenging to combine them. The fundamental difference between them, especially in the epistemological aspect, requires thinking to synergize and integrate into the discipline of Islamic economics.

Kata Kunci:

Ekonomi Islam, Epistemologi, *Fiqh al-Mu'āmalah*, Pendidikan

ABSTRAK

Menyambut potensi besar ekonomi berteraskan syariah, pelbagai institusi pengajian tinggi di Indonesia cuba melakukan terobosan baharu dengan menubuhkan program pengajian ekonomi Islam. Masalah yang timbul ketika itu ialah wujudnya beberapa universiti atau institusi tinggi di Indonesia yang meletakkan ekonomi Islam sebagai program pengajian di fakulti yang berbeza. Ia secara tidak langsung akan menimbulkan masalah epistemologi dalam falsafah sains, di mana ekonomi dan syariah masing-masing mempunyai skop sains falsafah yang berbeza. Masalah epistemologi ini perlu dijawab

dan diselesaikan agar output yang dihasilkan daripada program pendidikan ini tidak bertentangan dengan objektif penubuhannya. Kajian ini bertujuan untuk menganalisis pandangan al-Quran dan permasalahan epistemologi yang timbul daripada kedudukan dan aplikasi ekonomi Islam antara pengaruh ekonomi dan Fiqh al-Mu'āmalah, serta memberikan penyelesaian kepada permasalahan epistemologi tersebut khususnya dalam persekitaran institusi atau institusi pengajian tinggi. Kajian ini menggunakan pendekatan kualitatif-deskriptif dengan teknik analisis kandungan dan kajian perpustakaan. Hasil kajian menunjukkan bahawa ekonomi Islam bukan sekadar sistem atau norma seperti yang disangka orang pada masa lalu, tetapi juga disiplin saintifik yang ditemui melalui metodologi saintifik. Kedudukan ekonomi Islam antara pengaruh ekonomi dan Fiqh al-Mu'āmalah pada dasarnya sukar untuk menggabungkannya. Perbezaan asas di antara mereka terutama dalam aspek epistemologi memerlukan pemikiran untuk bersinergi dan digabungkan ke dalam disiplin ekonomi Islam.

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1. Introduction

Today, the idea of economics and finance based on the shariah has spread. It is universally accepted and adopted by Islamic nations in the Middle East, Asia, Europe, and the United States. This is exemplified by establishing some Islamic financial institutions and issuing many financial instruments based on the shariah (Iskandar, 2014; Iskandar & Aqbar, 2019b). Due to a prolonged crisis brought on by the failure of the capitalist monetary system, Shariah-based economic institutions were established and energized the stage of the national economy. Since its foundation, Bank Muamalat Indonesia has been a trailblazer of banks involving the shariah framework in 1991, trailed by the issuance of Regulation Number 10 of 1998 concerning Revisions to Regulation Number 7 of 1992 concerning Banking which permits banks to run a double financial framework. According to Iskandar & Aqbar (2019), several Islamic banks have emerged recently, some of which are solely operating under the shariah system, while others are only establishing a Shariah Business Unit or Shariah Business Division.

Islamic banking in Indonesia has a vast potential to help realize national financial inclusion as a member of the domestic banking sector with its distinct characteristics and giant halal food industry in the world (Azwar, Usman, & Abdullah, 2022; Iskandar & Possumah, 2018; Umar, 2017). Numerous organizations or universities are attempting to break through by establishing a study program or department of Islamic Economics in response to the promising potential and expansion of Islamic banking. This innovation was found to train intellectuals (human resources) who can work professionally in Islamic financial and economic institutions. This new department attracted much public interest because it was viewed as more promising than the previous major (Irham, 2019).

The problem is caused by the fact that various universities and Islamic educational institutes in Indonesia offer Islamic Economics as a course of study in different faculties. Universitas Islam Negeri (UIN) Maulana Malik Ibrahim in Malang (East Java), UIN Sultan Syarif Kasim in Pekanbaru (Riau), UIN Sunan Gunung Djati in Bandung (West Java), and UIN Sultan Maulana Hasanuddin in Serang are some universities/institutions that offer Islamic Economics as a study program at the Faculty of Shariah/Law, according to data gathered by the authors through the official website. Others assign it to the Faculty of Economics and Islamic Business simultaneously. The division of students majoring in Islamic Economics into branches of shariah science, such as the Faculty of Shariah/Law, will unintentionally lead to epistemological issues in the philosophy of science because economics

and shariah, which serves as the foundation for Islamic Economics, have distinct philosophical ramifications (Muliadi, 2018).

These epistemological problems need to be answered and resolved so that the outputs generated from these educational programs are not counterproductive to the objectives of their establishment. It should be understood that the scope of *Fiqh al-Mu'āmalah* taught at the Faculty of Shariah/Law is more oriented towards normative values than implementation aspects. This means that the alumni of the study program are more likely to explore theories about the position of a transaction based on Islamic jurisprudence law. While the practice is in industrial and market environments, the theory is only needed at the domain or conceptual level, not in application or implementation. While the business world and industry tend to be more in need of human resources with the qualifications of a practitioner (Hadi, 2013; Rozalinda, 2015). At a more in-depth level, such as reviewing the philosophy of science, the problem arises later when identifying elements of epistemology or methodology. This issue occurs when answering whether Islamic Economics has an independent method or adopts the methodology of conventional economics (Yanwari, 2014).

Based on the above, this study aims to analyze the Quranic perspective and the epistemological issues that arise from the position and application of Islamic Economics regarding the influence of Economics and *Fiqh al-Mu'āmalah*. It also aims to provide solutions to these epistemological issues, particularly in the institutional setting or higher education institutions. It is anticipated that this study will contribute to and resolve the epistemological problems associated with creating and implementing the Islamic Economics study program at Indonesian higher education institutions. Therefore, it would be interesting to learn more about the place Islamic Economics plays in studying science philosophy, particularly epistemology. How do epistemological issues arise from the position and application of Islamic Economics regarding the influence of Economics and *Fiqh al-Mu'āmalah*? This is the research question that must be answered in this study. What options exist for resolving these issues, particularly in higher education curriculum development in Indonesia?

The methods of content analysis and library research are utilized in this qualitative-descriptive study. A research technique for determining a text's conclusions is the content analysis technique. In other words, content analysis is a research technique that seeks to uncover the author's manifested or latent ideas (Weber, 1990). According to Creswell & Creswell (2017), library research in this study, on the other hand, makes use of the kinds and sources of secondary data obtained from research results, articles, and reference books that discuss topics related to the research theme.

2. Epistemology of Islamic Economics

Linguistically, epistemology comes from Greek, namely *episteme* and *logos*. *Episteme* means knowledge, while *logos* means theory, description or reason. So, epistemology can be interpreted as a theory of knowledge. Epistemology is also a science that discusses knowledge and how to obtain it (Adib, 2011). Thus, epistemology essentially discusses the philosophy of knowledge related to the origin (source) of knowledge, how to obtain that knowledge (methodology) and the validity of that knowledge.

All scientific disciplines have an epistemological basis. In other words, new science can be used as a scientific discipline if it fulfils scientific requirements. In this terminological sense, epistemology is related to problems which include: a) philosophy, namely as a branch of philosophy that seeks to find the nature and truth of knowledge, b) method, which aims to lead humans to acquire knowledge; and c) system, namely as a system that aims to obtain the reality of the truth of knowledge itself (Rozalinda, 2015). From an epistemological point of view, economics is obtained through observation (empiricism) of the social phenomena of society in meeting their needs. The observations made are then generalized through specific premises to draw general conclusions. Changes and steadiness observed in the production and distribution system of goods and services are then used as general theories that can answer various economical problems. The thoughts of Abū Yūsuf (d.798), a student of jurist Abū Ḥanīfa (d.767) who helped spread the influence of the Hanafi school of Islamic law through his writings and the government positions that he held (Tilopa, 2017), on the theory of supply and demand are the results of his observations in the community of his time. Ibn Khaldun also studied the economic problems of society and the state empirically and then explained the actual economic phenomenon (Rozalinda, 2015). These theories and explanations are obtained from experience and facts consistently researched by economists.

Islamic economics has an epistemic foundation as a field of study. Islamic epistemology is the foundation for Islamic economics because it is connected to Islam's worldview (Shamad, 2017). This is consistent with the assertion made by Beik (2016) that Islamic Economics is produced by an Islamic framework that includes an

Islamic philosophy and worldview based on an Islamic worldview and is developed, put into practice, and assessed using concepts, measures, and standards.

In general, the methodology of Islamic Economics is systematically arranged as follows. Firstly, the Quran is the first and primary source for Islamic Economics in which things related to economic activities can be found. The Quran is a complete and perfect guide which consists of parts that summarize and complement each other. Islamic Economics is included in *al-Mu'āmalah* worship. The scope of muamalah is more dominated by verses that are *zannī* (supposition) rather than *qaṭ'ī* (certain), so the interpretation needed is naturally factual and theoretical, without leaving the normative aspect as a form of balance between worldly life and hereafter (Abusyairi & Iskandar, 2021; Efrinaldi, 2018; Kurniasari, Roihani, & Nurjannah, 2021). The Quran is the essential source of truth, so it is the primary source of Islamic Economics. The Quran, which is Allah's revelation, contains normative arguments and empirical, factual and objective facts. The knowledge contained in the Quran has absolute truth, covers all life comprehensively (complete) and therefore cannot be reduced and added (irreducible) (Isnaeni, Basri, & Mariyanti, 2018).

The *Sunnah* of the Prophet (PBUH) further explains the Quran. The *Sunnah* means the way, the habit (custom habit of life), which refers to the actions, speech and implicit statutes (*taqrīr*) of the Prophet (PBUH) (al-Qāsimī, 2010). *Sunnah* is an explanation or embodiment of the Quran because the Prophet was the first person and immediately received and divinely guided to understand it. All methodologies must be sourced from the Quran and the *Sunnah*. The *Sunnah* is the second source of Islamic legislation, and in it can be found the rules of Islamic economics. The Quran and the *Sunnah* can then be elaborated on in-laws by using the method of epistemological deduction, which is to draw the general principles contained in the two sources to be applied in individual reality (Hoque & Choudhury, 2003). Secondly, after the Quran and the *Sunnah*, in the epistemology of Islamic Economics, *ijtihād* (diligence) is required by using ratio or reason. *Ijtihād* is an effort to use ratios to formulate and conclude a law or produce a theory. With *ijtihād*, scholars conduct inductive research using rational logic to interpret the general text of the Quran and Hadith (*zannī*) (Mahmuddin, 2016). The *ijtihād* is divided into two types, namely *ijtihād istinbāṭī* and *ijtihād taṭbīqī* (al-Shāṭibī, 2010). In discussing the epistemology of Islamic economics, the methods of deduction and induction are used. The *ijtihād istinbāṭī* is deductive, while *ijtihād taṭbīqī* is inductive and produces more operational conclusions because it is based on empirical reality (al-Shāṭibī, 2010).

Choudhury (2014) explains that the Islamic Economics methodology approach uses a shuratic process; namely, the individual methodology (*ijtihād farḍī*) is replaced by a consensus of experts (*ijtihād jamā'ī*) and market participants because they are considered to have a high level of correctness of *ijtihād* in creating economic and behavioural balance market. The term shuratic comes from *mushāwarah* to show that this process is consultative and dynamic. This methodology attempts to produce transcendent knowledge supported by empirical and rational truths, which are the main benchmarks of scientific fact. While Muslims believe that the ultimate and absolute truth comes from Allah, the truth from humans is imperfect. However, humans are gifted with reason and various empirical facts around them as a vehicle for understanding the truth from God. The combination of revealed truth and scientific truth will produce a truth that has a high level of confidence.

3. Quranic View and Epistemological Problems of Islamic Economics

In essence, Islamic Economics discusses two disciplines simultaneously. The two disciplines are economics (pure) and *Fiqh al-Mu'āmalah*. Thus, Islamic Economics will always come from these two disciplines (Setiawan, 2020). The problem then arises with combining the thought of Economics, which is full of liberal and capitalist notions, with the sacred thoughts contained in *Fiqh al-Mu'āmalah*, which are full of religious values. This problem arises considering that the source of Economics is human thought, while *Fiqh al-Mu'āmalah* is revelation based on the instructions of the Quran and the Prophet's hadiths. Through the principles of *uṣūliyyah*, the jurists (*fuqahā'*) formulate several rules that must be practised in the economic life of the people. These formulations are obtained from thinking (rationalism) through deductive logic. The significant premises mentioned in the revelation are then elaborated through the minor premises to get a good and proper conclusion (Iskandar & Aqbar, 2019a).

This difference in sources of knowledge then becomes the cause of the emergence of different assessments of human economic problems. For example, economics will allow a liberal, capitalist, and communist economic system as long as it can satisfy the needs of human life, which is the goal of the economy. On the other hand, *Fiqh al-Mu'āmalah* cannot necessarily accept the three systems because it still requires validation from the Quran and Hadith (Rozalinda, 2015).

The Western system of conventional economics is based on the freedom of individuals to enter into contracts as long as they do not harm one another. Western versions of conventional economic concepts must be redefined to adapt to Islamic law. Some of these ideas are:

i. Property as a concept

The fact that conventional economics fails to acknowledge the value of property ownership is the issue with the concept of property. Everything qualifies as property to the extent that it can be used to generate financial value. Unsurprisingly, illegal goods like pork and liquor are legal assets that can be used as business commodities (Zaini, 2021).

ii. The concept of money

In *Fiqh al-Mu'āmalah*, the discussion is based on the presumption that the community uses real money, such as gold and silver. In contrast, gold and silver coins have not been used to exchange in Indonesia since the colonial era. Instead, society increasingly uses paper money, also known as “fiat money”, as a means of exchange. Scholars disagree on the legality of this paper money. Some people believe that paper money is not acceptable in shariah law because it does not represent real property; however, others can accept it (Cizakca, 2011).

iii. The concept of interest and usury

In economics, interest is an assumption that is no longer a subject of debate, although until now, it is still difficult for economists to find a justification for it. In the science of *Fiqh al-Mu'āmalah*, this term is not known, although the discussion of the usury law can be said to have been completed, and the scholars agreed to forbid it. Interest and usury are ongoing discussions with paper or abstract money (Permana, 2020).

iv. The concept of the time value of money

Most financial management theories are based on the idea that money has value over time and is worth more now than it will be in the future. The *Fiqh al-Mu'āmalah*, on the other hand, does not explain this. However, *bay' al-mu'ajjal* (tough buying and selling) is the subject of numerous academic debates (al-Zuhailī, 1989).

v. Capital as a concept

All tangible and intangible things with economic and productive value are considered to be capital in the context of economics. Remembered for this definition are cash and protected innovation freedoms. Capital is restricted to tangible items in classical *Fiqh al-Mu'āmalah*, and money can only serve as a means of exchange. Money must be physically transformed before it can be used as capital to generate profits (Khan, 1996).

On the other hand, the theory of truth in economics and the *Fiqh al-Mu'āmalah* are, of course, diametrically different. The benchmark of truth in economics always refers to three theories of validity used in the philosophy of science, namely coherence theory (compatibility with existing theories), correspondence theory (compatibility with current phenomena), and pragmatism theory (suitability for use) (Solomon & Fogelin, 1985). While the theory of truth *fiqh al-Mu'āmalah* refers strictly to revelation, economic transactions will be considered correct if there are no prohibitions in revelation.

Table 1: Differences in Concepts: Economics and *Fiqh al-Mu'āmalah*

Concept	Economics	<i>Fiqh al-Mu'āmalah</i>
Property	Everything can be recognized as property	Not all goods can be recognized as property
Money	Paper money	Gold and silver
Interest and usury	No longer a subject of debate (allowed)	Prohibited
Time value of money	The value of money is now relatively more significant than in the future	No explanation
Capital	All objects, both physical and abstract, as long as they have economic and productive value.	Limited to physical objects, where money can only act as a medium of exchange

Theory of Truth	Refers to three theories of truth coherence theory, correspondence theory, and pragmatism theory	Refers strictly to revelation from the God
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It is difficult to combine economics and *Fiqh al-Mu'āmalah* due to the divergent theories of truth and knowledge sources (see Table 1). It is acknowledged that applying the Islamic economic system to banking and insurance frequently resembles the conventional monetary system. This is because, in practice, Islamic banking refers to numerous models or economic systems as a whole (Yuliani, 2019). Furthermore, from an epistemological point of view, it can also be seen that Economics is obtained through observation (empiricism) of the social phenomena of society in meeting their needs. The observations made are then generalized through specific premises to draw general conclusions. At this stage, Economics uses quantitative reasoning (Sembiring, 1994). The observed changes in the production and distribution system of goods and services are then used as general theories that can answer various economical problems. For example, it can be seen from the theory of demand in economics, which reads, “if the demand for an item increase, the price of the item will automatically increase.” The theory is obtained from experience and facts consistently researched by economists. Based on this way of working, the discoveries of economic theories are grouped into the context of discovery (Budianto, 1999).

Meanwhile, *Fiqh al-Mu'āmalah* uses qualitative reasoning (Sembiring, 1994). One example that can be put forward, in this case, is the *uṣūliyyah* rule which reads (al-'Asqalānī, 1959):

الأصل في الأشياء الإباحة

Meaning:

“The origin of everything is permissible.”

If applied in Islamic Economics, then all business transactions are allowed if no text forbids it. The prohibition against the practice of interest and usury in conventional banking is only due to several texts forbidding it (al-Qaraḍāwī, 2004). For example, in Quran, surah *al-Baqarah* [2] verse 275, Allah says:

﴿... ذَلِكَ بِأَنَّهُمْ قَالُوا إِنَّمَا الْبَيْعُ مِثْلُ الرِّبَا وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا...﴾

Meaning:

“... That is because they say trading is only like usury, and Allah has allowed trading and forbidden usury...”

This way of working in the philosophy of science is known as the context of justification (Budianto, 1999). In principle, Islamic Economics has several main principles that are not contained in the concepts and applications of conventional economics. This further strengthens the reason that it is challenging to combine conventional economics with *Fiqh al-Mu'āmalah*. These basic principles (al-Qaraḍāwī, 2004), given the Quran, include the following:

- i. The principle of faith or monotheism

This principle is the foundation of Islamic law, which emphasizes that property controlled by humans is only a mandate from Allah as the ultimate owner. Humans must obtain it and manage it well in the context of the pleasure of Allah, following Allah's rules. From the point of view of monotheism, man was created as His vicegerent or vicegerent on earth (al-Qaraḍāwī, 2004). Allah says in surah *al-Baqarah* [2] verse 30 (also see *al-An'ām* [6]: 165, *al-Jāthiyah* [45]:18):

﴿وَإِذْ قَالَ رَبُّكَ لِلْمَلَائِكَةِ إِنِّي جَاعِلٌ فِي الْأَرْضِ خَلِيفَةً قَالُوا أَتَجْعَلُ فِيهَا مَن يُفْسِدُ فِيهَا وَيَسْفِكُ الدِّمَاءَ وَنَحْنُ نُسَبِّحُ بِحَمْدِكَ وَنُقَدِّسُ لَكَ قَالَ إِنِّي أَعْلَمُ مَا لَا تَعْلَمُونَ﴾

Meaning:

“And when your Lord said to the angels, I am going to place in the earth a khalif, they said: What! wilt Thou place in it such as shall make mischief in it and shed blood, and we celebrate Thy praise and extol Thy holiness? He said: Surely I know what you do not know.”

ii. The principle of justice.

This principle covers all aspects of life, including the economic aspect (al-Qaraḍāwī, 2004). Allah commands justice among human beings in many of His verses, including surah *al-Nahl* [16]: 90:

﴿إِنَّ اللَّهَ يَأْمُرُ بِالْعَدْلِ وَالْإِحْسَانِ وَإِيتَايَ ذِي الْقُرْبَىٰ وَيَنْهَىٰ عَنِ الْفَحْشَاءِ وَالْمُنْكَرِ وَالْبَغْيِ يَعِظُكُم لَعَلَّكُمْ تَذَكَّرُونَ ﴿٩٠﴾﴾

Meaning:

“Surely Allah enjoins the doing of justice and the doing of good (to others) and the giving to the kindred, and He forbids indecency and evil and rebellion; He admonishes you that you may be mindful.”

iii. The principle of *al-Ihsān* (doing good)

This principle teaches that in economics, every Muslim is always taught to be beneficial to many people, whether they are of the same religion, countryman, or human beings (al-Qaraḍāwī, 2004). Regarding this, Allah *Ta'ālā* says in sura *al-Qaṣaṣ* [28] verse 77:

﴿وَابْتَغِ فِيمَا آتَاكَ اللَّهُ الدَّارَ الْآخِرَةَ وَلَا تَنْسَ نَصِيبَكَ مِنَ الدُّنْيَا وَأَحْسِنَ كَمَا أَحْسَنَ اللَّهُ إِلَيْكَ وَلَا تَبْغِ الْفَسَادَ فِي الْأَرْضِ إِنَّ اللَّهَ لَا يُحِبُّ الْمُسْفِذِينَ ﴿٧٧﴾﴾

Meaning:

“And seek by means of what Allah has given you the future abode, and do not neglect your portion of this world, and do good (to others) as Allah has done good to you, and do not seek to make mischief in the land, surely Allah does not love the mischief-makers.”

As mentioned above, the emergence of epistemological problems and methodological differences (see Table 2 below) originates from the methodological paradigm compiled by scholars of *mutaqaddimīn* (forerunners).

Table 2: Differences in Methodology (Epistemology): Economics and *Fiqh al-Mu'āmalah*

Economics	<i>Fiqh al-Mu'āmalah</i>
Observation (empiricism): social phenomena of society	Social phenomena of society
↓	↓
Generalized: from specific premises to general conclusions	<i>Uṣūliyyah</i> rule: <i>al-Aṣl fī al-ashshay' al-ibāhah</i>
↓	↓
Quantitative approach	Qualitative approach
↓	↓
Context of discovery	Context of justification

For *mutaqaddimīn* scholars, for example, law investigations are based on the principle of *tābi'iyah al-'aql li al-naql* (Rozalinda, 2015). This means that legal analysis is *naqlī* (evidence based on verses of the Quran) or text analysis according to the assumption that there is no law outside of *naqliyah* texts. Meanwhile, they have never developed a well-articulated social and historical analysis method. However, al-Ghazālī has created a paradigm of guiding revelation and *ra'y* (evidence based on common sense) by developing a theory of *maṣlaḥat* (benefit) based on the logic of induction, which provides opportunities for the development of social analysis (al-Ghazālī, 1971).

The textual analysis developed among jurists consistently with the deduction methodology as its central pillar. In comparison, the prerequisite for developing science is to combine the methods of deduction and induction simultaneously. One of the advantages of al-Shāfi'ī over other scholars can be seen in his expertise in combining the methods of induction and deduction in his fatwas. For example, it can be mentioned that al-Shāfi'ī requires field research to determine the shortest and most extended periods of a woman's menstrual period. He then developed it with *qiyās* (analogy) on other issues, such as the obligation to pray for women whose menstrual period exceeds the most prolonged period of an ordinary woman (Zaini, 2021). The combination of field research with *qiyās* carried out by al-Shāfi'ī indirectly led him to the integration of the method of induction and deduction.

In the history of the development of Islamic law, the induction-deduction method was also carried out by al-Shāfi'ī when he launched a new *ijtihād* in the form of *qawl al-jadīd* (new words) to replace his *qawl al-qadīm* (old words) (Mudzhar, 2002). The change in al-Shāfi'ī's *fatwā* (fatwa) was based more on differences in the geographical environment of the city of Basra and the city of Egypt. The difference in the geographical setting is then adjusted to the deductive rule in the science of *uṣūl al-fiqh*, which reads (al-Barakatī, 2010),

لَا يُنْكَرُ تَغْيِيرُ الْأَحْكَامِ بِتَغْيِيرِ الْأَزْمَانِ

Meaning:

“Legal changes can occur due to changes in time.”

The difference between Economics and *Fiqh al-Mu'āmalah* can be traced more deeply from the axiological aspect. Economics essentially aims to help humans in meeting (fulfil) their needs. At the same time, *Fiqh al-Mu'āmalah* functions to regulate contract law (*'aqd*), both social and commercial. Pragmatically, it can be stated that Economics is more materialist oriented, while *Fiqh al-Mu'āmalah* is more focused on normative matters. Alternatively, in other words, Economics studies techniques and methods, while *Fiqh al-Mu'āmalah* determines the legal status, whether or not a business transaction is allowed (Iskandar & Aqbar, 2019a).

The epistemological problems of Islamic economics and the challenges posed by conventional economics mentioned above can have direct and indirect implications for the outputs produced by Islamic Economics programs/departments in higher education institutions. *Fiqh al-Mu'āmalah* taught in the Islamic Economics department cannot produce Muslim scholars accepted by the world of work. The reason is that skills and mastery of the real economy are more needed in the industrial sector and the world of work than expertise in *istinbāt al-aḥkām* (legal determination) issues (Iqbal, 2022). Likewise, the world of banking, insurance, and capital markets. This sector requires more graduates who master practical sciences such as accounting, statistics, and economic mathematics. Mastery of the empirical sciences is essential, considering that the capital invested in this field can only be calculated with these sciences. Commercial companies certainly do not want to lose just because of mismanagement, which should not happen if they employ well-versed people in the field (Iqbal, 2022).

4. Solution for the Epistemological Problems of Islamic Economics

To bring together Economics and *Fiqh al-Mu'āmalah*, it is necessary to consider their fundamental differences, particularly in epistemology. One of the following options should be taken as a wise course of action if this combination is implemented:

First, the redefinition of Economics, where the discussion material in economics will increase with the presence of material from the science of *Fiqh al-Mu'āmalah* or decrease with certain material restrictions considered irrelevant to shariah. An example, in this case, is the discussion of consumer behaviour theory to the debate of Microeconomics, which is a theory that studies processes and activities when a person relates to the search, selection, purchase, use, and evaluation of products and services to meet their needs and desires. In this theory, the discussion should be limited to the assumption of shariah regarding the prohibition of non-halal

commodities and services (Rijal, 2019). Products of economics will also be reinterpreted as a result of this. For instance, an index of non-shariah-compliant goods will redefine microeconomic products like demand regression for general commodities. Similarly, the Consumer Price Index used to divide inflation in macroeconomics, has changed to include commodities that sharia considers unclean. There will be bias in some indicators as a result of this. To put it another way, various economic indicators will differ. For instance, the inflation rate determined by redefined Shariah assumptions will vary from that determined by applying the standard Consumer Price Index similarly, forecasts of unemployment, growth, national income, and other variables (Rozalinda, 2015).

Second, the redefinition of the *Fiqh al-Mu'āmalah* material in higher education institutions, where the discussion material is added with legal analysis of various modern economic concepts such as the time value of money, capital market instruments or transactions in the foreign exchange market, and others. Assessing these concepts requires a fundamental understanding of their origins and relationship to the economy (Muliadi, 2018). When the *Fiqh al-Mu'āmalah* material is redefined, several new economic concepts that have not yet been evaluated legally in classical fiqh books must be added. The Islamization of the sciences, which Ismail Raji al-Faruqi pioneered, is equivalent to the redefinition of *Fiqh al-Mu'āmalah*. Islamizing knowledge means putting revelation back on equal footing with reason and human experience as sources of knowledge. The so-called unified approach to shariah and social inference (an approach to uniting shariah and social sciences) was one of the initial experiments in this field (Safi, 1996).

The unification of shariah with the social sciences is a discourse that has attracted the interest of Muslim philosophers. The rejection of the positivistic conception of science that developed at the beginning of the 20th century has caused a spiritual crisis among scientists. The firm belief of the flow of positivism to make the ratio the only source of knowledge causes its adherents to fall into the valley of atheism. This spiritual emptiness occurs due to their disbelief in the realm of metaphysics. In fact, since the beginning of Islam, it has been positioned metaphysics as the basis of all things, including in the field of science. That is why in Islamic philosophy, revelation is used as the first source of knowledge before other sources of knowledge (Hadi, 2013).

Observing the integration process mentioned, the Department of Islamic Economics needs to be assigned to a more appropriate faculty. If the first possibility is chosen (redefinition of Economics), then the Islamic Economics department should be placed in the Faculty of Economics and Business. Nevertheless, on the other hand, if the second possibility is chosen (redefinition of *Fiqh al-Mu'āmalah*), then the Islamic Economics department is more appropriately included in the Faculty of Shariah and Law (Rijal, 2019). One thing to note is that whatever option you choose (from the two options above), the portion of Economics and *Fiqh al-Mu'āmalah* must be balanced and made a core course (skills course). The goal is that the graduates master the material in Economics in an established manner and, at the same time, determine the legal justification for the economic behaviour being carried out. In this way, alumni majoring in Islamic Economics will be able to compete with alumni majoring in Economics from various other non-Islamic universities (Hadi, 2013).

Logically, Islamic Economics can be an alternative economy to face the dichotomy of the capitalist economy and socialist economy, which at the same time are starting to be criticized for their weaknesses. While aesthetically, Islamic Economics has given birth to economic forces that maintain balance and social harmony in the harmony of life, economic development that is and does not damage the order and harmony of universal life. As for ethics, Islamic Economics is built on the foundation of *maqāṣid al-sharī'ah* (the objectives of Shariah), namely *ḥifẓ al-dīn* (religion), *al-naḥs* (life), *al-naṣl* (lineage), *al-'aql* (intellect), and *al-māl* (property) (Janah & Ghofur, 2018).

To execute the Islamic Monetary framework, later on, fortifying the discipline of Islamic Financial matters itself is fundamental. Doing this is important; In addition to demonstrating to the world that Islamic economics is a scientific field, it is one of the factors that will influence how the Islamic economic system is implemented in the future. According to Rijal (2019), the formulation of Islamic Economics educational objectives or studies is anticipated to be more problematic, strategic, and anticipatory. They may also touch on application aspects and the community's requirements or the use of graduates. Islamic economics education aims to develop people and society in all aspects of a cultured and civilized life (*insān kāmil*). This is reflected in the lives of people who are pious, faithful, independent, knowledgeable, skilled, have a strong work ethic, and are professionals who do good deeds, have upbeat personalities, good morals, the ability to adapt to change, compete and collaborate effectively in today's globalized world, and the ability to think locally to achieve prosperity now and in the future (Rijal, 2019).

5. Conclusion

Based on the analysis and discussion above, some can be concluded several things as follows:

- i. In the view of the Quran, Islamic Economics education has several main principles that are not contained in the concepts and applications of conventional economics, including: first, the principle of faith or monotheism (*al-Baqarah* [2]: 30, *al-An'ām* [6]: 165, *al-Jāthiyah* [45]: 18); second, the principle of justice (*al-Nahl* [16]: 90); and third, the principle of *al-Ihsān* (*al-Qaṣaṣ* [28]: 77).
- ii. Islamic Economics is not just a system or norm as people have previously suspected, but also a scientific discipline discovered through scientific methodology. However, the source of knowledge in Islam is not merely a ratio and empirical as taught by the flow of positivism. Islamic economics has primary sources, namely the Quran and Sunnah, as well as *ijtihād*. Islamic economics can accept conventional and scientific methods based on ratios and empirical practice. This acceptance is because Islam provides *ijtihād* opportunities for humans to conduct scientific observations and research through deductive and inductive methods.
- iii. Islamic economics is caught between economics and *Fiqh al-Mu'āmalah*, which raises questions about how to reconcile economics, which is full of liberal and capitalist ideas that come from human thought, and *Fiqh al-Mu'āmalah*, which is full of religious values based on the teachings of the Quran and the Prophet's hadiths. This knowledge source disparity brings about various assessments of human economic issues. It is difficult to combine economics and *Fiqh al-Mu'āmalah* due to the disparities in knowledge sources and truth theories.
- iv. To integrate Islamic Economics as a scientific field that combines the two, it is necessary to consider the fundamental difference between *Fiqh al-Mu'āmalah* and Economics, particularly regarding epistemology. The prudent course of action if this combination is implemented is the following: First, the redefinition of economics, in which material from the science of *Fiqh al-Mu'āmalah* will either increase or decrease the material under discussion in economics. Second, a redefinition of the *Fiqh al-Mu'āmalah* in higher education institutions, where the discussion material is increased by legal analysis of various modern economic concepts, is considered irrelevant to shariah.

The expansion and growth of the Islamic economic and financial sector internationally are increasingly significant, mainly due to the anti-risk advantages of Islamic economics and finance, especially during the financial crises that occurred in the past. Research is still limited and has yet to explore further the potential for the development of Islamic economics and the growing significance of this discipline. In addition, this research has not discussed further the phenomena and issues of the epistemology of Islamic economics from the perspective of *Maqāṣid al-Sharī'ah*, so the resulting analysis conclusions are felt to have been unable to maximally bridge the gap between traditional economic disciplines and sharia-based economic disciplines. Therefore, the research agenda in the future is expected to be able to explore epistemological issues of Islamic economics from the perspective of *Maqāṣid al-Sharī'ah* and explore further the potential for the development of this scientific discipline so that analysis can be carried out more comprehensively.

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