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Reconstructing Integrative Islamic Economics: Imam Mālik's Substantive Legal-Economic Framework in al-Muwaṭṭa' and Its Relevance for Contemporary Plural Legal System

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Abstract

Islamic economics integrates normative ethical principles with empirical realities, emphasizing justice (*'adl*), welfare (*maṣlaḥah*), and holistic prosperity (*falāḥ*). In contrast to conventional economics, which often detaches value judgments from analysis, Islamic economics seeks moral coherence in practice. This study explores the integrative economic thought of Imam Mālik ibn Anas (93–179 AH / 711–795 CE) as articulated in *al-Muwaṭṭa'*, a foundational legal text notable for embedding legal rulings within real economic contexts. Mālik's jurisprudence reflects an empirical-normative synthesis, operationalizing Sharīʿah ethics in economic transactions through principles such as value equivalence, transparency, risk-sharing, and avoidance of speculation (gharar, maysir). The study employs a multidisciplinary qualitative methodology grounded in textual analysis to examine how *al-Muwaṭṭaʾ* provides a coherent framework for value-based economics. It investigates key legal-economic themes including contract ethics, distributive justice, monetary stability, and risk management. Findings suggest that Mālik's integrative approach offers a corrective paradigm for contemporary Islamic finance, which often privileges legal form over economic substance. His model supports a shift toward ethical substance aligned with *maqāṣid al-sharīʿah*, offering relevance not only within Muslim-majority societies but also in pluralistic legal systems. This study contributes to the development of Islamic economic thought by advocating a paradigm rooted in ethical authenticity, responsive governance, and cross-cultural applicability—thereby advancing a more substantive and policy-relevant Islamic economic discourse.

KEYWORDS: *Islamic Economics, Imam Malik, Al-Muwaṭṭaʾ, Maqāṣid al-Sharīʿah, legal pluralism*

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Introduction

The discipline of Islamic economics has emerged as a response to the need for a morally grounded economic framework that integrates normative ethical values with empirical economic realities. In contrast to conventional economic theory—which tends to separate descriptive analysis from value-based judgment—Islamic economics rests on an integrative epistemology where the objectives of justice (*ʿadl*), welfare (*maṣlaḥah*), and holistic prosperity (*falāḥ*) are central. This integrative orientation draws heavily from the intellectual heritage of classical Muslim scholars, whose legal reasoning was closely tied to the socio-economic conditions of their time.

Among the early jurists, Imam Mālik ibn Anas (93–179 AH / 711–795 CE) stands out as a foundational figure whose jurisprudential contributions remain highly relevant. His seminal work, *al-Muwaṭṭaʾ*, is widely regarded not only as a canonical collection of hadith and legal commentary but also as a valuable socio-economic document. As Farhat J. Ziadeh[1] and other scholars have noted, *al-Muwaṭṭaʾ* provides unique insight into the economic behaviors and market norms of early Islamic society in the Hijaz. Unlike later fiqh compilations that often emphasize theoretical idealism, *al-Muwaṭṭaʾ* is marked by a reality-based approach that embeds legal rulings within practical, lived economic contexts.

This empirical-normative synthesis in Imam Mālik's legal thought represents a precursor to what modern scholarship identifies as integrative Islamic economics. His treatment of economic issues—particularly on value equivalence, transactional transparency, risk-sharing, and the avoidance of speculative behavior (*gharar*, *maysir*)—demonstrates a coherent framework in which the ethical foundations of Sharīʿah are operationalized within real economic transactions. Such an approach is especially pertinent today, as contemporary Islamic finance increasingly faces criticism for emphasizing legal form over economic substance, thereby risking divergence from the higher objectives of Sharīʿah (*maqāṣid al-sharīʿah*).

The reconstruction of contemporary Islamic economics demands a paradigmatic shift from formalistic legalism toward a value-oriented and context-sensitive methodology. Scholars such as M.A. Mannan (1984)[2], Chapra (2016)[3],

[1] Farhat J. Ziadeh, "Al-Muwatta' as A Source for Social and Economic History of The Hijaz," *Islamic Studies* 18, no. 4 (1979): 299–309, https://www.jstor.org/stable/20847118.

[2] M.A Mannan, *The Making of Islamic Economic Society: Islamic Dimensions in Economic Analysis* (Leicester: Islamic Foundation, 1984).

[3] M. Umer Chapra, *The Future of Economics: An Islamic Perspective*, Vol. 21 (Kube Publishing Ltd, 2016).

Monzer Kahf (2003)[4], and Hafaz Furqani (2016)[5] have all argued for an economic framework that transcends the dichotomy between positive and normative analysis, advocating a synthesis grounded in both Islamic legal tradition and empirical economic understanding. In this light, Imam Mālik's *al-Muwaṭṭa'* offers an early model of such integration—a jurisprudential methodology that aligns legal norms (*fiqh al-muʿāmalāt*) with real-world economic needs and practices.

This paper aims to explore Imam Mālik's economic thought as articulated in *al-Muwaṭṭa'*, focusing specifically on its methodological approach to integrating Sharīʿah norms with economic realities. Through qualitative and hermeneutic analysis, the study examines key legal-economic themes such as contract ethics, distributive justice, monetary stability, and risk-sharing. It argues that Imam Mālik's jurisprudence provides a robust intellectual foundation for rethinking Islamic economics as a discipline that is both ethically grounded and practically effective. By drawing from this classical legacy, contemporary scholars and policymakers can develop economic systems that not only comply with Islamic legal formalities but also fulfill the broader ethical mission of Sharīʿah in promoting justice, welfare, and sustainable development.

In today's pluralistic society—where Islamic norms operate alongside secular law and other religious legal systems—the ethico-economic principles embedded in Imam Malik's *al-Muwaṭṭa'* make a significant contribution to interfaith legal discourse on economic activity. Concepts such as *maṣlaḥah mursalah* (public interest), *sadd al-dharā'iʿ* (preventing the means to harm), and ʿurf (custom) enable an economic ethic based on flexibility, moral purpose, and contextual responsiveness. These elements form the basis for the reconstruction of contemporary Islamic economics and also enrich discussions on legal pluralism, interfaith financial governance, and ethical finance in multifaith societies. By emphasizing the harmonization of normative principles with real-world societal needs, Imam Malik's integrative framework can inform the development of shared standards of principles centered on justice, equity, and transparency—in jurisdictions where Islamic finance intersects with other secular or religious regulatory norms.

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[4] Monzer Kahf, "Islamic Economics: Notes on Definition and Methodology," *Review of Islamic Economics* 13, no. 2 (2003): 23–48.

[5] Hafas Furqani, "Developing Islamic Economics as a Discipline: Issues and Challenges," *Islamiconomic: Jurnal Ekonomi Islam* 7, no. 2 (2016), https://doi.org/10.32678/ijei.v7i2.39.

Method

This study, which seeks to explore the integration of normative and positive economic concepts in *Kitāb al-Muwaṭṭa'* by Imam Mālik, falls within the category of library research, employing textual and literature-based sources. The primary source is *Kitāb al-Muwaṭṭa'*, authored by Mālik ibn Anas—widely known as Imam Mālik. The economic materials contained within *al-Muwaṭṭa'* serve as the central focus of this research. Secondary sources include a wide range of literature on both conventional and Islamic economics, supported by works in *fiqh*, Islamic history, and other relevant Islamic scholarship.

Although the research originates from a classical Islamic intellectual work, it primarily employs an economic approach due to its core subject matter: economic problems and concepts. However, given its textual analysis of *al-Muwaṭṭa'*, the research also incorporates non-economic methodologies, such as hermeneutical,[6] historical,[7] and Islamic legal (*fiqh*) approaches. Economic content from the primary text is identified, categorized, and contextually analyzed within the comprehensive framework of Imam Mālik's ideas. These findings are then examined in dialogue with other sources from both Islamic and conventional economic literature to formulate a conceptual framework for integrating normative and positive economics as articulated by Imam Mālik. Furthermore, this integrated concept is analyzed for its relevance within both Islamic and conventional economic paradigms. Using a normative-qualitative approach rooted in library research, focusing on analyzing the economic themes of *al-Muwaṭṭa'* jurisprudence, this study analyzes the application of Imam Malik's economic reasoning in contemporary legal and economic policy environments. This is particularly relevant when Islamic economic norms interact with secular or multi-religious legal systems, such as in the global Islamic financial market, Islamic tourism, and other global Islamic economic activities.

The study also evaluates the methodological model Imam Mālik employs in constructing an integrative Islamic economic framework. Comparative legal

[6] Specifically, this study uses Hans-George Gadamer's Linguistic-Dialectical Hermeneutics, which focuses more on the dimensions of language and historical dialectics, and in interpreting a text involves the initial conception owned by the interpreter. Atho', Nafisul and Arif Fahrudin, *Hermeneutika Transendental Dari Konfigurasi Filosofis Menuju Praksis Islamic Studies* (Yogyakarta: IRCiSod, 2003): 14 and 144. See: Josef Bleicher, *Contemporary Hermeneutics: Hermeneutics as Method, Philosophy and Critique* (Routledge, 2017).

[7] Historical analysis aims to synthesize a number of facts obtained from historical sources and together with theories are arranged into a comprehensive interpretation. Dudung Abdurrahman, *Metode Penelitian Sejarah* (Jakarta: Logos, 1999): 64.

analysis is employed to draw connections between Mālikī economic ethics and corresponding values in other religious legal traditions and secular ethical-legal norms. The criteria used include: internal consistency (coherence between legal instruments such as *maṣlaḥah*, *'urf*, and *qiyās* in Mālikī legal reasoning); applicability to modern systems (relevance to current policy challenges such as ethical banking, social justice frameworks, and financial regulation); and interoperability within pluralistic legal systems (flexibility to operate alongside other secular and faith-based legal frameworks while maintaining Islamic integrity). This interdisciplinary lens positions Mālikī economic methodology not simply as a historical model, but as a viable resource for contemporary legal pluralism, encouraging its integration into multi-normative legal and policy discourse.

The research employs a qualitative[8] data analysis method, emphasizing deductive and inductive reasoning and focusing on the dynamics between the observed phenomena through scientific logic. Research problems are addressed using formal and argumentative reasoning.[9] More specifically, the methods of analysis include: descriptive[10] analysis, used to clearly and comprehensively outline Imam Mālik's economic thought and to derive the concept of integrative Islamic economics; deductive[11] analysis, used to infer normative principles from Islamic teachings as well as to deduce economic concepts within conventional economic studies; and comparative analysis, used to assess the relevance of the integrative economic model derived from Imam Mālik's thought in comparison with both Islamic economic theory and conventional economics. This methodological structure ensures a multidisciplinary and critical approach that bridges classical Islamic scholarship with contemporary economic discourse, enabling broader relevance across academic, legal-policy, and interfaith settings.

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[8] Qualitative analysis basically uses logical thinking, analysis with logic, with induction, deduction, analogy, comparison and the like. Tatang M. Amirin, *Menyusun Rencana Penelitian* (Jakarta: PT RajaGrafindo Persada, 1995): 95.

[9] Saifuddin Azhar, *Metode Penelitian* (Yogyakarta: Pustaka Pelajar, 1998): 5.

[10] The descriptive method according to Whitney, as quoted by Moh. Nazir, is a search for facts with appropriate interpretation. Moh. Nazir, *Metode Penelitian* (Jakarta: Ghalia Indonesia, 1988): 63.

[11] The deductive method in Islamic economic studies according to Mundhir Qahf is to deduce the principles of the Islamic system and its legal framework which are applied to Islamic economics. Muhammad Mundhir Qahf, *The Islamic Economy: Analytical of the Functioning of the Islamic Economic System* (Plainfield, Ind.: Muslim Students Association of U.S. and Canada, 1978): 10.

Result & Discussion

A. Integrative Studies in Islamic Economics

As a branch of the social sciences, economics studies economic phenomena as they occur within society. These phenomena are closely tied to policy issues that affect various social groups, often in ways that are non-permanent and subject to ongoing revision. The scope of economic policy analysis differs from that of legal studies, as economic policies are not the same as legal rules. Legal rules are directed at individuals, determining whether specific actions are obligatory or prohibited. In contrast, economic policies are not concerned with obligations or prohibitions per se; they are primarily based on empirical realities and are designed to achieve specific outcomes. Economic policies may vary across different periods and societies, reflecting contextual needs and priorities.[12]

Unlike conventional economics—which, having developed during the early modern period, tends to separate positive and normative analyses—Islamic economics is characterized by an integrative approach that has been in practice since the formative stages of Muslim society. Throughout Islamic history, the comprehensive nature of Islamic teachings has been inseparable from both the theory and practice of economics. The term *al-dīn* (religion) implies conformity and alignment of one's behavior in all aspects of life with Islamic beliefs and norms, while *Islam* itself means the submission of human conduct to divine guidance as outlined in the *Sharīʿah*.[13]

Islam presents a comprehensive set of ethical norms and values governing economic behavior, both individual and collective—a feature that, theoretically, should be present in other religious traditions as well. However, as Monzer Kahf has observed, while there are clear references to "Islamic economics," no parallel claims exist for "Christian economics" or "Jewish economics." Kahf attributes this distinction to historical developments within Christianity and Judaism, which led to a compartmentalization of religion. This resulted in the exclusion of economic and political domains from the sphere of religion, thereby rendering Christianity and Judaism less relevant as comprehensive systems governing all aspects of life. Consequently, they are not commonly regarded as total ways of life.[14]

[12] Muhammad Yusuf Saleem, "Methods and Methodologies in Fiqh and Islamic Economics," *Review of Islamic Economics* 14, no. 1 (2010): 103–23.

[13] Kahf, "Islamic Economics: Notes on Definition and Methodology": 23.

[14] Kahf, "Islamic Economics: Notes on Definition and Methodology": 24.

In contrast, Islam's ethical and ideological principles have been historically expressed through concrete institutional structures and interpersonal economic relations since the advent of divine revelation during the lifetime of the Prophet Muhammad. From its earliest days, Islam has offered a distinctive economic system grounded in its own philosophical worldview—consistent with its broader organizational vision of society, including economic and political systems. Islamic economics, as a discipline, studies the economic behavior of Muslims as individuals, communities, and collective entities. The term "Islamic economics" is justified as a distinct field of inquiry grounded in the axiomatic principles of Islam within specific socio-political and legal contexts—namely, a normative and ethical framework that guides the economic conduct of both men and women in Muslim societies.[15]

Islamic economics emerges from, and is built upon, the broader body of Islamic economic teachings. It constitutes a structured corpus of knowledge developed by *fuqahā'* (jurists) and Muslim scholars who examined economic aspects and societal challenges within their communities. This body of knowledge has evolved over a broad historical trajectory, beginning in the first century Hijri (7th century CE). Its growth has experienced periods of both dynamism and stagnation—thriving in times of rich Islamic socio-cultural development and faltering during periods of intellectual decline.[16]

The development of Islamic economics has been closely tied to the scholarly efforts of Muslim jurists and legal theorists who focused their intellectual energy on addressing the economic concerns of their societies. These scholars critically examined, classified, and analyzed existing knowledge to uncover a more precise understanding of the relationship between economic activity and the principles of *Sharīʿah*. They sought to identify the causes and effects of common economic challenges and to offer deeper insights into both economic and broader social issues.[17]

Whereas conventional economics focuses on the optimal allocation of scarce resources to maximize material needs, Islamic economics is a study of *falah*—a holistic conception of human success and well-being. This vision of prosperity is achieved through cooperative and participatory organization of

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[15] Kahf, "Islamic Economics: Notes on Definition and Methodology": 24-25.

[16] Abdel-Rahman Yousri Ahmed, "Methodological Approach to Islamic Economics: Its Philosophy, Theoretical Construction and Applicability," in *Theoretical Foundations of Islamic Economics* (iefpedia.com, 2002):21.

[17] Abdel-Rahman Yousri Ahmed, "Methodological Approach to Islamic Economics: Its Philosophy, Theoretical Construction and Applicability," in *Theoretical Foundations of Islamic Economics* (iefpedia.com, 2002):21.

natural resources, guided by ethical imperatives. *Falah* refers to comprehensive well-being, encompassing both worldly and spiritual dimensions. In worldly terms, *falah* represents sustainability, freedom from base desires, power, and dignity. In the Qur'an, *falah* signifies the attainment of ideal conditions across spiritual, economic, cultural, and political domains.[18]

The development of contemporary Islamic economics is inseparable from the study of its intellectual history, which is essential for understanding the comprehensive evolution of Islamic economic thought throughout the long trajectory of Muslim civilization—beginning with the time of the Prophet Muhammad (peace be upon him). Historically, the distinction between positive and normative economics holds limited relevance within Islamic economic discourse. Positive economics deals with empirical economic realities, whereas normative economics focuses on what ought to be. This division largely stems from modern Western scientific paradigms that prioritize descriptive, value-free inquiry, often avoiding normative questions that require judgments about what is good or bad—especially at the level of theoretical formulation. Accordingly, M.A. Mannan has emphasized that such a separation between positive and normative aspects is fundamentally incompatible with the framework of Islamic economics.[19]

The integrative character of Islamic economic thought is further reinforced by Qodri Azizy, who critiques the dichotomy often drawn between *fiqh al-muʿāmalāt*—viewed as purely normative—and economics, regarded as positivistic. In Azizy's view, Islamic economics is essentially *fiqh al-muʿāmalāt*, a sub-discipline within the broader Islamic sciences that originally developed within the classical Islamic scholarly tradition. He argues that while *fiqh al-muʿāmalāt* is commonly associated with commercial law, this perspective restricts its scope solely to legal matters. In reality, the themes addressed in *fiqh al-muʿāmalāt* overlap significantly with those of economic science. Although *fiqh* by nature is dynamic, empirical, and realistic—much like scientific disciplines in general—it has become somewhat stagnant in the modern context, especially in the domain of *muʿāmalāt*. Historically, the term *fiqh* was not limited to legal rulings; rather, it encompassed a broader understanding of human behavior as guided by divine revelation (*naṣṣ/wahy*). In this sense, *fiqh* can be

[18] Muhammad Akram Khan, "Islamic Economics: Nature and Needle," *Journal of King Abdulaziz University: Islamic Economics* 1, no. 2 (1984).

[19] Muhammad Abdul Mannan, "Islamic Economics as a Social Science: Some Methodological Issues," *Journal of King Abdulaziz University: Islamic Economics* 1, no. 1 (1983).

more appropriately defined as "Islamic knowledge of human behavior."[20] Consequently, *fiqh al-muʿāmalāt* refers to the Islamic science of economic behavior, a field now largely synonymous with Islamic economics.

Based on these perspectives, it is evident that early Muslim jurists—particularly those renowned as *fuqahā'*—possessed remarkable analytical insight into the economic phenomena of their societies. The discussion that follows presents the economic thought of one such jurist, Imam Mālik ibn Anas, the founder of the Mālikī school of Islamic jurisprudence.

B. An Overview of Imam Mālik and the *Kitāb al-Muwaṭṭa'*

Imam Mālik, whose full name was Abū ʿAbdillāh Mālik ibn Anas ibn Mālik ibn Abī ʿĀmir ibn ʿAmr ibn al-Ḥārith, was born in 93 AH (712 CE) in the city of Madinah.[21] He was raised in an environment deeply rooted in hadith scholarship, with most of his family being well-versed in the traditions (*āthār*) of the Companions, as well as the *ḥadīth* and legal verdicts (*fatāwā*) of the early Muslim community.[22] In formulating his legal thought, Imam Mālik primarily referred to The Qur'an, followed by the *Sunnah* of the Prophet Muhammad, the *fatāwā* and opinions of the Companions, the established practices of the people of Madinah, *qiyās* (analogical reasoning), *maṣlaḥah mursalah* (consideration of public interest), *istiḥsān* (juristic preference), and *sadd al-dharā'iʿ* (blocking the means to harm).[23] *Qiyās* involves extending legal rulings from established cases to new ones based on shared effective causes (*ʿillah*). *Istiḥsān* allows deviation from *qiyās* in favor of stronger evidence or contextual considerations. *Maṣlaḥah mursalah* refers to promoting the objectives of the Sharīʿah by preventing harm and securing benefits for humanity. *Sadd al-dharā'iʿ* is the principle of preventing means that may lead to harm or prohibited outcomes.[24]

Imam Mālik's jurisprudential approach was primarily *wāqiʿī* (reality-based), focusing on developing legal rulings in response to actual, observable

[20] A. Qodri Azizy, *Membangun Pondasi Ekonomi Umat: Meneropong Prospek Berkembangnya Ekonomi Islam* (Yogyakarta: Pustaka Pelajar, 2004).

[21] Jalal Al-Din ʻAbd Al-Rahman Al-Suyuthi, *Tanwir Al-Hawalik Juz 1* (Semarang: Toha Putra, n.d.).

[22] M. Hamdani Yusuf, *Dinamika Tarikh Tasyri'*, Seri 2 (Semarang: Duta Grafika, 1987).

[23] Muhammad Abu Zahrah, *Tarikh Al-Madzahib Al-Islamiyyah, Al-Juz' Al-Tsani Fi Tarikh Al-Madzahib Al-Fiqhiyyah* (Kairo: Dar Al-Fikr Al-ʻArabi, n.d.). 213, 218-219.

[24] Teungku Muhammad Hasbi Ash-Shiddieqy, *Pengantar Hukum Islam* (Semarang: Pustaka Rizki Putra, 2001). 219-220.

cases. He avoided *taqdīrī* reasoning—speculative analysis based on hypothetical scenarios—which was more prevalent among jurists in Iraq. Imam Mālik maintained two academic circles: one devoted to the study of hadith, and another dedicated to addressing real-life societal issues. He issued *fatāwā* only on matters that had occurred in reality and refused to opine on hypothetical cases.[25]

One of Mālik's most significant contributions is his work *al-Muwaṭṭa'*, meaning "The Approved" or "The Well-Trodden Path." This seminal text combines hadith and *fiqh*, including traditions related to legal matters alongside Mālik's independent reasoning (*ijtihād*). It also incorporates the consensual practices of the people of Madinah, the opinions of *tābi'īn* (successors to the Companions) whom Mālik met personally, as well as those he did not meet, and other prevailing views among scholars of Madinah. Mālik emphasized that his legal opinions were derived from transmitted tradition and reasoned adherence, rather than novel or speculative innovation.[26]

Compiled during the early Abbasid period, *al-Muwaṭṭa'* is regarded by many scholars, including Shāh Walī Allāh, as the most authentic hadith collection of its time. Its legal rulings reflect the established practices of Madinan society and the consensus of its scholars.[27] The authenticity and distinctive character of *al-Muwaṭṭa'*, particularly its integration of real societal practices—including economic behaviors—offer valuable insights for the conceptual development of Islamic economics. As such, it serves as a foundational text for the formulation of an original Islamic economic theory deeply rooted in revelation (*naṣṣ*) and harmonized with lived realities.

C. Formulation of Integrative Islamic Economics in Al-Muwatta'

Economic discussions in *Kitāb al-Muwaṭṭa'* are systematically organized into five principal thematic sections: *Kitāb al-Buyū'* (The Book of Sales and Transactions), *Kitāb al-Qirāḍ* (The Book of Profit-Sharing or Investment Partnerships), *Kitāb al-Musāqāh* (Cooperative Agreements Between Tree Owners and Cultivators), *Kitāb Kirā' al-Arḍ* (Land Leasing), and *Kitāb al-*

[25] Abu Zahrah, *Tarikh Al-Madzahib Al-Islamiyyah, Al-Juz' Al-Tsani Fi Tarikh Al-Madzahib Al-Fiqhiyyah*: 182, 190-191.

[26] Abu Zahrah, *Tarikh Al-Madzahib Al-Islamiyyah, Al-Juz' Al-Tsani Fi Tarikh Al-Madzahib Al-Fiqhiyyah*: 221.

[27] Mazheruddin Shiddiiq, *"Preface" Muwatta' Imam Malik Translated with Exhaustive Notes by Professor Muhammad Rahimuddin* (Lahore: SH Muhammad Ashraf, 1985).

Shufʿah (Preemptive Rights in Jointly Owned Properties).[28] Each of these major themes is further subdivided into specific subchapters. Reflecting the methodological approach typical of hadith and *fiqh* compilations of that period, Islamic teachings related to interpersonal economic relations were arranged based on the prevailing categories of real-life economic activity—such as trade, leasing, and various cooperative arrangements, including *mushārakah*, *muḍārabah*, *musāqāh*, *muzāraʿah*, and *mukhābarah*.

Distinct from many other hadith compilers who simply present the hadith texts alongside their chains of transmission (*isnād*) and evaluations of authenticity, Imam Mālik employs a unique methodology. He not only introduces each narration but also provides interpretive commentary and relates it to the actual social practices of his native city, Madinah. The economic content of *al-Muwaṭṭaʾ*, as analyzed in this study, primarily draws on Mālik's commentaries accompanying selected hadiths. These reflections go beyond formal legal rulings; they offer substantive economic insights that can be developed into foundational principles of Islamic economics. Such insights represent a synthesis of the normative guidance found in hadith with the socio-economic conditions of the time, all directed toward articulating an ideal economic framework grounded in the principle of *maṣlaḥah* (public benefit).

An integrative approach to Islamic economics, as outlined by the criteria above, can be extracted from Imam Malik's *Al-Muwatta'*. Several key indicators of Imam Malik's integrative economic reasoning include the following:

a. Goal Orientation Behind Legal Norms in Economic Transactions

The permissibility of a transaction in Islamic law is evaluated based on whether it achieves the underlying objective of *maṣlaḥah* (public benefit) for which it was legislated. The purpose of legislating trade (*bayʿ*) is to enable individuals to fulfill their needs for goods they cannot produce themselves, through mutual exchange. Trade must arise from a real necessity, not be used as a vehicle for engineered profits that exploit legal formalities. Legitimate profits from commercial exchange should reflect added value, assumed risk, or exerted effort, signifying a natural and equitable process rather than a contrived one.

Imam Malik articulates several principles in *Al-Muwatta'* to preserve the naturalness and fairness of trade, as seen in his practical case-based legal discussions. For example, in reference to the normative rule concerning *ʿurban* transactions (advance payment in sale or lease contracts), Malik

[28] Malik Bin Anas, *Al-Muwatta'* (Beirut: Dar Ihya Al-Turats Al-ʿArabi, 1985).

provides practical commentary by questioning the legal status of the advance payment. He asserts that if ownership is not transferred or the leased item not utilized, then the advance payment becomes void of reciprocal value, rendering the transaction unjust.[29]

Furthermore, manipulating goods for sale to create a false impression of quality results in unilateral gain for the seller while misleading the buyer. For instance, a seller might mix high-quality goods with inferior ones to enhance the overall appearance, deceiving the buyer. In contrast, selling goods *as-is* more faithfully realizes the mutual objectives of the sale, ensuring fairness and transparency for both parties.[30]

Commercial transactions—whether in the form of sale or exchange—must be conducted in a fair and natural manner, grounded in genuine economic need. Profits derived from such transactions should represent the natural consequence of trade, not the result of manipulation or engineering. Imam Malik strongly criticizes artificial sales schemes, such as reselling a purchased item that the buyer has not yet taken possession of, particularly if it is sold back to the original seller. This type of transaction resembles a financial game rather than a genuine exchange, suggesting that the buyer never intended to acquire the good. When there is no indication of ulterior motives, such as when the item is sold to a third party before it is received, Malik considers it permissible.[31]

Malik illustrates his emphasis on substantive fairness through several legal cases. For example, in a scenario where a seller regrets a credit sale of 100 dinars and persuades the buyer to reverse the transaction by paying 10 dinars in exchange for the return of the item and the cancellation of the debt, Malik deems this a valid sale. The additional 10 dinars represents a legitimate resale profit.[32] Conversely, if the buyer is the one who regrets the transaction and offers 10 dinars (either in cash or on credit) to the seller in order to cancel the sale, Malik views this as problematic. In this case, the seller regains both the item and receives an additional payment without a clearly defined exchange of value—an arrangement that lacks mutual economic substance and borders on *riba* (usury).[33]

Legitimate profits must be accompanied by a clear counter-value agreed upon by both parties in a real transaction. In *murābaḥah* contracts,

[29] Malik bin Anas, *Al-Muwatta'*: 609-610.
[30] Malik bin Anas, *Al-Muwatta'*: 639-640.
[31] Malik bin Anas, *Al-Muwatta'*: 610.
[32] Malik bin Anas, *Al-Muwatta'*: 610.
[33] Malik bin Anas, *Al-Muwatta'*: 610.

for instance, the buyer is informed of the original cost, the additional expenses incurred, and the agreed-upon profit margin.[34] In contrast, in regular sales (non-*murābaḥah*), profits earned by traders are considered fair compensation for their labor, time, and exposure to market risks such as unsold goods or fluctuating prices. This stands in sharp contrast to profits derived from interest (*riba*), which are unearned and lack a real exchange basis.

For this reason, sales contracts used to disguise interest-bearing transactions cannot be tolerated, even if they meet the formal criteria of a sale. A typical example would be a borrower, unable to repay a loan on time, entering into a fabricated sale with the lender. Although presented as a sale, the arrangement is structured in such a way that the goods remain with the original owner, while the borrower's debt increases and is extended.[35] Another clearer case is when a person sells an item on credit for 100 dinars, then buys it back at a higher price with a longer repayment term. Such practices are artificial and, according to Malik, illegitimate because the item returns to the original owner, who now gains additional payment over time—an outcome not supported by a genuine commercial exchange.[36]

By rejecting such artificial transactions, Imam Malik reaffirms his commitment to real, need-based economic activity. Profit must be grounded in tangible trade, not financial manipulation. This perspective is highly relevant in the modern context as a safeguard against what is now known as a *bubble economy*—a situation in which financial markets grow disproportionately large without underlying real-sector support. A bubble economy is characterized by inflated transaction volumes in financial assets, but these lack substantive value because they are not anchored in real, balanced economic activity.[37]

b. Value Equivalence in Trade and Exchange as a Driver of Real Economic Growth

Through The permissibility of a transaction in Islamic law is evaluated based on whether it achieves the underlying objective of *maṣlaḥah* (public benefit) for which it was legislated. The purpose of legislating trade (*bay'*) is to enable individuals to fulfill their needs for goods they cannot produce

[34] Malik bin Anas, *Al-Muwatta'*: 668.
[35] Malik bin Anas, *Al-Muwatta'*: 673.
[36] Malik bin Anas, *Al-Muwatta'*: 611.
[37] Mustafa Edwin. et.al. Nasution, *Pengenalan Eksklusif Ekonomi Islam* (Jakarta: Kencana, 2007).

themselves, through mutual exchange. Trade must arise from a real necessity, not be used as a vehicle for engineered profits that exploit legal formalities. Legitimate profits from commercial exchange should reflect added value, assumed risk, or exerted effort, signifying a natural and equitable process rather than a contrived one.

Imam Malik articulates several principles in *Al-Muwatta'* to preserve the naturalness and fairness of trade, as seen in his practical case-based legal discussions. For example, in reference to the normative rule concerning *'urban* transactions (advance payment in sale or lease contracts), Malik provides practical commentary by questioning the legal status of the advance payment. He asserts that if ownership is not transferred or the leased item not utilized, then the advance payment becomes void of reciprocal value, rendering the transaction unjust.[38]

Furthermore, manipulating goods for sale to create a false impression of quality results in unilateral gain for the seller while misleading the buyer. For instance, a seller might mix high-quality goods with inferior ones to enhance the overall appearance, deceiving the buyer. In contrast, selling goods *as-is* more faithfully realizes the mutual objectives of the sale, ensuring fairness and transparency for both parties.[39]

Commercial transactions—whether in the form of sale or exchange—must be conducted in a fair and natural manner, grounded in genuine economic need. Profits derived from such transactions should represent the natural consequence of trade, not the result of manipulation or engineering. Imam Malik strongly criticizes artificial sales schemes, such as reselling a purchased item that the buyer has not yet taken possession of, particularly if it is sold back to the original seller. This type of transaction resembles a financial game rather than a genuine exchange, suggesting that the buyer never intended to acquire the good. When there is no indication of ulterior motives, such as when the item is sold to a third party before it is received, Malik considers it permissible.[40]

Malik illustrates his emphasis on substantive fairness through several legal cases. For example, in a scenario where a seller regrets a credit sale of 100 dinars and persuades the buyer to reverse the transaction by paying 10 dinars in exchange for the return of the item and the cancellation of the debt, Malik deems this a valid sale. The additional 10 dinars represents a

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[38] Malik bin Anas, *Al-Muwatta'*: 609-610.

[39] Malik bin Anas, *Al-Muwatta'*: 639-640.

[40] Malik bin Anas, *Al-Muwatta'*: 610.

legitimate resale profit.[41] Conversely, if the buyer is the one who regrets the transaction and offers 10 dinars (either in cash or on credit) to the seller in order to cancel the sale, Malik views this as problematic. In this case, the seller regains both the item and receives an additional payment without a clearly defined exchange of value—an arrangement that lacks mutual economic substance and borders on *riba* (usury).[42]

Legitimate profits must be accompanied by a clear counter-value agreed upon by both parties in a real transaction. In *murābaḥah* contracts, for instance, the buyer is informed of the original cost, the additional expenses incurred, and the agreed-upon profit margin.[43] In contrast, in regular sales (non-*murābaḥah*), profits earned by traders are considered fair compensation for their labor, time, and exposure to market risks such as unsold goods or fluctuating prices. This stands in sharp contrast to profits derived from interest (*riba*), which are unearned and lack a real exchange basis.

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[41] Malik bin Anas, *Al-Muwatta'*: 610.
[42] Malik bin Anas, *Al-Muwatta'*: 610.
[43] Malik bin Anas, *Al-Muwatta'*: 668.
[44] Malik bin Anas, *Al-Muwatta'*: 673.
[45] Malik bin Anas, *Al-Muwatta'*: 611.

but these lack substantive value because they are not anchored in real, balanced economic activity.[46]

c. Value Equivalence in Trade and Exchange as a Driver of Real Economic Growth

Through numerous case-based analyses, Imam Malik underscores the critical importance of value equivalence in trade and exchange transactions. This principle is firmly rooted in the prophetic traditions he cites, such as the hadith in which the Prophet Muhammad prohibited the exchange of fresh dates for dried dates, as the weight and value of the dates would decrease upon drying—leading to an imbalance in the transaction.[47] Malik's commitment to the principle of equivalence is evident in his treatment of various topics, including *ʿurban* sales (advance payment sales), as well as exchanges involving both commodities and the monetary instruments of his time, namely the *dīnār* (gold) and *dirham* (silver).

In conceptualizing balance in trade, Malik does not equate equivalence with identical types of goods or quantities. Rather, he emphasizes the substantive parity of value. For example, exchanging a single, skilled and high-quality slave for several less capable or lower-quality slaves is deemed acceptable based on value equivalence. However, issues arise when equal weights are used to exchange high-grade gold for unattractive or substandard gold pieces from Kūfa.[48] In such cases, despite physical equality in measurement, the disparity in intrinsic value violates the principle of fair exchange.

Malik's framework illustrates that ensuring value equivalence in transactions promotes justice and prevents exploitation, which in turn fosters real-sector economic growth. By grounding trade in fair and balanced exchanges, Islamic economics—as articulated by Malik—lays a solid foundation for ethical and sustainable economic development.

d. Efficiency in the Distribution of Essential Commodity Goods

Imam Malik places significant emphasis on justice and equity in the trade of food commodities, as reflected in the extensive number of chapters

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[46] Mustafa Edwin. et.al. Nasution, *Pengenalan Eksklusif Ekonomi Islam* (Jakarta: Kencana, 2007).
[47] Malik bin Anas, *Al-Muwatta'*: 624.
[48] Malik bin Anas, *Al-Muwatta'*: 610, 638-639.

in *Al-Muwatta'* dedicated to the subject. At least eighteen discussions focus specifically on food-related transactions, including:

- The sale of dates still on the tree
- The prohibition of selling unripe fruits
- The rules concerning *'ariyyah* (a specific type of permissible fruit sale)
- Reductions in the sale of fruits and agricultural land
- Exceptions in fruit transactions
- Disliked practices in date trading
- *Muzābanah* and *muḥāqalah* contracts (related to fruits and agriculture)
- A collection of rulings on fruit sales
- Sales of preserved fruits
- Disapproval of deferred payment in food transactions
- Pre-orders of food items
- Prohibition against unequal exchange of foodstuffs
- A collection of rulings on food sales
- Hoarding food and delaying its sale
- Permissible practices in animal sales and pre-orders
- Prohibited practices in animal sales
- Exchange of livestock for meat
- Exchange of meat for meat

The breadth of these discussions highlights Malik's deep concern for the equitable and transparent distribution of staple foods—commodities essential to societal welfare. Malik warns that unjust, unbalanced, or opaque food distribution practices lead to *mafsadah* (harm) and undermine public welfare (*maṣlaḥah*). Notably, rather than using the term *ḥarām* (forbidden)—which carries a purely normative connotation—Malik frequently employs the expression *lā yaṣluḥu* (not conducive to public good), indicating his preference for empirical, practical assessments of economic behavior.

In Malik's view, the distribution of basic food commodities must be grounded in fairness, real economic need, and transparency, and be free from speculation, manipulation, and ambiguity (*gharar*). Such transaction patterns not only safeguard consumer welfare but also incentivize producers toward genuine productivity, creating mutual efficiency gains. In this framework, there is no room for intermediaries or speculators whose roles do not contribute to real economic value. Instead, labor and trade must generate tangible goods or services that benefit the wider community.

e. The Function of Money and Its Criteria

Through numerous case analyses, Imam Malik consistently affirms the importance of value equivalence in exchange. This principle is grounded in prophetic directives, as evidenced by the many hadiths he cites, and is then contextualized within real-world situations observed in society. Malik acknowledges that applying this principle in practice—especially in barter transactions—requires caution and can be quite complex.

Achieving value equivalence in exchange necessitates a standard measure by which the value of commodities can be assessed. This standard is provided by money, which is accepted by society as a medium of exchange. Malik reinforces this notion by citing several prophetic traditions related to value standardization. For example, he narrates a hadith from Zayd ibn Aslam from ʿAṭāʾ ibn Yasār, who reported that the Prophet Muhammad said, *"Dates exchanged for dates must be equal in quantity."* When the Prophet was informed that a laborer in Khaybar was exchanging one *ṣāʿ* of high-quality dates for two *ṣāʿ* of lower-quality dates, he summoned the man and asked him about it. The man explained that the sellers refused to trade high-quality dates for an equal quantity of inferior ones. The Prophet responded, *"Sell the inferior dates for dirhams, then use the dirhams to buy the better dates."*[49]

Malik also transmits another narration from ʿAbd al-Ḥamīd ibn Suhayl ibn ʿAbd al-Raḥmān ibn ʿAwf, from Saʿīd ibn al-Musayyab, and from Abū Saʿīd al-Khuḍrī and Abū Hurayrah. The Prophet had appointed a man to cultivate land in Khaybar. The man brought him excellent dates. The Prophet asked, *"Are all dates in Khaybar like this?"* The man replied, *"No, by Allah, O Messenger of Allah. We exchange one ṣāʿ of these for two ṣāʿ, and two ṣāʿ for three of the lower-quality dates."* The Prophet replied, *"Do not do that. Sell the lower-quality dates for dirhams, then buy the better-quality ones with those dirhams."*[50]

Malik places particular emphasis on the stability of currency. In his context, he prioritized the intrinsic value of money over its nominal face value. For instance, he considered eleven dirhams equal to ten dirhams if the weight was equivalent. Conversely, he dismissed weight parity when the types of currency differed; high-quality gold could not be equated in weight

[49] Malik bin Anas, *Al-Muwatta'*: 623.
[50] Malik bin Anas, *Al-Muwatta'*: 638.

with inferior Kufah gold.[51] Statements throughout *Al-Muwatta'*[52] also suggest that while deferred payment is permissible in monetary-for-goods exchanges, it is not allowed in direct barter (goods-for-goods). This distinction implies that currency should possess a stable value, whereas commodity values are more prone to fluctuation. For example, yesterday one kilogram of rice might be equal in value to two kilograms of red onions, while today the same quantity of rice might equal only one kilogram of red onions due to a sudden price spike in onions.

Imam Malik's treatment of money demonstrates a nuanced understanding of its function as a stable store of value, a medium of exchange, and a standard of deferred payment—all of which are vital for maintaining justice and efficiency in economic transactions.

f. Clarity and Transparency as Fundamental Principles of Islamic Economic Transactions

Imam Malik offers a practical interpretation of hadiths that prohibit *gharar*,[53] a concept denoting uncertainty, ambiguity, or risk arising from lack of clarity. A *gharar* transaction is defined as any exchange in which one or both parties lack full knowledge of the subject matter or essential terms, resulting in ambiguity regarding rights, obligations, or outcomes.[54] In *Al-Muwatta'*, Malik identifies several conditions under which a transaction is considered to involve *gharar*, particularly in relation to the object of exchange:

1. Ambiguity Regarding the Object of the Transaction

   Uncertainty about the object of a transaction includes vagueness in its quality or quantity. Malik presents several illustrative examples:

[51] Malik bin Anas, *Al-Muwatta'*: 638-639.

[52] For instance, in a scenario where an individual pre-pays for fresh fruit still on the tree, if the fruit is subsequently lost, the buyer may reclaim their payment. Alternatively, they may take the remaining fruit, with its value assessed and a partial refund issued. If the buyer prefers, they may request a substitute, such as dates or other goods, in which case immediate acceptance of the substitute is required before the parties separate. Malik bin Anas, Al-Muwatta': 629.

[53] For example, a hadith narrated by Abi Hazim bin Dinar from Sa'id bin Al-Musayyab states that the Prophet Muhammad (PBUH) prohibited *gharar* (ambiguous or uncertain transactions). Malik bin Anas, *Al-Muwatta'*: 664.

[54] Malik bin Anas, *Al-Muwatta'*: 630, 664.

- Sale of unripe or immature fruits; Selling fruits before their ripeness and suitability for consumption is established falls under *gharar*.
- Sale of a fetus still in the womb of its mother; Such transactions involve a high degree of unpredictability regarding the existence or quality of the sold object.
- Various forms of *muzābanah* and *muḥāqalah*; *Muzābanah* refers to exchanging fresh dates still on the tree for measured quantities of dried dates, or wet grapes for dried grapes. It also includes purchasing fruits still on trees with a known quantity of dried dates, which lacks clarity in quantity and quality equivalence. *Muḥāqalah* involves leasing farmland in exchange for a specified quantity of grain or exchanging standing crops for grain, which introduces risk due to uncertain yields. Malik classifies all these transactions under *gharar* due to their speculative nature and lack of concrete, measurable value. He also expands the concept of *muzābanah* to include any transaction that resembles gambling or relies on chance for one party's gain, thereby violating the principle of fairness.
- Exchange of gold and silver in unmeasured piles; Transactions involving the exchange of unspecified or uncounted quantities of gold or silver are also considered *gharar*, as the exact value and fairness of the exchange cannot be determined at the time of the transaction.[55]

Through these rulings, Imam Malik emphasizes that clarity and transparency are indispensable for maintaining justice in economic dealings. These principles ensure that both parties engage in informed, fair exchanges, free from exploitation and speculation.

2. Ambiguity in Value Due to Deferred Delivery

Imam Malik identifies *gharar* (uncertainty or ambiguity) in value as one of the risks that can arise when there is a delay in the delivery of goods exchanged in a transaction. He cites several *hadiths*—from both the Prophet Muhammad and his companions—that stress the impermissibility of deferring delivery when exchanging gold, silver, or food, regardless of whether the items are of the same or different types. A key concern raised by Malik is that when payment

[55] Malik bin Anas, *Al-Muwatta'*: 610, 618-619, 624-627, 635-636.

is made but the goods are not immediately delivered, uncertainty arises regarding the condition of the goods still under the seller's responsibility. For instance, when purchasing dates still on the tree or milk that has not yet been extracted from a goat, Malik insists that the dates must be picked or the milk must be drawn immediately upon payment. This ensures that the buyer receives the good at the agreed-upon value and avoids risk due to deterioration or fluctuation in value. [56]

Malik's commentary and cited narrations consistently indicate that, by default, sales and exchanges in Islamic law are to be settled on the spot (*cash and carry*). Delays in delivery can lead to changes in the value of goods or their loss altogether, which violates the principle of mutual consent (*tarāḍī*)—a foundational condition for the permissibility of sale contracts in Islamic law. Therefore, transactions should be structured to minimize such risks and maintain fairness for both parties. In fruit exchange cases, Malik emphasizes that deferred delivery should be avoided, and that measurement must take type into account: if the items exchanged are of the same kind, then their quantities must match; if they are of different types, variation in quantity is permissible—but only if the transaction is conducted immediately. In discussions concerning animal sales, Malik permits the exchange of one camel for another with an added amount of dirhams, provided the transaction is settled immediately. He also allows for the animal exchange to be immediate while the dirham payment is deferred. However, it is impermissible if the camel is delivered later while the dirhams are paid upfront—or worse, if both the animal and the dirhams are deferred. Such arrangements, according to Malik, are void of *maṣlaḥah* (public benefit) and thus unacceptable.[57]

Malik places stricter requirements on goods like food and fruits—emphasizing that both items in the transaction must be handed over immediately—while permitting more flexibility with currency. It is permissible, for instance, to deliver the goods first and defer the payment, since the value of gold or silver (as currency) is relatively stable. In contrast, the market value of goods often fluctuates significantly over time, and such volatility must be taken into account.

[56] Malik bin Anas, *Al-Muwatta'*: 627, 646-647.
[57] Malik bin Anas, *Al-Muwatta'*: 631, 652.

Malik insists that exchanges involving food, livestock, precious metals, and other commodities must be settled *yadan bi-yadin* (hand-to-hand). This is because the fluctuation in commodity prices over time introduces an unacceptable degree of uncertainty. For example, yesterday, one kilogram of rice may have equaled two kilograms of red onions, but today the same quantity of rice might be worth only one kilogram of onions due to a price surge.

He explicitly states that exchanges such as wheat for wheat, dates for dates, wheat for dates, and similar food items must be executed on the spot. If deferred, the transaction contains *gharar* and is thus not permissible (*lā yaṣluḥu*) and even considered *ḥarām*. Malik tolerates inequality in quantity when exchanging items of the same category but prohibits any delay in delivery due to the risk of fluctuating value. For example, while one camel today may be worth another camel plus several dirhams, this equivalence might not hold true at a later time.[58]

Conversely, Malik permits the exchange of one high-quality camel for two or more pack camels of the same species, even if the exchange is deferred, as long as the qualitative differences are clear. This principle also applies to the exchange of garments and metals such as iron and copper. In such cases, Malik tolerates deferred delivery because the qualitative difference between the goods remains relatively stable over time. For instance, if one variety of red onion is consistently worth twice as much as another, then even with future price fluctuations, the relative quality and value remain fixed, making deferred exchange acceptable. However, Malik views certain sale arrangements as problematic, especially those involving dual pricing based on payment terms—such as a contract offering a good for 10 dinars in cash or 15 dinars on credit. If the buyer chooses the credit option, it becomes unclear whether the 10 dinars today are equivalent in value to 15 dinars in the future.[59] This temporal uncertainty introduces *gharar* into the transaction, rendering it invalid in Malik's legal framework.

3. Speculative Transactions Involving Elements of Gambling

Transactions that involve uncertainty, indeterminacy, or elements of wagering—where one party may gain or lose without

[58] Malik bin Anas, *Al-Muwatta'*: 646, 652.
[59] Malik bin Anas, *Al-Muwatta'*: 652-653, 657-658, 661, 663, 665.

mutual clarity at the time of agreement—fall under the category of *gharar* (excessive uncertainty) and are therefore impermissible in Islamic economic jurisprudence. Imam Malik illustrates this with a case in which a man loses his riding animal, which is valued at 50 dinars. Another person offers to search for it and says, "If I find it, I will buy it from you for 20 dinars." In such a scenario, if the buyer successfully finds the animal, the original owner suffers a loss of 30 dinars. Conversely, if the buyer fails to locate it, the seller loses 20 dinars. This creates an unfair asymmetry of risk and benefit, characteristic of gambling. Malik further notes that the transaction contains additional ambiguities, such as the uncertainty regarding the condition of the animal once found—whether it remains intact, has improved, deteriorated, or developed defects. These unknowns amplify the speculative nature of the agreement, rendering the transaction impermissible due to its inherent element of *maysir* (gambling).[60]

4. Ambiguity in the Nature of the Transaction

Imam Malik also addresses a form of *gharar* (uncertainty) arising from ambiguity in the structure of a sales transaction. He presents a case in which a person (Party A) purchases goods from another (Party B) with the intention of reselling them. Party A, acting as a merchant or distributor, agrees to buy the goods on the condition that he will not bear any loss upon resale. According to Malik, such a transaction is impermissible and involves *mukhāṭarah* (speculative risk). It is as though Party B is employing Party A to sell the goods, compensating him only if a profit is realized. If the goods are sold at cost or at a loss, Party A receives nothing, rendering his effort futile. Malik argues that this arrangement lacks *maṣlaḥah* (public benefit or legal validity). In this scenario, Party A deserves compensation for his effort, while the profit or loss should be borne by Party B. If the goods have not yet been sold, the original sale contract between A and B is invalidated. [61] The element of *gharar* lies in the ambiguity surrounding Party A's role—whether he is a merchant or merely an agent. If he is a merchant, the act of purchasing goods should not be contingent upon future profit or loss. If he is an agent acting on behalf of another, then he is

[60] Malik bin Anas, *Al-Muwatta'*: 665.
[61] Malik bin Anas, *Al-Muwatta'*: 666.

entitled only to a service fee, while any commercial risk should rest with the principal who hired him. The lack of clarity in defining the contractual roles and responsibilities leads to impermissible uncertainty in the transaction

g. The Principle of Risk-Sharing in Balanced, Mutually Agreed Transactions

Imam Malik emphasizes the importance of mutual benefit in economic transactions, especially in circumstances where unforeseen events result in one party incurring a loss. He illustrates this through real-life practices from his community, such as the sale of melons, cucumbers, carrots, or radishes. If these were sold after reaching maturity, the transaction was deemed valid. The buyer held rights to what grew until it was harvested or died. While no explicit time frame was set, prevailing societal customs defined a reasonable period. Should the crops be affected by disease and suffer substantial damage—specifically, a loss of one-third or more—then the price would be proportionally reduced.[62]

To avoid unfair risk, Malik stresses that delivery of payment and goods should occur simultaneously. If payment is made before the buyer receives the goods, and the goods are subsequently damaged, the seller must return the buyer's money after deducting the value of any goods that remain. Alternatively, the buyer may accept the remaining goods, provided both parties consent. The two parties must not part ways before the exchange is completed, as separation prior to delivery introduces uncertainty and may resemble a prohibited form of debt-exchange (*bayʿ al-kāliʾ bi-l-kāliʾ*). Delay in delivery is impermissible unless the goods' characteristics are clearly specified and fixed for the agreed period. During this time, the seller assumes responsibility for the goods on behalf of the buyer.[63]

Malik operationalizes the risk-sharing principle in practical scenarios. For example, if someone rents a camel for pilgrimage at a specified time, but the animal dies or becomes unusable, the rental payment must be refunded. Since the lessee never received the benefit of the rental, the lessor is obligated to return the payment—the lease becomes a liability until fulfilled. Once the benefit is not delivered, compensation must be reversed. To further support the concept of shared risk, Malik cites a hadith: A man once purchased fruits from a garden and stayed there long enough to inspect

[62] Malik bin Anas, *Al-Muwatta'*: 619.
[63] Malik bin Anas, *Al-Muwatta'*: 628.

them. Upon discovering defects, he asked the seller for a price reduction or to cancel the sale. The seller refused under oath. The buyer's mother then approached the Prophet Muhammad, who commented, *"He has sworn not to do good."* Upon hearing this, the seller returned to the Prophet and declared, *"O Messenger of Allah, I will honor his request."* Malik also approved of a ruling by ʿUmar ibn ʿAbd al-ʿAzīz to reduce the price of fruits that had been damaged after the sale. He noted that a price reduction should apply only if one-third or more of the goods are lost—anything less does not warrant a deduction.[64]

Risk-sharing must be based on measurable, equitable calculations. For instance, if a buyer pays in advance for fresh fruit still on the tree and a portion is lost before delivery, the buyer may claim a refund for the damaged portion or accept the remaining produce with an appropriate adjustment. Alternatively, the buyer may request replacement goods (e.g., dates), but this must be received before the parties separate. Malik draws a parallel to rental cases: if an item is rented and then breaks down mid-use, the rental fee must be partially refunded in proportion to the usage period. This principle of shared risk is also evident in *qirāḍ* (profit-sharing investment partnerships). According to Malik, the valid form of *qirāḍ* involves one party providing capital while the working partner undertakes the business without bearing liability for the principal amount. Business expenses—such as food, clothing, and necessities during travel—may be drawn from the invested capital, but if the worker remains at home with his family, no personal expenses may be covered from the partnership. Malik permits mutual assistance between the two parties if it adheres to customary fairness and known standards.[65]

Imam Malik's integrative model demonstrates a comprehensive approach by connecting normative economic principles derived from the Qur'an and Sunnah with empirical economic realities. His legal interpretations form the basis of a coherent, applied framework for Islamic economic theory. The following foundational concepts of Islamic economics can be distilled from *Al-Muwatta'*:

- The Objective of Islamic Economic Activity is to achieve *maṣlaḥah* (public benefit), not merely to fulfill the formalities of a contract without considering its real economic impact.

[64] Malik bin Anas, *Al-Muwatta'*: 621, 630.
[65] Malik bin Anas, *Al-Muwatta'*: 629, 688.

- Core Principles of Islamic Economic Transactions include value balance, clarity, transparency, and the absence of gambling or speculation.
- Criteria for Money as a Medium of Exchange and Standard of Value emphasize stability across time and space.

The Naturalness of Real Economic Transactions and Activities supports genuine productivity and prevents speculative economic bubbles (*bubble economy*), ensuring sustainable and meaningful economic growth.

D. The Substantive Economic Ethics of Imam Malik: A Corrective Framework for Contemporary Islamic Finance

Imam Malik's integrative economic paradigm directs the orientation of economic activity toward achieving *maṣlaḥah* (public welfare), a concept that, in contemporary Islamic economics, is often expressed as *falāḥ*—comprehensive and balanced well-being or prosperity. Malik prioritizes the substantive goals of Islamic economics over normative legal formalities. Therefore, any contractual manipulation that obscures or undermines the ethical and economic objectives of a transaction must be avoided, as it contradicts the foundational mission of *maṣlaḥah* in Islamic economics.

Malik strongly adheres to the principle of *sadd al-dharā'i'* (blocking the means), a preventive legal doctrine aimed at avoiding pathways that may lead to violations of Shariah. His approach is anticipatory and impact-oriented, evaluating economic actions not merely by their formal legal structure but by their actual outcomes. He explicitly forbids transactional practices that, while formally constructed as sales contracts, serve as vehicles for *ribā* (usury), thereby producing unjust outcomes that benefit one party at the expense of another.

This substantive orientation can serve as a corrective framework for the development of contemporary Islamic economics, particularly within Islamic financial institutions—both banking and non-banking. For instance, Malik consistently maintains that a buyer is not permitted to resell a product until it has been received, as this opens the door to contract manipulation. This principle is particularly relevant when evaluating the *murābaḥah* financing model in Islamic banking. In such arrangements, the bank, acting as the purchaser (often via a *wakālah* contract authorizing the customer to buy the item on the bank's behalf), resells the item at a marked-up price. Malik's substantive principle can serve as a benchmark to assess whether the formal structure of the transaction overrides its economic substance.

Imam Malik's integrative economic framework—grounded in the principle of value equivalence and transparency, and free from speculative or gambling elements—yields significant economic implications. It ensures the naturalness and fairness of economic activities. Real economic transactions, rooted in tangible goods and services, suppress artificial economic behavior such as speculation, brokerage manipulation, and other unproductive activities. Consequently, this model promotes an efficient and productive economy, shielding it from unsustainable, inflated growth—commonly referred to as a *bubble economy*.

Malik's integrative view on the function of money as a medium of exchange and a standard of value also reflects his commitment to fairness and value equivalence in exchange. In contrast to barter systems, which often involve complex assessments of relative value between diverse goods, money provides a practical solution for representing equivalence in a standardized form. To preserve this principle, money must exhibit value stability across time and space. This criterion was met by gold (dīnār) and silver (dirham) during Malik's time. However, in the modern context, fiat currency—such as paper money—fails to consistently meet this standard due to its susceptibility to inflation.

As such, deferring monetary payments in today's currency can pose significant challenges. For example, a debt of 100,000 rupiah incurred ten years ago does not hold the same value in today's economic terms. Would Malik have permitted delayed payments in fiat currency as he did with gold and silver, given their intrinsic and relatively stable value? One possible contemporary solution is to convert the value of the original debt into an equivalent amount of gold at the time the debt was incurred. The debtor would then repay the creditor the equivalent value of that gold in current terms—whether in gold or its monetary equivalent—thereby maintaining the principle of value equivalence. This approach aligns with Malik's underlying objective of preserving economic justice in transactions.

E. Imam Malik's Integrative Economic Methodology: Bridging Shariah Principles and Real Economic Practice

As previously discussed, Imam Malik's *Al-Muwatta'* contains a range of integrative economic concepts that merge Islamic legal norms with the practical realities of economic life. This process of integration yields foundational principles in Islamic economics, including the concept of value equivalence in exchange, the substantive objectives of economic activity, macroeconomic considerations such as stimulation of the real sector and distributive economic growth, and criteria for money as a medium of exchange and a standard of value. Imam Malik's methodological clarity in bridging normative economics with positive economic phenomena can be summarized as follows:

Malik begins with foundational legal rulings derived from the Prophet Muhammad (peace be upon him), which he then contextualizes through observation and analysis of real economic practices in his society. This interface between scriptural norms and empirical realities forms the basis of his integrative economic model. These core principles serve as micro-level guidelines for economic behavior that are ultimately directed toward positive macroeconomic outcomes.

From the standpoint of *uṣūl al-fiqh* (Islamic legal theory), Malik's approach is represented through technical tools such as *qiyās* (analogical reasoning), *sadd al-dharā'iʿ* (blocking the means to harm), *maṣlaḥah mursalah* (unrestricted public interest), and *ʿurf* or *ʿamal ahl al-Madīnah* (the customs and practices of the people of Medina). These methodologies reflect distinct Islamic economic approaches, such as applying analogy based on shared underlying causes (*qiyās bi al-ʿillah*), preventing legally valid but potentially harmful economic behaviors (*sadd al-dharā'iʿ*), and prioritizing public welfare over rigid formalism (*maqāṣid al-sharīʿah* and *maṣlaḥah*).

This integrative methodology aligns with the view of contemporary Islamic economist Fahim Khan, who argues that certain *fiqh*-based concepts—such as *maqāṣid al-sharīʿah*, *isrāf* (wastefulness), and *istiḥsān* (juristic preference)—must be integrated into economic analysis to preserve the ethical orientation of Islamic economics.[66] Through his integrative model, Imam Malik offers valuable

[66] M. Fahim Khan, "Fiqh Foundations of The Theory of Islamic Economics: A Survey of Selected of Contemporary Writings on Economics Relevant Subjects of Fiqh," in *Theoretical Foundation of Islamic Economics*, ed. Habib Ahmed (Jeddah: Islamic Development Bank & Islamic Research and Training Institute, 2002), 10.

insight into how Islamic economists can remain committed to the substantive value system of Islamic law and incorporate Islamic ethical values into economic analysis and practice.[67]

Malik's approach involves aligning the principles and values of Shariah with real economic activity. Shariah rulings function as foundational principles that govern and define the boundaries within which economic behavior must operate. He does not deviate from these principles; instead, he adheres to them as a binding framework for economic inquiry and analysis.

According to Abdel-Rahman Yousri Ahmad, this methodological model represents an Islamic economic framework that transcends mere *fiqh*, functioning instead as a value-based system in which immutable Shariah principles form the analytical core of economic thought. These principles are not only normative but are also operationalized in economic discourse without alteration, providing a consistent ethical and legal framework.[68]

It can thus be concluded that Imam Malik employed a substantive-transformative approach in formulating integrative Islamic economics. Grounded in the normative foundations of the Qur'an, Prophetic traditions, and the legal opinions of the Companions and *tābiʿīn*, and informed by the lived economic realities of Medina, Malik produced integrative economic concepts that embedded legal norms within positive economic phenomena. These include principles such as value equivalence in exchange, the substantive purpose of economic activities, macroeconomic impacts (such as stimulating the real sector and fostering distributive growth), and monetary standards grounded in stability and fairness.

These foundational integrative concepts offer a critical framework for analyzing contemporary economic issues while remaining within the ethical boundaries of Islamic economics.[69] Such an approach can be applied to prevent macroeconomic challenges such as speculative growth (*bubble economy*) and

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[67] M. A. Maskur, "Integrasi The Living Law dalam Pertimbangan Putusan Hakim pada Kasus Tindak Pidana Korupsi," *Pandecta Research Law Journal* 11, no. 1 (2016): 18–30, https://doi.org/10.15294/pandecta.v11i1.4068.

[68] Abdel-Rahman Yousri Ahmed, "Methodological Approach to Islamic Economics: Its Philosophy, Theoretical Construction and Applicability," in *Theoretical Foundations of Islamic Economics* (iefpedia.com, 2002): 31.

[69] As Moqbel reveals, current Islamic financial practices have been criticized for diluting Sharia principles. Using an evaluative framework to assess the Sharia compliance of real-world mudharabah contracts, Moqbel conducted a comprehensive analysis of mudharabah contracts, demonstrating their flaws. Tareq Moqbel and Habib Ahmed, "Flexibility and Sharīʾah Compliance of Islamic Financial Contracts: An Evaluative Framework," *Arab Law Quarterly* 35, no. 12 (2020): 92–115, https://doi.org/10.1163/15730255-BJA10052.

inflation, ensuring that the economy develops in a just, balanced, and ethically sustainable manner. When practically implemented, an Islamic economic system must be supported by an appropriate legal framework to effectively mitigate uncertainty, informal economy, and corruption, while also contributing to economic growth. A robust legal system is an essential component for achieving an optimal level of Islamicity. Islamicity and a proper legal system are complementary and necessary for successful economic and political transitions. Their simultaneous presence is crucial for the economy as both contribute to its development.[70]

F. Contemporary Islamic economic reconstruction based on Imam Malik's Integrative Paradigm

Reconstructing contemporary Islamic economics requires a paradigmatic shift from formalistic compliance toward substantive integration of Shariah principles with real economic practice. Imam Mālik's economic reasoning, as documented in *al-Muwaṭṭa'*, offers a comprehensive framework that bridges normative Islamic law with the empirical realities of economic life, making it highly relevant for this task. Reconstructing Islamic economics entails embracing a value-based, context-sensitive, and impact-oriented methodology as exemplified by Imam Mālik. His integrative legacy can guide Islamic economic institutions to evolve from legalistic formalism toward a holistic ethical system that is both spiritually grounded and economically just.

TABLE 1. Integrative Islamic Economic Reconstruction from *Al-Muwatta'*

Dimension	Al-Muwatta' Insights (Imam Malik)	Contemporary Application in Islamic Economics
Purpose of Economic Activity	Oriented toward *maṣlaḥah* (comprehensive and balanced welfare), not mere formal legality	All contracts and policies must deliver real benefit to society, beyond legal compliance
Profit Legitimacy	Profits must result from real trade, risk-bearing, and value addition—not from	Murābaḥah, ijārah, and other contracts must reflect genuine

[70] Mohamed Sadok Gassouma and Adel Benhamed, "The Impact of the Islamic System on Economic and Social Factors: A Macroeconomic Uncertainty Context," *Economies* 11, no. 12 (2023): 1–17, https://doi.org/10.3390/economies11120303.

	manipulative contracts or speculative gains	economic substance, not mimic interest-based mechanisms
Value Equivalence in Exchange	Justice in exchange is upheld by ensuring parity in intrinsic value, not just quantity or form	Market regulations and pricing mechanisms must ensure fair exchange and prevent exploitation
Transparency and Anti-Gharar Measures	Clarity in subject, price, delivery, and parties is essential; gharar (excessive uncertainty) renders transactions invalid	Applied in avoiding ambiguous or speculative contracts in Islamic finance (e.g., derivatives, gambling-like instruments)
Function and Standards of Money	Money must have stable value; Malik prioritized intrinsic over nominal value (e.g., gold/silver)	Raise issues on fiat currency stability; propose gold-indexed repayment or inflation-adjusted mechanisms
Real Sector Emphasis	Opposed to artificial transactions that inflate the economy without real goods (e.g., bubble economy)	Islamic finance should fund tangible assets and real economic activities rather than speculative finance
Food Security & Distribution	Emphasis on fairness in food trade, avoidance of hoarding, speculation, and delayed payments	Islamic economics promotes equitable and efficient distribution of essential goods, especially in agriculture
Risk Sharing (Musharakah/Qirad)	Contracts must share risk and reward fairly; seller remains liable until goods are delivered	Implemented in profit-and-loss sharing contracts like muḍārabah, musyārakah, and equitable insurance (takāful)
Substance Over Form	Malik condemned contracts that fulfill legal	Used as a benchmark to assess murābaḥah,

	form but contradict economic justice	tawarruq, or other contracts often critiqued as "formally compliant but ethically void"
Methodology (Usul al-Fiqh Tools)	Applied *qiyās*, *istiḥsān*, *maṣlaḥah mursalah*, *sadd al-dharā'i'*, and *'urf* of Madinah to balance law and real-life economic conditions	Islamic economics integrates fiqh and empirical realities, creating a harmonized system between law and actual economic behavior
Corrective Ethics for Finance	Malik's framework prevents legal trickery to circumvent riba, ensuring contracts are ethically aligned	Offers critical tools to evaluate Islamic banking products for authenticity and ethical alignment

G. Legal Implications of the Proposed Framework and Its Relevance in an Interfaith Context

The integrative framework derived from Imam Mālik's *al-Muwaṭṭa'*, grounded in instruments such as *maslahah mursalah, sadd al-dharā'i'*, and *'urf*, presents far-reaching legal implications. By emphasizing *maqāṣid al-sharī'ah* (the higher objectives of Islamic law) over mere textual formalism, the framework supports a substantive legal approach that prioritizes justice, public welfare, and ethical governance.[71] This model challenges the limitations of rigid contractualism in Islamic finance and repositions *fiqh mu'āmalāt* as a living, adaptive tool for addressing contemporary economic challenges.[72]

[71] A. Masyhar and M. A. Maskur, "Method and Strategy of the Universitas Negeri Semarang in Overcoming Student Radicalism," in Proceedings of the 3rd *International Conference on Indonesian Legal Studies* (ICILS 2020), July 1st, 2020, Semarang, Indonesia (January 2021), https://doi.org/10.4108/eai.1-7-2020.2303607.

[72] Modern literature has extensively discussed the challenges of adapting the Islamic legal framework to modern financial practices, and often emphasizes the need for more flexible interpretations of fiqh to encourage innovation and address contemporary issues. Mahmoud A. El-Gamal, *Islamic Finance: Law, Economics, and Practice* (Cambridge University Press, 2006).

In terms of jurisprudential significance, this orientation invites a renewed legislative methodology in Muslim-majority legal systems where codified commercial law often struggles to integrate ethical guidance.[73] The flexibility of the Mālikī legal system allows for contextual interpretation and dynamic policy formulation, enhancing Islamic law's capacity to interact with modern regulatory systems while maintaining its normative integrity.

Moreover, the framework's potential is not confined to Islamic jurisdictions alone. In pluralistic and interfaith contexts, such as those in multicultural democracies or among Muslim minorities, Imam Mālik's emphasis on ethical reasoning, local custom (*ʿurf*), and prevention of harm (*sadd al-dharāʾiʿ*) can promote legal pluralism and mutual accommodation. The *maṣlaḥah*-based approach resonates with universal values such as equity, social cohesion, and human dignity—values shared across religious and philosophical traditions.[74]

As such, this model may serve as a bridge between Islamic and secular legal orders, allowing for greater cross-cultural dialogue and integration in fields such as Islamic finance, business ethics, and social policy.[75] In interfaith settings, it offers a model of Islamic legal reasoning that is both principled and inclusive, reinforcing the potential of Sharīʿah-based frameworks to contribute meaningfully to shared moral discourses in global legal thought.

The integrative economic model extracted from Imam Mālik's *al-Muwaṭṭaʾ*—with its emphasis on *maqāṣid al-sharīʿah*, *maslahah mursalah*, *ʿurf*, and *sadd al-dharāʾiʿ*—does not operate in isolation from global legal and ethical thought. In fact, several of its foundational principles find analogs in other religious legal traditions and secular ethical systems, thus offering fertile ground for comparative analysis and interreligious dialogue.[76] For instance, the notion of promoting the public good (*maṣlaḥah*) resonates strongly with the Jewish concept of *tikkun olam* (repairing the world),[77] as well as the Christian tradition

[73] Rifki Fakihudin, "Formulation of Public Policy Based on Islamic Legal Studies as a Solution in the Contemporary Era," *Contemporary Issues on Interfaith Law and Society* 2, no. 2 (2023), https://doi.org/10.15294/ciils.v2i2.68868.

[74] Martha C. Nussbaum, *Creating Capabilities: The Human Development Approach* (Harvard University Press, 2011), https://doi.org/10.4159/harvard.9780674061200.fm.

[75] A. Hadiputra, M. A. Maskur, R. Arifin, I. Amrullah, and H. Maajid, "Juvenile Justice in Comparative Perspective: A Study of Indonesian State Law and Islamic Law," Contemporary Issues on Interfaith Law and Society 3, no. 2 (2024): 203–28, https://doi.org/10.15294/ciils.v3i2.79011.

[76] Catharina Rachik and Georges Tamer, *The Concept of Justice in Judaism, Christianity and Islam* (Berlin: De Gruyter, 2025), https://doi.org/10.1515/9783110561692.

[77] Elliot N. Dorff, *The Way Into Tikkun Olam (Repairing The World)* (Woodstock: Jewish Lights Publishing, 2007).

of social justice and the common good.[78] In these frameworks, law and economics are similarly evaluated not only in terms of procedural correctness but also in terms of their moral and social outcomes.

From a secular standpoint, Imam Mālik's preference for substance over form aligns with modern legal pragmatism and consequentialist theories in jurisprudence, where laws are evaluated by their real-world impact.[79] His contextual reliance on *'urf* (custom) mirrors the emphasis placed on legal pluralism and indigenous norms within postcolonial and multicultural legal systems.[80]

Given this shared ethical terrain, the Mālikī economic model holds significant applicability in multifaith legal environments, particularly where Islamic finance intersects with broader institutional frameworks. In interreligious financial institutions, the emphasis on trust, equitable contracts, and avoidance of exploitation provides a common moral vocabulary across traditions. Such convergence enhances cross-sector legal design and supports inclusive financial governance.

In comparative legal discourse, Imam Mālik's economic reasoning may also serve as a valuable reference point for integrating religiously rooted legal perspectives into secular legislative processes, especially in societies negotiating between normative diversity and civic unity.[81] His framework can inspire models of collaborative normativity, where religious ethics contribute to public deliberation on economic justice, sustainability, and redistribution.

In sum, placing Mālikī economic jurisprudence within a comparative legal-theological frame not only deepens its internal coherence but also expands its relevance. It provides a meaningful intervention in ongoing scholarly conversations about law, society, and religion in an age of legal pluralism and economic uncertainty

[78] S.J. David Hollenbach, *The Common Good and Christian Ethics* (Cambridge University Press, 2002).

[79] Sandrine Maljean-Dubois, "Introduction. The Effectiveness of Environmental Law," in *The Effectiveness of Environmental Law*, ed. Sandrine Maljean-Dubois (Intersentia, 2017), 1–12, https://doi.org/10.1017/9781780687384.

[80] James Kirunda, Helen Nabirye, and Ronald Muwanguzi, "Legal Pluralism in Postcolonial Nations: Reconciling Customary, Religious, and State Norms in Judicial Practices," *Rechtsnormen: Journal of Law* 3, no. 2 (2025): 199–208, https://doi.org/10.70177/rjl.v3i2.2217.

[81] Alain-G. Gagnon and Jose Maria. Sauca, *Negotiating Diversity : Identity, Pluralism and Democracy.* (Brussels: P.I.E. Peter Lang, 2014).

Conclusion

This study has examined the economic reasoning of Imam Mālik ibn Anas as articulated in *al-Muwaṭṭa'*, highlighting its significance as a foundational model for reconstructing Islamic economics through an integrative framework. *Al-Muwaṭṭa'* is not merely a compendium of hadith and legal rulings, but a sophisticated synthesis of Sharīʿah-based normative ethics and empirical economic realities. Mālik's methodological approach—emphasizing *maṣlaḥah* (public welfare), value equivalence, risk-sharing, transactional transparency, and economic substance—offers a transformative paradigm for contemporary Islamic economic thought.

At the core of Mālik's framework is the prioritization of substantive justice over mere formal legal compliance. His rejection of artificial contractual forms that obscure economic realities underscores a commitment to aligning market behavior with the ethical and spiritual objectives of Islam. By rooting legal rulings in lived socio-economic conditions, Mālik developed a jurisprudential model that harmonizes normative and positive dimensions, anticipating key debates within modern Islamic economic discourse. The implications of this study are both conceptual and practical. Conceptually, it affirms the need for Islamic economics to transcend legal formalism and embrace a value-based, context-sensitive methodology. Practically, Mālik's principles offer evaluative criteria for contemporary financial instruments such as *murābaḥah*, *muḍārabah*, *ijārah*, and *tawarruq*, ensuring their consistency with ethical and economic justice. His focus on distributive fairness, real economic activity, and avoidance of speculation is especially relevant amid global financial instability.

Furthermore, Mālik's integrative economic model holds relevance beyond internal reform. In multicultural and interfaith contexts, his ethical-legal reasoning, grounded in *ʿurf*, *sadd al-dharāʾiʿ*, and *maṣlaḥah*—resonates with universal values such as justice, transparency, and the common good. This offers a basis for constructive engagement with diverse legal and economic traditions, contributing to inclusive and ethically grounded policy design. In sum, Imam Mālik's economic thought provides a viable framework for the ethical revitalization of Islamic economics in response to contemporary challenges. His model not only supports internal coherence within Islamic finance but also fosters cross-cultural dialogue on building humane, just, and sustainable economic systems in a pluralistic world. This ethical framework is particularly relevant when extended to legal reforms concerning extraordinary crimes such as terrorism, where normative balance and institutional clarity are critical.[82]

[82] Dede Indraswara, *Pertanggungjawaban Pidana Korporasi Pelaku Terorisme dalam Perspektif KUHP Nasional*, vol. 1 (2025), 142, https://books.google.co.id/books?id=enFREQAAQBAJ&hl=id.

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GENERATIVE AI STATEMENT

This paper employed generative AI as a complementary tool to enhance the clarity, structure, and coherence of the manuscript. AI was utilized in refining language and assisting in the organization of legal and interdisciplinary insights related to religious diversity and interfaith law in Indonesian workplaces. While all core ideas, analyses, and conclusions remain the original work of the author(s), AI-supported editing and conceptual framing contributed to more accessible and integrated presentation. The study offers practical perspectives on fostering inclusion and equality in a multicultural environment, combining legal frameworks and human resource practices.

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