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The Implementation of Maqashid Shariah in the Resolution of Islamic Economic Disputes: A Normative Juridical Analysis

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Abstract:
The implementation of Maqashid al-Shariah in the resolution of Islamic economic disputes is essential to ensure that dispute settlement not only complies with formal legal provisions but also reflects the fundamental objectives of Islamic law. This study aims to examine the application of Maqashid al-Shariah in resolving Islamic economic disputes from a normative juridical perspective. The research employs a library research method by analyzing primary and secondary legal sources, including statutory regulations, Islamic legal principles, scholarly literature, and relevant academic studies. The analysis focuses on the extent to which the objectives of Maqashid al-Shariah, particularly the protection of religion (hifz al-din), life (hifz al-nafs), intellect (hifz al-'aql), lineage (hifz al-nasl), and property (hifz al-mal), can serve as substantive foundations for dispute resolution. The findings indicate that the principles of Maqashid al-Shariah provide a comprehensive framework for achieving justice, legal certainty, social benefit, and the protection of the parties' rights and interests. Its implementation can strengthen the resolution of Islamic economic disputes by encouraging equitable outcomes, preventing harm, and promoting mutual benefit (maslahah). Therefore, integrating Maqashid al-Shariah into the normative framework of Islamic economic dispute resolution is relevant to developing a legal system that is not merely procedural but also oriented toward substantive justice and the realization of public welfare.

Keywords:
Maqashid al-Shariah, Islamic Economic Disputes, Dispute Resolution, Normative Juridical Analysis.

INTRODUCTION

The rapid development of Islamic economics and finance has become an important feature of the contemporary global economic landscape (Faiz & Miftahussur, 2026). The increasing demand for financial and commercial activities that comply with Islamic principles has contributed to the expansion of Islamic banking, Islamic insurance, Islamic capital markets, Islamic microfinance, and various forms of Sharia-based business transactions (Saeid et al., 2025). In Indonesia, this development is particularly significant because the Islamic economic system has increasingly received legal and institutional recognition. The growth of Islamic economic activities, however, is inevitably accompanied by the potential for disputes between parties involved in economic transactions (Babrdel et al., 2025). Such disputes may arise from breach of contract, default, differences in the interpretation of contractual provisions, non-compliance with agreed obligations, or the implementation of transactions that are inconsistent with Sharia principles (Rizal et al., 2025). These circumstances demonstrate the importance of an effective dispute resolution framework capable of providing legal certainty while simultaneously ensuring substantive justice and the protection of the legitimate interests of the parties (Wahyuningsih, 2025).

Islamic economic disputes possess distinctive characteristics because they involve not only legal and commercial considerations but also religious and ethical values. Unlike conventional economic disputes, the resolution of disputes within the Islamic economic framework should ideally reflect the fundamental principles of Sharia, including justice ('adl), fairness, good faith, mutual consent (taradhi), and the prohibition of harm (dharar). Therefore, the success of dispute resolution cannot be measured solely by whether a decision complies with formal legal rules or determines the rights and obligations of the parties. It should also be evaluated according to whether the resolution contributes to the realization of justice, prevents further harm, protects legitimate property rights, and promotes social welfare. This broader perspective makes Maqashid al-Shariah highly relevant as a conceptual and normative framework for understanding and evaluating the resolution of Islamic economic disputes (Wahab & Mahdiya, 2025).

Maqashid al-Shariah refers to the purposes, objectives, and underlying wisdom of Islamic law. At its core, the concept seeks to realize maslahah (benefit or welfare) and prevent mafsadah (harm or corruption) in human life. Classical Islamic legal scholarship generally identifies five essential interests that must be protected: religion (hifz al-din), life (hifz al-nafs), intellect (hifz al-'aql), lineage (hifz al-nasl), and property (hifz al-mal). In the context of Islamic economics, hifz al-mal has particular relevance because economic activities directly concern the ownership, transfer, utilization, and protection of wealth. Nevertheless, the application of Maqashid al-Shariah in economic dispute resolution should not be reduced to the protection of financial assets (Bahrudin et al., 2025). It also encompasses broader principles such as fairness, transparency, accountability, the prevention of exploitation, fulfillment of contractual obligations, and the protection of the dignity and legitimate interests of the parties.

The relevance of Maqashid al-Shariah becomes increasingly evident when dispute resolution is considered as more than a procedural mechanism. Litigation, arbitration, mediation, and other forms of dispute settlement are designed to resolve conflicts, restore violated rights, and provide remedies for parties who have suffered losses. From an Islamic legal perspective, however, dispute resolution should ideally contribute to the restoration of social and economic relationships and prevent the continuation of injustice. Consequently, a dispute settlement mechanism that merely produces a formal legal outcome may not necessarily fulfill the broader objectives of Sharia. The Maqashid al-Shariah approach provides a means of evaluating whether the resolution of a dispute has achieved a proportionate balance between legal certainty, justice, individual rights, and collective welfare (Fadhilah et al., 2025).

The principle of justice occupies a central position in this framework. Justice in Islamic law does not simply mean treating all parties identically; rather, it requires the recognition and protection of rights and the prevention of arbitrary or disproportionate treatment (Karimullah et al., 2023). In Islamic economic disputes, justice may involve ensuring that contractual obligations are fairly enforced, preventing one party from obtaining an unjust advantage, protecting parties from financial exploitation, and ensuring that compensation is proportionate to the actual harm suffered. Similarly, the principle of maslahah requires dispute resolution to consider the consequences of a legal decision for the parties and, where relevant, for the wider community (Wijayanti & Luthfi, 2025). Thus, Maqashid al-Shariah can provide a substantive dimension to dispute resolution by encouraging outcomes that are legally sound as well as ethically and socially beneficial (Solehudin et al., 2024).

The Indonesian legal system provides several mechanisms for resolving Islamic economic disputes. Depending on the nature of the dispute and the agreement between the parties, disputes may be resolved through litigation before the competent court, arbitration, mediation, or other alternative dispute resolution mechanisms. The existence of these mechanisms demonstrates the formal recognition of the need for legal certainty in Islamic economic transactions (J. Sari et al., 2026). Nevertheless, the effectiveness of a dispute resolution system should not be assessed exclusively from the perspective of institutional competence or procedural validity. It is equally important to examine whether the applicable legal norms and their implementation reflect the substantive values underlying Islamic economic law. In this regard, Maqashid al-Shariah can serve as an interpretive and evaluative framework for examining whether existing mechanisms are capable of achieving the objectives of justice and welfare intended by Sharia (Kurniawan et al., 2025).

A normative legal perspective is particularly appropriate for examining this issue because the implementation of Maqashid al-Shariah involves the relationship between legal norms, Islamic jurisprudential principles, and the objectives underlying those norms (Tambunan et al., 2026). Normative legal research focuses on the examination of legal rules and doctrines rather than empirical observation of social behavior (Budiana et al., 2026). Through this approach, the legal basis for Islamic economic dispute resolution can be analyzed systematically by examining relevant legislation, principles of Islamic law, legal doctrines, and scholarly interpretations. Such an analysis is necessary to determine how Maqashid al-Shariah can complement existing legal norms and provide a more substantive basis for resolving disputes.

This study employs a library research method by examining relevant primary and secondary legal materials. Primary materials include applicable legislation and other authoritative legal instruments governing Islamic economic activities and dispute resolution, while secondary materials encompass books, scholarly articles, legal literature, and academic studies addressing Maqashid al-Shariah, Islamic economic law, and dispute resolution. The materials are analyzed qualitatively and conceptually to identify the relationship between the objectives of Sharia and the normative framework for resolving Islamic economic disputes. Through this method, the study seeks to construct a systematic understanding of how Maqashid al-Shariah can be integrated into the interpretation and application of legal norms.

The importance of this study also lies in the potential gap between formal legal certainty and substantive justice. A legal decision may be procedurally valid and formally consistent with statutory provisions, yet its practical consequences may not fully correspond to the broader objectives of Sharia. For instance, a resolution that protects one party's contractual rights without adequately considering the prevention of excessive harm may satisfy a narrow understanding of legal entitlement while failing to achieve the broader objective of maslahah. Therefore, the application of Maqashid al-Shariah can help broaden the analytical framework of dispute resolution by considering not only the legal validity of a claim but also the ethical, social, and economic consequences of the resulting resolution.

Furthermore, the Maqashid al-Shariah approach is relevant to contemporary Islamic economic transactions, which are increasingly complex and innovative. The emergence of new financial products, digital transactions, fintech services, and increasingly sophisticated contractual arrangements may generate disputes that are not always addressed explicitly by classical legal texts. In such circumstances, an understanding of the objectives and underlying principles of Sharia becomes essential. Rather than relying exclusively on literal or textual interpretations, Maqashid al-Shariah allows legal reasoning to respond to new circumstances while remaining faithful to the fundamental values of Islamic law. This approach can contribute to the development of Islamic economic law that is adaptive, responsive, and capable of addressing contemporary challenges without abandoning its normative foundations.

In addition, the integration of Maqashid al-Shariah into dispute resolution can strengthen the legitimacy of Islamic economic law by demonstrating that Sharia principles are capable of addressing practical legal problems in a comprehensive manner. Dispute resolution based on the objectives of Sharia should seek to protect property, preserve contractual trust, prevent injustice, minimize unnecessary conflict, and promote sustainable economic relationships. In this sense, the role of Maqashid al-Shariah extends beyond serving as a theoretical concept; it can function as a substantive legal perspective for evaluating the fairness and effectiveness of dispute resolution mechanisms.

Based on the foregoing considerations, the implementation of Maqashid al-Shariah in the resolution of Islamic economic disputes deserves further normative examination. The central issue is not merely whether existing dispute resolution mechanisms are legally available, but whether their application is capable of realizing the fundamental objectives of Islamic law. Therefore, this study aims to analyze the implementation of Maqashid al-Shariah in the resolution of Islamic economic disputes through a normative legal analysis. It examines the conceptual relationship between Maqashid al-Shariah and Islamic economic dispute resolution, the relevance of its essential objectives to the protection of the rights and interests of disputing parties, and its potential contribution to the realization of justice, legal certainty, and maslahah. Ultimately, this study seeks to demonstrate that the incorporation of Maqashid al-Shariah can provide a more comprehensive foundation for dispute resolution one that integrates formal legal norms with the substantive values of justice, protection, and public welfare embedded in Islamic law.

METHOD

This study employs a normative legal research method using a literature review (library research) approach (Opirskyi, 2025). This methodological choice is appropriate because the research focuses on examining legal norms, Islamic legal principles, and scholarly doctrines concerning the implementation of Maqashid al-Shariah in the resolution of Islamic economic disputes. Normative legal research examines law primarily as a system of norms, principles, concepts, and doctrines, rather than investigating the empirical behavior of legal institutions or society.

The literature review is conducted by systematically identifying, collecting, examining, and synthesizing relevant legal and academic sources. The materials reviewed consist of primary, secondary, and tertiary legal materials. Primary legal materials include relevant legislation and other authoritative legal instruments governing Islamic economic activities and dispute resolution in Indonesia. Secondary legal materials comprise scholarly books, peer-reviewed journal articles, research reports, academic theses, and other scholarly publications discussing Maqashid al-Shariah, Islamic economic law, contractual principles, and dispute resolution. Tertiary materials, such as legal dictionaries, encyclopedias, and reputable academic databases, are used to clarify legal terminology and provide additional conceptual references. The use of these categories of materials is consistent with the literature-based character of normative legal research.

The literature selection is guided by its relevance, authority, academic credibility, and substantive connection (Elyas et al., 2025) to the research questions. Particular attention is given to literature addressing the theoretical foundations of Maqashid al-Shariah, the principles of justice and maslahah, the protection of property (hifz al-mal), Islamic economic transactions, and mechanisms for resolving Islamic economic disputes. Relevant sources are identified through library catalogues, academic databases, legal repositories, and reputable online scholarly platforms. The collected materials are then classified thematically according to their contribution to the research objectives. This process enables the researcher to distinguish between sources that provide normative legal authority and those that contribute theoretical or analytical perspectives.

The data collection technique is conducted through documentary and literature study. Relevant materials are read critically, recorded, organized, and compared in accordance with the issues under investigation (Fiorito & Fiduccia, 2025). Rather than treating the collected literature as a mere collection of quotations, this study uses the literature review to identify recurring legal principles, areas of scholarly agreement and disagreement, conceptual developments, and potential gaps in existing legal discourse. A literature review can serve as a foundation for establishing the current state of knowledge and identifying the justification for further legal analysis.

The analysis is conducted using a qualitative descriptive-analytical approach (Yusuf et al., 2024). The collected legal materials are examined through legal reasoning to identify the relationship between existing legal norms and the objectives of Maqashid al-Shariah. The analysis focuses on how principles such as justice ('adl), benefit (maslahah), prevention of harm (mafsadah), protection of property (hifz al-mal), and fulfillment of contractual obligations can be incorporated into the resolution of Islamic economic disputes. In normative legal research, qualitative analysis may involve identifying legal principles, interpreting legal provisions, constructing legal concepts, and developing coherent legal arguments. In addition, the study applies a conceptual and statutory approach (Yusuf et al., 2024). The conceptual approach is used to examine the theoretical meaning and application of Maqashid al-Shariah, maslahah, justice, and Islamic economic dispute resolution. Meanwhile, the statutory approach is employed to examine the relevant Indonesian legal framework governing Islamic economic activities and dispute settlement. Where necessary, the analysis also employs teleological interpretation to examine legal provisions in light of their underlying objectives and purposes (Craig, 2013). This approach is particularly relevant to Maqashid al-Shariah, as the concept itself emphasizes the purposes and welfare-oriented objectives underlying Islamic legal norms.

The analysis proceeds through several stages: (1) identification and collection of relevant literature and legal materials; (2) classification of the materials according to their legal and conceptual relevance; (3) critical reading and comparison of the selected sources; (4) thematic synthesis of the principles and arguments found in the literature; (5) interpretation of relevant legal norms in light of Maqashid al-Shariah; and (6) formulation of conclusions and normative arguments concerning the implementation of Maqashid al-Shariah in Islamic economic dispute resolution. Through this process, the study seeks to ensure that its conclusions are grounded in a coherent relationship between legal norms, Islamic legal principles, and the objectives of Sharia.

Accordingly, the literature review approach is not merely used to summarize previous studies but functions as the principal analytical instrument for constructing a normative argument. By synthesizing legislation, Islamic legal doctrines, scholarly interpretations, and previous academic findings, this study seeks to provide a comprehensive understanding of how Maqashid al-Shariah can strengthen the resolution of Islamic economic disputes. The methodology ultimately enables the research to assess whether existing legal mechanisms are capable of promoting justice, legal certainty, protection of rights, prevention of harm, and the realization of maslahah as fundamental objectives of Islamic law.

RESULTS AND DISCUSSION

The implementation of Maqashid al-Shariah within legal and financial practices reflects a holistic framework that integrates justice, protection, and public welfare into practical outcomes. It emphasizes justice (al-‘adl) by ensuring fair treatment and proportionate remedies for all parties, while protection of property (hifz al-mal) safeguards legitimate ownership, contractual rights, and financial interests. At the same time, the principle of preventing harm (mafsadah) seeks to avoid excessive financial, social, and relational consequences, complemented by legal certainty, which requires clear and predictable norms that uphold substantive fairness. Moreover, the pursuit of public benefit (maslahah) directs decisions toward broader economic and social welfare, and the prioritization of peace and reconciliation underscores settlement mechanisms that preserve legitimate relationships. Together, these dimensions demonstrate how Maqashid al-Shariah functions not merely as abstract ideals but as operational principles guiding equitable, sustainable, and socially responsible outcomes. The findings can be summarized as follows:

Table 1. The findings of this study.

Dimension	**Implementation of *Maqashid al-Shariah***
Justice (*al-'adl*)	Ensuring fair treatment and proportionate remedies for all parties
Protection of property (*hifz al-mal*)	Safeguarding legitimate ownership, contractual rights, and financial interests
Prevention of harm (*mafsadah*)	Avoiding excessive financial, social, and relational consequences
Legal certainty	Applying clear and predictable legal norms while maintaining substantive fairness
Public benefit (*maslahah*)	Pursuing outcomes that contribute to broader economic and social welfare
Peace and reconciliation	Prioritizing settlement mechanisms that preserve legitimate relationships where appropriate

1. The Conceptual Position of Maqashid al-Shariah in Islamic Economic Dispute Resolution

The literature reviewed indicates that Maqashid al-Shariah provides a substantive philosophical foundation for the resolution of Islamic economic disputes. Rather than treating dispute resolution merely as a procedural mechanism for determining which party is legally entitled to prevail, the Maqashid al-Shariah perspective emphasizes the achievement of justice (al-'adl), public benefit (maslahah), prevention of harm (mafsadah), and protection of legitimate rights. Recent literature likewise emphasizes that the resolution of Islamic economic disputes should not be confined to procedural legality but should incorporate the ethical and justice-oriented dimensions of Islamic economic law.

The five essential objectives traditionally associated with Maqashid al-Shariah, the preservation of religion (hifz al-din), life (hifz al-nafs), intellect (hifz al-'aql), lineage (hifz al-nasl), and property (hifz al-mal) (Yusuf & Harun, 2024) can be contextualized within Islamic economic dispute resolution. Among these objectives, hifz al-mal is particularly significant because economic disputes frequently concern ownership, contractual obligations, financing, debts, investment, and the transfer or protection of assets. However, the literature suggests that protecting property should not be interpreted narrowly as merely safeguarding financial interests. It must also be connected with justice, contractual fairness, transparency, good faith, and the prevention of exploitation.

Accordingly, Maqashid al-Shariah may be understood as a normative framework that evaluates both the process and outcome of dispute resolution. A resolution should therefore be considered consistent with Sharia objectives when it protects legitimate rights, minimizes unnecessary harm, restores balance between the parties, and produces an outcome that contributes to social and economic welfare. This perspective is particularly important when a purely textual application of legal rules may produce an outcome that is formally valid but substantively disproportionate.

2. The Relationship between Legal Certainty and Substantive Justice

The literature demonstrates that Indonesia has developed a relatively comprehensive institutional framework for resolving Islamic economic disputes. The expansion of the jurisdiction of the Religious Courts through Law No. 3 of 2006, followed by Law No. 50 of 2009, strengthened their authority in Islamic economic matters. Furthermore, Constitutional Court Decision No. 93/PUU-X/2012 clarified the position of the Religious Courts by eliminating the previously debated dualism concerning the forum for resolving Islamic banking disputes (Peterson, 2019).

Nevertheless, the existence of legal certainty at the institutional level does not automatically guarantee substantive justice. Literature on the legal foundations of Islamic economic disputes identifies continuing tensions concerning the sources of law applied by judges, including the interaction between Islamic legal sources, the Compilation of Sharia Economic Law, and elements of conventional civil law. Such contestation demonstrates that the development of a formal legal framework does not, by itself, resolve questions concerning the substantive character of Islamic economic justice.

From the perspective of Maqashid al-Shariah, legal certainty and substantive justice should not be positioned as competing objectives. Instead, they should operate complementarily. Legal certainty establishes predictability and protects the parties from arbitrary decision making, whereas substantive justice ensures that the application of legal norms remains consistent with the fundamental objectives of Sharia (Amanda & Adam, 2026). Therefore, an ideal dispute resolution framework should preserve procedural certainty while allowing legal interpretation to consider justice, proportionality, maslahah, and the prevention of harm.

This finding suggests that the implementation of Maqashid al-Shariah does not require the abandonment of positive law. On the contrary, it strengthens the normative interpretation of existing legal provisions by directing their application toward the objectives for which the rules were established. Thus, Maqashid al-Shariah can function as a substantive interpretive framework, rather than as a substitute for formal legal norms.

3. Implementation of Maqashid al-Shariah in Litigation

Litigation remains an important mechanism for resolving Islamic economic disputes, particularly because judicial decisions provide authoritative legal determinations and possess enforceability (Tambunan et al., 2026). The literature confirms that the Religious Courts have become a central institution in the resolution of Islamic economic disputes in Indonesia following the development of the relevant statutory framework.

From a Maqashid al-Shariah perspective, however, judicial adjudication should extend beyond determining contractual violations or calculating financial losses. Judges should also consider whether the application of a particular legal rule promotes justice and prevents excessive harm. This is especially relevant in disputes involving financing agreements, defaults, guarantees, and other contractual relationships in which the parties may possess unequal bargaining positions.

The principle of hifz al-mal requires the protection of legitimate property rights, but this protection should be balanced with the principles of fairness and proportionality. For example, enforcement of a contractual obligation should not become a mechanism through which one party obtains an excessive or unjustified economic advantage. Likewise, compensation should correspond to actual and legally recognizable losses rather than become a source of unjust enrichment. Such reasoning is consistent with the broader objective of Maqashid al-Shariah, namely the realization of benefit while preventing harm.

The literature further indicates that contractual interpretation is central to Islamic economic disputes. A recent study argues that contractual obligations should serve as the principal legal basis for analyzing Islamic economic disputes and proposes the integration of Maqashid al-Shariah as a normative corrective to prevent inconsistencies in legal reasoning. This finding reinforces the proposition that Maqashid al-Shariah can guide judges in interpreting contractual provisions in a manner that respects both the express agreement of the parties and the broader objectives of Islamic commercial law.

4. Maqashid al-Shariah and Non-Litigation Mechanisms

The literature also demonstrates the importance of non-litigation mechanisms, including negotiation, mediation, conciliation, and Sharia arbitration (Kasdi, 2019). These mechanisms possess particular relevance to Maqashid al-Shariah because they may facilitate peaceful settlement, reduce costs, preserve business relationships, and minimize the social and economic consequences of prolonged litigation. Recent literature on Sharia arbitration, for instance, identifies justice, efficiency, confidentiality, truthfulness, and maslahah as important values associated with Sharia-based arbitration.

Mediation is particularly compatible with the objective of maslahah because it allows the parties to participate directly in constructing a mutually acceptable solution (Hamzah et al., 2026). Unlike adjudication, which generally culminates in a determination of rights and liabilities by a third party, mediation provides greater space for reconciliation and preservation of commercial relationships. This characteristic is significant in Islamic economic transactions, where long-term cooperation and trust may be as important as the immediate resolution of a financial dispute.

Nevertheless, the literature also identifies limitations concerning the legal certainty and enforceability of mediated settlements. Questions remain regarding the extent to which mediation outcomes provide a level of legal certainty equivalent to judicial decisions. Therefore, from a Maqashid al-Shariah perspective, mediation should not simply be evaluated according to its ability to reach settlement. Its effectiveness should also be assessed in terms of whether the agreement protects the rights of both parties, prevents coercion or exploitation, and possesses sufficient legal enforceability.

Sharia arbitration represents another significant mechanism. Its advantages include flexibility, confidentiality, efficiency, and the possibility of appointing decision-makers familiar with Islamic commercial principles (Dhahli et al., 2026). However, arbitration may also encounter limitations relating to accessibility, costs, institutional capacity, and enforcement. Consequently, Maqashid al-Shariah requires a balanced assessment: arbitration should be promoted where it provides greater benefit and less harm than litigation, while litigation should remain available when authoritative judicial intervention is necessary.

5. Maqashid al-Shariah as a Framework for Integrating Litigation and Non-Litigation

The literature reviewed suggests that litigation and non-litigation mechanisms should not necessarily be viewed as mutually exclusive alternatives. Instead, they can be integrated within a dispute resolution framework based on Maqashid al-Shariah. A recent study explicitly proposes an integrated model in which negotiation, mediation or conciliation, Sharia arbitration, and litigation are arranged progressively, with litigation functioning as an ultimum remedium. The model seeks to combine hifz al-mal, justice, facilitation, and maslahah in the settlement of Islamic economic disputes (Misbah, 2026).

Such an integrated approach reflects the hierarchy of interests embedded in Maqashid al-

Shariah. At the initial stage, negotiation and mediation can be prioritized because they may resolve disputes with comparatively lower financial and relational costs. If these mechanisms fail, arbitration may provide a more formal yet flexible alternative. Litigation can then serve as the final mechanism when the dispute requires authoritative adjudication and enforceability.

The significance of this approach lies in its ability to reconcile different dimensions of justice. Litigation is stronger in terms of legal certainty and executorial authority, whereas non-litigation mechanisms may be superior in terms of efficiency, flexibility, confidentiality, and preservation of relationships. Therefore, the Maqashid al-Shariah framework does not necessarily prescribe one universally superior mechanism. Instead, it requires the selection of the mechanism that is most capable of achieving the relevant objectives of Sharia in the circumstances of a particular dispute.

6. The Protection of Hifz al-Mal and the Prevention of Harm

One of the most significant findings of the literature review concerns the centrality of hifz al-mal in Islamic economic dispute resolution. Since Islamic economic transactions fundamentally involve the management and transfer of wealth, the protection of property constitutes an essential objective (Balarabe et al., 2025). However, the protection of property must be balanced against the principle of preventing harm.

In practical terms, this means that dispute resolution should seek to restore legitimate economic rights without creating disproportionate losses for either party. A legal solution that technically protects one party's financial claim but causes unnecessary and excessive harm to the opposing party may be inconsistent with the broader objectives of Sharia. Therefore, judges, arbitrators, and mediators should consider proportionality when determining remedies, compensation, contractual enforcement, and settlement terms.

This approach is also relevant to the principle of maslahah. The objective is not simply to determine who wins and who loses, but to identify a legally legitimate solution that maximizes benefit and minimizes harm. In commercial disputes, such an approach may help preserve business relationships, maintain economic stability, and prevent disputes from escalating into broader social or financial conflicts.

7. Challenges in Implementing Maqashid al-Shariah

Despite its normative significance, the implementation of Maqashid al-Shariah is not without challenges (M. Sari & Prayoga, 2025). First, the concept is relatively broad and may generate different interpretations among judges, arbitrators, scholars, and legal practitioners. Without a sufficiently structured methodology, reliance on Maqashid al-Shariah could potentially result in subjective legal reasoning.

Second, there remains a need to harmonize substantive Islamic economic principles with procedural law. Recent literature identifies the tension between formal procedural mechanisms and the ethical, justice-oriented, and flexible character of Islamic economic law. This indicates that the realization of Maqashid al-Shariah requires not only appropriate substantive norms but also procedural mechanisms capable of supporting those objectives.

Third, the development of Islamic economic transactions has produced increasingly sophisticated contractual structures and financial products. Consequently, legal institutions must be capable of addressing new forms of disputes without relying exclusively on classical legal categories. Maqashid al-Shariah can contribute to this process by providing a purposive framework for legal reasoning. Nevertheless, its application should remain anchored in established legal principles to avoid arbitrary or overly expansive interpretation.

8. Synthesis of the Findings

Based on the literature reviewed, the implementation of Maqashid al-Shariah in Islamic economic dispute resolution can be conceptualized through five interconnected principles: justice, protection of property, prevention of harm, legal certainty, and public benefit (Yuserma et al., 2026). These principles demonstrate that Islamic economic dispute resolution should be understood as a multidimensional process rather than merely a mechanism for determining contractual liability. Therefore, the results of this literature review support the argument that Maqashid al-Shariah should occupy a more explicit position within the normative framework of Islamic economic dispute resolution. Its role is not to replace statutory law or established dispute resolution mechanisms (Sihombing et al., 2026), but to provide a purposive and ethical orientation for interpreting and applying them. The most appropriate approach is consequently one that harmonizes positive law, Islamic legal principles, procedural mechanisms, and the substantive objectives of Sharia.

Overall, the literature indicates that the effectiveness of Islamic economic dispute resolution should be measured not merely by procedural completion or the existence of a legally enforceable decision. It should also be assessed according to whether the resolution protects legitimate rights, restores balance, prevents harm, promotes justice, and realizes maslahah. In this regard, Maqashid al-Shariah provides a comprehensive normative framework capable of bridging the gap between formal legal certainty and substantive Islamic justice. This finding strengthens the proposition that the future development of Islamic economic dispute resolution should be increasingly oriented toward a Maqashid-based approach that is legally authoritative, ethically grounded, and responsive to the evolving complexity of contemporary Islamic economic transactions.

CONCLUSION

This study concludes that Maqashid al-Shariah occupies a central and substantive position in the resolution of Islamic economic disputes. Rather than functioning as a merely procedural mechanism for allocating rights and obligations, dispute resolution grounded in Maqashid al-Shariah directs both litigation and non-litigation mechanisms toward the realization of justice, the protection of legitimate property (hifz al-mal), the prevention of harm, legal certainty, and public benefit (maslahah). The analysis shows that legal certainty and substantive justice are not competing objectives but complementary ones, and that litigation and non-litigation mechanisms can be integrated progressively within a single normative framework rather than treated as mutually exclusive alternatives.

These findings carry practical implications for judges, arbitrators, mediators, and legal drafters, who are encouraged to read positive legal norms in light of their underlying purposes rather than applying them in a purely textual manner. Given that this study relies on a normative and literature-based method, future research employing empirical or comparative approaches is recommended to examine how Maqashid al-Shariah is actually applied in judicial reasoning and dispute settlement practice.

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