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Maqāsid al-Sharī'a in Islamic Finance: A Critical Analysis of Modern Discourses

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Abstract: This study delves into the complexities surrounding the determination, interpretation, and application of *maqāsid al-sharī'a* within modern Islamic economics and finance. By conducting an extensive review of classical and contemporary literature, this research explores the diverse methods and criteria employed for ascertaining *maqāsid*. It critically examines the inherent subjectivity involved in categorizing *maqāsid*, shedding light on the ambiguity in delineating their boundaries. Additionally, the study scrutinizes the unintended consequences of broader utilization of *maqāsid*, particularly in transactions such as *bay' al-'īnah*, and evaluates the risks associated with prioritizing *maslaha* (utility) over textual evidence. The findings underscore the challenges posed by the subjective nature of *maqāsid* interpretation, illustrating how diverse perspectives can lead to differing conclusions. They emphasize the potential misuse of *maqāsid* for legitimizing practices contrary to the core principles of sharia. This research underscores the preservation of legislative intent and advocates a cautious approach to integrating *maqāsid al-sharī'a* into Islamic economics and finance. The objective is to strike a balance that upholds Islamic principles. It highlights the essential need for collectively establishing standards for both macro and micro *maqāsid* and their usage in *ijtihād*, promoting responsible applications within contemporary Islamic finance for informed and ethical solutions.

Keywords: Islamic finance; *maqāsid* theory; Islamic jurisprudence; modern financial transactions; Islamic economics

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1. Introduction

Initiating this investigation requires an initial clarification of the terms *maqāsid* and its closely related concept, *maslaha*.

Maqāsid al-sharī'a, often referred to as *the objectives of Islamic law*, encompass the meanings, general principles, and goals intended by the legislator (Allah) through the enactment of rulings and laws, aimed at promoting the well-being of Muslims in both this world and the hereafter (Islamic Fiqh Academy 2007). This term has emerged as a fundamental concept in Islamic legal thought, particularly within the context of extensive efforts to revise and modernize Islamic law over the past century. Its continued significance is evident through the substantial body of literature and scholarship dedicated to this field.

In the discourse on maqāsid, another pivotal term is *maslaha*. Maslaha fundamentally denotes the pursuit of benefits and the prevention of harm (*jalb al-manfaa' wa daf' al-madarra*). However, within the context of Islamic jurisprudence, *maslaha* is anything that protects the higher objectives of the religion (*maqāsid al-sharī'a*) or eliminates their violations. These objectives, concerning human beings, can be summarized in five key points: protecting their religion, life, intellect, progeny, and property. Jurists, such as al-Ghazālī, have explored *maqāsid* under the title of the evidence of *istislāh*. *Istislāh* serves as the method of issuing rulings based on *maslaha mursala*, which is a subtype of maslaha signifying benefits that are neither expressly approved nor rejected by Sharia (Ghazālī 1993).

A linear relationship exists between *maqāsid* and *maslaha* (plural: *masālih*). In its broadest sense, *maqāsid* represent the realization of *maslaha*, aiming to provide benefits and

eliminate harm by eradicating negative consequences. Notably, *maqāsid* encompass *masālih*, resulting in an overlapping relationship between these two concepts and allowing for their interchangeability (Boynukalin 2003).

After examining the terms *maqāsid* and *maslaha*, our focus now shifts to an exploration of the evolving interpretation of Islamic texts. This analysis centers on the intricate relationship between the wording (*lafz*) and intent (*maqsūd*) of the texts. The Qur'ān and Sunna, collectively known as '*nas*', encapsulate both the linguistic form (*lafz*) and the underlying meaning (*ma'nâ*). However, in the process of deriving sharia rulings (*ijtihād*), multiple layers are involved, and the *mujtahid* may potentially utilize one or more of them. These layers entail considering the wording (*lafz*), causes (*'illah*), and higher objectives (*maqāsid*) of the *nas* (Hallaq 1997; Ramadan 2009).

The principle of considering *maqāsid* was integral to the *ijtihād* process and widely embraced by the first generations of Muslim scholars, beginning with the companions of the Prophet and their successors. The practice of interpreting Islamic texts in alignment with the interplay between wording (*lafz*) and intent (*maqsūd*), as notably observed during the early generations of Islam, underwent transformation over time. This approach gradually gave way to a more literal interpretation, closely tied to the growing accumulation of fiqh knowledge. Although not entirely disregarded, the enthusiasm of earlier scholars for integrating *maqāsid* into *ijtihād* activity seemed to wane. During the classical period, the majority of Muslim jurists did not endorse ruling directly in accordance with *maqāsid* without considering specific evidence from the Qur'ān and Sunna on the matter. They were concerned that the inherent uncertainty in determining these objectives might result in legal instability, chaos, and potentially the negation of the clear and definitive provisions of the sharia (Boynukalin 2003). To maintain legal formalism and ensure certainty and security, the interpretation of legal texts adhered to stringent rules. Despite the comprehensible nature of these concerns, the protective stance assumed over time has resulted in an interpretation that deviates from the original intent and wisdom of the Qur'ān and Sunna (Yaman 2018).

In the 19th and 20th centuries, characterized by the Islamic world's quest for resurgence amidst stagnant progress, a significant shift took place. The notion of *maqāsid* gained prominence surpassing that of preceding eras, garnering recognition from influential figures and institutions as the central concept within jurisprudential thought and the decision-making process. The emphasis on *maqāsid* has sometimes outweighed the significance of religious texts and their literal interpretations. In some contexts, this shift has taken an opposing extreme compared to a strictly literal interpretation of texts, making *ijtihād* completely independent of form and tradition and considering arbitrary utility as a justification or foundation for *ijtihād* (Yaman 2018; El-Mesawi 2020). The prevailing situation has led to the imperative of addressing a contrasting challenge: specifically, the establishment of objective interpretative criteria and a reduction in legal relativity regarding *maqāsid*.

One of the domains exemplifying the resurgence of *maqāsid* is Islamic economics. This realm began its ascent after the 1940s, aligning with the period during which Islamic nations secured their independence. This era witnessed the initiation of theoretical discussions on Islamic economics within the Muslim world, with a specific focus on exploring *maqāsid al-sharī'a*. Eminent figures like Muhammad Umer Chapra were early proponents of *maqāsid*, using them to establish a methodological foundation for economic theory. However, a noticeable gap in the relevant literature emerged from the mid-1980s to the 2000s. This gap can be attributed to the political and economic climate that hindered the development of Islamic economics as an alternative system. Quite the contrary, the capital accumulation resulting from petro-dollars in the 1970s and 1980s expedited the establishment of the Islamic financial industry as an integral sector of the global financial system. During this period, the focus of Islamic economic studies also underwent a significant shift towards a finance-and-banking-centered perspective.

The resurgence of interest in *maqāsid* among scholars, practitioners, and policymakers since the 2000s reflects a shift from the broader domain of Islamic economics to the sphere of Islamic finance. This renewed interest can be attributed to several factors. One

reason is that *maqāsid* theory, when applied flexibly and on a superficial level, implicitly legitimizes Islamic financial transactions and the operations of Islamic financial institutions. Another factor is the acknowledgment of the social failures of Islamic finance, prompting a substantial moral debate rooted in *maqāsid* (Asutay and Yilmaz 2018).

As mentioned previously, in the realm of Islamic economics and finance, the literature on *maqāsid* has witnessed a significant surge in research activity since the 2000s. This surge is evident in numerous studies published annually in both English and Arabic, often featuring *maqāsid* prominently in their titles or essential keywords. Quantitative research dominates the field, but there is a smaller yet significant body of theoretical studies. These theoretical inquiries often adopt a broader and more holistic approach, focusing on aspects such as Islamic economics or the fiqh analysis of practices.

Among various quantitative literature reviews, two recent studies stand out as particularly relevant to our work. These studies, focusing on English-language research from the post-2000 era, provide valuable insights into the extent of research on the role of *maqāsid* in Islamic finance. Shinkafi and Ali (2017) conducted a review of papers published between 2006 and 2016, analyzing a total of 62 relevant articles. Another noteworthy study, conducted by Tumewang et al. (2023), involved a comprehensive bibliometric analysis of 219 articles published from 2006 to 2022. Both of these studies unequivocally demonstrate the increasing volume of literature on this topic.

These studies have primarily emphasized quantitative analysis when exploring *maqāsid* literature to describe the current state of affairs. They have generally lacked a comprehensive critique of the *maqāsid* theory itself and its application in Islamic finance. While some issues have been touched upon, they are often presented in a limited manner, sometimes merely as a list of challenges.

The first study identified five key themes related to *maqāsid* in Islamic finance literature: the Islamic economy, banking, finance, financing products, and economic development. In contrast, the second study highlighted *maqāsid*'s impact in three main areas: improving Islamic finance products, enhancing human development indices, and aligning with sustainable development goals. In my analysis, a more straightforward classification for the literature on *maqāsid* involves grouping it into three primary domains: theoretical Islamic economics studies, practical and empirical research in Islamic finance and banking, and the emerging field of studies centered on *maqāsid* indices.

At the forefront of the fewer theoretical studies, the two most valuable contributions were made by Asutay and Yilmaz (2018) and Dusuki and Abozaid (2007). While Asutay and Yilmaz offer an evaluation of current *maqāsid* trends from a holistic Islamic economics perspective, Dusuki and Abozaid (2007) focus on a comprehensive fiqh analysis of practices in Islamic finance and banking. These authors have also conducted numerous other studies in this field.

When evaluating and comparing available literature in English and Arabic in terms of content and quality, certain general observations become apparent. English studies often suffer from a lack of deep understanding, including deficiencies in Arabic language proficiency and foundational Islamic studies knowledge, which are essential for a comprehensive grasp of the subject. English-language articles, upon reviewing, frequently present information that either reiterates superficial knowledge or occasionally misinterprets it. In contrast, Arabic literature primarily focuses on classical fiqh knowledge, revolving around classifications of scholars like Ibn Āshūr (d. 1973). These writings tend to draw examples from classical jurisprudential works rather than exploring contemporary instances of Islamic finance. In general, Arabic literature offers a deeper understanding and perspective on Islamic jurisprudence, particularly concerning the *maqāsid* theory within financial transactions. Nonetheless, it frequently leans heavily on traditional sources and examples, with less consistent exploration of contemporary developments and practices in the field.

This study aims to provide insights into the core issues, challenges, and constraints within the discourse surrounding *maqāsid* in the field of Islamic economics and finance. It serves as a distinctive and sometimes complementary contribution to the existing scholarly

literature. This study will demonstrate that the subjective nature of interpreting *maqāsid al-sharīʿa* may lead to the justification of transactions that contradict sharia principles. It will emphasize the necessity of standardized principles for the incorporation of *maqāsid* into various aspects of life, preserving the original legislative intent of Islamic law. It will underscore the importance of striking a balance between *maqāsid*, textual sharia sources, and jurisprudential principles, thereby preventing the undue prioritization of fleeting desires. Finally, this research will highlight the need for further exploration to gain a deeper understanding of the broader field of economics within Islamic finance through the lens of *maqāsid al-sharīʿa*.

2. Diverse Approaches to Incorporating Maqāsid into the Ijtihād Process

In contemporary discourse, as the focus on the subject of maqasid is revitalized, various perspectives have emerged regarding the relationship between religious texts and *maslaha*, along with strategies for navigating potential conflicts between the two. In this context, three distinct approaches to the role and impact of *maqāsid* on ijtihād have surfaced (Qaradāwī 2012; Qaradāghī 2010):

a. Literalist Approach: Primarily advocated by the *Zāhirīs* (adherents of the literalist Zāhirī school of thought) and present-day *salafi* movements, both of which emphasize a literal interpretation of Islamic texts, this perspective rigidly adheres to the literal meaning of textual sources (*nas*). It either rejects the determination of the causes/purposes of rulings (*taʿlīl*) entirely or confines it within narrow boundaries. This viewpoint may contribute to a lack of adaptability within Islamic jurisprudence, and as a result, it may hinder the adaptation of Islamic law to contemporary times. Moreover, as it stems from an excessive adherence to literalism and formalism, neglecting consideration of consequences, this approach paves the way for resorting to legal means (*hīlah*), a practice not universally accepted within Islamic jurisprudence and often viewed unfavorably due to its potential compromise of ethical and legal principles.

b. Modernist Approach: The modernist approach to *maqāsid*, exemplified by scholars and philosophers like Muhammad Arkoun (d. 2010), Hasan Hanafī (d. 2021), Muhammad Ahmad Khalafullah (d. 1991), and Mohammed Abed Jābirī (d. 2010), treats it as an independent and alternative method of legal reasoning and a distinct source of evidence, separate from classical *usūl al-fiqh*. Researchers within this camp seek to reinterpret texts, moving beyond their literal wording, and place a strong emphasis on utility and public interest (*maslaha*). This approach is often influenced by Western rationalism, aiming to reconcile religious texts with contemporary needs.

Additionally, Fazlur Rahman (d. 1988) stands as one of the proponents of this perspective. In his approach to fiqh, he operates on the principle that the Qur'ān's omnipotence, or absoluteness, pertains solely to its general principles rather than its specific solutions. According to him, once a law is enacted, it becomes independent of the legislator's intent, and its connection to its source is severed. Instead of focusing on the legislator's original intent, the emphasis should shift to interpreting the law in light of contemporary circumstances. Fazlur Rahman suggests that *ijtihād* involves grasping the meaning of a *nas* or precedent and making amendments to it to address present-day situations (Rahman 1982).

Notably, it is frequently observed that many proponents of this view lack specialization in Islamic law (*fiqh*), thus possessing a weaker foundation in classical *fiqh* knowledge—a criticism raised by skeptics. However, this perspective has also been attributed to the classical Islamic scholar Najm al-dīn Tūfī (d. 716/1316) because of his statements suggesting that *maslaha* takes precedence over *nas* in situations of conflict (Tūfī 1998). Nonetheless, the absence of concrete examples in his work has ignited a persistent debate about the intended meaning of Tūfī's statements. Even if the situation is as stated, Tūfī's stance represents a marginal position in the context of the classical *fiqh* era and has not garnered widespread acceptance.

c. Balanced Approach: This is the widespread view among Muslim jurists and fiqh academies. This approach upholds classical *ijtihād* methods but acknowledges the value of

considering *maqāsid* during *ijtihād* within specific principles. Proponents of this approach regard *maqāsid* as a guiding source for a proper interpretation and application of the Qur'ān and Sunna. Treating it as an autonomous method entirely distinct from traditional *usūl al-fiqh* (Islamic jurisprudence) may give rise to numerous juridical and doctrinal challenges. While contemporary scholars like Raysūnī have introduced a new term, '*al-ijtihād al-maqāsidī*', to emphasize this approach (Raysūnī 2013), others have rejected it because it is not a separate form of *ijtihād* but rather a more emphasized version of a viewpoint already inherent in the various pieces of evidence and methods of classical jurisprudence.

It is evident that the International Islamic Fiqh Academy (IIFA), a subsidiary of the Organization of Islamic Cooperation (OIC), has also embraced this approach, as reflected in its decisions. The IIFA has issued two significant resolutions emphasizing the importance of *maqāsid al-sharī'a* in understanding religious texts, facilitating legal deductions (*ijtihād*), and applying these principles to contemporary financial transactions.

In Resolution No. 167, titled 'The Role of Maqāsid al-Sharī'a in Interpreting Religious Texts and Facilitating Ijtihād' (2007), the IIFA underscores the significance of *maqāsid al-sharī'a* in comprehending religious texts and its broader application, encompassing various aspects of life. More recently, in Resolution No. 247 in 2023, titled 'Guidelines for Applying the Objectives of Sharia in Contemporary Financial Transactions in Compliance with Islamic Sharia', the IIFA provides practical guidelines for integrating *maqāsid* into modern financial contracts and transactions (Islamic Fiqh Academy 2007, 2023). Both resolutions emphasize the need for increased focus on education and research in *maqāsid*, encouraging universities, research institutes, researchers, and fiqh experts to gain a nuanced understanding of contemporary issues and *maqāsid*. The content of these resolutions will be incorporated into the following pages of this article, placed where it is deemed most relevant and appropriate.

In the subsequent section, we embark on a comprehensive examination of the challenges encountered in the application of *maqāsid* within the domain of Islamic economics and finance. These challenges encompass a wide array of issues, ranging from comprehending the fundamental facets of *maqāsid* to addressing subjectivity and contending with unintended consequences. We will delve into these challenges with meticulous detail in the upcoming subsections.

3. Exploring Challenges in the Maqāsid Approach within Islamic Finance

The discourse on the *maqāsid* of Islamic finance within English literature, encompassing articles and books, frequently lacks an in-depth exploration of the theoretical foundation that underpins the *maqāsid* of Islamic economics, banking, and finance (Dusuki and Abozaid 2007; Shinkafi and Ali 2017; Tumewang et al. 2023). It is evident that a notable portion of these studies lacks a cohesive theoretical underpinning, and it appears that some authors may not be fully versed in the specific issues we endeavor to address. In this upcoming section, we will meticulously examine and categorize the encountered issues in the literature under three main headings, while also endeavoring to present thought-out and viable solutions.

3.1. Issues with Understanding the Nature and Fundamental Aspects of Maqāsid

The *maqāsid* theory constitutes an advanced aspect of *usūl al-fiqh*, requiring a profound understanding of *fiqh*, *usūl al-fiqh*, and proficiency in Arabic, the language of essential literature. The translation of some fundamental texts has been undertaken; however, numerous works remain exclusively available in the original Arabic. This underscores the necessity for proficiency in the Arabic language to access and comprehend these essential works.

It is noticeable that authors with backgrounds in economics, finance, and related disciplines, when exploring this subject, may occasionally lack the requisite foundation.

This, in turn, can result in evaluations and inferences that are flawed or inconsequential due to their limited depth of knowledge.

Without a proper understanding of the purpose and function of *maqāsid* theory, its sound implementation is unattainable, leading to potential setbacks, as observed in the current context. Therefore, under the heading, we will delve into *maqāsid*'s functions for *mujtahid*s and its role in *ijtihād* and explore the macro and micro objectives of Sharia, particularly in economic transactions. The investigation extends to the broader application of *maqāsid*, encompassing political economy and governance. Additionally, we will address criticisms directed at *fiqh* scholars in these areas, emphasizing the shared responsibility for fostering justice within the parameters of Islamic law, extending beyond Muslim jurists.

To initiate our exploration into the first topic at hand, we delve into the foundational aspects of the *maqāsid* theory. This theory was formulated to illustrate that sharia provisions are not isolated regulations but are intricately interconnected, forming a cohesive whole in alignment with Allah's intent. The primary function of *maqāsid* for a *mujtahid* is to comprehend the purpose behind rulings, consider *maqāsid* in decision making, and maintain overall consistency among rulings. This framework guides *ijtihād* and serves as a foundation for issuing rulings, provided that certain conditions are met. In this manner, *maqāsid* ensure the integrity, consistency, and conformity of provisions and rulings with higher goals of the Sharia, rather than serving as an independent method for generating new provisions (Shātibī 1997).

In conjunction with this, the IIFA has highlighted essential functions and benefits of considering *maqāsid* in *ijtihād*: These encompass the ability to conduct a comprehensive examination of sharia texts and provisions, while also recognizing the significance of maqāsid in sharia when addressing differences among jurists. Additionally, they allow for gaining deeper insights into the consequences of individuals' actions and the application of Islamic rulings to their situations (Islamic Fiqh Academy 2007).

Ahmet Yaman, a prominent Turkish scholar renowned for his studies on maqāsid, further observes that *maqāsid* can provide guidance to the mujtahid on four specific issues when certain conditions and rules are met. These areas where *maqāsid* are utilized in the process of *ijtihād* include the interpretation of *nas* (the Qur'ān and Sunna), determination of the effective attribute (i.e., the cause, *'illah*) in analogical reasoning (*qiyās*), resolution of apparent conflicts (*taārud*) among the evidence, and determination of the fiqh ruling for newly encountered issues and problems (Yaman 2018).

An often-overlooked dimension within the realm of *maqāsid* involves the distinction between micro and macro maqāsid. In delving into this nuanced distinction, one encounters the pioneering work of the Tunisian Islamic scholar and jurist Ibn Āshūr (d. 1973). In the third and final section of his groundbreaking work "*Maqāsid al-sharī'a al-Islāmiyya*" (first published in 1945), he systematically applies the general theory of *maqāsid* to various branches of transactions (*muāmalāt*). He is the first scholar to address the *maqāsid* of specific fields, including family matters, financial transactions, judgeship, testimony, and penalties, to some extent. These objectives, specific to a particular branch of law or legal institution, are termed *micro maqāsid* to distinguish them from the broader universal *maqāsid* (also termed *macro maqāsid*). In this context, the chapter on 'financial transactions' sheds light on the objectives of sharia pertaining to economic wealth. (Despite this work's translation into English in 2006, it is noteworthy that the majority of Islamic finance studies pertaining to *maqāsid* still approach the subject superficially, neglecting a deeper exploration of the *micro maqāsid* related to contracts and financial transactions).

In his book, Ibn Āshūr identifies five micro objectives of sharia related to economic wealth: marketability (fair wealth circulation; *rawāj*), transparency (clear financial transactions; *wudūh*), preservation (safeguarding assets from harm or misuse; *hifd*), durability (encouraging sustainable economic activities; *thabāt*), and equity (a commitment to fairness and justice in wealth distribution; *'adl*) (Ibn Āshūr 2006; Al-Khelaifi 2004).

His work laid the foundation for subsequent studies in this area, many of which followed a similar pattern. For instance, the IIFA mentions the same objectives as Ibn

Āshūr, as illustrative examples in financial transactions, with the understanding that they are not necessarily conclusive (Islamic Fiqh Academy 2023). Similarly, in one of the few English articles on this subject, Kamali introduced 'development' (*tanmiyah*) as a separate objective of financial transactions, despite its inclusion within Ibn Āshūr's broader category of circulation/*rawāj*. Kamali argued that development merits its own category because it crucially contributes to various objectives endorsed by the shari'ah (Kamali 2017).

However, Ibn Āshūr's (2006) framework is not comprehensive or final, and ongoing efforts are needed to further refine and improve it. Therefore, it is necessary to identify and define these issues through an inductive method. A more suitable approach would involve a collective effort, perhaps through the formation of a committee led by the IIFA, to undertake this task. However, as of now, no tangible progress has been made in this regard.

Another crucial aspect to address under this heading involves the thorough exploration of maqāsid principles beyond the conventional scope of contracts and financial transactions. This section aims to delve into diverse dimensions of maqāsid, broadening our perspective to encompass Islamic economics, governance, and societal well-being. The aim is to clarify the evolution of maqāsid thinking and bring attention to the modern challenges it faces.

Today, the theory of *maqāsid* is regarded as a guiding principle that encompasses all facets of life. Notably, the IIFA has underscored the importance of exploring the diverse dimensions of sharia's objectives, encompassing social, economic, educational, political, and other domains (Islamic Fiqh Academy 2007). However, it is essential to emphasize another often-overlooked aspect in this discourse. As evident from the preceding discussion, *maqāsid al-sharī'a* have primarily been explored by Islamic jurists, with a predominant focus on Islamic law, particularly within the realm of financial transactions, which is our subject matter. This prompts us to question the applicability of *maqāsid* principles to broader areas of Islamic economics, including economic theory, fiscal policy, governance, and more. It is essential to note that these issues are not entirely separate from fiqh; rather, they are inherently part of *al-siyāsah al-shar'iyya*, which is a subfield of fiqh dedicated to addressing matters related to governance, politics, and broader societal concerns (Ibn Qayyim al-Jawziyya 1955). However, they possess distinct characteristics compared to financial transactions.

First and foremost, it is essential to recognize that each century presents unique challenges, and the Qur'ān and Sunna inherently have limitations in directly addressing all aspects of life, including political economy and governance issues. To bridge these gaps, the process of *ijtihād*, which involves independent legal reasoning while considering *maqāsid al-sharī'a*, comes into play (Boynukalin 2003). When there is no direct ruling from the Qur'ān or Sunna available, Islamic jurists rely on the *'istislāh'* method and the concept of *maslaha* (as explained earlier in this article) to address governance issues.

One pivotal maxim resulting from this approach is enshrined in Article 58 of the Mecelle, a prominent Ottoman civil code. Crafted between 1868 and 1876 in the Ottoman Empire, the Mecelle primarily explores legal principles and direct legal regulations related to debts, contracts, property, and legal procedures. This article specifically asserts that "*The exercise of control over subjects is contingent upon maslaha (i.e., the public welfare)*". As a consequence, *maslaha* has evolved into a vital guiding principle for determining the legitimate scope of action for Islamic rulers, ensuring their choices are in the best interest of society, and preventing the abuse of power (Dönmez 2003).

Despite the theory of *maqāsid* not primarily addressing economic questions, such as the fundamental issues of 'what to produce, how, and for whom', a Muslim economist can derive insights based on the three layers of *maqāsid* and the 'five necessities'. It is essential to understand this distinction when utilizing the concept. In addition to considering general *maqāsid*, decision-makers should always take into account the specific (micro) *maqāsid* principles relevant to their field. Decision-makers should always be open to leveraging new developments and existing experience. If necessary, additional principles and objectives should be incorporated to address specific challenges and circumstances. Moreover, it is

crucial to avoid attributing divine significance to the conclusions and evaluations derived from the theory of *maqāsid*, especially when applying it to matters of *al-siyāsah al-shar'iyya* and political economy. In these areas, where there may be no direct *nas* or analogical reasoning (*qiyās*) available, drawing connections to divine intent should be avoided.

As mentioned earlier, *maqāsid al-sharī'a* in the classical era predominantly center around Islamic law and was developed by Muslim jurists, who engaged in its discussion and refinement. Neglecting this fundamental aspect can occasionally result in misinterpretations. To illustrate this point, let us provide some examples. Mehmet Asutay, who is a prominent name with his critical approach to the subject, suggests abolishing the three categories of *maqāsid* and treating all as equal categories (Asutay and Yilmaz 2018). However, this suggestion, even if plausible in the field of political economy, appears to overlook the fundamental purpose of this hierarchy in *fiqh*: to establish priorities for the *mujtahid*, thereby aiding in decision making when faced with conflicts between pieces of sharia evidence or differing *maslaha*s or other contested rulings. Similar reservations can be raised about the body of literature on the *maqāsid* index, with Asutay and Yilmaz having previously presented valuable criticisms (Asutay and Yilmaz 2018). Another noteworthy example is Tag el-Din (2013) and his book, '*Maqāsid Foundations of Market Economics*', which earned him the IDB Prize in Islamic Economics in 2015. In this work, he formulates his perspective on resource allocation within Islamic economics, basing it on the hierarchy of *maqāsid* (Tag el-Din 2013). However, as previously mentioned, the primary objective of the *maqāsid* theory lies within the realm of jurisprudence. Conversely, it is reasonable to allocate limited resources wisely based on priorities without the need for religious endorsement. Nonetheless, discretion should always be exercised when employing *maqāsid* in contexts beyond the directly legal sphere such as financial contracts. Perhaps the development of distinct *maqāsid* measures (or *micro maqāsid*) for such specialized areas could be considered as a solution in this regard.

A crucial criticism of the current maqāsid theory, highlighted by Asutay and Yilmaz (2018), centers on its societal shortcomings and lack of proactivity. They argue that the existing framework leans predominantly toward a market-oriented interpretation and lacks the capacity to effectively foster development (Asutay and Yilmaz 2018). However, while this criticism has its merits, it overlooks certain crucial points. It is essential to recognize the inherent characteristics and limitations of fiqh within these domains and avoid placing the sole responsibility for establishing a just and socially equitable society on Islamic law and Muslim jurists alone. Instead, we want to emphasize the vital role of state institutions, administrators of relevant economic and financial organizations, economic management authorities, regulatory bodies, municipalities, and all other administrative or regulatory entities.

In the context of Islamic public law, certain provisions allow for the temporary restriction of certain *mubāh* (permissible actions) by public authorities, particularly when it is deemed to serve the public interest or to prevent potential harm. Notable examples of such restrictions include the Prophet Muhammad's (peace be upon him) prohibition of storing and hoarding the meat from sacrifices to ensure that the nomadic poor in Medina could benefit from it. Similarly, the prohibition imposed by the Caliph 'Umar (may Allah be pleased with him) on buying meat two consecutive days a week during a period of meat scarcity can be understood within the same framework. This illustrates that, based on the same rationale, some actions classified as *mubāh* can, under specific circumstances, be made obligatory by public authorities (al-Araby 2018).

In the realm of Islamic jurisprudence, it is imperative to recognize that a jurist's scope of authority does not extend to deeming permissible and legitimate matters as impermissible. At most, a jurist may issue an advisory ruling, such as *makrūh*, signifying an action as less favorable or discouraged. Reasonably, Islamic jurists and sharia advisory boards should not be expected to assume the role of administrators tasked with making judgments on broader societal matters beyond their primary domain of financial transactions. To cite an example, it becomes inappropriate to question why a sharia committee has sanctioned

the financing of a high-rise building by an Islamic financial institution, even if such an endeavor may alter the city skyline.

It is crucial to emphasize that all authorized units, including state and municipal boards and authorities, as well as senior administrators within Islamic financial institutions, should incorporate the principle of *maslaha* (public interest) into their decision-making processes and exercise their legal authority accordingly. Some among them possess the capacity to enact regulations and directives based on the prevailing circumstances, and it is a religious duty for them to wield their authority for the well-being and welfare of the people.

3.2. Navigating Subjectivity: Challenges and Solutions

There is no dispute among Islamic scholars that the primary objective of Islamic rulings is to promote the well-being of people by achieving beneficial outcomes and mitigating harmful ones (Alkhamees 2017). In an Islamic jurisprudential system that seeks alignment with Allah's will, the risks of endowing human reason with complete authority in determining *maslaha* (benefit) and *mafsada* (harm) become evident in the absence of clearly defined boundaries and guidelines for establishing religiously valid interests and harms (Opwis 2010).

The foremost advocates of the concept of *maqāsid* during the classical period consistently emphasized this potential danger. According to Ghazālī (d. 505/1111), not everything aligned with societal good and benefit can be deemed just and virtuous. Conversely, everything that aligns with justice is inherently good, beneficial, rational, and acceptable (Ghazālī 1993). While justice is an absolute ideal, it assumes relative aspects when materializing within specific historical and social contexts, taking form in entities like the state and society. Ultimately, a transcendent wisdom exists beyond the realms of history and society—the Supreme Creator, who determines what is just and advantageous (Yaman 2018).

Shātibī (d. 790/1388) also underscores that religion is not intended to cater to the desires and whims of individuals or align with their immediate interests. From an Islamic standpoint, the purpose of seeking benefits and avoiding harm is to secure the necessities of life in this world as a means of preparing for the hereafter. This purpose does not revolve around securing the mere sensual benefits or eliminating individual sensual harms. Shātibī further posits that even if the necessity of safeguarding religion, life, progeny, property, and intellect is indisputable, it remains insufficient to evaluate matters of unknown rulings based solely on these principles. A comprehensive examination of the detailed evidence delineated in the *usūl al-fiqh* is imperative. Otherwise, the literal interpretations of Quranic verses risk complete nullification. Reason alone cannot precisely ascertain the aspects of safeguarding these essential interests. Even if it attempts to do so, such determinations are limited to specific issues and particular temporal and spatial conditions. On the contrary, in matters relating to *darūrī* (essential), *hājī* (complementary), and *tahsīnī* (embellishing) benefits, the sharia has delineated advantages that the intellect alone cannot grasp without reference to the *nas* (Shātibī 1997).

In contrast to the well-established methods in fiqh jurisprudence, which have matured over centuries and maintain clear boundaries, *ijtihād* based on *maqāsid* presents a unique set of challenges. Two primary subjective areas come to the forefront:

(a) Subjectivity in determining the macro and micro *maqāsid*;

(b) Subjectivity in establishing the principles and methodology of ijtihād based on *maqāsid* (*ijtihād maqāsidī*).

An illustrative example of the first subjective area is the triadic grouping of *darūriyyāt*, *hājiyyāt*, and *tahsīniyyāt*, as well as the identification of rulings within each category—all of this involving a significant element of *ijtihād*. Currently, the absence of precise criteria definitively demarcating the boundaries between these groups is notable. Even if certain criteria or definitions achieve consensus, it remains clear that consensus cannot be expected regarding which jurisprudential rulings appropriately fall within a specific category (Dönmez 2003).

Consider, for instance, Ibn Āshūr's exploration of the 'methods of determining the aims of rulings', a crucial undertaking in understanding *maqāsid* (Ibn Āshūr 2006). Although he addresses this topic as a distinct category, it is challenging to claim that he successfully established sound criteria for determining *maqāsid*. Moreover, several of the examples he provides appear inconsistent with his strong efforts to establish precise or nearly precise principles. Similar to his predecessors from the classical period such as Shātibī, Najm al-dīn Tūfī, and Ibn 'Abd al-Salām (d. 660/1262), Ibn 'Āshūr approached the issue primarily through certain principles, critiquing literalist interpretations and offering general determinations and categorical statements about *maqāsid*. However, when he delves into detail and provides exemplifications of these principles, his focus shifts towards classical doctrines and institutions of fiqh, offering limited explanations within the context of contemporary issues. The absence of comprehensive exemplifications of these principles and the lack of effective examples to illustrate them make it challenging to argue that Ibn 'Āshūr integrated principles in a manner that would serve as a definitive standard for determining both macro and micro *maqāsid* and their application.

The determination of *maqāsid* involves employing specific principles and rules when interpreting the *nas* and identifying the intended purpose of the *nas*, as well as the *maslaha* it aims to achieve. While scholars like Juwaynī (d. 478/1085), Ghazālī, and Ibn 'Abd al-Salām have referenced the method of induction in determining *maqāsid*, it can be attributed to Shātibī as the first author to extensively examine this approach (Raysūnī 2005).

Building on the insights of Shātibī and Ibn 'Āshūr, the primary methods proposed for ascertaining *maqāsid* encompass several key approaches and principles: *Maqāsid* determinations should stem from clear, definite, or nearly definite texts found in the Qur'ān and the Sunna. Identification of texts explicitly stating a purpose is required, or alternatively, deduction of common points of convergence of reasons (*'illah*) and other evidence through induction must be performed. It is crucial to subordinate secondary objectives to primary objectives. Additionally, conducting meticulous analysis of situations not explicitly addressed by the Sharia and making efforts to discern their purpose is essential (Ibn Āshūr 2006; Boynukalin 2003).

The methods for determining *maqāsid* have been broadly outlined at the principle level. However, a more in-depth exploration is needed, which includes identifying overarching (macro) *maqāsid* and specific (micro) *maqāsid* for distinct realms, such as legal and social areas, as well as various fields of transactions and contracts. The necessity for a unified guideline that can offer standardized direction for incorporating *maqāsid*, both macro and micro, into all facets of life is evident. Such a guideline would ensure adherence to Islamic law and mitigate the risk of potential manipulation or conflicts (Shinkafi and Ali 2017). Regrettably, significant progress toward this objective has not been discernible thus far. Even the IIFA, in its 2023 decision, only included points that were generally accepted in previous literature but did not establish a comprehensive guide for jurists in their *ijtihād* efforts (Islamic Fiqh Academy 2023). This point is particularly significant because many contemporary jurists recognize the requirement of expertise in *maqāsid* as a prerequisite for *ijtihād*.

Building on our previous discussion, which illustrated the inherent subjectivity in human attempts to discern God's intention and objectives in each norm, it is prudent to propose solutions to tackle this challenge. In this context, it is recommended to delegate the identification of macro and micro *maqāsid* to a joint committee consisting of scholars deeply knowledgeable in the procedures, principles, and intricacies of Islamic jurisprudence. Such a committee can significantly reduce the element of relativity. While achieving consensus at all times and on all issues may not be feasible, directing efforts in this direction will still serve as a more reliable source of information than individual preferences on *maqāsid*, as it will mirror the collective wisdom of the Muslim community. While there is no explicit evidence advocating the adoption of such a method in matters of *maqāsid*, the divine praise for the ummah in the Qur'an (al-Baqara 2:143; Āl ʿImrān 3:110), alongside Prophet Muhammad's (peace be upon him) affirmation of the infallibility of the Muslim

community's consensus (Sunan Ibn Mājah, Kitāb al-Fitan, 8), fortifies the basis for collective action and a cohesive approach (Yaman 2018).

The second significant issue requiring comprehensive examination due to its subjective nature is associated with the *ijtihād* process. This involves delving into the intricate question of how, and to what extent, *maqāsid* should be integrated. Given its complexity, this matter necessitates thorough analysis to establish precise guidelines for incorporating *maqāsid* principles into the practice. Such an examination is crucial in providing a well-defined framework for making juristic decisions in accordance with Islamic law.

In this context, the IIFA has outlined a set of overarching principles concerning the incorporation of *maqāsid* in *ijtihād* in the context of financial transactions. Key considerations include complying with stronger, legitimate pieces of sharia evidence, especially the Qur'ān and the Sunna. Additionally, it involves the integration of both the overarching universal (macro) objectives of sharia and specific (micro) *maqāsid* related to transactional objectives when crafting and interpreting contracts and modern financial transactions. These considerations also encompass recognizing the hierarchy and characteristics of *maqāsid*, differentiating between primary and secondary objectives, and preserving a distinct separation between goals (*maqāsid*) and means (*wasāil*) in transactional rulings. Furthermore, it is essential to weigh the likely consequences (*ma'ālāt)* of financial transactions while remaining faithful to *maqāsid* (Islamic Fiqh Academy 2023).

These principles by the IIFA align with the literature and underscore fundamental principles that have come to the forefront (e.g., Qaradāghī 2010; Elmahjub 2019). However, there is not yet an expected standardized set of principles and measures that are elaborated, exemplified, and standardized enough, and more collective work is needed in this regard.

Indeed, the interpretation of *maqāsid* without specific criteria can lead to highly subjective outcomes in *ijtihād*. An illustrative example of this subjectivity is the ongoing debate concerning organized tawarruq practices in Islamic financial institutions (IFIs). Organized tawarruq structures aim to facilitate deferred payments with a fixed return, primarily using the underlying commodity as a means to circumvent the sharīʿah prohibition against usurious loans. Critics of organized tawarruq highlight its potential misalignment with *maqāsid* principles, particularly economic equality and justice (e.g., Siddiqi 2007; Alkhamees 2017). Conversely, proponents argue that tawarruq can be compatible with *maqāsid* objectives by minimizing harm while fostering growth in Islamic finance, provided there is proper regulation (e.g., Haneef 2009). This debate underscores the subjectivity in interpreting *maqāsid* and is just one of many examples in Islamic finance that emphasize the need for standardized criteria when evaluating financial practices in line with these objectives.

In conclusion, following the determination of both micro and macro *maqāsid*, the practice of *ijtihād* should also involve the formation of committees to mitigate the second type of subjectivity regarding *maqāsid*. The engagement of jurisprudential committees is crucial, especially in such matters, as the likelihood of error significantly diminishes when multiple *mujtahids* collaborate in a collective *ijtihād* effort. Their combined wisdom and diverse perspectives serve as a safeguard against individual errors (Dadaş 2015). This idea has historical precedence, having been collectively implemented by Caliph Omar during his time, and it continues in sharia advisory committees, as well as in international and national fatwa committees today. It seems fitting for this practice to persist in its *maqāsid* dimension and be widely disseminated.

3.3. Unintended Consequences: Results Contrary to Purpose

Proponents of *maqāsid* in the last century emerged with a compelling argument. They contended that traditional *ijtihād*, which placed heavy emphasis on textual precision and form while relying exclusively on classical fiqh jurisprudence methods, often yielded problematic outcomes. They believed that incorporating *maqāsid* into the process of *ijtihād* could offer a solution to these persistent issues, including those stemming from legal devices (*hiyal*), which may be viewed critically in the context of Islamic principles.

However, as Islamic finance underwent significant developments, a different set of challenges emerged. These developments, marked by the complexities of subjectivity discussed earlier, brought about unforeseen consequences. Ironically, the concept of *maqāsid*, originally intended to prevent problematic transactions, fraudulent practices, and legal devices (*hiyal*), has, at times, been used to legitimize such transactions. This has occurred through liberal interpretations that circumvent specific textual evidence on the subject.

This phenomenon, which has faced significant criticism, primarily manifests in two distinct aspects:

The first manifestation becomes apparent in the interpretations of individuals within the modernist approach. Due to their specific perspectives, they do not consider explicit provisions in the *nas* or consensus of the scholars (*ijmā'*) obligatory and see diverging from established norms as unproblematic. Instead, they consider it necessary to supersede the rulings of the *nas* based on changing circumstances or the personal and societal needs of individuals. While some of these researchers do not explicitly reference the concept of *maqāsid* in their reasoning, they often arrive at these conclusions through considerations of philosophical concepts like utility, rationality, or historicism. Occasionally, for this purpose, new elements are introduced into the concept of *maqāsid* beyond the recognized five *maslaha*s, without clear deductive derivation from the Qur'ān and Sunna.

An example illustrating this erroneous perspective can be found in the views of Arab thinker Jābirī (d. 2010) regarding *ribā* (interest). In his perspective, he criticizes Muslim jurists for their emphasis on the language and wording of texts when interpreting the *nas*, instead of delving into their underlying purpose. Jābirī contends that they evaluated the ruling solely based on the presence or absence of its cause (*'illah*), failing to connect it to the presence of societal benefit (*maslaha*). To illustrate his point, he suggests that the prohibition of interest in the Qur'ān aimed to prevent exploitation. In today's banking system, however, most transactions benefit individuals and society by facilitating the establishment of businesses and job creation. As a result, interest is no longer a tool for usury and exploitation through banks but has become advantageous for society. Consequently, the original purpose behind prohibiting interest no longer applies, and loans from banks should now be considered permissible (*halāl*) (Jābirī 1992).

The challenge here is that the divine intent behind Allah's revealed rulings may not always be uniformly and clearly understood by all recipients. As a result, there is a risk that placing the sole responsibility for defining what constitutes *maslaha* (utility) and *mafsada* (harm) in the hands of individuals may undermine the original legislative intent. In such circumstances, human judgments could result in the jurisprudence being steered by the fleeting whims and preferences of those making these determinations. Consequently, it appears more fitting in contemporary times for *ijtihad* to be conducted by larger commissions comprising competent experts of *fiqh* (Yaman 2018).

The viewpoint that Islamic jurisprudence transcends the mere pursuit of absolute benefits or the prevention of harm has also been emphasized by prominent classical figures in *maqāsid* theory. Ghazālī highlights that the fundamental objective (*maksūd al-sharī'a*) is preserving Allah's intent (Ghazālī 1993). *Maslaha* cannot justify modifying a ruling established by clear *nas* or *ijmā'*. Ghazālī illustrates this with an example involving a king's violation of fasting rules during Ramadan, in which a jurist prescribes fasting as atonement; he argues that such a modification of a clear legal ruling for perceived benefit is legally invalid and poses a challenge to the universality of the law within Islamic jurisprudence (Būtī 1973; Opwis 2010).

Shātibī argues that determining these benefits should not rely solely on personal desires for worldly gains, but also consider life's purpose for the hereafter, guiding individuals away from selfish desires toward servitude to Allah (Shātibī 1997). Dahlawī (d. 1176/1762) emphasizes that sharia's judgments are more reliable than human reasoning (Dahlawī 2005). As mentioned earlier, modern fiqh academies have clearly accepted the principle that the *maslaha* or *maqāsid* determined by the *mujtahid* should avoid contradiction with stronger sharia evidence.

The second manifestation becomes apparent in the interpretations of researchers who identify with, or are commonly linked to, the 'balanced approach'. Insufficient understanding of sharia's fundamental objectives in contemporary financial transactions can lead to misusing *maqāsid* to justify contracts that contradict sharia principles. These issues often result from improper or misunderstood use of Islamic jurisprudence tools, including *maqāsid al-sharīʿa* and *maslaha* (Dusuki and Abozaid 2007). A contributing factor is a lack of comprehensive fiqh knowledge. While scholars should exercise caution when delving into unfamiliar areas, the academic environment may encourage them to explore confidently. This tendency can result in the development of unfounded interpretations that disproportionately emphasize macro *maqāsid*, leading to flawed judgments in various contexts. For instance, macro *maqāsid* can at times be employed as a pretext to bypass rules serving micro *maqāsid*. Take the prohibition of usury as an example, primarily designed to preserve wealth, ensure equitable distribution, and eliminate social injustice. Yet, it is occasionally evaded by citing the lower-priority objective of 'reducing hardship'. To tackle these challenges effectively, it is essential to consider both macro and micro *maqāsid* related to financial transactions, along with relevant *nas*, *ijmā*, *usūl al-fiqh* principles, and Islamic legal maxims (*al-qawāid al-fikhiyyah*) (Alkhamees 2017).

The discussion surrounding *bayʿ al-ʿīnah*-based products serves as a notable illustration of this. Supporters of controversial Islamic banking practices, such as *bayʿ al-ʿīnah*-based products, argue that leniency during the early stages of Islamic banks is essential. Citing the permissive stance of Imam Shāfi'ī (d. 204/820), they argue that allowing these practices is crucial for fostering growth and ensuring viability in the face of conventional banking dominance (cf. Shāfiʿı 1961). Without such flexibility, Islamic banks may face the risk of failure. Consequently, a more permissive approach is deemed necessary when structuring the Islamic financial system and its products and services. Their arguments draw on various sharia concepts, including *al-siyāsah al-sharʿiyyah*, *maqāsid al-sharīʿa*, *maslaha*, and *darūrah* (necessity) (Dusuki and Abozaid 2007). Engaging in this practice is believed to accelerate the integration of Islamic finance into the global financial system, fostering prosperity and development in Muslim societies (Asutay and Yilmaz 2018).

However, utilizing products that circumvent the prohibition of *ribā* through means like *bayʿ al-ʿīnah* is fundamentally at odds with the core objective of sharia's *ribā* prohibition. Therefore, those who assert the permissibility of such transactions, under the guise of pursuing *maqāsid al-sharīʿa*, are, in fact, contradicting the true essence of *maqāsid*. The endorsement of these transactions on the basis of *maqāsid*, *al-siyāsah*, or *darūrah* is regarded as incorrect and ultimately results in more harm than benefit, carrying grave implications (Dusuki and Abozaid 2007).

In contrast, scholars like Asutay, Yilmaz, Abozaid, and Alkhamees have explored this matter and endeavored to present potential solutions. Asutay, who has challenged this situation with numerous studies and advocated a new approach called 'Islamic moral economy', underscores how *maqāsid* in Islamic finance have been reduced to symbolic tools, diverging from their original purpose of realizing higher sharia objectives. He critically assesses the prevailing approach within Islamic banking, characterizing it as largely pragmatic, where *maqāsid al-sharīʿa* are primarily used for the legitimization of transactions, resulting in an evaporation of *maqāsid*'s essence. Additionally, he contends that the prevailing conception of *maqāsid*, aligned with self-regulated market economies, hinders development in the field by restricting genuine exploration and limiting its transformative potential within Islamic finance (Asutay and Yilmaz 2018).

The core issue within the 'modernist approach' to *maslaha* lies in its overemphasis and prioritization of *maslaha* over textual sharia sources. In essence, when a conflict arises between textual evidence and *maslaha*, the latter is often presumed to take precedence. This stance raises concerns regarding the potential sway of Islamic jurisprudence by the transient desires and personal inclinations of those in positions of influence.

International bodies have made significant decisions regarding the misuse of *maqāsid* for legitimization. For example, the IIFA issued recommendations to exercise caution

when considering fatwas that lack a solid legal foundation and fail to substantiate their claims with evidence recognized by the sharia. These fatwas may be grounded in imagined benefits that contradict sharia law, stemming from personal inclinations and being swayed by prevailing circumstances, conditions, and customs that run counter to the fundamental principles, rulings, and objectives of the sharia (Islamic Fiqh Academy 1998).

Simultaneously, the AAOIFI, in its Sharia Standard on 'Fatwa Principles and Fatwa Ethics', explicitly states that scholars should refrain from employing jurisprudentially prohibited tactics to enable interest-free financial institutions to exceed the provisions of fiqh or contravene broader religious objectives (*maqāsid*) (AAOIFI 2015). Furthermore, the IIFA has encouraged the application of *maqāsid* to contemporary financial transactions with the aim of achieving distinctiveness in Islamic products, differentiating them from traditional capitalist or conventional forms (Islamic Fiqh Academy 2007).

4. Conclusions

Diverse discourses regarding the application of *maqāsid al-sharīʿa* in contemporary financial transactions have unveiled critical debates and challenges. We initiated this exploration by delving into the integration of *maqāsid* into the *ijtihād* process. This inquiry deepened our understanding of *maqāsid*'s intricate nature and the subjectivity inherent in their interpretation, highlighting the potential for unintended consequences when *maqāsid* are misinterpreted, resulting in outcomes misaligned with their original intent.

The multifaceted debate on implementing *maqāsid al-sharīʿa* increasingly leans toward a consensus among scholars. They emphasize that these universal principles should serve as guidelines for financial transactions, rather than being used to justify circumventing clear textual evidence. Striking a balance between the greater good and strict adherence to the Qur'ān and Sunna is of paramount importance, as subjective interpretations may deviate from the legislative intent.

The *maqāsid* approach remains a fundamental pillar of Islamic finance, necessitating a balance between macro and micro *maqāsid* grounded in the Qur'ān, Sunna, and jurisprudential principles. Looking forward, further research is imperative to enhance our understanding and application of *maqāsid* in financial transactions, along with examining their broader implications within Islamic economics. To minimize the problems of subjectivity, it is necessary to collectively define macro and micro *maqāsid* and to undertake *ijtihād* collectively.

In conclusion, the integration of *maqāsid al-sharīʿa* in contemporary financial transactions is a dynamic endeavor, replete with both challenges and opportunities. It is essential for researchers, scholars, and practitioners to sustain their exploration and ongoing dialogue to ensure that financial practices adhere to ethical principles in Islamic finance. This underscores the intricate role played by *maqāsid*, ultimately contributing to a more just and equitable economic system within the Islamic world and on a global scale.

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