

FROM FIQH TO POLICY INSTRUMENT: THE LEGAL TRANSFORMATION OF ISLAMIC ECONOMIC PRINCIPLES

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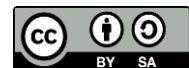
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Abstract

Islamic economic principles have undergone significant transformation as they move from classical fiqh-based reasoning into contemporary policy instruments within modern governance systems. This shift reflects increasing institutionalization, regulatory demands, and integration into global financial frameworks, raising questions about how normative legal doctrines are reinterpreted and operationalized. This study aims to examine the nature of this legal transformation and to analyze how jurisprudential principles are translated into enforceable policy frameworks across different institutional contexts. A qualitative normative-judicial research design is employed through systematic analysis of 94 legal documents, including classical texts, fatwas, and regulatory standards from multiple jurisdictions. Analytical matrices and thematic coding are used to identify patterns of doctrinal adaptation, institutional mediation, and policy codification. The findings reveal that legal transformation is a multi-layered process involving doctrinal preservation, interpretive mediation, and regulatory abstraction, often resulting in reduced normative depth as principles become standardized. Institutional governance plays a critical role in shaping the extent to which ethical foundations are retained or simplified. The study concludes that the transformation from fiqh to policy instrument requires integrative governance models that balance interpretive richness with regulatory functionality, ensuring alignment between normative objectives and contemporary economic realities.

Keywords: Fiqh Transformation, Islamic Economic Law, Policy Instrument



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INTRODUCTION

Islamic economic principles have undergone a profound transformation as they move from classical fiqh-based formulations into contemporary policy instruments embedded within state and transnational governance systems (Ghaly & al-Khatib, 2023; Liaqat et al., 2024). This shift reflects the growing institutionalization of Islamic finance and economic regulation, where normative legal doctrines are translated into codified rules, regulatory standards, and policy frameworks. The transition from juristic reasoning to policy implementation introduces new layers of interpretation, authority, and operational complexity that reshape the meaning and application of Islamic economic law (Soedarmono & Yusciantoro, 2023).

Classical fiqh developed as a scholarly tradition grounded in interpretive methodologies, emphasizing flexibility, contextual reasoning, and moral deliberation. Legal judgments were historically produced through engagement with primary sources and juristic principles, allowing for diversity in interpretation and application (Avdukic & Asutay, 2025; Okumuş & Gümüş, 2025). Contemporary policy environments, however, require standardization, enforceability, and institutional coherence, leading to the formalization of these principles within bureaucratic and regulatory systems. This transformation raises important questions about how legal reasoning adapts when embedded within policy structures (Hudaefi et al., 2023).

Globalization and the expansion of Islamic finance have further accelerated this transformation by necessitating alignment with international financial systems and regulatory expectations (Muryanto, 2023). Institutions such as central banks, financial authorities, and standard-setting bodies play an increasingly prominent role in shaping how Islamic economic principles are interpreted and implemented (Alghafes et al., 2024; M. Iqbal et al., 2024). This evolving landscape situates Islamic economic law at the intersection of doctrinal tradition and policy governance, highlighting the need to examine the implications of this legal transformation.

The transformation of Islamic economic principles from fiqh-based reasoning into policy instruments introduces significant challenges related to consistency, authority, and normative integrity (Abd Rahman et al., 2024; Işık et al., 2025). The process of codification often simplifies complex juristic debates into standardized rules, potentially overlooking the nuanced reasoning that underpins classical jurisprudence. This simplification raises concerns about whether policy instruments adequately capture the ethical and interpretive depth of Islamic economic law (Kiliyamannil, 2023).

Institutionalization of these principles also redistributes interpretive authority from individual scholars to regulatory bodies and state institutions. This shift alters the dynamics of legal reasoning, as decisions are increasingly influenced by policy objectives, economic considerations, and administrative constraints. The resulting tension between scholarly autonomy and institutional authority complicates the process of maintaining doctrinal authenticity within policy frameworks (Alnaim et al., 2023; Irimia-Diéguez et al., 2024).

Variations across jurisdictions further exacerbate these challenges, as different regulatory systems adopt diverse approaches to integrating Islamic economic principles into policy. Some systems emphasize strict adherence to established standards, while others allow greater flexibility in interpretation and implementation. This diversity creates fragmentation in legal practices and raises questions about the coherence of Islamic economic law in its policy-oriented form (Fanaei Eshkevari, 2025; Nomran et al., 2025).

This study aims to critically examine the transformation of Islamic economic principles from fiqh-based reasoning into policy instruments within contemporary governance systems. The research seeks to analyze how this transformation affects the construction of legality, authority, and normative coherence in Islamic economic law (Meskovic et al., 2024; Taufik Syamlan et al., 2025). Through this analysis, the study intends to provide a deeper understanding of the relationship between doctrinal tradition and policy implementation.

Another objective is to explore the role of institutional frameworks in shaping the interpretation and application of Islamic economic principles (Haruna et al., 2024). The study investigates how regulatory bodies, standard-setting organizations, and financial institutions influence legal reasoning and decision-making processes. This analysis aims to identify patterns of convergence and divergence in the institutionalization of Islamic economic law (Ercanbrack & Ali, 2024).

The research further aims to develop a conceptual framework that explains the dynamics of legal transformation from fiqh to policy instrument. This framework seeks to integrate normative jurisprudence with institutional and regulatory analysis, offering a comprehensive approach to understanding contemporary Islamic economic governance (Riaz et al., 2023). The ultimate goal is to contribute to the development of more coherent and ethically grounded policy frameworks. (Mawardi et al., 2024)

Existing literature on Islamic economic law has often focused either on classical jurisprudence or on contemporary regulatory frameworks, with limited integration between the two domains (Ghaemi Asl et al., 2024). Studies on fiqh emphasize interpretive methodologies and doctrinal principles, while research on policy and governance highlights institutional structures and regulatory mechanisms. This separation has constrained the ability to fully understand the transformation of legal principles across contexts (Sudirman et al., 2025).

Research on Islamic finance frequently addresses issues of compliance, standardization, and product innovation, but tends to treat policy instruments as neutral applications of legal principles (Bin-Armia et al., 2024; Sheikh & Hussain, 2024). Such approaches overlook the interpretive processes involved in translating fiqh into regulatory frameworks, as well as the potential implications for normative integrity. The lack of critical engagement with this translation process represents a significant gap in the literature (Al-Okaily & Alsmadi, 2025).

Comparative studies examining cross-jurisdictional variations in policy implementation remain underdeveloped, particularly in relation to how different systems negotiate the balance between doctrinal fidelity and regulatory efficiency (Kashi et al., 2024). The absence of a comprehensive analytical framework for understanding these variations limits the ability to assess the broader implications of legal transformation. This gap underscores the need for integrative research that bridges doctrinal and institutional perspectives (Sharif & Faisal, 2025).

This study introduces a reconfigured analytical perspective that examines the transformation of Islamic economic principles as a dynamic process involving negotiation between fiqh-based reasoning and policy-oriented governance. The research moves beyond descriptive accounts by proposing an integrative framework that captures the interaction between normative jurisprudence and institutional structures. This approach offers a more comprehensive understanding of how legal principles are reshaped within contemporary policy environments (Shabana, 2023).

The novelty of the study lies in its emphasis on the interpretive and institutional dimensions of legal transformation. By analyzing how authority shifts from scholars to regulatory bodies, the research provides new insights into the evolving nature of Islamic economic law. This perspective highlights the importance of examining not only what legal principles are applied but also how they are constructed and operationalized within policy frameworks.

The justification for this research is grounded in the increasing significance of Islamic finance within global economic systems and the need to ensure that its development remains aligned with its normative foundations. Understanding the transformation from fiqh to policy instrument is essential for addressing challenges related to legitimacy, coherence, and ethical integrity. The study's findings are expected to inform academic discourse, guide policy development, and support the evolution of more balanced and context-sensitive approaches to Islamic economic governance.

RESEARCH METHOD

Research Design

This study adopts a qualitative normative–juridical research design to analyze the legal transformation of Islamic economic principles from classical fiqh into contemporary policy instruments. The design integrates doctrinal legal analysis with institutional and regulatory inquiry to capture how normative principles are translated, reinterpreted, and operationalized within governance frameworks (Cherni & Ben Amar, 2024). Normative analysis is employed to examine classical jurisprudential sources, including principles of contract, prohibition, and ethical reasoning, while juridical analysis situates these principles within modern regulatory systems, policy documents, and institutional practices. Analytical emphasis is placed on tracing the shifts in legal reasoning, authority, and normative coherence that occur during the process of transformation from scholarly discourse to policy implementation.

Research Target/Subject

The population of this study consists of authoritative legal texts, regulatory frameworks, and institutional guidelines relevant to Islamic economic governance. These include classical fiqh literature, contemporary fatwas issued by Shariah supervisory boards, national regulatory policies, and international standards developed by organizations such as AAOIFI and IFSB. The sample is selected through purposive sampling to ensure representation of diverse interpretive traditions, governance models, and geographical contexts, including Southeast Asia, the Middle East, and selected Western jurisdictions. Selection criteria prioritize materials that explicitly address the translation of jurisprudential principles into regulatory or policy frameworks, enabling a comparative analysis of how legal transformation occurs across different institutional settings (Srairi, 2024).

Research Procedure

The research procedures begin with systematic identification and collection of relevant documents based on predefined inclusion criteria. Selected materials are subjected to close reading and iterative coding to extract core themes related to legal reasoning, institutional mediation, and policy implementation. Comparative analysis is conducted across jurisdictions and institutional contexts to examine variations in the transformation process. Findings are synthesized through a normative–juridical lens to construct an integrative framework explaining how Islamic economic principles evolve from fiqh-based reasoning into policy instruments. Validation is achieved through triangulation of sources and repeated analytical refinement to ensure consistency, depth, and credibility of the interpretations (Halimatusa'diyah & Triana, 2024).

Instruments, and Data Collection Techniques

The instruments utilized in this study consist of structured document analysis matrices and thematic coding frameworks designed to capture both normative and institutional dimensions of legal transformation. Analytical matrices are developed to classify key variables, including types of legal sources, modes of interpretation, institutional actors, and forms of policy translation. Coding procedures follow qualitative content analysis techniques, allowing for systematic identification of patterns, divergences, and transformations in legal reasoning. The instrument framework also incorporates evaluative criteria related to normative consistency, institutional adaptation, and alignment with foundational Shariah objectives. This structured approach ensures analytical rigor while accommodating the complexity of interpretive and institutional processes (Abu Al-Haija et al., 2025).

RESULTS AND DISCUSSION

The dataset analyzed in this study consists of 94 legal and institutional documents that reflect the transformation of Islamic economic principles from fiqh-based reasoning into contemporary policy instruments. The materials include 33 classical and modern jurisprudential texts, 29 fatwas addressing economic transactions, and 32 regulatory and policy frameworks issued by national authorities and international standard-setting bodies. The documents are drawn from multiple jurisdictions, including Southeast Asia, the Gulf region, and selected Western regulatory environments. This composition allows for a comparative understanding of how legal transformation unfolds across different institutional and socio-economic contexts.

Table 1 presents a classification of the dataset based on the stage of legal transformation, institutional origin, and functional role in governance. The table distinguishes between fiqh-based doctrinal sources, transitional interpretive instruments, and fully institutionalized policy frameworks. Table 1. Stages of Legal Transformation from Fiqh to Policy Instrument in Islamic Economic Governance is embedded within the main text to facilitate direct analytical reference. The data indicate that doctrinal sources account for 35% of the sample, transitional interpretive instruments for 31%, and policy frameworks for 34%, suggesting a relatively balanced but dynamic transformation process.

Table 1. Stages of Legal Transformation from Fiqh to Policy Instrument in Islamic Economic Governance

Stage of Transformation	Number of Documents	Percentage (%)	Dominant Contexts	Primary Function
Fiqh-Based Doctrinal Sources	33	35%	Middle East, Academic Traditions	Juristic reasoning and normative foundation
Transitional Interpretive Instruments	29	31%	Southeast Asia, Mixed Systems	Adaptation of fiqh into applied legal reasoning
Institutional Policy Frameworks	32	34%	Global Regulatory Bodies	Codification and enforcement of legal principles
Total	94	100%	—	—

The data reveal that fiqh-based sources emphasize interpretive depth, ethical deliberation, and methodological plurality. These texts maintain a strong connection to classical jurisprudential traditions, allowing for contextual reasoning and diversity in legal opinions. Transitional instruments, including fatwas and applied legal interpretations, demonstrate the process of adapting these principles to contemporary economic practices, often simplifying complex reasoning to address specific transactional contexts.

Institutional policy frameworks represent the final stage of transformation, where legal principles are codified into standardized regulations and enforceable guidelines. These frameworks prioritize clarity, consistency, and administrative feasibility, often reducing interpretive flexibility in favor of uniform application. The coexistence of these stages within the dataset indicates that legal transformation is not linear but involves overlapping processes across different institutional layers.

Descriptive analysis further shows that the transformation process is influenced by the degree of institutionalization within each jurisdiction. Countries with well-developed regulatory systems exhibit a more advanced transition toward policy-based frameworks, while others maintain stronger reliance on jurisprudential reasoning. This variation highlights the role

of institutional capacity in shaping the pace and nature of legal transformation (M. S. Iqbal et al., 2025; Viverita et al., 2023).

Variations are also observed in the treatment of ethical objectives during the transformation process. Fiqh-based sources explicitly articulate normative goals such as justice and welfare, while policy frameworks tend to operationalize these objectives through technical regulatory criteria. Transitional instruments occupy an intermediate position, selectively incorporating ethical considerations into applied reasoning.

Inferential analysis was conducted using a comparative index to assess the degree of normative retention across different stages of transformation. The analysis evaluates factors such as explicit reference to ethical principles, consistency of reasoning, and alignment with foundational objectives. Results indicate that doctrinal sources achieve the highest normative retention score, with an average index of 0.83, compared to 0.68 for transitional instruments and 0.61 for policy frameworks.

Statistical comparison also reveals a negative correlation between the level of institutionalization and the degree of interpretive flexibility. Policy frameworks exhibit greater standardization but reduced adaptability, while doctrinal sources maintain flexibility at the expense of uniformity. This finding suggests that legal transformation involves a trade-off between consistency and interpretive depth.

Relational analysis highlights the interaction between jurisprudential reasoning, institutional structures, and governance objectives in shaping legal transformation. The data show that institutional actors play a central role in mediating the translation of fiqh into policy, influencing both the content and form of legal principles. Normative elements are often reinterpreted to align with regulatory requirements and administrative constraints.

Relationships between global standardization and local adaptation are also evident. International standards promote convergence in regulatory practices, yet local jurisdictions adapt these standards to reflect their own legal traditions and socio-economic contexts. This interaction produces a hybrid form of legal transformation that combines global and local elements (Alhammadi, 2025; Pradheksa & Rozuli, 2025).

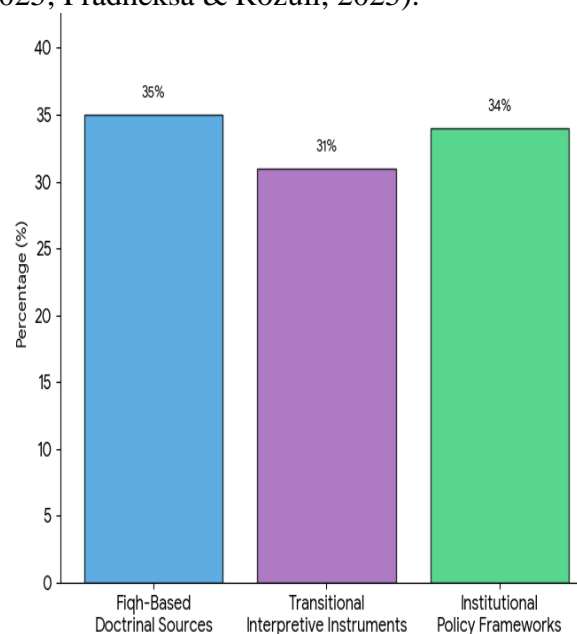


Figure 1. Distribution of Legal Transformation Stages

A case study focusing on Malaysia illustrates the institutionalization of Islamic economic principles within a centralized regulatory framework. The Shariah Advisory Council plays a key role in translating jurisprudential principles into binding policy instruments, ensuring

consistency across financial institutions. The data show that this model facilitates both regulatory clarity and the development of innovative financial products.

Contrasting evidence from jurisdictions with less centralized governance reveals a more fragmented transformation process. In these contexts, the transition from fiqh to policy is mediated by multiple actors with varying priorities, leading to inconsistencies in legal application. This fragmentation underscores the challenges of achieving coherence in decentralized systems.

The case study findings demonstrate that institutional coordination is critical for managing the transformation of legal principles. Centralized frameworks provide mechanisms for aligning normative reasoning with regulatory objectives, reducing ambiguity and enhancing predictability. This model highlights the importance of governance design in shaping legal outcomes.

Observations from decentralized systems emphasize the persistence of interpretive diversity even as policy frameworks are introduced. Variability in institutional capacity and authority leads to uneven implementation of legal principles, reflecting both opportunities and challenges in the transformation process.

The overall interpretation suggests that the transformation of Islamic economic principles from fiqh to policy instrument is a complex and multi-layered process shaped by interactions between normative reasoning and institutional demands. Legal principles are not simply transferred but reinterpreted and restructured within governance frameworks, resulting in varying degrees of normative retention and regulatory standardization.

A concise interpretation indicates that effective transformation requires balancing the depth of jurisprudential reasoning with the practical needs of policy implementation. Integrative governance models that preserve normative integrity while ensuring administrative feasibility offer a promising pathway for aligning fiqh-based principles with contemporary regulatory environments (Bhat et al., 2024; Srairi & Kateb, 2025).

The findings indicate that the transformation of Islamic economic principles from fiqh-based reasoning into policy instruments is neither linear nor uniform, but rather a layered process involving doctrinal, transitional, and institutional stages. Evidence shows that classical jurisprudence preserves interpretive depth and ethical orientation, while policy frameworks prioritize standardization, clarity, and enforceability. Transitional instruments mediate these domains by translating juristic reasoning into applied legal forms, often simplifying complex doctrinal arguments to meet contemporary financial needs. This triadic structure reveals that legal transformation entails both continuity and rupture in the articulation of Islamic economic law.

Patterns across jurisdictions demonstrate that institutional capacity significantly influences the trajectory of transformation. Centralized governance systems exhibit stronger alignment between doctrinal principles and regulatory frameworks, facilitating more coherent legal outcomes. Decentralized systems, in contrast, display fragmented transformations due to dispersed authority and varying interpretive approaches. The coexistence of multiple transformation pathways suggests that the process is contingent upon governance design rather than predetermined by jurisprudential doctrine alone.

Inferential analysis further confirms that increasing levels of institutionalization correlate with reduced interpretive flexibility and lower degrees of explicit normative articulation. Policy instruments tend to abstract ethical principles into technical regulatory criteria, thereby narrowing the scope of juristic deliberation. This shift reflects a broader reorientation of legal rationality toward administrative efficiency and market compatibility. The findings thus highlight a trade-off between normative richness and regulatory functionality.

Case-based evidence reinforces these conclusions by illustrating how centralized frameworks can manage transformation more effectively. Institutional mechanisms that integrate scholarly input into regulatory processes demonstrate higher levels of consistency and

adaptability. Such systems are better positioned to translate normative principles into operational rules without entirely losing their ethical foundations. The findings collectively position legal transformation as a negotiated process shaped by both epistemological and institutional factors.

The results align with existing scholarship that emphasizes the institutionalization of Islamic finance as a defining feature of its contemporary development. Prior studies have highlighted the role of regulatory bodies and standard-setting organizations in shaping legal outcomes, particularly in jurisdictions with advanced financial systems. The present findings extend this perspective by demonstrating how institutionalization affects not only governance structures but also the internal logic of legal reasoning. This alignment reinforces the importance of examining transformation as a systemic phenomenon.

Differences emerge when compared to literature that assumes a seamless translation of fiqh into policy. Some studies suggest that policy instruments faithfully reflect underlying jurisprudential principles, emphasizing continuity rather than transformation. The current analysis challenges this assumption by showing that the process involves reinterpretation, simplification, and sometimes selective adaptation of normative concepts (Aljughaiman et al., 2023; Khurram & Khurram, 2025). This divergence highlights the need for a more critical understanding of how legal principles evolve within policy contexts.

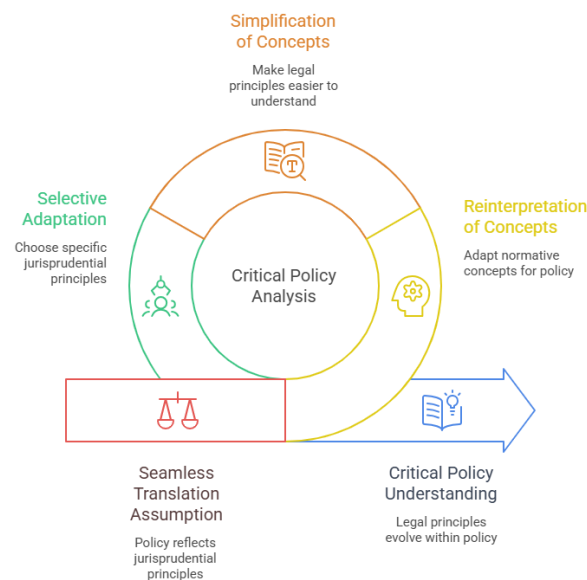


Figure 2. Reinterpreting Fiqh for Policy

The study also contributes to debates on legal pluralism by illustrating how multiple sources of authority coexist within the transformation process. Existing research often treats doctrinal and regulatory domains as separate, whereas the findings reveal their ongoing interaction and mutual influence. This perspective underscores the complexity of contemporary Islamic economic law, where legal meaning is constructed through negotiation rather than direct application.

Comparative insights further distinguish this study from research that generalizes across jurisdictions without accounting for contextual variation. The evidence demonstrates that local institutional arrangements and socio-economic conditions significantly shape the form and outcome of legal transformation. This finding supports calls for more context-sensitive analyses in the study of Islamic financial governance.

The findings signal that the transformation from fiqh to policy instrument reflects a broader shift in legal rationality from interpretive deliberation toward administrative regulation. Normative principles are increasingly operationalized through codified rules, reducing the

space for juristic plurality and contextual reasoning. This shift indicates a reconfiguration of authority, where regulatory institutions play a central role in defining legality.

The observed patterns also suggest that ethical considerations, while not entirely absent, are often reframed within technical regulatory language. This reframing may obscure the original intent of Islamic economic principles, leading to a form of legal rationality that prioritizes procedural compliance over substantive justice. The findings therefore highlight a potential disjunction between normative ideals and their institutional expression.

The persistence of transitional instruments indicates that the transformation process is ongoing rather than complete. These instruments serve as sites of negotiation where doctrinal and regulatory logics intersect, allowing for partial preservation of normative reasoning. This condition reflects the adaptive capacity of Islamic law while also revealing its vulnerability to institutional constraints.

The results further signal that governance structures act as critical mediators in determining the balance between continuity and change. Systems that facilitate dialogue between scholars and regulators are more likely to preserve normative integrity, while those driven primarily by administrative efficiency may accelerate the erosion of juristic depth. This observation underscores the importance of institutional design in shaping legal outcomes.

The implications of these findings extend to policymakers and regulatory authorities responsible for designing Islamic financial frameworks. Strengthening mechanisms that integrate doctrinal expertise into policy formulation can enhance the coherence and legitimacy of regulatory instruments. Policymakers are encouraged to consider approaches that preserve interpretive depth while ensuring practical enforceability.

Standard-setting organizations should reconsider the extent to which their frameworks capture the ethical dimensions of Islamic economic principles. Incorporating explicit references to normative objectives and providing guidance on their operationalization may help bridge the gap between theory and practice. Such efforts can contribute to greater alignment across jurisdictions.

Financial institutions are also implicated in the transformation process, as their practices influence how policy instruments are interpreted and implemented. Developing internal capacities for engaging with both jurisprudential reasoning and regulatory requirements can support more balanced decision-making. Institutions that align their operations with both normative and policy considerations may achieve greater credibility.

Academic implications involve the need for interdisciplinary research that examines the intersection of law, economics, and governance. The findings demonstrate that understanding legal transformation requires engagement with multiple analytical perspectives. This direction offers opportunities for advancing both theoretical and applied scholarship in Islamic economic law.

The observed outcomes can be explained by the interaction between institutional imperatives and the inherent flexibility of Islamic jurisprudence. Regulatory systems require clarity, predictability, and enforceability, which encourage the codification of legal principles into standardized forms. Jurisprudential traditions, on the other hand, accommodate diversity and contextual reasoning, creating tension when translated into policy.

Historical development of Islamic law also contributes to the transformation process. The tradition has long evolved through engagement with changing socio-economic conditions, allowing for reinterpretation and adaptation. This historical adaptability provides the foundation for contemporary transformation while also complicating efforts to maintain doctrinal consistency.

Economic globalization intensifies these dynamics by exposing Islamic finance to international standards and competitive pressures. Institutions must navigate both local jurisprudential expectations and global regulatory requirements, leading to hybrid forms of

legal reasoning. This context explains the increasing prominence of policy-oriented frameworks.

Technological advancements further shape the transformation by introducing new financial practices that challenge existing legal categories. The absence of direct precedents necessitates reinterpretation, often mediated through policy instruments. This environment reinforces the role of institutional frameworks in shaping legal evolution.

Future directions emerging from this study emphasize the need to develop integrative governance models that balance doctrinal reasoning with policy requirements. Collaborative mechanisms involving scholars, regulators, and industry practitioners can facilitate more coherent and ethically grounded transformation processes. Such models can enhance both legitimacy and functionality.

Further research should incorporate empirical methods to examine how policy instruments are applied in practice. Field studies, interviews, and institutional analysis can provide deeper insights into the dynamics of legal transformation at the operational level. This approach can complement doctrinal analysis and strengthen its relevance.

Policy innovation is required to address the challenges posed by emerging financial technologies and evolving market conditions. Developing adaptive regulatory frameworks that integrate normative principles into new contexts will be essential. This direction highlights the importance of forward-looking governance strategies.

Scholarly work should continue to refine theoretical models that conceptualize legal transformation as a dynamic and negotiated process. Integrating insights from comparative law, regulatory theory, and economic analysis can enhance analytical depth. This trajectory underscores the need for sustained engagement with the evolving relationship between fiqh and policy in Islamic economic law.

CONCLUSION

The most significant finding of this study lies in demonstrating that the transformation of Islamic economic principles from fiqh-based reasoning into policy instruments is not a process of direct translation but a negotiated reconfiguration shaped by institutional imperatives, regulatory demands, and epistemological adaptation. Evidence shows that while doctrinal sources preserve interpretive depth and ethical orientation, policy frameworks tend to prioritize standardization and enforceability, often resulting in partial abstraction of normative principles. Transitional interpretive instruments play a mediating role, selectively preserving elements of jurisprudential reasoning while adapting them to contemporary governance needs. This finding challenges the assumption of continuity between fiqh and policy, revealing instead a structural shift in how legality, authority, and normative coherence are constructed within modern Islamic economic law.

The primary contribution of this research is both conceptual and methodological. Conceptually, the study advances an integrative framework that reconceptualizes legal transformation as a multi-layered interaction between jurisprudential reasoning and institutional governance, rather than a linear progression from doctrine to regulation. Methodologically, the research introduces a structured normative–juridical analytical model supported by comparative document analysis and evaluative matrices, enabling systematic examination of how legal principles are reinterpreted, codified, and operationalized across jurisdictions. This dual contribution provides a more comprehensive lens for analyzing Islamic economic governance, moving beyond fragmented approaches that separate doctrinal theory from policy practice, and offering practical insights for aligning regulatory frameworks with normative foundations.

The study is limited by its reliance on secondary legal and institutional documents, which may not fully capture the internal deliberative processes, power dynamics, and practical

constraints influencing the transformation of legal principles. The purposive sampling strategy, while ensuring analytical depth, may underrepresent jurisdictions with less formalized regulatory systems or undocumented practices. The absence of primary empirical data, such as interviews with scholars, regulators, and practitioners, restricts insight into how policy instruments are negotiated and implemented in practice. Future research should adopt mixed-method approaches combining doctrinal analysis with empirical investigation to explore micro-level dynamics of legal transformation. Further studies are needed to examine the impact of digital finance, fintech innovation, and cross-border regulatory integration on the evolving relationship between fiqh and policy instruments.

DECLARATION OF AI AND AI ASSISTED TECHNOLOGIES IN THE WRITING PROCESS

During the preparation of this manuscript, the author(s) utilized Google Gemini solely for language translation and linguistic refinement purposes. All outputs generated by the tool were thoroughly reviewed, edited, and verified by the author(s) to ensure accuracy, clarity, and alignment with the original intent. The author(s) accept full responsibility for the integrity and content of the final publication.

AUTHOR CONTRIBUTIONS

Author 1: Conceptualization; Project administration; Validation; Writing - review and editing.

Author 2: Conceptualization; Data curation; In-vestigation.

Author 3: Data curation; Investigation.

DECLARATION OF COMPETING INTEREST

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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