



Prospects for the Application of Sharia Business Contracts in Driving Islamic Economic Growth

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ABSTRACT :

This study examines the prospects for the application of sharia business contracts in driving Islamic economic growth using a qualitative research approach. The research employs a normative qualitative literature review method that focuses on analyzing the concepts, principles, and implementation of sharia business contracts within the framework of Islamic economic development. Data were obtained from authoritative books published within the last ten years and peer-reviewed national and international journals published within the last five years that discuss sharia contracts, Islamic economic growth, and related regulatory policies. Data collection was conducted through documentation techniques, while data analysis was carried out using descriptive-analytical methods with content analysis to systematically interpret relevant literature. The research questions are directly linked to the research title by exploring the forms of sharia business contracts, their role in supporting Islamic economic activities, and the opportunities and challenges in their application to stimulate economic growth. The findings indicate that sharia business contracts such as mudharabah, musyarakah, murabahah, and ijarah have strong prospects in driving Islamic economic growth, particularly when supported by adequate regulatory frameworks, government policies, and increasing public awareness. However, challenges remain in terms of sharia literacy, institutional readiness, and integration across economic sectors. This study concludes that strengthening the application of sharia business contracts requires comprehensive strategies involving regulatory reinforcement, stakeholder collaboration, and continuous education to optimize their contribution to sustainable Islamic economic growth.

Key words: Application, Business Contract, Islamic Economic Growth

INTRODUCTION

The Indonesian economy faces significant dynamics, particularly in the context of the Islamic economy. Global challenges and internal developments demand a thorough understanding of economic prospects incorporating Islamic economic principles. The development of the Islamic economy faces a number of global and internal challenges that require serious attention. Globally, economic uncertainty can threaten the stability of the Islamic financial sector, while readiness to meet international standards and build a robust Islamic financial infrastructure remains a key focus.¹

Internally, education and public awareness of the principles of Islamic economics are key, requiring collaborative efforts from financial institutions, the government, and educational institutions. Government regulations and policies play a crucial role in creating a conducive environment for the growth of Islamic economics, while product and service innovation, as well as collaboration between financial institutions, are recognized as key elements in facing global competition.²

Therefore, the development of the Islamic economy requires a holistic approach encompassing global and local aspects, integrating public education, government support, innovation, and inter-institutional collaboration. In response, this study aims to conduct a literature review related to the prospects of the Islamic economy in Indonesia, particularly regarding the application of Islamic business contracts in driving Islamic economic growth. The government and the Financial Services Authority (OJK) have committed to expanding the development of the Islamic economy in Indonesia, particularly regarding the application of Islamic business contracts (OJK, 2020). One ambitious target is to make Indonesia a global Islamic financial center by 2024, with a minimum asset contribution of 15% of total national banking assets. Currently, the Islamic banking market share is only around 7.7%, thus still offering significant growth potential. In this context, the OJK's efforts to promote the Islamic financial industry are highly relevant. These steps include developing more supportive regulations, developing innovative products, and increasing public understanding of the benefits of Islamic banking.

Furthermore, it is crucial to anticipate the challenges arising from the ongoing digital transformation and identify regulatory frameworks that require revision and improvement to encourage further growth in the Islamic banking sector. Finally, assessing the impact of policies supporting accelerated digitalization on the future competitiveness of Islamic banks is crucial. Through a comprehensive study addressing these multifaceted aspects, we can prepare the trajectory of Islamic banking in Indonesia and its crucial role in the country's economic landscape.³

To answer these questions, in-depth research is needed on the projected growth of Islamic banking. A study of regulations that need to be refined is also crucial, including their implications for the competitiveness of Islamic banking. Thus, the results of this study are expected to provide a comprehensive picture of the prospects and strategic steps needed to optimize the

¹ Agenda. *Journal of Asian Finance, Economics and Business*, 7(11), 1077–1085.

² Ahmed, H., Ahmad, N., & Khan, A. (2023). Efficiency and Productivity of Islamic Banks in OIC Countries. In *Islamic Banking and Finance in the European Union* (pp. 109–125). Springer.

³ Aisen, A., & Veiga, F. J. (2023). How Does Political Instability Affect Economic Growth? *European Journal of Political Economy*, 29, 151–167

growth of Islamic banking in the future. Previous research has analyzed the opportunities and obstacles of Islamic banking regulation in Indonesia. However, there remains a gap in research that holistically examines the medium-term prospects of Islamic banking towards achieving the vision. Most of the literature focuses on historical analysis, with limited projections and policy recommendations.⁴

This study aims to provide an in-depth analysis of the prospects for the application of Sharia business contracts in driving Islamic economic growth. Furthermore, it seeks to provide recommendations for strategic policies and initiatives that should be prioritized by regulatory authorities and industry players to facilitate the advancement of more efficient Islamic banking in the future. The primary objective of this study is to foster a deeper understanding of the potential and challenges that lie ahead for Islamic banking in Indonesia. Furthermore, this study seeks to formulate strategies to enable Islamic banking to optimize opportunities and effectively address the obstacles it faces. Therefore, this study is expected to generate valuable insights that can benefit regulatory bodies, industry stakeholders, and all parties involved in the ongoing development of Islamic banking in the years to come.

Methods

The research method applied in this study utilizes a literature review approach to investigate the prospects for applying Sharia business contracts to promote Islamic economic growth. The literature review approach allows researchers to gather comprehensive information from various reliable sources, such as books, scientific articles, and government reports. The analysis is conducted by detailing key concepts related to Sharia Economics, including global developments, the Indonesian Sharia Economic Masterplan, opportunities, challenges, and government support.

The primary data sources include recent literature addressing key aspects of Islamic economics. Data collection techniques involved searching for and identifying relevant literature through academic databases, digital libraries, and official government websites. Data analysis was conducted qualitatively, evaluating and summarizing key findings supporting the prospects for Islamic economics in Indonesia.

Through this approach, this research is expected to provide an in-depth and informed overview of the prospects for applying Sharia business contracts to promote Islamic economic growth. The literature review approach provides a solid foundation for detailing the conceptual framework and analysis in response to the research objectives.

DISCUSSION

A. Projected Growth of Sharia Business Contract Applications in Driving Islamic Economic Growth

The word contract itself comes from Arabic which means a bond, whether visible (hissyy) or invisible (ma'nawy) (Ya'qub n.d.). Meanwhile, according to the term, a contract is any agreement or commitment between two parties that has implications for Islamic law that is binding to carry it out, whether stated verbally, in a gesture, or in writing. According to Subhi Mahmasaniy, a contract is a bond between ijab and qabul that has legal consequences. Other experts state that a contract is an act carried out by two

⁴ Alam, N., Abdullah, N., Salim, M., & Mohamad, M. (2021). *Sustainability of Islamic Finance: A Conceptual Analysis*. *Sustainability*, 13(3),

or more people based on the agreement of the parties concerned. Based on the above understanding, it can be concluded that a contract is an agreement made by two or more parties that is binding and can be stated verbally, in a gesture, or in writing.

In English, contract law is called Contract of Law, while in Dutch it is called *Overeenscomstrecht* (S 2006). Salim H. S states that contract law is the entire legal rules between the parties concerned based on mutual agreement (S 2006, 4). Contract law contains elements including:

1. Legal Principles
2. Legal Subjects
3. Performance
4. Agreement
5. Legal Consequences

The term sharia contract refers to the entire set of rules in the field of muamalah, particularly regarding the behavior of various parties in carrying out a relationship, which will result in legal consequences in accordance with Islamic law (Dewi 2006). Sharia contract law, here, is derived from the Quran, Hadith, and Islamic jurisprudence (Anwar 2006). It also utilizes Qanun, laws and regulations that do not conflict with Islamic law, which have been promulgated by the government.

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Meanwhile, the projected 20% financing growth also reflects the important role of financing in the asset structure of Islamic banking. With financing accounting for approximately 50% of total assets, this growth will support business expansion and greater financing for customers. Although customer growth is expected to be slightly lower at around 15%, this reflects the more complex challenges of acquiring new customers than raising third-party funds or disbursing financing. However, significant customer growth will continue to positively contribute to Islamic banking.

With these optimistic growth projections, the contribution of Islamic banking to the total national banking industry is expected to increase from around 7% currently to around 10% by 2024. Although this is already close to the OJK's target of 15%, there will be a need to continue to drive higher growth acceleration in the following years. This will require a joint effort from all stakeholders, including regulators, Islamic banks, and the public to ensure the continued and sustainable growth of the Islamic banking industry in Indonesia. Parts of a Sharia Contract: Contracts can be made orally or in writing. There are no specific rules stipulated in the law for contract formation, but written contracts are implemented if the contract is not binding without written evidence. The formal format has been prepared by a notary and contains:

1. Title
2. Opening

⁵ Amalia, Feby Ayu. (2022). Sharia Contract Law: Islamic Family Journal. Vol 3. no 1. 77.

3. Comparison of the Parties
4. Preface (introductory statement of the main issues)
5. Contents of the Agreement (Terms and Conditions)
6. Closing Penandatanganan

If all the elements are in place and have been signed by both parties then the contract is legally valid and has been approved.⁶

B. Growth Opportunities for Sharia Business Contract Applications

Indonesia's younger generation has been identified as the most promising market opportunity for the development of Islamic banking through 2024. This understanding is highly relevant considering Indonesia's current demographic dividend, where the majority of the population is in the productive age group. This proportion of the productive age population is significantly higher than the non-productive age group, creating significant potential for economic growth. The younger generation, particularly those living in urban areas with higher levels of education and income, is a highly attractive group for Islamic banking. They are not only more open to innovation in financial services but also more familiar with digital technology. This is why the urban middle-class youth segment has been identified as the most open and enthusiastic group for digital-based financial services, as reported by the Financial Services Authority (OJK).⁷

The main challenge for Islamic banking is designing products and services that align with the values and preferences of the younger generation (Asyari et al., 2022). This requires a deep understanding of what is important to young people, such as transparency, ease of access, and a variety of choices. In this context, an educational approach through digital content and financial technology (fintech) has proven effective in increasing interest and literacy among young people in Islamic banking services (Firmansyah & Anwar, 2019). This educational approach can take the form of informative and easily accessible digital content, such as video tutorials, infographics, and educational articles on Islamic principles in finance. Fintech can also be a valuable tool in engaging the younger generation by providing user-friendly banking applications and delivering a simple, fast, and secure banking experience.⁸

Furthermore, Islamic banking needs to consider integrating technology into its service offerings, such as Sharia-compliant payment applications, Sharia-compliant investments, and more inclusive financing. This will help attract the attention and trust of the younger generation in Islamic banking (Baidhowi, 2018). Overall, Indonesia's youth are a force to be reckoned with in the development of Islamic banking. With the right approach and commitment to understanding and meeting their needs, Islamic banking can capitalize on the enormous potential offered by this segment, which in turn will support the growth of the Islamic banking industry in Indonesia until 2024 and beyond.⁹ There are several theories in sharia contracts that you need to know, namely:

⁶ Ardi, Muhammad. (2022). Principles of Agreement (Akad): Sharia Contract Law in the application of salam and Istisna. *Dictum Law Journal*. Vol 14. no 2.: 265

⁷ Fuady, Munir. (2021). *Contract Law (from a Business Law Perspective)*. Bandung: Citra Aditya Bakti. 2007: 8.

⁸ Muslih. (2020). Legal Consequences of Contracts (Akad) on Subjects and Objects: Supremacy of Law. Vol. 7. No. 2. (November 2018): 3

⁹ Sari, Nilam. (2015). *Contracts (akad) and their implementation in Islamic banking in Indonesia*. Banda Aceh: Pena, 2025.

1. The theory based on mutual performance emphasizes that both parties in a Sharia contract must contribute and benefit each other through performance or achievements in accordance with the agreed-upon agreement.
2. The theory based on contract formation explains the process of forming a Sharia contract between two parties. This theory stipulates the terms and conditions that must be met to produce a valid Sharia contract in accordance with Sharia principles.
3. The classical basic theory is a basic theory developed by Islamic scholars and scholars in the past, which later became the basis for the development and application of Sharia contracts in the modern era.
4. Holmes' theory of legal liability, regarding contracts, states that legal liability in a contract depends on the breach or error committed by one of the parties in carrying out the contract.
5. The liberal theory of contracts, a theory based on the view that contracts should be made freely and without interference from other parties. This theory assumes that contracts will result in optimal decisions for both parties because each party can pursue its interests in an efficient manner.¹⁰

C. Challenges of the Growth of Sharia Business Contract Applications

The primary challenge facing Islamic banking in achieving sustainable growth is accelerating digital transformation. Rahman stated that digital transformation has become a key factor in determining the success of modern banking. During the COVID-19 pandemic, public demand for digital banking services increased significantly. However, he acknowledged that Islamic banking's digital service capabilities currently lag far behind those of conventional banks.

Therefore, Islamic banking needs to make digitalization a primary focus for future development. This encompasses the development of products, services, and internal operational processes, all digitally integrated. The conventional approach through branch offices is considered ineffective due to the significant investment and operational costs required, while customers are increasingly turning to more efficient and convenient digital services.

The necessary digital transformation requires significant investment in developing core banking systems, reliable IT infrastructure, and advanced data analytics capabilities (OJK, 2020). Furthermore, it requires a shift to leaner and more efficient business and operating models through the optimization of digital technology. This involves the use of technologies such as artificial intelligence (AI), big data analytics, and blockchain technology to improve operational efficiency, reduce costs, and provide better service to customers.

Without adequate digital transformation acceleration, Islamic banking risks struggling to compete and innovate to meet public expectations for increasingly sophisticated banking services. In particular, vigilance must be exercised against the onslaught of innovations from Islamic fintech, which are entirely based on digital technology. Islamic fintech offers advantages in agility and the ability to provide more affordable and accessible financial solutions.

¹⁰ Iqbal, M., & Mirakhor, A. (2020). *Introduction to Islamic Finance: Theory and Practice*. John Wiley & Sons.

Therefore, Islamic banking must take decisive steps to address these challenges. These include increased investment in technology, collaboration with Islamic fintech companies, and intensive education and training for Islamic banking employees to enhance their digital literacy and skills. With a strong commitment to digital transformation, Islamic banking can capitalize on the significant opportunities offered by the digital era, continue to provide better service to customers and achieve sustainable growth.¹¹

In general, an agreement only binds the parties who make it. As explained in Article 1338 (1), Article 1315,9 1340 (1) of the Civil Code. In Islamic contract law, it is also stated that the legal consequences only apply to the parties who make it, and do not apply to other parties besides them. However, there are several exceptions, as stated in Article 1317, which states that legal consequences can also apply to third parties in the form of promises to third parties.

The legal consequences of a contract for an object depend on the provisions stipulated in the contract and applicable laws and regulations. The legal consequences of a contract for an object include:

1. Reasonable and proper delivery of the object. If the object does not comply with the agreement, the party providing the object may be deemed to have breached the contract and may be subject to sanctions.
2. Ownership of the object. Ownership of the object will transfer to the party in accordance with the provisions of the contract.
3. Obligation to maintain and care for the object. The party receiving the object under the contract must properly maintain and care for the object.
4. Settlement of disputes regarding the object. If a dispute arises, the dispute must be resolved in accordance with the provisions of the contract or applicable law.
5. Compensation for damage or loss of the object. If the object is damaged or lost in transit or while under the control of a party, that party may be required to provide compensation.
6. Cancellation of the contract. If the object cannot be delivered or does not comply with the agreement in the contract, the party receiving the object may request compensation for the losses suffered.¹²

D. Recommendations for Regulations and Policies for the Growth of Sharia Business Contract Applications

The policy recommendations presented by the speakers have significant potential to support the future growth of Islamic banking. The first recommendation is to review regulations related to Islamic principles. This is a crucial step because more flexible regulations can provide Islamic banking with more room for innovation in digital products and services. In a rapidly changing environment, rigid regulations can hinder the development of new products that comply with Islamic principles. With more adaptive regulations, Islamic banking can be more responsive to market changes and customer needs.¹³

¹¹ Dinar Standard. (2020). *State of the Global Islamic Economy Report*. Jakarta: Media Press, hlm 87

¹² Yulianti, Rahmani Timorita. (2022). Principles of agreements (Akad) in Sharia contract law.” *La_Riba 2*, no. 1 (July 3, 2022)

¹³ Harris, D. (2020). *Literature Review and Research Design*. Routledge. Vintage, p 87.

Researchers highlight the importance of synergistic collaboration between the central and regional governments, as well as regulators such as the Financial Services Authority (OJK), in supporting the growth of Islamic banking in Indonesia. For example, the Qanun (regional regulation) implemented in Aceh province that mandates the use of Islamic banking and financial services has facilitated the expansion of Islamic banking in the region.¹⁴

More broadly, alignment between national-level policies and local initiatives creates an enabling environment for Islamic finance to flourish across the archipelago. Regulators such as the Financial Services Authority (OJK) also play a crucial role through oversight, promoting standardization, and introducing new regulations that balance innovation and prudence. By working hand-in-hand, diverse stakeholders can contribute to a well-functioning Islamic banking ecosystem that serves the needs of businesses and communities across Indonesia. Continued engagement between the central and regional governments, regulators, industry associations, experts, and community leaders will be crucial in charting the strategic direction and sustainable growth path for Islamic finance in the country going forward. A collaborative approach that considers local nuances while maintaining consistency with national regulations and Sharia principles will be key. The following recommendations can be implemented:

1. implement principles-based regulations. This approach allows Islamic banking development policies to be more adaptive and responsive to changes in the business environment. By adhering to strong principles, Islamic banks can develop innovations consistent with Islamic values without being overly constrained by detailed regulations. The resource person emphasized the need for more flexible regulations to enable Islamic banks to be more agile and responsive to future challenges and opportunities. More adaptive regulations will provide space for innovation in Sharia-compliant digital products and services that align with the latest technological developments. This regulatory flexibility will enable Islamic banks to continue creating value for customers by leveraging new digital solutions that adhere to ethical Islamic principles. At the same time, appropriate safeguards to manage risks can be instituted. By striking the right balance between innovation and prudent oversight, regulations can spur the sustainable growth of Islamic banking.
2. encourage more substantial investment by Islamic banks in the development of information technology (IT) infrastructure and human resources (HR). Digital transformation requires the support of robust IT infrastructure and skilled human resources in technology. This policy is crucial to accelerate the digital transformation process of Islamic banking. Investment in IT infrastructure includes the development of reliable and secure digital platforms, as well as high data security. Meanwhile, training and development of IT HR will ensure that Islamic banks have competent teams to manage complex technology. In line with the explanation above, the Financial Services Authority (OJK), as the regulator authorized to formulate future Islamic banking development policies, particularly regarding IT infrastructure aspects, and regulations, is advised to review several provisions that still adhere to 'extreme' rule-based principles, which under certain conditions actually hinder problem-solving. Rule-based provisions will be refined

¹⁴ Iqbal, M., & Mirakhor, A. (2021). *Introduction to Islamic Finance: Theory and Practice*. John Wiley & Sons.

with a principles-based approach that prioritizes results and takes into account the characteristics and complexity of banks.

3. intensify public awareness and education, especially among the younger generation, about Islamic banking products and services. Informative and engaging digital content can be an effective tool in increasing public understanding and interest in Islamic banking. Effective outreach will help address misconceptions about Islamic products and services and build public trust in Islamic banking.¹⁵

With the implementation of this policy, it is hoped that future challenges and opportunities for Islamic banking development can be optimally addressed. This will enable Islamic banking to capitalize on sustainable growth in the financial sector, particularly in the rapidly evolving digital era.

E. Application of Sharia Business Contracts

Sharia business contract applications refer to digital systems or platforms that facilitate transactions and agreements in accordance with Sharia principles, such as Sharia fintech platforms (e.g., Dana Syariah, Modalku Syariah) and Sharia digital banking services (e.g., Bank Jago Syariah, Bank Aladin Syariah). These applications help execute Sharia contracts such as mudharabah (profit sharing) or musyarakah (partnership) efficiently and transparently.¹⁶

Application and platform examples

- Sharia Fintech:
 - Dana Syariah: A platform offering Sharia-compliant online loans.
 - Modalku Syariah: Provides financing or loans for businesses managed according to Sharia principles.
 - Alami: Another example of a Sharia-compliant fintech operating in Indonesia.
 - Tokopedia Salam: A platform providing Sharia-compliant investment products.¹⁷
- Sharia Digital Banking:
 - Bank Jago Syariah: One of the pioneers of digital Islamic banking services in Indonesia.
 - Bank Aladin Syariah: Another example of a digital Islamic bank that provides a variety of financial services.
 - Bank Syariah Indonesia (BSI): A large Islamic bank that also offers digital banking services through applications such as BSI Mobile.¹⁸

In a Sharia contract, there are principles required in an agreement, and these principles significantly influence actions. The principles in a contract must contain elements of essential

¹⁵ Veithzal Rivai and Adriana Permata Veithzal. 2022 Credit Management Handbook: Theory, Concepts, Procedures, and Applications: A Practical Guide for Bankers and Customers. Jakarta: Rajagrafindo Persada.

¹⁶ Veithzal Rivai and Adriana Permata Veithzal. 2020. Islamic Financial Management: Theory, Concepts, and Applications: A Practical Guide for Financial Institutions, Customers, Practitioners, and Students. Jakarta: Rajagrafindo Persada

¹⁷ Veithzal Rivai and Adriana Permata Veithzal. 2020. Islamic Financial Management: Theory, Concepts, and Applications: A Practical Guide for Financial Institutions, Customers, Practitioners, and Students. Jakarta: Rajagrafindo Persada

¹⁸ Musthafa Dib Al-Bugha. 2020. Smart Book of Sharia Transactions translated by Fakhri Ghafur. Jakarta: Hikmah.

truth. Principles are the foundation or foundation derived from faith and sharia, and it is hoped that these principles will be accountable before Allah SWT. Principles of Sharia Contracts.¹⁹

a. The Principle of Ibahah (Mabda' al-Ibahah)

The principle of ibahah (lawful) is the principle that everything is considered halal (permissible) or permissible unless there is clear evidence that it is haram (forbidden). This means that in daily life, Muslims are permitted to perform all actions and use all objects unless there is clear evidence that prohibits them.

In transactions, this principle refers to anything being considered lawful as long as it is not expressly prohibited. When it comes to legal acts, particularly contracts, any form of contract can be entered into as long as there is no specific prohibition. Asas Kebebasan Berakad (Mabda' Hurriyah at-Ta'auqud)

b. The principle of freedom

Contracting is an individual's right to make an agreement or contract voluntarily without any coercion or pressure from another party in accordance with their interests as long as it does not result in consuming another's property in a false way.

c. This principle is often the basis for contracts made in business, education, personal relationships, and other fields. However, freedom of belief also has limits. Contracts that violate the law or ethical principles can be declared invalid. In addition, if one party forces the other party to sign a contract, then the contract can be canceled due to pressure or coercion

d. Principle of Consensualism (Mabda' ar-Radha'iyah)

The principle of consensualism states that each party to a contract must give their consent voluntarily and without coercion. Furthermore, Sharia contracts must be based on a fair and mutually beneficial agreement for all parties involved.

This principle also requires that each party understand the consequences of the agreement, including the rights and obligations associated with it. This ensures that the agreement is valid and free from fraud, deceit, or injustice.

e. The principle that promises are binding

The principle of promises in Sharia contracts is considered binding because it is based on the principle of mutually binding obligations between the parties involved and their fulfillment. If one party fails to fulfill a promise or agreement agreed to in a Sharia contract, the other party has the right to take legal action to resolve the issue.

This principle of binding promises is crucial to ensuring trust and security in every transaction. Therefore, before entering into a Sharia contract, it is important to ensure that all promises or agreements made comply with Islamic law and can be fulfilled by all parties involved.

f. Principle of Balance (Mabda' at-Tawazun fi al-Mu'awdhah)

The principle of balance emphasizes the importance of equality between the parties involved in a sharia contract. This principle requires the parties to provide equal and balanced value to each other in their transactions. This means that the party providing benefits must receive compensation equivalent to the benefits received, and vice versa.

¹⁹ Muhammad Syafi'i Antonio. 2021. Sharia Banking from Theory and Practice. Jakarta: Gema Insani.

This principle of balance requires the parties to avoid practices that are detrimental to one party, such as fraud, manipulation, misinformation, and abuse of trust. This principle encourages fair and mutually beneficial transactions between parties.

g. Principle of Benefit (Not Burdensome)

The principle of benefit emphasizes the importance of creating benefits for all parties involved in an agreement. Every agreement must be based on goals that benefit all parties, both materially and spiritually. This means that the goal of a contract must be mutually beneficial for all parties involved and not detrimental to any party.

h. Principle of Trust

The principle of trustworthiness requires that each party demonstrate honesty and trustworthiness in their transactions with the other party. Each party is responsible for safeguarding the trust placed in them by the other party. This means that the parties must adhere to previously established commitments and agreements, as well as fulfill the obligations entrusted to them.

i. Principle of Justice

The principle of justice is the principle that all parties must be treated fairly and equally, without discrimination or unfair treatment. This means that the parties must maintain a balance between rights and obligations, and take into account the interests and needs of all parties involved.²⁰

Based on the explanation above, it is known that the subjects of sharia contracts are the parties involved in an agreement or contract made based on sharia principles. There are two conditions for being able to become a subject according to Abdul Karim Zaidan, namely having an expert and a region (Jauhari 2015). Ahliyyah is the feasibility of a transaction, meaning the ability or expertise of someone involved in a contract to carry out an action or provide something promised in the contract. Ahliyyah is divided into:

a) Ahliyyah al-Wujub (ability to accept the law)

It is a person's eligibility to be able to obtain his rights and bear obligations, where the standard of ahliyyah is marked by the existence of life, namely from the beginning of a person's birth on earth.

b) Ahliyyah al-Ada' (capacity to act legally)

It is a person's eligibility to be able to claim his rights and carry out his obligations, where the standard of Ahliyyah is reason and *tamyiz*.²¹

Meanwhile, territory is control over something, meaning the right of ownership or control over an object or asset that is the object of a transaction. The region is divided into:

a) Al-Wilayah al-Zatiyyah (absolute rights), complete freedom over oneself and one's property.

b) Al-Wilayah al-Muta'addiyah (limited rights), freedom to carry out transactions without causing harm.²²

In general, the subjects of sharia contracts include:

²⁰ Muhammad Syafi'i Antonio. 2021. *Sharia Banking from Theory and Practice*. Jakarta: Gema Insani.

²¹ Heri Sudarsono. 2025, *Islamic Banks and Financial Institutions: Description and Illustration*. Yogyakarta: Ekonisia.

²² Zainul Arifin, *Basics of Islamic Bank Management*, 2022. Jakarta, Alfabeta and Tazkia Institute

- a) Humans, individuals who meet certain requirements to enter into contracts or agreements under Islamic law. In Islamic law, individuals who can be the subject of a Sharia contract are those who have the legal capacity to perform legal acts.
- b) Legal entities, organizations, or companies that have specific activities or objectives and are permitted to enter into contracts or agreements. Under Islamic law, legal entities do not have the same legal capacity as humans, as they lack reason and the ability to act directly.

The object of a sharia contract is any object or thing used in an agreement or contract. The object of a sharia contract must comply with Islamic sharia principles, which prohibit riba (interest), gharar (uncertainty), maysir (gambling), and haram (prohibited by Islam). A contract can be considered valid if its object meets the following requirements:

1. The goods exist when the contract is made.
2. They are permitted by Islamic law (sacred texts).
3. The goods are clear and identifiable.
4. They can be handed over.²³

Based on the explanation above, according to the researcher's analysis, it is proven that the subjects of a sharia contract are the parties involved in an agreement or contract made based on sharia principles. There are two conditions for being a subject according to Abdul Karim Zaidan, namely having ahliyyah and wilayah. Ahliyyah is divided into ahliyyah al-wujub (the ability to accept the law) and ahliyyah al-ada' (the ability to act legally), while Wilayah is divided into al-wilayah al-zatiyyah (absolute rights) and al-wilayah al-muta'addiyah (limited rights).

The object of a sharia contract is any object or thing used in an agreement or contract. A contract can be considered valid if the object meets the following requirements: the object exists at the time of the contract, is justified by sharia/nash (holy), the object is clear and known, and can be transferred. Contracts can be made orally or in writing. There are no specific rules stated in the law for making a contract, but written contract is carried out if the contract is not binding without written evidence. The formal format is prepared by a notary and includes the title, introduction, comparison of the parties, premeisse (preliminary statement of the main issues), the contents of the agreement (terms and conditions), closing, and signing.

The valid requirements of a sharia contract include sighah (consent and acceptance), 'aqidani (two parties entering into the contract), ma'qud 'alaih (the object of the contract), and mawdu' al-'aqd (the legal consequences of the contract). There are two legal consequences of a sharia contract: those for the subject and the object. The legal consequences of a contract for the subject are generally binding only on the parties who make it. Meanwhile, the legal consequences of a contract for the object depend on the provisions stipulated in the contract and applicable laws and regulations.

This is related to a contract which is an agreement made by two or more parties which is binding and can be stated verbally, by gesture or in writing. The term sharia contract is the entire set of rules in the field of muamalah, especially the behavior between various parties in carrying out a relationship to give rise to legal consequences according to Islamic law.

The theories of sharia contracts that need to be understood are the theory based on the performance of both parties, the theory based on the formation of the contract, the classical basic theory, Holmes' theory of legal liability regarding contracts, and the liberal theory of

²³ Adiwarmarman A. Karim. 2024, Islamic Banking: Fiqh and Financial Analysis. Third edition. Jakarta: RajaGrafindo Persada.

contracts. The principles referred to in sharia contracts are the principle of *ibahah* (*Mabda' al Ibahah*), the principle of freedom of contract (*Mabda' Hurriyah at-Ta'qud*), the principle of consensualism (*Mabda' ar-Radha'iyah*), the principle of binding promises, the principle of balance (*Mabda' at-Tawazun fi al-Mu'awdhah*), the principle of benefit (Not Burdensome), the principle of trust, and the principle of justice.²⁴

CONCLUSION

This study holistically describes the prospects for the Islamic economy in Indonesia over the 2024-2028 period by integrating an understanding of global developments, national policy frameworks, opportunities, challenges, government support, and leading sectors. Observing the development of the global Islamic economy, it is clear that this growth phenomenon not only reflects public demand for Islamic financial products and services but also indicates a shift in positive perceptions of Islamic economic principles. This provides a basis for optimism regarding the prospects for the Islamic economy in Indonesia, given that these factors are often universal.

The Indonesian Islamic economy serves as a strategic guideline guiding the government and stakeholders' actions to enhance the role of the Islamic economy in the national economic ecosystem. In this context, the government plays a central role in providing support through policies, fiscal incentives, and a clear regulatory framework. Active government involvement is a crucial factor in creating a conducive environment for the growth of the Islamic economy sector. However, this study also identifies several challenges that could impact the development of the Islamic economy in Indonesia, such as complex regulations and limited public understanding of the concept. Therefore, further efforts are needed to improve public understanding and simplify regulations to create a supportive environment. Growth opportunities can be identified through product innovation and cross-sector collaboration. Focusing on leading sectors can help direct investment and development efforts to maximize growth potential.

²⁴ Alam, N., Abdullah, N., Salim, M., & Mohamad, M. (2021). Sustainability of Islamic Finance: A Conceptual Analysis. *Sustainability*, 13(3).

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