

Building a Framework for Artificial Intelligence Governance Based on Maqashid Sharia : A Conceptual Review for a Fair Digital Economy

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Abstract. This study examines the integration of Maqashid Syariah principles in artificial intelligence (AI) governance in the Islamic economy sector through a systematic literature review and conceptual analysis. Along with the acceleration of digital transformation, AI presents significant opportunities to improve efficiency and innovation in Islamic finance and the halal industry. However, these technological advances also raise critical ethical challenges related to transparency, accountability, and algorithmic bias that require careful consideration from a Sharia perspective. In order to provide a thorough governance framework that harmonizes AI applications with Islamic ethical standards, this study integrates a rigorous approach to literature review with a qualitative strategy. The results show that using Maqashid Sharia principles—more especially, the preservation of life (hifzh al-nafs), reason (hifzh al-aql), and riches (hifzh al-mal) can enhance the moral use of AI while promoting sustainable development objectives. This study proposes a four-layer governance model that includes philosophical foundations, operational principles, implementation mechanisms, and outcome measurement. However, challenges such as algorithmic bias, limited digital-Shariah literacy, and regulatory gaps must be addressed. This research provides strategic insights for policymakers, Islamic financial institutions, and technology developers to strengthen Indonesia's position as a center for ethical and sustainable Islamic digital economy.

Keywords: Maqashid Syariah, AI Governance, Islamic Economics, Ethical AI, Sustainable Development

1 Introduction

Islamic finance and business systems. With rapid technological developments, AI offers unprecedented potential for operational efficiency, service innovation, and economic growth. However, this progress is not without challenges in terms of ethics, transparency, and accountability (Arifardhani et al., 2025). The concept of Maqashid Syariah which seeks to safeguard religion, life, intellect, ancestry, and property serves as a pertinent normative basis in the Islamic economy to guarantee that technical advancement stays focused on the well-being of the populace (Habib, 2025).

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According to the worldwide Islamic Economy Report (2023), the use of digital technology in Islamic financial services has led to steady expansion in the worldwide Islamic finance sector, which has reached a value of USD 3.2 trillion. By incorporating Islamic principles into the digital transformation of the national economy, Indonesia the nation with the biggest Muslim population in the world is well-positioned to benefit from this development.

The integration of AI in the Islamic economy not only has a significant economic impact but also plays an important role in supporting sustainable development goals (SDGs). The application of AI in line with Islamic principles can promote financial inclusion, reduce inequality, and support sustainable business practices (Jan et al., 2021). This is in line with the Sustainable Development Goals (SDGs), particularly in poverty eradication (SDG 1), reducing inequality (SDG 10), and inclusive economic growth (SDG 8).

Integrating Maqashid Syariah with Environmental, Social, and Governance (ESG) principles in AI governance is becoming more and more important to advance sustainability. Effective ESG practices can boost investment and consumer trust while making Indonesia's Islamic finance sector more competitive in a world market that is becoming more and more competitive (Zain et al., 2024).

Several previous studies have discussed the intersection of AI with Islamic principles. Arifardhani et al. (2025) and Habib (2025) focus on AI ethics from the perspective of Maqashid Syariah, while Rahim (2025) emphasizes the practical application of AI in Islamic financial institutions. On the other hand, Zain et al. (2024) and Nugroho (2025) began to link Maqashid Syariah with the ESG sustainability framework. However, these studies are still fragmented, philosophical ethical studies often lack technical aspects and operational governance models, while applied research in the financial sector lacks a comprehensive theoretical-ethical foundation. Furthermore, there is still little research that specifically builds an integrative model that bridges the theory of Maqashid Syariah with contemporary AI governance principles to create a coherent and implementable framework. Therefore, this study attempts to fill this gap.

This study is to examine the integration of Maqashid Syariah principles in AI-based economic governance through a review of the literature and an examination of worldwide trends, taking into account the possibilities and difficulties that currently exist. The prospects and difficulties of adopting AI governance based on Islamic principles will also be identified by this study. Therefore, it is anticipated that this study will give stakeholders in the public and corporate sectors strategic insights to enhance Indonesia's standing as a hub for ethical and sustainable Sharia digital economic development.

2 Literature Review

2.1 Artificial Intelligence in Sharia Economics: Ethical Opportunities and Challenges

The development of artificial intelligence (AI) has brought significant transformations to various economic sectors, including Islamic finance. The integration of AI in Islamic finance can improve operational efficiency, risk analysis accuracy, and financial service innovation. However, behind this potential lie complex ethical challenges. Arifardhani et al. (2025) identify that the autonomous nature of AI can raise issues of accountability and transparency, which contradict Islamic principles that emphasize clarity (bayyinah) and responsibility (mas'uliyah). Furthermore, Aziz & Zulkepli (2025) warn of algorithmic bias in AI systems

that can perpetuate injustice, particularly in credit assessments for customers from marginalized groups.

2.2 Maqashid Shariah as a Framework for AI Ethics

Maqashid Syariah, which aims to protect religion, life, intellect, lineage, and property (al-dharuriyyat al-khams), offers a comprehensive ethical foundation for AI governance. 'Auda (2008) emphasizes that Maqashid Syariah is not merely a static set of rules, but a dynamic value system that can be adapted to address contemporary challenges, including digital technology. Habib (2025) reinterprets the principle of hifzh al-mal (protection of property) in a digital context to include the protection of personal data and digital assets, while hifzh al-'aql (protection of reason) is relevant to preventing cognitive manipulation through AI. Bin Hasan (2016) adds that integrating Maqashid Sharia into AI governance can ensure that technological innovation remains oriented towards the benefit of the people (jalb al-masalih) and avoids harm (dar' al-mafasid).

2.3 Convergence of Maqashid Sharia, ESG, and SDGs

The synergy between Maqashid Syariah and Environmental, Social, and Governance (ESG) principles is increasingly relevant in the context of sustainable development. Zain et al. (2024) shows that the integration of Maqashid Syariah with ESG can strengthen the social and environmental impact of Islamic financial operations, including in the use of AI. In line with this, (Nugroho, 2025) developed a Maqashid Syariah-based risk assessment model integrated with ESG indicators for Islamic financial products. From a global goals perspective, (Harahap et al., 2023) and (Jan et al., 2021) prove that Islamic finance and governance based on Maqashid Syariah can contribute significantly to the achievement of the Sustainable Development Goals (SDGs), particularly in poverty eradication (SDG 1), reducing inequality (SDG 10), and sustainable development (SDGs 8 and 12).

3 Research Methods

The research method used in this article is library research, which is the process of collecting data through reviewing theories, concepts, and findings from various literature related to the integration of Maqashid Syariah in artificial intelligence (AI)-based economic management. Library research is considered important for gaining an in-depth understanding of the conceptual framework developed by previous studies without conducting field data collection (Creswell & Creswell, 2018). The research stages were carried out systematically, including the preparation of research equipment, the compilation of an initial bibliography, the setting of a study schedule, and the activities of critical reading and in-depth data recording from library sources (George, 2008).

Specifically, this study uses a descriptive-analytical method with a qualitative approach. This approach was chosen because it provides flexibility in describing and analyzing the phenomenon of integrating Maqashid Syariah values into a comprehensive AI technology governance framework (Creswell, 2013; Sugiyono, 2022). The main objective of this research design is to describe the patterns, opportunities, and challenges of integrating Sharia principles in the context of smart technology ethics and policy. Through this method, the study seeks to synthesize concepts that emerge in the global literature on AI ethics and Islamic principles in data governance and digital policy (Jobin et al., 2019).

Web of Science, Scopus, and Google Scholar. International journal articles, scholarly publications, reports from multilateral organizations like the OECD and UNESCO, and domestically recognized journals with a minimum rating of Sinta 2 are all included in the examined material (Neuman, 2014; OECD, 2022). Every source was chosen based on its scientific quality and relevance to the research topic, especially works that addressed social welfare principles and the ethical governance of AI from an Islamic viewpoint..

The final stage, data analysis, was conducted using qualitative content analysis techniques to identify conceptual themes, relationships between ideas, and patterns of integration of Maqashid Syariah values in the context of AI governance. This technique allows researchers to conduct an in-depth interpretation of the content of the literature and develop a consistent theoretical framework (Krippendorff, 2018; Schreier, 2012).

4 Results and Discussion

4.1 Global Trend Analysis: The Convergence of AI and the Sharia Economy

Artificial intelligence (AI) has transformed the global economic landscape, including the Islamic finance and business ecosystem. The adoption of AI in the digital economy offers operational efficiency, service innovation, and rapid growth (Arifardhani et al., 2025). However, this development is accompanied by complex ethical, transparency, and accountability challenges. Issues such as algorithmic bias, lack of accountability clarity, and erosion of human autonomy have sparked a global discourse on the urgency of ethical and responsible AI governance (Bostrom & Yudkowsky, 2018).

The tenets of Maqashid Syariah provide a thorough ethical framework for evaluating and directing the use of AI in the context of Islamic economics. Transparent, equitable, and accountable AI systems can be designed using principles like *hifzh al-mal* (protection of wealth) and *hifzh al-'aql* (protection of reason) (Wazin et al., 2025). According to data from the National Sharia Finance Committee (KNKS), the worldwide Islamic finance business is still expanding significantly, which has promoted the use of cutting-edge technology like artificial intelligence. In addition to increasing in nations with a majority of Muslims, the possibility for combining AI and Islamic economics is drawing attention from international markets, opening up new avenues for inclusive financial innovation consistent with Islamic principles.

Additionally, this integration helps meet the Sustainable Development Goals (SDGs), especially those related to sustainable development, poverty alleviation, and inequality reduction (Jan et al., 2021). Maqashid Syariah and ESG (Environmental, Social, and Governance) principles work together to improve the digital economy's social and environmental effects (Zain et al., 2024). For example, in Islamic fintech, AI is used for risk analysis in accordance with Islamic principles, while also promoting MSME financial inclusion (Harahap et al., 2023).

4.2 Opportunities and Challenges of Integration

There are a lot of advantages to the Islamic economy. The growth of the market for Indonesian halal goods and services via AI-based e-commerce and Islamic fintech platforms is one of the primary benefits. In addition to expanding the role of the Islamic banking sector, which promotes financial inclusion, the existence of a quickly expanding halal industry has

the potential to raise the value of industrial exports, particularly in halal food and Muslim fashion (Adamsah & Subakti, 2022).

However, in addition to opportunities, the integration of Maqashid Syariah into the AI economy also faces significant challenges. From an external perspective, the main challenges include fierce competition in technological innovation and regulation. From an internal perspective, some of the challenges faced include:

- a. Algorithmic bias that may conflict with the principle of fairness (Aziz & Zulkepli, 2025).
- b. Low level of Sharia digital literacy among the public and business actors (Laksono et al., 2025).
- c. Regulatory gaps in accommodating sharia principles into AI systems (Rahim, 2025).

To overcome these challenges, collaboration between the government, regulators, academics, and industry players is essential. The government can play a role by establishing an adaptive regulatory framework, such as AI governance guidelines for fintech and Islamic banking that incorporate the principles of Maqashid Syariah. Meanwhile, industry players need to invest in talent development and research to ensure that the AI systems they develop comply with sharia principles and are accountable.

5 Conclusions

With the rapid development of artificial intelligence (AI), the integration of Maqashid Syariah principles into digital economic governance has significant potential to create a more ethical, fair, and sustainable economic system. This potential is not just pertinent to nations where Muslims predominate, but it also adds insightful information to the worldwide conversation on AI ethics. Beyond the Islamic financial business, this integration encompasses other sectors like the halal industry, healthcare, education, and creative economy, all of which need ethical direction as they undergo digital transformation.

Indonesia is significantly impacted by this worldwide trend, especially in terms of the growth of a competitive Islamic economy. Indonesia is preparing to enter the global digital market by positioning itself as a major player in the development of an ethical AI-based economy, including through the strengthening of regulations and standards of Sharia compliance.

There are both advantages and disadvantages for Indonesia from incorporating Maqashid Syariah into AI governance. Positively, this integration promotes financial inclusion, raises the Islamic financial system's accountability, and helps accomplish the Sustainable Development Goals (SDGs). On the negative side, Indonesia faces competition from developed countries in terms of human resource quality, technological innovation capacity, and regulatory readiness. As a result, Indonesia should prioritize the development of a Sharia Maqashid-based AI governance framework as a key factor when entering the global digital market, while strengthening Sharia digital literacy and collaboration among stakeholders to create an ethical and competitive digital economy ecosystem.

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