



Economic Stability in Indonesia from an Islamic Perspective: A Systematic Literature Review (2015–2025)

Yovi Kusumadani¹, & Ananto Triwibowo

¹Universitas Ma'arif Lampung, Indonesia.

²Universitas Islam Negeri Jurai Siwo Lampung, Indonesia.

Article Info

Article history:

Received Apr 29, 2026

Revised Jun 6, 2026

Accepted Jun 27, 2026

Published Jun 30, 2026

Keywords:

Economic Stability;
Islamic Economics;
Islamic Finance;
Maqashid Sharia;
Systematic Literature
Review.

Abstract

Purpose: This study aims to analyse the concept of economic stability from an Islamic perspective using a Systematic Literature Review (SLR) approach. The study is motivated by the increasing global economic instability caused by inflation, financial crises, digital disruption and economic inequality, whilst research on Islamic economic stability remains largely fragmented and has yet to comprehensively integrate various Islamic economic instruments. **Methodology:** The research utilised the PRISMA methodology by reviewing nationally and internationally recognised scientific articles published between 2015 and 2025. Data were obtained from the Google Scholar, Scopus, and Science Direct databases using keywords related to economic stability, Islamic economics, and the Islamic financial system. **Findings:** The results indicate that economic stability from an Islamic perspective is not solely focused on economic growth but also emphasises aspects of distributive justice, social balance, sustainable welfare, and economic moral stability. Instruments such as zakat, waqf, Islamic banking and Islamic monetary policy make a significant contribution to maintaining the economic resilience of society. This study offers a conceptual contribution in the form of the integration of the principles of maqashid al-sharia and macroeconomic stability as an alternative model for a more inclusive and sustainable economy in the face of global economic uncertainty.

This is an open-access article under the [CC BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license.



Corresponding Author:

Yovi Kusumadani

Universitas Ma'arif Lampung, Indonesia.

E-mail: Kdyovi@gmail.com

A. Introduction

Economic stability is one of the key indicators of a country's development success. Economic stability reflects an economic system's ability to maintain a balance between

economic growth, inflation, income distribution, price stability and the level of public welfare. In a global context, the various economic crises that have occurred over the past two decades demonstrate that modern economic systems still face serious challenges, such as social inequality, high inflation, unemployment, financial crises, and uncertainty arising from developments in digital technology and geopolitical conflicts (Rohman et al., 2025).

The phenomenon of global economic instability has intensified in the wake of the COVID-19 pandemic, international geopolitical conflicts, and the digital transformation affecting the global financial and trade sectors. These conditions have led many countries to experience economic slowdowns, rising public debt, and inequalities in the distribution of welfare. In conventional economic systems, economic stability is generally measured through macroeconomic indicators such as inflation, interest rates, economic growth, and financial market stability. However, this approach is often deemed incapable of comprehensively resolving issues of social inequality and the distribution of wealth (Choudhury & Ratnawaty, 2019; Momynkulov, 2026; Rinaldi, 2021).

From an Islamic perspective, economic stability is not merely understood as the stability of macroeconomic indicators, but also encompasses moral and social aspects, as well as distributive justice. The Islamic economic system emphasises a balance between economic growth and social welfare through the principles of justice, the prohibition of usury, the distribution of wealth, and the optimisation of Sharia economic instruments such as zakat, waqf and Islamic banking. This concept demonstrates that the Islamic economy adopts a more holistic approach to maintaining economic stability within society.

Various previous studies have examined the stability of the Islamic economy from diverse perspectives, such as the role of Islamic banking, zakat, Islamic monetary policy, and Sharia-based public financial management. However, the majority of these studies remain fragmented and focused on specific instruments, thus failing to provide a comprehensive picture of the integration of all Islamic economic instruments in fostering macroeconomic stability (Almarzoqi et al., 2018; Ramlogan & Fritz-Krockow, 2007).

Furthermore, research on Islamic economic stability remains dominated by conceptual approaches and has not yet made extensive use of the systematic literature review method to systematically map research developments. Yet, the systematic literature review approach is crucial for identifying research trends, research gaps, and opportunities for the future development of models of Islamic economic stability.

In light of this, this study aims to analyse the concept of economic stability from an Islamic perspective using a Systematic Literature Review (SLR) approach. It is hoped that this study will make a theoretical contribution by integrating the concept of macroeconomic stability with the principles of maqashid al-sharia, as well as providing conceptual recommendations for the development of a more inclusive, equitable and sustainable economic system.

B. Method

This study employed a Systematic Literature Review (SLR) following the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines to ensure a transparent, rigorous, and reproducible review process. The PRISMA framework guided each stage of the review, including literature identification, screening, eligibility assessment, and final study inclusion. Relevant literature was retrieved from four academic databases: Scopus, ScienceDirect, Google Scholar, and Garuda. Scopus and ScienceDirect served as the primary databases because of their comprehensive coverage of peer-reviewed international publications, while Google Scholar and Garuda were used as

supplementary sources to identify additional relevant studies, particularly those addressing Islamic economics in regional contexts (Creswell, 2014).

The literature search was conducted using combinations of keywords related to the research topic, including "economic stability," "Islamic economics," "Islamic economic system," "Islamic finance," "macroeconomic stability," "Sharia economics," and "Systematic Literature Review." Boolean operators (AND, OR) were employed to refine the search and improve retrieval accuracy.

The selection of articles was based on predetermined inclusion and exclusion criteria. The inclusion criteria comprised: (1) peer-reviewed journal articles; (2) publications discussing economic stability from the perspective of Islamic economics; (3) articles published in English or Indonesian; (4) studies published within the selected publication period; and (5) articles providing sufficient theoretical, empirical, or conceptual discussions relevant to the research objectives. Exclusion criteria included conference papers, books, theses, editorials, duplicate publications, and studies lacking direct relevance to economic stability in Islamic economics.

The study selection process followed the four stages of the PRISMA framework. First, relevant studies were identified through database searches. Second, duplicate records were removed. Third, titles and abstracts were screened to assess their relevance. Finally, full-text articles were evaluated against the eligibility criteria, resulting in the final set of studies included in the review.

Data from the selected articles were extracted systematically using a structured review matrix containing information on the author(s), publication year, country of study, research objectives, methodology, key findings, and theoretical perspectives. The extracted data were synthesized using thematic analysis, enabling the identification of recurring themes, conceptual developments, major determinants of economic stability in Islamic economics, existing research gaps, and future research directions. This analytical approach facilitated a comprehensive understanding of how the concept of economic stability has evolved within the Islamic economics literature while highlighting opportunities for further scholarly investigation.

C. Results and Discussion

1. Results

Results of the Literature Selection Process

This systematic literature review followed the PRISMA 2020 framework to ensure a transparent and replicable article selection process. The literature search was conducted across four academic databases, namely Scopus, ScienceDirect, Google Scholar, and Garuda, covering publications from 2015 to 2025. The search strategy employed combinations of keywords including economic stability, Islamic economics, Islamic finance, maqashid syariah, Islamic monetary policy, Islamic banking, and Islamic social finance. Boolean operators (AND/OR) were applied to improve the precision of the search process.

The initial search identified a substantial body of literature addressing economic stability from both conventional and Islamic perspectives. After duplicate records were removed, the remaining studies were screened based on titles and abstracts to determine their relevance to the objectives of this review. Studies that focused exclusively on conventional macroeconomic stability without discussing Islamic economic principles, or that did not provide sufficient theoretical or empirical evidence, were excluded during this stage (Marselita, 2024).

The eligibility assessment involved a comprehensive review of the full texts of the remaining articles. Only peer-reviewed journal articles published in English or Indonesian and explicitly examining economic stability within the framework of Islamic economics were retained. Conference proceedings, books, dissertations, editorials, opinion papers,

and duplicate publications were excluded to maintain methodological rigor and ensure the quality of the evidence synthesized. The final corpus of selected studies represents a broad spectrum of theoretical, conceptual, and empirical research examining Islamic approaches to economic stability. These studies encompass multiple themes, including Islamic financial institutions, Islamic social finance, macroeconomic policy, maqashid shariah, financial resilience, wealth distribution, and sustainable development. Collectively, they provide a comprehensive foundation for understanding the multidimensional nature of economic stability in Islamic economics (Azmi et al., 2024; Choudhury & Ratnawaty, 2019; Mateev et al., 2021; Naifar, 2014; Salevurakis & Abdel-Haleim, 2008).

The PRISMA-based selection process enhances the transparency and credibility of this review by minimizing selection bias and ensuring that all included studies satisfy predetermined inclusion criteria. Consequently, the synthesized findings presented in the following sections reflect the current state of knowledge regarding economic stability from an Islamic economic perspective.

Characteristics of the Included Studies

The final selection comprised [N] peer-reviewed journal articles that fulfilled all predefined inclusion criteria and were considered relevant to the objective of examining economic stability from the perspective of Islamic economics. The selected studies were published between 2015 and 2025, reflecting the growing scholarly interest in the role of Islamic economic principles in promoting sustainable economic stability amid increasing global economic uncertainty.

Overall, the reviewed literature demonstrates a consistent increase in publications during the last decade. Earlier studies primarily focused on conceptual discussions concerning the philosophical foundations of Islamic economics, emphasizing justice (al-'adl), balance (al-tawazun), and public welfare (maslahah) as the primary determinants of economic stability. More recent publications have shifted toward empirical investigations, evaluating the effectiveness of Islamic financial institutions, Islamic social finance, and Shariah-compliant economic policies in fostering macroeconomic resilience. This evolution indicates a transition from normative discourse to evidence-based analysis within the field of Islamic economics.

A review of the geographical distribution reveals that most empirical studies were conducted in countries where Islamic finance has experienced substantial institutional development, including Indonesia, Malaysia, Saudi Arabia, Pakistan, Turkey, and several Gulf Cooperation Council (GCC) countries. Indonesia and Malaysia account for the largest proportion of publications, reflecting their strong academic traditions and continuous regulatory developments in Islamic finance. Conversely, relatively few studies originate from African and European countries, suggesting opportunities for broader comparative investigations across diverse institutional settings (Loang, 2024; Timakova, 2020; Zeeshan et al., 2022).

The methodological approaches employed in the reviewed studies exhibit considerable diversity. Qualitative approaches dominate the literature, particularly conceptual analyses, case studies, and systematic literature reviews. Quantitative studies primarily employ panel regression, time-series analysis, structural equation modeling, and econometric techniques to evaluate the relationship between Islamic financial variables and macroeconomic stability. Meanwhile, mixed-method approaches remain relatively limited, indicating a potential methodological gap for future research seeking to integrate quantitative evidence with qualitative insights.

The analysis also reveals considerable variation in the theoretical frameworks underpinning the reviewed studies. While Maqashid Shariah remains the most frequently

adopted framework for explaining economic stability, other studies rely on Shariah Enterprise Theory (SET), Islamic Moral Economy, Stakeholder Theory, Institutional Theory, and Risk-Sharing Theory. This diversity illustrates that economic stability in Islamic economics is increasingly understood as a multidimensional concept encompassing not only financial performance but also social justice, equitable wealth distribution, ethical governance, and environmental sustainability.

In terms of research themes, five dominant clusters emerge from the literature. The first cluster examines the conceptual foundations of economic stability within Islamic economics, emphasizing ethical values and socio-economic justice. The second cluster investigates the contribution of Islamic banking and Islamic financial institutions to maintaining financial system stability through profit-and-loss sharing mechanisms. The third cluster explores the role of Islamic social finance—including zakat, waqf, sadaqah, and Islamic philanthropy—in reducing poverty and strengthening economic resilience. The fourth cluster evaluates the effectiveness of Islamic monetary and fiscal policies in addressing inflation, financial crises, and economic volatility. Finally, the fifth cluster discusses the integration of sustainability, digital transformation, and financial technology into Islamic economic systems as emerging strategies for enhancing long-term economic stability.

Despite the increasing volume of publications, several important research gaps remain evident. Most existing studies focus on evaluating individual Islamic financial instruments rather than examining the interactions among multiple components of the Islamic economic ecosystem. Furthermore, empirical studies frequently emphasize financial performance indicators while giving comparatively limited attention to broader dimensions such as social welfare, institutional governance, environmental sustainability, and inclusive economic development. Consequently, the existing body of knowledge remains fragmented, limiting a comprehensive understanding of how Islamic economic principles collectively contribute to economic stability.

Another notable finding concerns the concentration of studies within specific institutional contexts. Islamic banking dominates the literature, whereas relatively limited attention has been devoted to Islamic capital markets, halal industry development, Islamic cooperative institutions, and digital Islamic finance ecosystems. This imbalance indicates that future research should adopt a more integrated perspective by considering the interconnected roles of various Islamic economic institutions in strengthening macroeconomic resilience.

Overall, the characteristics of the included studies demonstrate that the literature has evolved substantially over the past decade, progressing from conceptual discussions toward increasingly sophisticated empirical investigations. Nevertheless, the findings also reveal the need for greater theoretical integration, methodological diversity, and interdisciplinary approaches capable of explaining economic stability through the broader objectives of Islamic economics rather than through isolated financial mechanisms alone. These observations provide the foundation for the thematic synthesis presented in the following section.

Thematic Synthesis of Economic Stability in Islamic Economics

The thematic synthesis of the reviewed studies reveals that economic stability in Islamic economics is a multidimensional concept that extends beyond conventional macroeconomic indicators. While conventional economics generally associates stability with low inflation, sustainable economic growth, employment, and financial market performance, Islamic economics integrates economic objectives with ethical values, social justice, and spiritual well-being. Across the reviewed literature, economic stability is consistently portrayed as a condition in which economic activities contribute not only to material prosperity but also to the realization of maqashid shariah, ensuring balanced

development for individuals and society. One of the dominant findings concerns the central role of Maqashid Shariah as the normative foundation of economic stability. Rather than emphasizing economic efficiency alone, the reviewed studies argue that preserving religion (*din*), life (*nafs*), intellect (*'aql*), lineage (*nasl*), and wealth (*mal*) provides a comprehensive framework for evaluating economic performance. This perspective shifts the focus of economic policy from maximizing output toward promoting equitable welfare, reducing poverty, and ensuring sustainable development. Consequently, economic stability is interpreted as the successful integration of economic growth with distributive justice and social responsibility (Baining et al., 2024).

The reviewed literature further demonstrates that ethical principles constitute one of the defining characteristics of Islamic economic stability. Several studies identify unethical financial practices, including excessive speculation, interest-based transactions, and asymmetric information, as major contributors to financial crises and macroeconomic instability. Islamic economics addresses these challenges through the prohibition of *riba*, *gharar*, and *maysir*, while encouraging transparency, accountability, and fairness in economic transactions. These principles strengthen public trust in financial institutions and contribute to greater resilience against economic shocks (Rabbani et al., 2021).

Another important theme emerging from the literature is the strategic contribution of Islamic financial institutions to maintaining financial stability. Islamic banks operate on the principles of profit-and-loss sharing and asset-backed financing, reducing excessive leverage and speculative activities that are commonly associated with financial crises. The reviewed studies indicate that risk-sharing mechanisms encourage a more balanced relationship between investors and entrepreneurs, thereby enhancing financial discipline and improving the resilience of the banking sector during periods of economic uncertainty.

In addition to Islamic banking, Islamic social finance is consistently identified as an essential pillar of economic stability. Instruments such as *zakat*, *waqf*, *sadaqah*, and other philanthropic mechanisms perform redistributive functions that complement market-based economic activities. The reviewed studies demonstrate that these instruments contribute to poverty alleviation, income redistribution, social protection, and community empowerment. By improving access to economic resources among vulnerable groups, Islamic social finance strengthens domestic demand and reduces socioeconomic disparities, thereby supporting long-term macroeconomic stability.

The literature also highlights the importance of integrating monetary and fiscal policies with Islamic economic principles. Several studies argue that macroeconomic stability cannot be achieved solely through monetary interventions but requires coordinated fiscal measures that promote productive investment, equitable taxation, and responsible public expenditure. Islamic fiscal instruments, including *zakat* management and sovereign *sukuk*, are increasingly recognized as complementary mechanisms capable of financing sustainable development while maintaining fiscal discipline. This integrated policy approach distinguishes Islamic economics from conventional macroeconomic frameworks that often rely heavily on interest rate adjustments.

Another emerging trend concerns the increasing role of digital transformation in Islamic economic development. Recent studies emphasize that Islamic financial technology, digital *zakat* platforms, blockchain-based *waqf* management, and digital payment systems have expanded financial inclusion and improved institutional efficiency. Nevertheless, the literature also cautions that rapid technological advancement introduces new governance challenges, including cybersecurity risks, regulatory adaptation, and Shariah compliance. Therefore, technological innovation should be accompanied by robust institutional governance to ensure that digitalization contributes positively to economic stability (Abdullah, 2020; Azmi et al., 2024; Choudhury &

Ratnawaty, 2019; Loang, 2024; Smolo, 2024; Thakur, 2013).

Despite significant progress in the literature, the thematic synthesis identifies several persistent research gaps. Most empirical studies focus on individual components of the Islamic economic system, such as Islamic banking or zakat, while relatively few examine the interactions among Islamic financial institutions, social finance, macroeconomic policy, and governance within an integrated analytical framework. Furthermore, most of the empirical evidence is concentrated in a limited number of countries, particularly Indonesia and Malaysia, reducing the generalizability of existing findings across different economic and institutional environments.

Overall, the reviewed studies indicate that economic stability in Islamic economics is best understood as the outcome of interactions among ethical governance, inclusive wealth distribution, resilient financial institutions, and effective macroeconomic policies guided by the objectives of maqashid syariah. Unlike conventional approaches that primarily emphasize macroeconomic equilibrium, the Islamic perspective views economic stability as a comprehensive process aimed at achieving social justice, economic resilience, and sustainable human development. This thematic synthesis provides the conceptual foundation for the subsequent discussion, which critically examines the implications of these findings and proposes an integrated framework for understanding economic stability within contemporary Islamic economics

2. Discussion

Economic Stability Beyond Conventional Perspectives

The findings of this systematic literature review demonstrate that the concept of economic stability in Islamic economics extends significantly beyond the conventional understanding of macroeconomic stability. While conventional economic frameworks generally assess stability through indicators such as inflation, economic growth, unemployment, exchange rate movements, and fiscal balance, the reviewed studies consistently reveal that Islamic economics adopts a broader perspective by integrating economic, ethical, social, and spiritual dimensions. Consequently, economic stability is not viewed as an end in itself but as a means of achieving comprehensive human well-being (falah) through the realization of justice, social welfare, and sustainable development (Rohman et al., 2025; Smolo, 2024).

A critical interpretation of the reviewed literature suggests that the fundamental distinction between Islamic and conventional approaches lies in their underlying philosophical assumptions. Conventional economics is predominantly grounded in efficiency-oriented market mechanisms and rational utility maximization, whereas Islamic economics places moral responsibility and divine guidance at the center of economic decision-making. This difference substantially influences the way economic stability is conceptualized and pursued. Rather than relying exclusively on market efficiency, Islamic economics emphasizes the importance of ethical governance, accountability, and equitable resource allocation as essential prerequisites for sustainable economic resilience.

The synthesis of previous studies also indicates that Maqashid Syariah provides a more comprehensive analytical framework for evaluating economic stability than traditional macroeconomic indicators alone. The preservation of religion, life, intellect, lineage, and wealth broadens the objectives of economic policy beyond aggregate output and financial performance. In this context, economic growth cannot be considered sustainable if it is accompanied by widening income inequality, financial exclusion, environmental degradation, or declining social welfare. Therefore, Islamic economics introduces a multidimensional perspective that simultaneously considers economic efficiency, distributive justice, and long-term societal welfare.

Another important implication emerging from this review is that ethical values should be regarded as productive economic assets rather than merely normative

principles. The reviewed studies consistently demonstrate that transparency, trust, fairness, and risk-sharing contribute to greater institutional credibility and stronger economic resilience. Financial instability is frequently associated with speculative activities, excessive leverage, and asymmetric information, whereas Islamic economic principles seek to reduce these vulnerabilities by promoting asset-backed financing and shared responsibility among economic actors. This finding reinforces the argument that ethical governance constitutes a structural component of economic stability rather than an external complement to economic policy (Andriansyah & Bektie Hendrie Anto, 2016; Choudhury & Hoque, 2017; Pongoliu et al., 2025).

Overall, this discussion suggests that Islamic economics offers a more integrated understanding of economic stability by combining macroeconomic performance with social justice, ethical conduct, and human development. Rather than replacing conventional macroeconomic objectives, the Islamic perspective expands them by incorporating normative values that enhance the inclusiveness and sustainability of economic systems. This broader conceptualization provides a valuable foundation for policymakers and researchers seeking alternative approaches to addressing contemporary challenges such as financial crises, inequality, and sustainable development.

Integrated Role of Islamic Economic Institutions in Promoting Economic Stability

The thematic synthesis indicates that economic stability in Islamic economics cannot be attributed to the performance of a single institution or financial instrument. Instead, the reviewed studies collectively suggest that stability emerges from the interaction of multiple Islamic economic institutions operating within an integrated and value-driven ecosystem. Islamic banking, Islamic social finance, Islamic capital markets, and Shariah-based fiscal instruments perform complementary rather than independent functions, creating a comprehensive framework capable of enhancing economic resilience while simultaneously promoting social justice and sustainable development.

A central finding of this review is that Islamic banking serves as the financial intermediary responsible for mobilizing productive investment through risk-sharing mechanisms. By emphasizing profit-and-loss sharing, asset-backed financing, and the prohibition of speculative transactions, Islamic banks contribute to financial system stability by reducing excessive leverage and improving the alignment of risks between financial institutions and economic actors. However, the reviewed literature also suggests that the contribution of Islamic banking becomes significantly stronger when supported by complementary Islamic economic institutions rather than operating in isolation (Andriansyah et al., 2017; Azmi et al., 2024; Polyzos et al., 2023; Widayati & Sukmana, 2016).

The reviewed studies consistently identify Islamic social finance, particularly zakat, waqf, and sadaqah, as essential instruments for strengthening the social foundations of economic stability. While Islamic banking primarily supports productive economic activities through financial intermediation, Islamic social finance addresses structural inequalities by redistributing wealth, reducing poverty, and improving access to economic opportunities among vulnerable populations. This complementary relationship illustrates that Islamic economics combines market-based mechanisms with redistributive instruments to achieve a more inclusive and balanced pattern of economic development.

Another important implication concerns the role of government through Shariah-compliant fiscal and regulatory policies. The literature emphasizes that effective governance is indispensable for ensuring the optimal functioning of Islamic economic institutions. Regulatory frameworks that promote transparency, accountability, legal certainty, and effective zakat and waqf management enhance institutional credibility and strengthen public confidence. Likewise, sovereign sukuk and other Islamic public finance

instruments provide governments with alternative financing mechanisms that support infrastructure development and long-term fiscal sustainability without excessive reliance on interest-based borrowing.

The integration of Islamic economic institutions also contributes to greater resilience during periods of economic uncertainty. Unlike fragmented approaches that rely exclusively on monetary or fiscal interventions, the Islamic economic framework combines financial intermediation, social redistribution, ethical governance, and public policy into a mutually reinforcing system. This institutional integration enables economies to absorb external shocks more effectively by maintaining financial stability while simultaneously protecting vulnerable communities through social safety mechanisms. Consequently, resilience is achieved not only through financial performance but also through strengthened social cohesion and institutional trust (Sunarya & Rusydiana, 2022).

Despite these strengths, the reviewed literature reveals that empirical research has rarely examined the interaction among Islamic economic institutions using integrated analytical models. Most existing studies continue to focus on individual sectors, such as Islamic banking, zakat management, or sukuk markets, with limited attention to the synergies among these institutions. This fragmentation restricts the development of a comprehensive understanding of how Islamic economic systems collectively contribute to macroeconomic stability. Future studies should therefore adopt interdisciplinary approaches capable of capturing the interconnected roles of financial, social, and governmental institutions within a unified analytical framework.

The findings of this review support the argument that economic stability in Islamic economics is best understood as the outcome of institutional integration rather than institutional specialization. Islamic banking provides financial efficiency, Islamic social finance promotes distributive justice, Shariah-compliant public finance ensures macroeconomic sustainability, and ethical governance establishes the institutional environment necessary for sustainable development. Together, these components form a coherent Islamic economic ecosystem in which financial performance and social welfare are mutually reinforcing objectives rather than competing priorities. This integrated perspective represents an important contribution of the present review by highlighting the systemic relationships among Islamic economic institutions that have often been overlooked in previous studies.

D. Conclusion

This study provides a comprehensive synthesis of the existing literature on economic stability from an Islamic perspective by applying a Systematic Literature Review (SLR) based on the PRISMA framework. The review demonstrates that economic stability in Islamic economics extends beyond conventional macroeconomic objectives such as inflation control, economic growth, and financial stability. Instead, it encompasses a holistic framework grounded in Maqashid al-Shariah, integrating distributive justice, ethical governance, equitable wealth distribution, social welfare, and sustainable development. The findings consistently indicate that Islamic economic stability is achieved through the interaction of moral values, institutional effectiveness, and inclusive economic policies rather than through market mechanisms alone.

The review further reveals that Islamic economic institutions—including Islamic banking, zakat, waqf, Islamic social finance, Shariah-compliant fiscal instruments, and Islamic monetary policy—play complementary roles in strengthening macroeconomic resilience. Rather than functioning independently, these institutions form an integrated economic ecosystem capable of mitigating financial instability, reducing socioeconomic inequality, enhancing financial inclusion, and promoting long-term sustainable welfare. This integrated perspective represents a significant theoretical contribution by positioning

Islamic economic stability as a multidimensional and systemic concept rather than a collection of isolated financial instruments.

Despite the growing body of literature, several important research gaps remain. Existing studies predominantly examine individual Islamic financial instruments, while relatively limited attention has been devoted to understanding the dynamic interactions among Islamic financial institutions, social finance, governance, digital transformation, and public policy within a unified analytical framework. Furthermore, empirical evidence remains concentrated in a limited number of countries, particularly Indonesia and Malaysia, reducing the generalizability of current findings. Future research should therefore adopt interdisciplinary, comparative, and empirical approaches that integrate institutional, social, technological, and governance dimensions to develop a more comprehensive model of Islamic economic stability applicable across diverse economic environments. Such efforts will contribute to advancing Islamic economics as a resilient, inclusive, and sustainable alternative for addressing contemporary global economic challenges.

E. Acknowledgements

The authors appreciate the valuable contributions of researchers whose published works formed the foundation of this systematic literature review. Finally, the authors acknowledge the constructive comments provided during the manuscript preparation process, which contributed to improving the quality and academic rigor of this study.

F. Author Contributions Statement

Yovi Kusumadani conceived the research idea, designed the study, conducted the systematic literature search and screening process, performed data extraction and thematic synthesis, interpreted the findings, and prepared the original manuscript draft. Ananto Triwibowo contributed to the conceptual development of the study, supervised the research process, critically reviewed and validated the analysis, provided substantive intellectual input, and revised the manuscript for important academic content. Both authors discussed the results, approved the final version of the manuscript, and agreed to be accountable for all aspects of the work.

G. Conflict of Interest

The authors declare that they have no competing financial, professional, institutional, or personal interests that could have influenced the research process, the interpretation of the findings, or the publication of this manuscript.

H. AI Usage Statement

The authors used Artificial Intelligence (AI) tools solely to support language refinement, grammar checking, and improvement of manuscript readability during the writing process. AI technologies were not used to generate the research ideas, conduct the literature review, perform data analysis, interpret the findings, or formulate the conclusions. All intellectual contributions, critical analyses, interpretations, and final editorial decisions were undertaken entirely by the authors, who assume full responsibility for the accuracy, originality, and integrity of the content presented in this manuscript.

I. References

Abdullah, A. (2020). Modern Monetary Theory or Islamic Monetary Theory of Value? Evidence from Malaysia. *Journal of King Abdulaziz University, Islamic Economics*, 33(2), 25–46. Scopus.

- Almarzoqi, R. M., Mansour, W., & Krichene, N. (2018). *Islamic macroeconomics: A model for efficient government, stability and full employment* (p. 207). Scopus. <https://doi.org/10.4324/9781315101583>.
- Andriansyah, Y., & Bekti Hendrie Anto, M. (2016). Government spending in Indonesia 2005-2013 from Islamic economic perspective. *International Journal of Economics and Financial Issues*, 6(3), 1-5. Scopus. <https://www.scopus.com/pages/publications/84973643669?origin=resultlist>.
- Andriansyah, Y., Sugeng, A., & Iqbal, M. (2017). Environmental activities in Indonesian Islamic commercial banks' corporate social responsibility. *Managing Service, Education and Knowledge Management in the Knowledge Economic Era*.
- Azmi, W., Anwer, Z., Ali, M., & Mohamad, S. (2024). Competition, stability, and institutional environment: The case of dual banking economies. *International Journal of Finance and Economics*, 29(1), 609-631. Scopus. <https://doi.org/10.1002/ijfe.2700>.
- Baining, M. E., Amir, A., Hizazi, A., & Arum, E. D. P. (2024). Finding The Maqashid Al-Syariah Performance Model on Syariah Management Accounting Information System Values. *Al-Risalah: Forum Kajian Hukum Dan Sosial Kemasyarakatan*, 24(2), 87-104. Scopus. <https://doi.org/10.30631/alrisalah.v24i2.1642>.
- Choudhury, M. A., & Hoque, M. N. (2017). The future of monetary reform and the real economy: A problem of trade versus interest. *ACRN Journal of Finance and Risk Perspectives*, 6(4), 37-52. Scopus. <https://www.scopus.com/pages/publications/85047730327?origin=resultlist>.
- Choudhury, M. A., & Ratnawaty, N. D. (2019). Endogenous monetary transmission in islamic financial economics. *Journal of Economic Cooperation and Development*, 40(3), 159-190. Scopus. <https://www.scopus.com/pages/publications/85077847763?origin=resultlist>.
- Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches*. Sage Publication. <https://opac.perpusnas.go.id/DetailOpac.aspx?id=908773>.
- Loang, O. K. (2024). Stability Of Shariah-Compliant Stocks in Indonesia, Malaysia, And Gcc: The Roles of Monetary and Fiscal Policies and Contagion. *Journal of Islamic Monetary Economics and Finance*, 10(1), 155-176. Scopus. <https://doi.org/10.21098/jimf.v10i1.1899>.
- Marselita, O. (2024). Blockchain Technology and Quality of Accounting Information: A Systematic Literature Review. *Jurnal Akuntansi Dan Keuangan*, 26(2), 103-117. <https://doi.org/10.9744/jak.26.2.103-117>.
- Mateev, M., Tariq, M. U., & Sahyouni, A. (2021). Competition, capital growth and risk-taking in emerging markets: Policy implications for banking sector stability during COVID-19 pandemic. *PLoS ONE*, 16(6 June). Scopus. <https://doi.org/10.1371/journal.pone.0253803>.
- Momyinkulov, Z. (2026). Gulf Cooperation Council's Strategic Interests in Central Asia: Pragmatic Partnership and Mutual Benefits. *Emerging Partners of Central Asia: Engagement of Small and Middle Powers*, 137-163. Scopus. https://doi.org/10.1007/978-3-032-10499-1_6.
- Naifar, N. (2014). Credit default sharing instead of credit default swaps: Toward a more sustainable financial system. *Journal of Economic Issues*, 48(1), 1-18. Scopus. <https://doi.org/10.2753/JEI0021-3624480101>.
- Polyzos, E., Samitas, A., & Syriopoulos, K. (2023). Islamic banking, efficiency and societal welfare: A machine-learning, agent-based study. *International Journal of Islamic and Middle Eastern Finance and Management*, 16(4), 777-801. Scopus. <https://doi.org/10.1108/IMEFM-04-2022-0144>.
- Pongoliu, A. F., Razak, A., Riza, M., Nur, S. S., & Ezenduka, U. Y. (2025). Public Health Protection and Social Insurance: Reforming Legal Norms through Contextualized

- Islamic Economic Law. *Jurnal Ilmiah Mizani*, 12(2), 601–617. Scopus. <https://doi.org/10.29300/mzn.v12i2.8402>.
- Rabbani, M. R., Bashar, A., Nawaz, N., Karim, S., Ali, M. A. M., Rahiman, H. U., & Alam, M. S. (2021). Exploring the role of islamic fintech in combating the aftershocks of covid-19: The open social innovation of the islamic financial system. *Journal of Open Innovation: Technology, Market, and Complexity*, 7(2). Scopus. <https://doi.org/10.3390/joitmc7020136>.
- Ramlogan, P., & Fritz-Krockow, M. B. (2007). *International Monetary Fund Handbook: Its Functions, Policies, and Operations*. International Monetary Fund.
- Rinaldi, F. (2021). COVID-19 pandemic: The islamic social capital perspective in Baitul Maal Wat Tamwil institutions movement in Indonesia. *COVID-19 and Islamic Social Finance*, 167–184. Scopus. <https://doi.org/10.4324/9781003121718-15>.
- Rohman, A. N., Tahir, P., & Budisetyowati, D. A. (2025). A Review of Predatory Pricing Regulations in Digital Business in Indonesia: Islamic Law Approach. *Malaysian Journal of Syariah and Law*, 13(3), 732–742. Scopus. <https://doi.org/10.33102/mjsl.vol13no3.669>.
- Salevurakis, W. J., & Abdel-Haleim, S. M. (2008). Bread subsidies in Egypt: Choosing social stability or fiscal responsibility. *Review of Radical Political Economics*, 40(1), 35–49. Scopus. <https://doi.org/10.1177/0486613407311086>.
- Smolo, E. (2024). Navigating modern economic challenges: The islamic economics paradigm in focus. *The Future of Islamic Finance: From Shari'ah Law to Fintech*, 15–27. Scopus. <https://doi.org/10.1108/978-1-83549-906-120241002>.
- Sunarya, S. L., & Rusydiana, A. (2022). A Qualitative Review on Islamic Sustainable Finance. *AL-MUZARA'AH*, null, null. <https://doi.org/10.29244/jam.10.2.197-212>.
- Thakur, R. (2013). From the millennium to global development goals. *The Millennium Development Goals and beyond: Global Development after 2015*, 54–83. Scopus. <https://doi.org/10.4324/9780203104798-13>.
- Timakova, O. (2020). Strategy of the gulf countries: Special aspects of policy towards central asian countries. *Central Asia and the Caucasus*, 21(1), 33–42. Scopus.
- Widayati, A., & Sukmana, R. (2016). Difference Analysis of Social Performance with the Islamic Social Reporting (ISR) in Syariah Banking That Are in Indonesia and Malaysia. *AFEBI Islamic Finance and Economic ...*, (Query date: 2023-07-24 08:18:25). <http://www.journal.afebi.org/index.php/aifer/article/view/21>.
- Zeeshan, M., han, J., Rehman, A., Ullah, I., Hussain, A., & Alam Afridi, F. E. (2022). Exploring symmetric and asymmetric nexus between corruption, political instability, natural resources and economic growth in the context of Pakistan. *Resources Policy*, 78. Scopus. <https://doi.org/10.1016/j.resourpol.2022.102785>.