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CBDC's Considerations on the Islamic Microeconomic: Maqashid Sharia Perspective

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Abstract:

This study aims to analyze the potential impact of Central Bank Digital Currency (CBDC) on Islamic microeconomics, specifically from the perspective of Maqashid Shariah. The study employs a qualitative method with data collection techniques involving a literature review from secondary sources related to CBDC and Islamic economics. The findings indicate that the implementation of CBDC can bring benefits in the form of increased financial inclusion, transaction efficiency, and protection of privacy and payment system integrity. This research contributes to explaining how CBDC can support Islamic economic objectives through fair market competition and technological openness.

Keywords: CBDC, Islamic microeconomics, Maqashid Shariah, financial inclusion, data privacy.

Abstrak:

Penelitian ini bertujuan untuk menganalisis potensi dampak dari Central Bank Digital Currency (CBDC) terhadap mikroekonomi Islam, khususnya dari perspektif Maqashid Shariah. Penelitian ini menggunakan metode kualitatif dengan teknik pengumpulan data yang melibatkan tinjauan pustaka dari sumber sekunder yang terkait dengan CBDC dan ekonomi Islam. Temuan penelitian menunjukkan bahwa implementasi CBDC dapat memberikan manfaat dalam bentuk peningkatan inklusi keuangan, efisiensi transaksi, serta perlindungan privasi dan integritas sistem pembayaran. Penelitian ini memberikan kontribusi dalam menjelaskan bagaimana CBDC dapat mendukung tujuan ekonomi Islam melalui persaingan pasar yang adil dan keterbukaan teknologi.

Kata kunci: *CBDC, mikroekonomi Islam, Maqashid Shariah, inklusi keuangan, privasi data.*

INTRODUCTION

Digitalization is rapidly reshaping global economic, social, and political landscapes (Matthess & Kunkel, 2020). The increasing adoption of digital technologies, especially in financial transactions, has profound implications for economies worldwide, including those in predominantly Muslim countries (Abou-Foul et al., 2021). In recent years, digital forms of currency, such as Central Bank Digital Currency (CBDC), have emerged as a response to the growing demands for efficiency, transparency, and inclusivity in payment systems (Radicic & Petković, 2023).

However, these technological advancements also pose significant risks related to privacy, security, and competition in the financial sector. For Muslim-majority countries like Indonesia, where Sharia-compliant financial practices are essential, the implementation of CBDCs raises critical concerns that must align with Islamic principles and values, particularly those outlined in Maqashid Shariah, which emphasizes the protection of wealth, justice, and economic well-being.

Previous studies have explored various aspects of Islamic microeconomics and their alignment with broader economic systems. Nugroho et al. (2020) examined the integration of microeconomics with the Tawhid String Relation (TSR) framework in Islamic law, emphasizing the importance of social justice through Islamic assets such as microfinancing and Waqf. This research highlights the ethical, moral, and religious factors in promoting Islamic financial practices, but it does not address the implications of emerging digital currencies like CBDCs. Furqani et al. (2020) further explored the ethical micro-foundations of Islamic economics, arguing that individual behavior, driven by endogenous ethical commitments, has socio-macro implications. Their work underscores the importance of ethics in shaping economic systems but leaves a gap in understanding how modern digital forms of currency, such as CBDCs, fit into this ethical framework.

Hidayat and Athoillah (2023) discussed the principles of consumption in Islamic microeconomics, focusing on how individual consumption behavior aligns with Islamic values of justice, cleanliness, and morality. While their study provides valuable insights into Islamic consumer behavior, it does not address how digital currency systems may influence or disrupt these traditional consumption patterns. Similarly, Kamarni and Rahadian (2021) examined the impact of blended learning on students' self-regulated learning in Islamic microeconomics, contributing to the pedagogical discourse but without engaging with the economic and financial implications of digital currencies like CBDCs.

Choudhury's (2020) concept of Islamic economics as "mesoscience" explores the integration of micro and macro perspectives within Islamic economics, but again, there is little focus on digital transformations in the financial sector. Lastly, Elhalaby et al. (2023) analyzed the microeconomic consequences of adopting AAOIFI standards in Islamic banks, finding that adoption enhances financial performance and conservatism. This study highlights the importance of regulatory frameworks but does not extend its analysis to the regulatory challenges posed by CBDCs.

The gap in the literature lies in the lack of research addressing how CBDCs, as a form of digital currency, align with the principles of Islamic microeconomics and Maqashid Shariah. This study aims to fill that gap by exploring the potential of CBDCs to promote Islamic economic values, particularly financial inclusion, privacy, and ethical transactions while mitigating risks associated with digital financial systems.

The main objective of this research is to examine the potential impact of CBDCs on Islamic microeconomics through the lens of Maqashid Shariah. Specifically, it seeks to analyze whether CBDCs can support the economic practices of Muslims by promoting financial inclusion, privacy, and integrity in digital transactions while adhering to the core principles of Islamic finance. This study aims to contribute to the growing body of knowledge on Islamic economics by exploring the compatibility of CBDCs with Shariah law.

The central argument of this study is that the implementation of CBDCs has the potential to support Islamic microeconomic objectives by enhancing the efficiency and inclusivity of payment systems while safeguarding privacy and ensuring market competition. From a Maqashid Shariah perspective, CBDCs could provide significant economic benefits by eliminating harmful elements such as uncertainty and fraud in financial transactions, thereby promoting a more just and equitable economic system for Muslims. However, the success of CBDCs in achieving these goals depends on careful consideration of the ethical, technological, and legal challenges that digital currencies present within the framework of Islamic principles.

METHOD

This research focuses on examining the potential impact of Central Bank Digital Currencies (CBDCs) on Islamic microeconomics, particularly through the lens of Maqashid Shariah. The research investigates how CBDCs can affect financial inclusion, privacy, and competition in Muslim-majority economies, particularly Indonesia, where Sharia-compliant economic practices are crucial. The study aims to understand how this digital currency infrastructure aligns with Islamic values, using Indonesia as a case study for the application of these theoretical considerations (Choudhury & Choudhury, 2020). The researchers selected Indonesia as the case due to its rapidly growing digital economy and the central role of Islamic principles in its financial system.

This research adopts a qualitative approach, utilizing a descriptive analysis methodology to assess the relationship between CBDCs and Islamic microeconomics (Lune & Berg, 2017; Rahim & Dilawati, 2022; Supriatna et al., 2024). The researchers selected Indonesia as the case due to its rapidly growing digital economy and the central role of Islamic principles in its financial system. Additionally, using a literature review approach ensures the incorporation of a wide range of perspectives on both Islamic finance and digital currencies into the analysis.

This study indirectly represents the participants by gathering data from key publications, including works by scholars of Islamic economics and contemporary discussions on CBDCs from central banks and financial experts. These authors serve as virtual informants in that their analyses provide the primary insights for understanding the intersection of digital currencies with Islamic economic principles. Although I did not conduct direct interviews, I treat the views and frameworks presented by these scholars as key contributors to the overall analysis.

The research followed several stages, starting with a broad review of the literature on CBDCs and their relevance to Islamic economic principles (Sangidu, 2007). I identified key sources related to Maqashid Shariah, microeconomic theory in Islam, and digital currency developments. The second stage involved a more focused selection of literature that specifically addresses how digital currencies intersect with financial inclusion, privacy, and market integrity, which are core concerns in Maqashid Shariah. I collected data by compiling and reviewing relevant academic and institutional reports, then organized the material to align with the research objectives.

The analysis followed a systematic data reduction process, beginning with the identification of key themes relevant to the research questions, such as financial inclusion, privacy, and economic fairness in the context of Islamic microeconomics. I processed the data by categorizing them into themes, which facilitated a detailed analysis of how CBDCs could either enhance or disrupt Islamic economic practices. Data reduction was followed by an in-depth interpretation, drawing connections between the theoretical framework of Maqashid Shariah and the practical implications of CBDCs. The final stage involved synthesizing these findings to form a coherent conclusion regarding the compatibility of CBDCs with Islamic financial principles (Miles & Huberman, 2013).

RESULTS AND DISCUSSION

The Impact of CBDC on Financial Inclusion from the Perspective of Maqashid Shariah

Central Bank Digital Currency (CBDC) is an innovation in the monetary system designed to digitize national currencies with the aim of enhancing transaction efficiency and expanding financial inclusion (Aman, 2020). In Indonesia, Bank Indonesia has launched the “Garuda Project” as an initiative to implement CBDC (Hermawan et al., 2024). The primary goal of this project is to extend access to financial services for people who lack access to formal banking, estimated to include over 51 million adults in Indonesia. This group includes rural communities, informal sector workers, and individuals without the formal documentation needed to open a bank account.

Other Muslim-majority countries, such as Saudi Arabia and the United Arab Emirates, are also exploring CBDC implementation with similar objectives (Hermawan et al., 2024). They seek to expand financial access to populations not covered by formal financial systems while ensuring compliance with Sharia principles. Globally, experts view CBDCs as a solution to address financial inclusion challenges and extend financial services to various segments of society that were previously difficult to reach through traditional systems.

Financial inclusion is a priority in many modern monetary policies, including CBDC development. According to World Bank data, only about 60% of the Indonesian population has access to formal banking services (Edwards Jr et al., 2024). This limitation hinders many individuals and businesses from accessing capital, saving, or conducting transactions securely and efficiently. With CBDC, individuals outside the reach of traditional banking systems can access financial services through digital means. Additionally, the increasing use of technology such as smartphones and the internet in Indonesia supports the potential success of CBDC implementation, especially for those in underserved financial sectors.

CBDC implementation could also minimize transaction costs, which often hinder many individuals from using formal financial services (Yuniarto, 2024). Moreover, CBDC could enhance efficiency in cross-border payment systems, which is particularly relevant for Indonesia, a country with a large diaspora population. This financial inclusion aims not only to improve individual well-being but also to support overall economic growth through broader economic participation.

From the Maqashid Shariah perspective, especially regarding the objective of *hifz al-mal* (protection of wealth), financial inclusion becomes a crucial element (Rosidin, 2021). Protection of wealth in Maqashid Shariah involves not only safeguarding individual wealth but also ensuring that everyone has access to means that help them acquire, manage, and protect their wealth fairly (Juliansyahzen, 2022; Qaradawi, 2010). CBDC could play a significant role in achieving this objective by providing more inclusive financial services to disadvantaged populations, such as those living in remote areas or lacking official documentation for banking access.

Furthermore, CBDC could serve as a tool facilitating economic justice distribution, a key principle in Maqashid Shariah (Musyafa'ah, 2022). By expanding access to financial services, CBDC could help reduce economic disparities between different community groups and support the creation of collective well-being *(maslahah).* Additionally, financial inclusion strengthened by CBDC could drive sustainable economic growth, which, in turn, supports broader social and economic welfare, aligning with Sharia principles of justice.

Several Islamic economic experts, such as Mohammad Yasin (1982), argue that CBDC can play a crucial role in achieving financial inclusion within the context of Maqashid Shariah. According to his view, CBDC can be a tool to ensure that access to wealth and wealth protection is available to all, including those marginalized from the formal financial system. Moreover, reports from the Financial Services Authority (OJK) indicate that more than 80% of the Indonesian population has access to smartphones (Nugraha, 2024). The use of CBDC provides a significant opportunity for widespread implementation through digital applications, enabling those without bank accounts to transact securely and efficiently.

The implementation plan for CBDC from Bank Indonesia through the "Garuda Project" also outlines a long-term strategy for expanding financial inclusion, emphasizing efficiency and security in digital transactions in line with Sharia principles (Amanda, 2022). This implementation is expected to enhance financial inclusion and improve the stability and efficiency of the national monetary system. Various stages of the project include developing technological infrastructure and policies to encourage CBDC adoption among the wider public.

Additionally, research by the World Bank and OJK shows that there is still a gap in financial access in Indonesia, particularly among rural and low-income groups (Anwar et al., 2020; Arifin et al., 2020). A focus on financial inclusion through CBDC could effectively address these challenges by offering easier access and lower costs for financial services.

Research on financial inclusion in the Islamic context has discussed the role of Sharia microfinance institutions in providing financial access to underserved groups (Septianingsih & Abdullah, 2023). Studies on institutions like Baitul Maal wat Tamwil (BMT) show that they play a significant role in providing capital to small and medium enterprises (SMEs) and low-income individuals (Anwar et al., 2023; Ascarya & Masrifah, 2023). However, despite the effectiveness of Sharia microfinance institutions in promoting financial inclusion, they still face challenges regarding scale and accessibility, especially in remote areas.

On the other hand, research examining financial inclusion challenges in the digital economy highlights that while digital technology offers solutions to expand financial access, there are obstacles related to digital literacy and uneven technological infrastructure (Sha'ban et al., 2021). According to research from the Global Partnership for Financial Inclusion (GPFI), populations in areas with limited digital infrastructure tend to lag in access to digital financial services (Ozili, 2020). The lack of infrastructure poses a challenge for implementing financial technologies like CBDC, particularly in developing countries.

Nevertheless, this research shows that CBDC can be an important solution for countries with limited financial access, especially for economically disadvantaged groups. By expanding access to financial services through digital platforms, CBDC offers opportunities for those previously excluded from formal banking systems to engage in broader economic activities. The push for CBDCs not only reflects a global effort to improve financial inclusion but also demonstrates the relevance of financial technology within Islamic economics.

Furthermore, CBDC implementation aligns with principles of social and economic justice in Islam, where wealth distribution should be equitable and every individual has the right to fair access to means that enable them to manage their wealth and well-being (Qutb, 1970). Thus, CBDC not only offers a technological solution but also supports the achievement of socio-economic goals within the context of Maqashid Shariah.

Digital Transaction Efficiency and Privacy Security from an Islamic Microeconomic Perspective

Central Bank Digital Currencies (CBDCs) offer several advantages related to transaction efficiency. One of the main benefits of CBDCs is the reduction of transaction costs (Mulyono, 2022). Traditionally, the transaction process involves various intermediaries, such as banks and other financial institutions, which require operational and administrative costs. CBDCs eliminate most of these intermediaries by enabling direct transactions between users and the central bank, significantly reducing the costs associated with transactions (Criptonews.com, 2024).

Additionally, CBDCs increase transaction speed. Traditional payment systems often require a considerable amount of time to complete transactions, especially international transactions (Hermawan et al., 2024). With CBDCs, financial institutions can process transactions within seconds, thanks to blockchain technology or integrated digital systems. The use of CBDCs not only speeds up the payment process but also reduces the risk of errors and delays that often occur in conventional systems.

However, the implementation of CBDCs faces significant challenges, particularly concerning data privacy (Gunawan, 2024). In a CBDC system, the central authority records all transactions digitally and centrally. The centralized recording of transactions raises concerns about the potential for unauthorized access to users' data. Privacy becomes a critical issue because transaction data may contain sensitive information that could be misused if not managed properly. Users worry about the extent to which their data is collected, stored, and used by third parties, including governments or financial institutions (Yuniarto, 2024).

CBDCs clearly and significantly enhance transaction efficiency. The reduction of operational costs and the acceleration of transaction times are direct benefits of using CBDCs (Amanda, 2022). The focus on efficiency in financial transactions aligns with the principles of Islamic microeconomics (Ghlamallah et al., 2021). The principles of justice and transparency in Islamic microeconomics require that individuals conduct every transaction in a manner that minimizes costs and maximizes speed without compromising the integrity of the system (Choudhury, 2020).

Stakeholders must carefully address privacy issues related to CBDCs to ensure that the implementation aligns with Sharia principles. Islam places a strong emphasis on protecting individual privacy and preventing data misuse (Islam et al., 2022). In this context, stakeholders must give serious attention to protecting users' data, even though CBDCs offer high efficiency. Clear policies and mechanisms must be implemented to safeguard privacy while leveraging the efficiency benefits offered by CBDCs (Gunawan, 2024).

Efficiency and privacy security are two crucial aspects in the context of Islamic microeconomics (Criptonews.com, 2024). CBDCs, with their high efficiency, align with the principles of adl (justice) and transparency in financial transactions, as taught by Islam (Aman, 2020). Higher efficiency can expedite transaction processes and reduce costs, creating a more equitable system for all parties involved.

However, stakeholders must properly manage privacy issues to ensure that CBDCs fully comply with Sharia principles. Individuals should avoid *gharar* (uncertainty) in financial transactions, and they must preserve data privacy to prevent injustice or misuse risks (Al-Qaradawi, 2006). Aligning efficiency with privacy protection is key to adhering to Islamic microeconomic principles and ensuring that CBDCs function fairly and transparently.

Case studies from the implementation of CBDCs in countries such as China and the Bahamas provide valuable insights into efficiency and privacy challenges. In China, the adoption of e-CNY (digital yuan) has shown significant improvements in efficiency (Gunawan, 2024). This system allows for faster transactions and lower costs but also raises concerns about data privacy. Government surveillance and potential unauthorized access to transaction data pose questions about user privacy protection (Yuniarto, 2024).

In the Bahamas, the launch of the Sand Dollar demonstrates that CBDCs can enhance access to financial systems and reduce transaction costs (Mulyono, 2022). However, like in China, privacy concerns need to be addressed. Survey results indicate that many users are worried about the potential misuse of personal data within digital payment systems. Therefore, it is essential to consider these survey results and learn from international case studies to develop policies that can protect privacy while benefiting from CBDC efficiency (Ministry of Finance of Indonesia, 2022).

In Islamic economics, scholars often link transaction efficiency with principles of justice and transparency (Uraybi, 1982). Transaction efficiency theory in Islamic microeconomics emphasizes avoiding *gharar* (uncertainty) and promoting fair and transparent trade practices. Gharar refers to elements of uncertainty or high risk that can disadvantage one party in a transaction. The efficiency achieved by CBDCs can be viewed positively from this perspective because it reduces transaction costs and speeds up payment processes, leading to reduced uncertainty in trade.

However, stakeholders should evaluate the efficiency offered by CBDCs within the context of Sharia principles, especially regarding how they manage data privacy. The theory of avoiding *gharar* also encompasses the need to reduce uncertainty related to unclear or non-transparent information. In this regard, potential privacy risks associated with CBDCs can be considered a form of uncertainty that must be carefully managed (Qaradawi, 2010). CBDC systems must ensure that user privacy is not compromised and that data is not misused to meet Sharia principles regarding transparency and justice.

Other research on digital transaction systems also provides important perspectives (Li, 2020). Studies show that the reliability of digital transaction systems, including CBDCs, heavily depends on how these systems manage and protect user data (Nagle et al., 2020). Some studies highlight that systems that effectively maintain user trust are those that are transparent and reliable in data protection. For example, studies on digital payment system implementations in European countries indicate that transparency in data collection and use is key to building user trust and reducing privacy concerns (Skare et al., 2023).

Research on CBDCs indicates that while these systems offer significant improvements in transaction efficiency, there is an urgent need to ensure that user privacy is well protected. In the context of Islamic finance, the principles of adl (justice) and transparency are crucial, and this includes protecting personal data. The transaction efficiency achieved through CBDCs cannot be considered complete without adequate attention to data privacy, which is a key element in Islamic finance.

This reflection implies that developers and implementers of CBDCs should consider how user data is managed and protected in depth. This includes implementing transparent policies and strong mechanisms to protect personal information from unauthorized access or misuse. As part of the broader debate on data privacy in the digital era, it is important to find a balance between the efficiency benefits offered by CBDCs and the privacy protection required to meet Islamic financial standards.

In a broader context, this study also reflects the challenges faced by new technologies in meeting existing ethical and regulatory standards. CBDCs are a concrete example of how technological innovation must be integrated with ethical and religious principles, ensuring that technological benefits do not compromise important values such as privacy and justice. Further discussion and in-depth research are needed to develop solutions that can effectively address these challenges.

The Impact of CBDC on Market Competition and Technological Openness in Islamic Economics

Central Bank Digital Currencies (CBDCs) offer significant transformative potential in the payment sector by enhancing market openness and reducing dependence on large technology companies. Currently, major technology firms like PayPal, Stripe, and Apple Pay control much of the digital payment infrastructure, which often results in high costs and strict control over transactions (Yuniarto, 2024). As official digital currencies issued and overseen by central banks, CBDCs can provide a more democratic and inclusive alternative. With a more transparent structure and broader access, CBDCs can challenge the dominance of these large companies, facilitate innovation in the payment sector, and reduce transaction costs for consumers and businesses.

CBDCs enable central banks to introduce payment systems accessible to all segments of society without relying on dominant private payment service providers. This situation can lower barriers for small and medium-sized enterprises to enter the payment market and provide better access to individuals worldwide. By utilizing advanced digital ledger technology, CBDCs can enhance transaction efficiency and security, enable the creation of more open and diverse payment systems, and encourage the development of new technological solutions that major technology companies might have hindered (Hamid et al., 2024).

In practice, CBDCs can foster fairer competition in the payment market by offering an alternative not bound by the dominant power of large technology companies. With CBDCs, central banks can directly provide payment infrastructure to consumers and businesses, reducing reliance on private payment service providers that often dominate the market (Marcellova, 2023). Payment systems supported by CBDCs can offer lower transaction costs and reduce access barriers faced by small businesses, fostering healthy competition by diminishing the disproportionate market influence of large firms.

The implementation of CBDCs also has the potential to address the injustices frequently present in traditional payment systems, where the dominance of large companies can create inequality and stifle innovation. By providing an alternative regulated and overseen by monetary authorities, CBDCs allow for a fairer and more balanced payment system, promoting transparency and reducing the likelihood of unfair charges or unnecessary access restrictions by major payment service providers (Gunawan, 2024). The implementation of CBDCs creates space for innovation and the development of new technologies that benefit the entire economic ecosystem.

In the context of Islamic economics, stakeholders must maintain the principle of fair competition *(adl)* as a core pillar to prevent monopolies and ensure economic balance (Qaradawi, 2010). This principle emphasizes the importance of fairness in economic transactions, where market dominance by a few large entities can threaten balance and economic welfare. CBDCs support this principle by offering an alternative that can reduce dependence on large technology companies and decrease the likelihood of monopolies. By providing a more equitable and regulated payment system, CBDCs can help create a more balanced economic environment and support the principle of fairness in Islamic economics.

Furthermore, CBDCs can strengthen Islamic economics by reducing the disproportionate market power of large technology companies that often monopolize access to payment infrastructure and influence transaction costs (Kementerian Keuangan RI, 2022). By increasing transparency and reducing reliance on private entities, CBDCs contribute to achieving an economic balance more aligned with Islamic values, ensuring that markets remain open and fair for all economic participants.

Reports from the Bank for International Settlements (BIS) provide critical insights into how CBDCs can impact the payment market by reducing the dominance of large technology companies. These reports show that CBDCs have the potential to alter market dynamics by providing an alternative regulated by monetary authorities, which can break the dominant power of private payment service providers (Wang & Gao, 2021). Financial sector experts support these findings by highlighting CBDCs' potential to introduce a more open and inclusive payment system and offer broader opportunities for innovation in the payment market (Mulyono, 2022). This data reinforces the argument that CBDCs can play a crucial role in enhancing market competition and supporting economic fairness principles within the context of Islamic economics.

Market competition theory in Islamic economics emphasizes fairness and balance in all aspects of economic activity (Risfandy et al., 2022). According to Islamic principles, monopolies and unfair market dominance must be avoided as they can harm society and disrupt the economic balance. CBDCs, as digital currencies issued by central banks, have the potential to balance the market by offering an alternative that does not depend on large technology companies often dominating the payment sector (Risfandy et al., 2020). The focus on accessibility and fairness aligns with the market competition theory in Islamic economics.

Comparisons with other studies, such as those found in BIS reports and various academic research mentioned in the introduction, show that the financial technology sector often faces significant challenges related to market dominance and lack of competition. These studies indicate that large technology companies often hold disproportionate control over payment systems, creating barriers for smaller companies and reducing financial inclusion. CBDCs can address these challenges by providing a more open and inclusive alternative that supports market fairness principles in Islamic economics. Thus, CBDCs can serve as a tool to reduce reliance on large technology companies and enhance fair competition in the payment market.

These findings highlight that CBDCs have substantial potential to enhance fairness in the global payment system, particularly within an Islamic economic context (Ghlamallah et al., 2021). The implementation of CBDCs can help reduce injustices caused by the dominance of large technology companies, creating a more inclusive and efficient payment system. This situation underscores the critical role of regulators in maintaining market openness and ensuring that they adopt new financial technologies in a way that supports principles of fairness and economic balance. CBDCs can act as a bridge between technological innovation and Islamic principles, supporting Islamic economic goals fairly and transparently.

CBDCs hold significant potential to strengthen financial inclusion, transaction efficiency, and fair market competition within the context of Islamic economics. These findings indicate that CBDCs could be a vital tool in achieving Islamic economic objectives, particularly in addressing challenges arising from digital technology developments (Aman, 2020). By providing an alternative regulated by central banks, CBDCs can help address market dominance issues posed by large technology companies and ensure that the payment system remains open and fair. This regulation is crucial for maintaining economic balance and ensuring equal opportunities for all economic participants. These findings respond to the need for digital solutions aligned with Islamic principles, as well as the rapid development of financial technology transforming the global economic landscape (Aman, 2020). With the rapid growth of technology, it is essential to have mechanisms that can regulate and balance the market to ensure that innovation does not compromise principles of fairness and openness. CBDCs offer a solution that can meet these needs in line with Islamic principles, providing a fair and inclusive alternative in the payment market.

Necessary actions include formulating regulations and policy frameworks that support the implementation of CBDCs while adhering to Islamic principles. Islamic financial institutions and regulators must collaborate to ensure that they implement CBDCs fairly, transparently, and in accordance with the principles of economic justice. These actions include developing policies that promote healthy market competition, reduce the dominance of large technology companies, and ensure that all economic participants, including the less fortunate, have equal access to digital payment systems. Collaboration between financial institutions and regulators is crucial to achieving these goals and ensuring that CBDCs deliver maximum benefits within the context of Islamic economics.

CONCLUSION

This study finds that Central Bank Digital Currencies (CBDCs) hold significant potential in supporting Islamic microeconomics from the Maqasid Shariah perspective, particularly in terms of financial inclusion, transaction efficiency, and privacy protection. CBDCs can help reduce uncertainty *(gharar)* and fraud in financial transactions while supporting a fairer and more transparent payment system. This result contrasts with previous research, which focused more on ethical aspects and consumer behavior in Islam, without examining the impact of digital technologies such as CBDCs on Islamic financial systems.

The main contribution of this research lies in integrating the Maqasid Shariah concept into the analysis of CBDC potential, which has been underexplored in the existing literature. This study makes a conceptual contribution by linking financial inclusion, privacy, and broader market fairness with Shariah objectives in a digital context. Methodologically, this study employs a qualitative-descriptive approach with in-depth literature analysis, which can serve as a foundation for further research on financial digitalization within the Maqasid Shariah framework.

However, this study has limitations, including reliance on secondary data and the lack of direct empirical research on CBDC implementation in predominantly Muslim countries. Additionally, the study focuses solely on Indonesia as a case study, which may limit the generalizability of its findings. Future researchers are expected to conduct empirical analyses in various Muslim countries using quantitative approaches or more in-depth case studies to further explore the potential and challenges of CBDC implementation from the perspectives of Islamic economics and Maqasid Shariah.

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