Contents list available at: https://ejournal.kampusmelayu.ac.id
MAISHA: Journal of Sharia Economics
Journal homepage: https://ejournal.kampusmelayu.ac.id/index.php/MAISHA

The Objective of the Islamic Economic System in Fulfilling Basic Human Needs

Sandi Andika[1]

[1,2] Sharia Economics Study Program, Faculty of Sharia and Islamic Economics, STAIN Bengkalis

Article Info

Paper type:
Research Paper

Keywords:
Islamic Economics; Basic Needs; Public Ownership; Indonesian Economic Policy.

Article history:
Received: june 15, 2025
Accepted: August 10, 2025
Available online: August 16, 2025

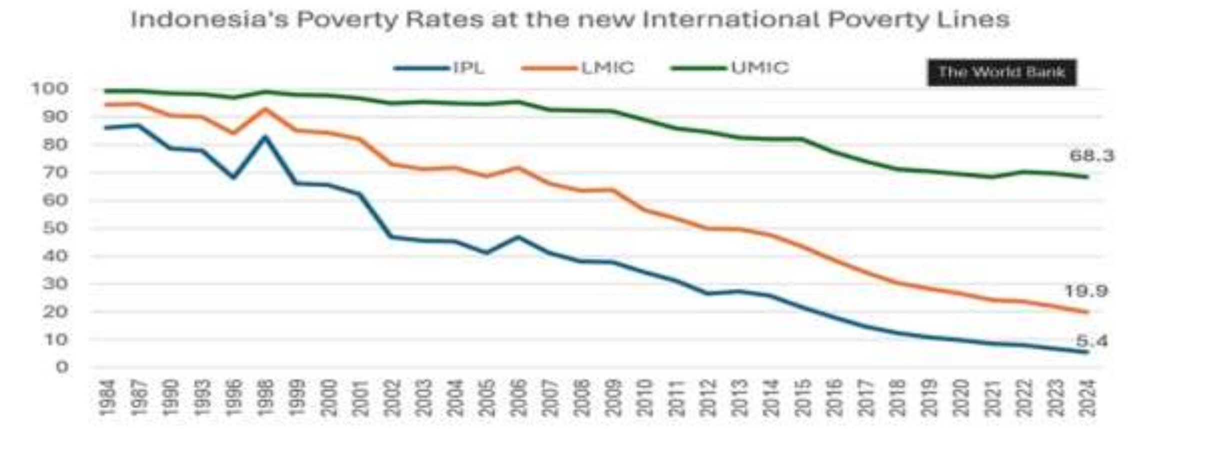
Abstract

Persistent structural poverty and wealth inequality in Indonesia reveal a systemic failure within the conventional economic paradigm. This study analyzes the Islamic economic system's orientation toward fulfilling basic human needs, drawing on the thought of Sheik Taqiyuddin an-Nabhani, specifically as articulated in his book *Al-Nizham al-Iqtishadi fi al-Islam* (The Economic System in Islam). Employing a library research method with a descriptive-analytical qualitative approach, data were gathered from primary and secondary sources; their credibility was subsequently verified through internal and external criticism before being analyzed using critical interpretation and comparative techniques. The findings indicate that an-Nabhani radically deconstructs the capitalist economic paradigm, which prioritizes macro-aggregate growth (GDP) above all else. In contrast, the Islamic economy emphasizes equitable wealth distribution through an individual-focused (*fardan*) paradigm, wherein the state is obligated to guarantee the provision of basic individual needs food, clothing, and shelter as well as collective needs security, healthcare, and education free of charge. The study's implications underscore that Indonesia's current economic failures, such as the high cost of higher education (under the PTN-BH model) and disparities in healthcare services (under the BPJS system), stem from the neglect of the public ownership structure (*milkiyah ammah*), which has instead been privatized by corporations. Consequently, economic reform in Indonesia necessitates a paradigm shift: moving away from the privatization of natural resources and toward state control of public assets to strengthen the *Baitul Mal* (public treasury) and ensure equitable social welfare.

*Corresponding author: sandi.andika@gmail.com

Introduction

Structural poverty and unequal wealth distribution remain unresolved drivers of humanitarian crises in Indonesia. Various macroeconomic indicators such as Gross Domestic Product (GDP) growth, often extolled by proponents of capitalism, have proven inadequate in reflecting actual well-being at the grassroots level. In reality, massive production growth in the modern era frequently goes hand in hand with wealth accumulation concentrated among a handful of corporations and individuals. This systemic failure stems from a fundamental epistemological error in conventional economics: by mistakenly identifying the scarcity of goods and services as the root issue, policy focus is consistently directed toward material production (Lahuri & Rahayu, 2024). According to (Arifin et al., 2016; Lahuri & Rahayu, 2023) The fundamental economic challenge facing humanity lies not in a scarcity of goods and services a situation in which there should be no lack but rather in the reality of sufficiency and abundance. Abundance implies that there is actually enough to meet all human needs; this is the natural state of the world.



Tingkat Kemiskinan Indonesia Pada Garis Kemiskinan Internasional yang Baru
World Bank

For Indonesia, based on the new international extreme poverty line for 2024, 5.4 percent of the population is classified as poor; 19.9 percent is classified as poor based on the poverty line commonly used in lower-middle-income countries (LMICs); and 68.3 percent is classified as poor based on the poverty line commonly used in upper-middle-income countries (UMICs).

Policy directions that rely too heavily on aggregate production growth overlook a crucial economic instrument: income distribution. Consequently, the fulfillment of basic human needs is often left to free-market mechanisms that are unfavorable to the lower class. In this context, reconstructing the economic paradigm becomes urgent. Islam, as a worldview (ideology), offers a systemic alternative that differs diametrically from both capitalism and socialism, particularly in the orientation and ultimate goals of economic activity. (Aziz & Julaian, 2022). This assertion is further supported by (Astuti, 2019; Dewantara, 2020) who emphasize that the capitalist economic system is founded on absolute ownership of the factors of production; consequently, its primary objective is to maximize profit, often disregarding moral and social values. Distribution within this capitalist system fosters economic inequality because the wealthy often control resource allocation.

One contemporary thinker who comprehensively reformulated the direction of Islamic economics is Sheik Taqiyuddin an-Nabhani. Through his monumental work, *Al-Nizham al-Iqtishadi fi al-Islam* (The Economic System in Islam), an-Nabhani asserted that the fundamental problem facing the global economy is not production, but rather the inequitable distribution of wealth. Consequently, he shifted the benchmark for economic success from macro-aggregate statistical figures to the fulfillment of individual needs (*fardan*). In his view, the fundamental objective of the Islamic economic system is to guarantee the comprehensive fulfillment of every individual's basic needs *(al-hajat al-asasiyah)* within society, while simultaneously creating opportunities for them to meet their secondary and tertiary needs. (Aziz & Julaian, 2022) It explains that An-Nabhani views economics and the economic system as distinct concepts. Economics is the science concerned with production, improving production quality, creating the means of production, and improving them; consequently, it is universal, meaning it is not bound to any specific ideology. An economic system, on the other hand, consists of the laws and principles governing the ownership, management, and use of property, as well as the distribution of wealth within society.

Previous research has generally examined an-Nabhani's economic thought from a broad, macro perspective or merely compared it globally with socialist and capitalist systems. However, studies specifically exploring how the mechanisms of Sharia law within an-Nabhani's thought are integratively designed to guarantee basic human needs still require more systematic investigation.

Therefore, this article aims to conduct an in-depth analysis of the orientation of the Islamic economic system from the perspective of Taqiyuddin an-Nabhani regarding the fulfillment of basic human needs. Through a critical literature review, this article seeks to make a theoretical contribution by proposing alternative solutions amid the impasse conventional economic systems face in addressing global poverty and inequality.

Literature Review

Online Business

Studies regarding the epistemological foundations of Islamic economics often begin with a critique of the scarcity assumption, which serves as the starting point for conventional economics. (Arifin et al., 2016) This re-examines the assumptions of scarcity and the definition of economics, concluding that the fundamental human problem lies not in the limited means of satisfying needs, but in how they are distributed. This finding is reinforced by (Lahuri & Rahayu, 2024, 2023), which analyzes the concept of scarcity in conventional economics from the perspective of Islamic economics, asserting that scarcity is an ideological construct rather than a natural state of the world. This body of study provides a crucial foundation for an-Nabhani's epistemological critique of capitalism, even though these analyses do not yet directly link the concept to the concrete mechanisms of Sharia law for guaranteeing individuals' basic needs.

At the level of systemic comparison, several researchers have mapped the position of Islamic economic thought vis-à-vis both capitalism and socialism. (Aziz & Julaian, 2022) comparing the ideas of Abu A'la al-Maududi and Taqiyuddin an-Nabhani, and identifying both the common ground and the differences between them in formulating an Islamic economic system. (Astuti, 2019) examining the concept of equitable economic distribution according to Muhammad Baqir al-Sadr, while (Dewantara, 2020) comparing the ethics of distribution in the capitalist system with the Islamic distribution system. (Azizah, 2019) also offer an Islamic economic critique of conventional market mechanisms. In general, these studies assert that the absolute ownership of factors of production inherent in capitalism fosters a profit-driven orientation that disregards moral and social values; however, the discussion remains at the level of philosophical-normative comparisons between systems, without delving into the operational legal instruments that would guarantee the fulfillment of basic needs on an individual basis.

Other research groups highlight the limitations of macro-aggregate indicators as measures of well-being. (Alivanda Virsa et al., 2024) Examining per capita income from an Islamic economic perspective and finding that the indicator fails to capture the distribution of real wealth at the individual level. In line with this, (Anggita & Maryam, 2023) compared the concepts of national income from Islamic and conventional perspectives, concluding that the conventional approach tends to mask inequality through the logic of arithmetic averages. While both studies provide a relevant empirical basis for critiquing the fetishization of Gross Domestic Product (GDP) and per capita income, neither explains how an-Nabhani's version of the Sharia legal framework replaces these indicators with a mechanism for guaranteeing individual needs.

Regarding the role of the state, (Zakiyah, 2017) examined the state's role in wealth distribution from an Islamic economic perspective, concluding that the state is obligated to ensure the distribution of wealth at the individual level and to act as an overseer of distributive justice. This study is one of the references most closely aligned with the theme of the present article, although its discussion remains general and does not elaborate in detail on the tripartite ownership structure *(milkiyah fardiyah, milkiyah ammah, and milkiyah daulah)* as formulated by an-Nabhani in *Al-Nizham al-Iqtishadi fi al-Islam*.

At the level of social security and the family, (Fahmi Zakariya et al., 2025) examine the role of social security in fostering societal well-being from the perspective of *maqasid sharia*, while (Nasution et al., 2026) analyze the reconstruction of human resource development policies to address unemployment through the same maqasid al-sharia lens. More specifically, (Hanafi et al., 2022) discuss the obligation to provide financial support (*nafaqah*) to female relatives in a comparative study of the Shafi‘i and Hanbali schools of thought. These three studies provide the fiqh and maqasid foundations for the concepts of nafaqah al-aqarib (support for relatives) and the tiered social safety net discussed in this article, although none of them directly link these concepts to the broader framework of the Islamic economic system's objectives as articulated by an-Nabhani.

Regarding resource ownership, (Nabhani, 2004) posits that a clear distinction between individual, public, and state ownership is an absolute prerequisite for achieving distributive justice within the Islamic economy. This concept is reinforced by contemporary literature (Sofyan Sulaiman, 2025) which asserts that disregarding the boundaries of public ownership, as seen in the massive privatization of natural resources in Indonesia, directly undermines the fiscal capacity of the state *(Baitul Mal),* thereby rendering the state unable to fulfill the collective basic needs of its citizens.

The mapping above reveals that existing research tends to be fragmented into several clusters: epistemological critiques of the concept of scarcity, philosophical comparisons of economic systems, evaluations of macro-welfare indicators, the general role of the state, social security based on *Maqasid Sharia*, and resource ownership. To date, there has been no study that specifically and integratively examines the primary text *Al-Nizham al-Iqtishadi fi al-Islam* by Taqiyuddin an-Nabhani to map how Sharia legal mechanisms ranging from the obligation to work, the provision of maintenance for relatives, and the tripartite ownership structure to the fiscal functions of the *Baitul Mal* are systemically designed to guarantee the satisfaction of both individual and collective basic needs. This article addresses this gap by directly linking an-Nabhani’s theoretical framework to the reality of economic distribution failures in contemporary Indonesia.

Methodology

This This study employs a library research method with a descriptive-analytical qualitative approach. The primary focus is to examine Sharia legal instruments in relation to the objectives of the Islamic economic system in fulfilling basic human needs. The research data is derived entirely from authentic secondary literature; the book *Al-Nizham al-Iqtishadi fi al-Islam* by Sheik Taqiyuddin an-Nabhani serves as the primary source, while reputable scholarly journal articles, textbooks, and prior research findings constitute the secondary data. Data collection was conducted digitally through online journal portals and university repositories, followed by a quality assessment that included data verification, specifically external criticism to confirm the physical authenticity of the sources and internal criticism to evaluate the credibility of the ideas presented in the texts.

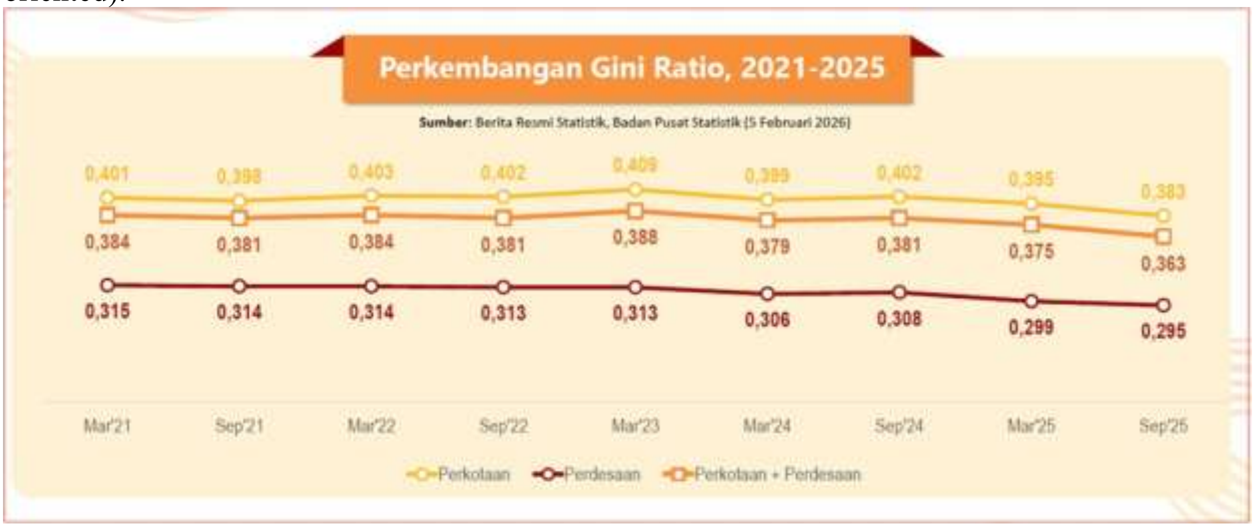
Once the data was deemed valid and credible, an integrative analysis was conducted using two qualitative techniques: interpretation (content analysis) and critical comparison. The interpretation technique involved close, repeated reading of the text to grasp an-Nabhani’s original ideas regarding the shift in economic paradigm moving from a focus on macro-aggregate production to the fulfillment of individual basic needs (*fardan fardan*). Subsequently, the resulting conceptual mapping was linked to and compared with normative economic theory and the current reality of global economic inequality. Through this analytical process, the study drew robust conclusions and formulated a novel perspective on an Islamic economic system capable of effectively addressing the challenges of structural poverty.

Results and Discussion

Deconstructing the Economic Problem: An-Nabhani’s Critique of the Conventional Paradigm

Based on a textual analysis of the book *Al-Nizham al-Iqtishadi fi al-Islam*, Taqiyuddin an-Nabhani initiates the reconstruction of Islamic economics by exposing the inherent epistemological flaws in conventional schools of economic thought (particularly capitalism). In Western economics, the fundamental economic problem is defined as "relative scarcity": the gap between unlimited human needs and the limited means of satisfying them (goods and services). An-Nabhani strongly criticizes this view for conflating "Economics" (*'Ilm al-Iqtishad*), which is universal and value-neutral, with an "Economic System" (Nizam al-Iqtishadi), which is bound to a specific worldview or ideology.

Because capitalism fundamentally misidentifies scarcity as the root problem, conventional economic policy focuses on increasing aggregate material production to pursue GDP growth. For an-Nabhani, this assumption is a fatal error. The primary global economic issue driving structural poverty is not a scarcity of goods (production), but rather the flawed system of wealth distribution within society. Allah SWT created the universe with sufficient potential to meet the needs of all humanity. Therefore, while capitalism focuses on maximizing the production of goods (production-oriented), the Islamic economic system proposed by an-Nabhani focuses on ensuring that wealth flows into the hands of every individual (distribution-oriented).



The current empirical reality of economic inequality in Indonesia offers a pertinent illustration of the systemic failures inherent in free-market distribution. Statistics Indonesia (BPS) recorded the country's Gini ratio at 0.363 as of September 2025. Under conventional economic theory, this figure places Indonesia in the category of "moderate" expenditure inequality. However, through the lens of Islamic economics, this macroeconomic indicator reveals a significant methodological bias: it measures monthly household consumption expenditure rather than the actual distribution of asset ownership or real wealth on the ground. The true extent of inequality becomes far starker when factual wealth data show a concentration of national assets dominated by a handful of large corporations, while the population at the bottom of the socioeconomic ladder remains vulnerable in meeting basic living needs.

From Taqiyuddin an-Nabhani's theoretical perspective in the book Al-Nizham al-Iqtishadi fi al-Islam, inequality, as reflected in the gap between the rich and the poor, is a logical result of an incorrect paradigm. National economic policy remains trapped in a pragmatic-positivist approach that defines development success as increasing material aggregate production or GDP growth alone, while leaving the fulfillment of primary human rights to free-market mechanisms (Aziz & Julaian, 2022). Capitalism legitimizes capitalists' absolute control of the factors of production, thereby transforming abundant natural resources into private property. This situation stifles the circulation of wealth, trapping it within the circle of the wealthy.

The *Fardan* Paradigm: Shifting Orientation from the Macro to the Micro-Individual

A key finding of this literature review is that an-Nabhani initiated a radical paradigm shift regarding the ultimate objective of economic activity. While the capitalist system assesses societal well-being based on aggregate statistics such as per capita income, which has proven biased and masks actual inequalities at the grassroots level, the Islamic economic system sets its benchmark at the individual level (*fardan*). According to an-Nabhani, the primary goal of the Islamic economic system is not to pursue aggregate numerical growth on paper, but rather to ensure that every individual citizen, regardless of race, skin color, or religion, can meet all their basic needs in a tangible and humane manner.

This *fardan* (individual-based) paradigm rests on a strong theological foundation. Before Allah SWT, human beings will not be held accountable collectively, but rather individually, for their own actions and endeavors. Consequently, within the Islamic economic system, the state is obligated to treat its citizens as unique individuals, ensuring that each person's right to life is upheld rather than merely as a statistical average. As explained by (Zakiyah, 2017) Islamic economic policy aims to ensure that state wealth is distributed to every individual in society on a person-by-person basis, thereby guaranteeing the fulfillment of their basic needs and establishing the government's role as the overseer and planner of that distribution's equity.

Capitalist economic systems are often trapped in a fetishization of aggregate figures. Per capita income, revered as a primary indicator of prosperity, is fundamentally flawed from a methodological standpoint, masking social realities beneath a veil of statistics. Relying on the logic of the arithmetic mean, per capita income presupposes a symmetrical and equitable distribution, whereas the actual reality is one of extreme, asymmetrical inequality. According to the latest official data released by Statistics Indonesia (BPS) for the full year of 2025, Indonesia’s Gross Domestic Product (GDP) per capita, or per capita income, has reached a historic milestone, surpassing the figure of approximately Rp83.7 million per year (or around Rp6.97 million per month). This figure certainly does not reflect the actual economic conditions of the community on the ground. According to (Alivanda Virsa et al., 2024), high per capita income serves merely as a "sufficient condition" on paper, failing to reflect the actual composition of distribution. Many people, particularly in rural or marginalized areas, statistically fall into the category of prosperous regions yet, in reality, live below decent standards. Islam critiques this perspective because welfare must be grounded in *Falah* (true individual well-being, encompassing both spiritual aspects and the fulfillment of basic physical needs).

These macro figures are blind to the cries of individuals at the bottom of the poverty line; they can elevate a country to "prosperous" status on paper simply because a small elite has accumulated extraordinary wealth. As explained in (Jpnn.com, 2022) notes that half of the national assets are controlled by merely a handful of wealthy individuals; approximately 1 percent of the wealthy in Indonesia control 50 percent of national assets. Epistemologically, economic conventionalism has reduced human beings, unique living creatures with diverse, real needs, to nothing more than decimal figures in national statistics. According to (Alivanda Virsa et al., 2024; Anggita & Maryam, 2023; Azizah, 2019) A fundamental flaw of per capita income lies in its inability to capture unequal wealth distribution and its disregard for the nonmarket economic activities of marginalized communities. This methodological failure creates an illusion of growth that is inherently biased, as it equates capital accumulation by a small elite with the well-being of the entire population. Consequently, Islamic economics rejects this statistical reductionism and calls upon the state to guarantee the actual fulfillment of basic per capita needs.

Classification of Needs and Strategies for Meeting Them Based on Sharia

In formulating a mechanism to guarantee the fulfillment of basic human needs, An-Nabhani categorizes these needs into two broad groups, employing a systemic and integrative strategy for their fulfillment:

Individual Basic Needs (Material)

Basic material needs encompass three fundamental elements: food, clothing, and shelter. The Islamic economic system meets these needs not through the passive distribution of social aid, but through productive legal regulations. The state is obligated to create employment opportunities and requires every able-bodied man to earn a living independently. However, should an individual face physical limitations such as illness, disability, or advanced age, the legal obligation to provide for their livelihood shifts to their heirs or closest relatives.

The Islamic economy employs a rigorous and hierarchical social security strategy to meet *dharuriyat* needs (food, clothing, and shelter). Islam rejects passive social assistance models that foster a dependency mentality; instead, it prioritizes productive legal frameworks such as the work obligation for able-bodied men and state-led job creation. Islamic legal principles also establish a social safety net centered on the extended family through the concept of *nafaqah al-aqarib* (maintenance of relatives). Legal responsibility for meeting the basic needs of the disabled or elderly falls on their heirs before they become a burden on the *Baitul Mal* (public treasury). Thus, the state acts as a guarantor of last resort, ensuring that distributive justice operates systematically rather than merely through charity. (Fahmi Zakariya et al., 2025; Hanafi et al., 2022; Nasution et al., 2026).

An-Nabhani offers a fundamental critique, arguing that the flaw of the capitalist system lies not in an inability to produce goods, but in a failure to distribute them equitably to every individual. When capitalism leaves the provision of basic needs to purchasing power and price mechanisms, the poor are automatically deprived of their right to a livelihood. Therefore, economic reconstruction must focus on guaranteeing distribution to each individual, directly enforced through state legal regulations.

Collective Basic Needs (Public Services and Facilities)

Collective basic needs encompass security, healthcare, and education. Unlike material goods, an-Nabhani asserts that these three public services must not be left to free-market mechanisms or privatized by corporations. They are public rights that the state must guarantee and provide free of charge to all citizens. The state treasury funds the operational costs of the education, healthcare, and security sectors through the optimized management of public assets.

Within the cluster of collective basic needs, Taqiuddin an-Nabhani emphasizes that the security, health, and education sectors have a legal status that the state absolutely guarantees. (Anggita & Maryam, 2023). This framework firmly rejects the agenda of privatizing and liberalizing public services practices often found in conventional capitalist systems. Instead, Islam provides these collective necessities free of charge through a financing scheme based on shared ownership. By independently managing natural resources and public assets free from private corporate intervention, the state treasury *(Baitul Mal)* secures the robust fiscal capacity needed to fund public operations sustainably. Consequently, all citizens can equitably enjoy the benefits of collective social provision.

The Islamic economic perspective on fulfilling collective needs finds empirical relevance in the structural economic failures of contemporary Indonesia. The crisis of exorbitant higher education costs driven by commercialization under the guise of the PTN-BH (State University with Legal Entity Status) model and healthcare discrimination linked to the BPJS premium system are logical consequences of the state's adoption of a neoliberal-capitalist paradigm. Indonesia's failure to provide these public services free of charge stems from the mismanagement of natural resources. Contrary to An-Nabhani's thesis, which mandates that the state maintain full control over public assets to fiscally support the *Baitul Mal* (public treasury), Indonesia has instead privatized natural resources, handing them over to private corporations and oligarchs. Consequently, the state has lost a primary revenue source and suffers from a chronic national budget deficit, ultimately shifting the burden of public service costs back onto the people through taxation and market commodification.

Optimizing Three Ownership Categories as Supporting Instruments

Achieving the Islamic economic goal of guaranteeing basic human needs cannot be separated from the tripartite ownership concept formulated by an-Nabhani. He strictly and decisively categorized property ownership into three legal domains: Individual Ownership *(Milkiyah Fardiyah),* Public Ownership *(Milkiyah Ammah),* and State Ownership *(Milkiyah Daulah).*

The relationship between this ownership category and the fulfillment of basic needs can be seen in the following instrument table:

Ownership Position	Asset Item	Contribution to Basic Needs
Individual Ownership	Personal wealth, wages, trading profits, residential homes.	A means for every individual to independently and competitively meet their needs for food, clothing, and shelter.
Public Ownership	Natural resources (oil, gas, minerals), water, pasturelands, public roads, vital industries.	Privatization is strictly prohibited. The proceeds from its management are returned to the people in the form of free education and healthcare facilities.
State Ownership	Khums (war spoils), jizyah, kharaj, assets with no heirs.	Revenues are allocated to the Baitul Mal (public treasury) to fund financial assistance for the destitute specifically those who are unemployed and lack relatives to provide for them.

By integrating these three categories of ownership, the state secures a robust financial foundation within the *Baitul Mal* without burdening the lower class with high taxes. In An-Nabhani's view, taxation (*dharibah*) is merely incidental and temporary; it is levied only on the surplus wealth of the affluent and solely when the *Baitul Mal* treasury is completely depleted to meet urgent public needs. Consequently, wealth circulates across all strata of society, preventing the concentration of assets in the hands of a few corporations and automatically realizing Islam's primary objective of upholding human dignity by fulfilling people's fundamental rights.

Indonesia's contemporary economic policy landscape shows an extreme deviation from the tripartite ownership concept formulated by an-Nabhani. Within the theoretical framework of Islamic economics, a rigid separation between individual, public, and state ownership is an absolute prerequisite for achieving distributive justice (Pahrul & Wildan, 2019). The instrument asserts that common assets (natural resources) must be managed directly by the state, with the entire resulting economic surplus allocated to funding public entitlements such as education and healthcare free of charge.

However, empirical evidence in Indonesia reveals a corrosive blurring of legal boundaries. The constitutional framework of Article 33 of the 1945 Constitution, theoretically aligned with the spirit of public ownership, has been structurally undermined by sectoral laws such as the Mineral and Coal Mining Law and the Job Creation Law. These regulations roll out the red carpet for the capitalistic privatization of strategic commodities, shifting the function of natural resources from *milkiyah ammah* (public ownership) into productive assets for capital owners (corporations and oligarchs).

The destructive impact of privatizing public assets has directly undermined the state's fiscal position. The loss of primary revenue from the natural resources sector has compelled the Indonesian government to overhaul the function of taxation (*dharibah*). In an-Nabhani's view, taxation is essentially a temporary and incidental measure levied on the wealthy (the super-rich) only when the *Baitul Mal* (State Treasury) faces a deficit. Conversely, Indonesia has turned taxation into a permanent, regressive revenue instrument, exemplified by incremental VAT hikes that erode the purchasing power of the lower and middle classes.

Consequently, wealth circulation has stagnated within a small circle of corporations, while the state budget's fragile fiscal space (*APBN*) has driven the commodification of basic public services. This manifests in exorbitant tuition fees at state universities with "Legal Entity" status (PTN-BH) and discriminatory practices within the social insurance-based healthcare system (BPJS). Ultimately, the failure to fulfill fundamental rights to a decent life in Indonesia stems not from a scarcity of natural resources, but from a structural disregard for the established framework governing property ownership categories. By ignoring the concept of *milkiyah ammah* (public ownership), the state has lost the financial capacity to act as a direct economic protector for the people; as a result, social security has been reduced to a burden shifted back onto individual citizens.

Conclusion

This study concludes that the failure of Indonesia's economic system to genuinely ensure the people's welfare is rooted in fundamental distortions regarding the governance of property ownership. The conventional economic paradigm adopted by Indonesia has blurred the legal boundaries between individual, public, and state ownership, structurally degrading the state's role to that of a mere facilitator for corporate capital accumulation.

By disregarding the concept of *milkiyah ammah* (public ownership) articulated by an-Nabhani, Indonesia has forfeited a primary revenue source derived from the independent management of natural resources. This has resulted in a fragile fiscal position, chronic budget deficits, and a reliance on debt. The systemic consequences of lacking a *Baitul Mal* financial foundation have compelled the state to commodify the people's basic rights, manifested in the high cost of higher education (specifically within state universities with autonomous status, or PTN-BH) and premium-based healthcare discrimination (BPJS). Consequently, the economic objective of upholding human dignity through the fulfillment of fundamental rights will remain unattainable as long as strategic resource management is left to free-market mechanisms and neoliberal privatization.

To address the disparity between Islamic economic justice and policy in Indonesia, the government should undertake structural reforms by limiting the privatization of sectors classified as public property, in accordance with constitutional mandates and Islamic economic principles. Strategic resources such as mining, energy, and water must be returned to direct state control to ensure economic surpluses are fully allocated to funding free public facilities like education and healthcare, thereby reducing reliance on public taxes and regressive social insurance premiums. Furthermore, a shift in fiscal paradigm is required, positioning taxation as an incidental instrument for the wealthy rather than the state's primary revenue source, alongside strengthening the *Baitul Mal* to serve as a proactive social safety net that guarantees the livelihood of underprivileged citizens, thereby ensuring the equitable circulation of wealth across all strata of society and preventing the concentration of assets within a handful of corporations.

Reference

Alivanda Virsa, D., Jasman, D., Mahendra, I., & Hidayat, F. (2024). Pendapatan Perkapita Dalam Perspektif Ekonomi Islam. *Jurnal Al-Amar (JAA)*, *5*(2), 199–208.

Anggita, B., & Maryam. (2023). Pendapatan Nasional Perspektif Islam dan Konvensional. *Jurnal Penelitian Ekonomi Akuntansi (JENSI)*, *7*(1), 25–33.

Arifin, N., Yarham, M., & Syekh Ali Hasan Ahmad Addary, N. (2016). The Scarcity Assumption, Economic Problem and the Definition of Economics: Revisited. *Working Paper in Islamic Economics and Finance*, *3*(1), 42–55.

Astuti, A. R. T. (2019). *Ekonomi berkeadilan (Konsep distribusi ekonomi Islam perspektif Muhammad Baqir Al-Sadr)*.

Aziz, R. A., & Julaian, F. (2022). Perbandingan Pemikiran Sistem Ekonomi Islam Antara Abu A ' la Al-Maududi Dan Taqiyuddin An-Nabhani. *Journal Of Islamic Studies*, *1*(2), 117–139. https://doi.org/https://doi.org/10.61630/crjis.v1i2.10 crjis.com

Azizah, H. (2019). Kritik Ekonomi Islam Terhadap Mekanisme. *LABATILA: Jurnal Ilmu Ekonomi Islam*, *03*(02), 115–130.

Dewantara, A. (2020). ETIKA DISTRIBUSI EKONOMI ISLAM: Perbandingan Sistem Distribusi Kapitalis Dengan Sistem Distribusi Islam. *Jurnal Ekonomi Dan Bisnis Islam*. https://doi.org/10.30868/ad.v4i01.652

Fahmi Zakariya, A., Dwita Nurhayati, R., & Nazilatur Rosida, I. (2025). Peran Jaminan Sosial dalam Membangun Kesejahteraan Masyarakat Perspektif Maqoshid Syariah The Role of Social Security in Building Community Welfare from the Perspective of Maqoshid Sharia. *Journal Of Community Development and Disaster Management*, *7*(1), 209–227. https://doi.org/10.37680/jcd.v7i1.6767

Hanafi, A., Yunta, D., & Nur, C. (2022). MEN'S OBLIGATIONS IN MAINTENANCE RIGHTS OF FEMALE RELATIVES (SHAFI'I AND HAMBALI'S SCHOOL COMPARATIVE STUDY). *BUSTANUL FUQAHA: JURNAL BIDANG HUKUM ISLAM*, *3*(3), 389–408. https://doi.org/10.36701/bustanul.v7i1.2890

Jpnn.com. (2022). Aset Nasional Indonesia Dikuasai Segelintir Orang Kaya, Pak Jokowi Harus Turun Tangan. *Jpnn.Com*.

Lahuri, S. bin, & Rahayu, H. M. D. (2024). Konsep Scarcity Dalam Ekonomi Konvensional ; Sebuah Analisis Kritis Dengan Perspektif Ekonomi Islam. *Jurnal Ilmiah Ekonomi Islam*, *10*(01), 472–482. https://doi.org/http://dx.doi.org/10.29040/jiei.v10i1.11950

Lahuri, S., & Rahayu, H. M. D. (2023). Concept of Scarcity in Conventional Economics; A Critical Analysis With Islamic Economic Perspective-Konsep Scarcity Dalam Ekonomi Konvensional; Sebuah. *Jurnal.Stie-Aas.Ac.Id*, *3*(1), 42–55.

Nabhani, T. A. (2004). *Nizhamul Iqthishadi Fil Islam*. Dar al Ummah.

Nasution, S., Amirullah, M. A., Mokmin, J., & Basri, B. (2026). REKONSTRUKSI KEBIJAKAN PEMBANGUNAN SUMBER DAYA MANUSIA DALAM MENGATASI PENGANGGURAN PERSPEKTIF MAQASID AL- SYARI ' AH. *El-Dusturie: Jurnal Hukum Dan Perundang-Undangan*, *5*(1), 90–106.

Sofyan Sulaiman, S. I. L. (2025). SISTEM EKONOMI ISLAM : SOLUSI STRUKTURAL DALAM MENGATASI KEMISKINAN DI INDONESIA. *JEBESH (Journal of Economics Business Ethic Science of History)*, *3*(7), 31–40.

Zakiyah, K. (2017). Peran Negara Dalam Distribusi Kekayaan (Perspektif Ekonomi Islam). *AL-FALAH : Journal of Islamic Economics*, *2*(1), 37. https://doi.org/10.29240/jie.v2i1.88