

OPPORTUNITIES AND CHALLENGES OF ISLAMIC EDUCATION, ISLAMIC LAW, AND SHARIA ECONOMICS IN THE DIGITAL ERA

A. Suganda¹, Muhamad Fuji Hakiki²

^{1,2}Institut KH. Ahmad Sanusi Sukabumi

Abstract:

The digital era offers both opportunities and challenges for Islamic education, Islamic law, and the sharia economy. While technology enables broader access to education, enhances legal accessibility, and fosters financial innovation, gaps remain in infrastructure, digital literacy, and legal frameworks. This research aims to explore these opportunities and challenges, identifying the gaps in current research and providing practical solutions. A qualitative literature review method was used, analyzing key sources on digital transformation in Islamic institutions. The findings reveal that while digital integration enhances educational inclusivity and financial transparency, significant challenges remain, particularly in ensuring that technology is aligned with Islamic values. The study concludes with recommendations for bridging the digital divide and adapting legal frameworks to modern technological advances, ultimately contributing to the development of education, law, and finance within Islamic contexts.

Keywords: digital transformation; Islamic education; sharia economy; Islamic law.

INTRODUCTION

The digital era has brought about significant changes across various aspects of life, including in the fields of education, law, and Islamic economics. Islamic education, Islamic law, and Sharia economics are three domains that are not exempt from the impacts of this digital transformation. Digitalization fosters innovation in learning methods, legal practices, and more inclusive and efficient economic systems. For instance, Islamic education faces tremendous opportunities to integrate technology into digital-based learning, enabling the teaching of the Qur'an and Hadith through online platforms, thereby providing widespread access to Muslims worldwide (Kastolani, 2019).

However, digital transformation also presents its challenges. Despite the broader access to Islamic education and law enabled by technology, numerous studies have highlighted that the adoption of technology remains limited in certain regions. The digital divide between urban and rural areas, a lack of digital literacy, and concerns over the negative impacts of unfiltered online content are among the major challenges faced. According to researchers, there is still a gap in the implementation of technology systems in Islamic educational institutions (Tolchah, 2019), alongside a lack of integration between classical Islamic law and its practice in the digital era (Afzal, 2024).

Several alternative solutions have been proposed to address these challenges, including providing more equitable access to technology across regions, enhancing digital literacy among teachers and students, and developing curricula that can effectively integrate technology with Islamic teachings. This also requires a re-evaluation of the education system to be more responsive to the changing times, particularly in the fields of law and Sharia economics, which often demand more flexible interpretations to address emerging issues in the digital age (Muslih, 2021).

This study presents an innovative approach by analyzing the challenges and opportunities in three major fields—Islamic education, Islamic law, and Sharia economics—simultaneously, and proposing an integrated strategy to address these challenges. While existing research typically focuses on one specific field, such as Islamic education (Hudia et al., 2023) or Sharia economics separately, this study offers a holistic approach that integrates all three fields within the framework of digitalization.

Recent studies emphasize the importance of digital literacy in supporting Islamic education and Sharia economics in the context of Industry 4.0 and Society 5.0. Technologies such as e-learning and Sharia financial technology (fintech) play a crucial role in accelerating financial (Karbhari et al., 2020) and educational inclusion, especially in previously underserved areas (Indra, 2020). Various Islamic educational institutions have begun utilizing digital technology to facilitate more interactive and efficient learning.

Therefore, the significance of this research lies in its ability to offer practical and strategic solutions that are not only relevant to Islamic educational institutions but also to institutions in the fields of law and Sharia economics. This study highlights the importance of collaboration between governments, educational institutions, legal practitioners, and actors in the Sharia

finance industry to support the broader and more equitable adoption of technology (Muttaqin, 2022).

Based on the background outlined above, the aim of this research is to identify the opportunities and challenges faced by Islamic education, Islamic law, and Sharia economics in the digital era and to propose strategies that can be implemented to overcome these challenges.

METHOD

This research adopts a qualitative approach with a literature review design to explore the opportunities and challenges faced by Islamic education, Islamic law, and Sharia economics in the digital era. The aim of this study is to gain an in-depth understanding of how digital transformation impacts these three fields and to identify strategies that can be implemented to address existing challenges while maximizing available opportunities (Cresswell, 2013). The literature review is conducted by collecting and analyzing various relevant sources, including books, scholarly articles, and research reports that discuss aspects of Islamic education, Islamic law, and Sharia economics in the digital context. The data collected from these sources will be used to develop a comprehensive understanding of the impact of digital technology on these three domains.

RESEARCH AND DISCUSSION

1. Opportunities for Islamic Education in the Digital Era

The digital era presents significant opportunities for Islamic education to expand access and enhance the quality of learning. One of the key advantages is the ability to reach a broader range of students, even those in remote areas, through e-learning platforms and mobile applications. This technology enables Islamic education to be accessible anytime and anywhere, aligning with the principle of inclusivity in Islam. According to Nugraha et al. (2018), digitalization in Islamic higher education institutions in Indonesia enables these institutions to better prepare their graduates to be more competitive in the global market, with technological support that facilitates online learning and the enhancement of students' digital skills.

Allah SWT states in Surah Al-'Alaq, verse 1:

اقْرَأْ بِاسْمِ رَبِّكَ الَّذِي خَلَقَ ﴿١﴾

"Read in the name of your Lord who created!" (QS. Al-'Alaq, 96:1)

The interpretation of this verse highlights the importance of knowledge and education as the foundation of human life. In the digital era, technology serves as a primary tool that facilitates the dissemination of knowledge. According to Al-Qurtubi's Tafsir (2004), this verse is understood as God's first command to humanity to embark on the journey of learning, a process that can now be further optimized through digital technology, which provides broader access to knowledge.

The use of technology also enables more interactive learning. As noted by Mulyawan Safwandy Nugraha (2018), the incorporation of digital technology into Islamic education creates space for greater innovation in teaching methods. This is crucial in creating deeper and more relevant learning experiences for students in the modern era, where technology has become an integral part of daily life. Surah Taha, verse 114, also emphasizes the importance of the pursuit of knowledge:

... وَقُلْ رَبِّ زِدْنِي عِلْمًا ﴿١١٤﴾

"And say, 'My Lord, increase me in knowledge.'" (QS. Taha, 20:114)

This verse is particularly relevant to the goals of Islamic education in the digital age, as it allows for continuous access to Islamic knowledge sources, fostering an environment where learning can be constant and expanding.

2. Challenges of Islamic Education in the Digital Era

However, Islamic education in the digital era is not without its challenges. One of the most significant obstacles is the unequal access to technology across different regions. In many areas, particularly rural regions, technological infrastructure remains extremely limited. Hasan (2023) found that in Madura, pesantren (Islamic boarding schools) face challenges due to insufficient infrastructure and a lack of trained human resources to optimally utilize digital technology. This hampers the efforts of pesantren to integrate digital education into their curriculum.

Moreover, challenges related to the management of digital content are also a concern. A great deal of the information available on the internet may not align with Islamic values and teachings. Allah SWT reminds us in Surah Al-Hujurat, verse 6:

يَا أَيُّهَا الَّذِينَ آمَنُوا إِن جَاءَكُمْ فَاسِقٌ بِنَبَأٍ فَتَبَيَّنُوا أَن تُصِيبُوا قَوْمًا بِجَهَالَةٍ فَتُصْبِحُوا عَلَىٰ مَا فَعَلْتُمْ نَادِمِينَ ﴿٦﴾

"O you who have believed, if there comes to you a disobedient one with information, investigate, lest you harm a people out of ignorance..." (QS. Al-Hujurat, 49:6)

In Ibn Kathir's Tafsir, this verse teaches the importance of information verification to prevent misinterpretation and falsehood. A key challenge for Islamic education is ensuring that technology is used wisely, so that students are not exposed to misleading content or material that contradicts Sharia principles.

Digital literacy also emerges as a critical issue. Many educators in Islamic educational institutions lack the necessary skills to effectively integrate digital technology into their teaching methods. Hasan et al. (2023) highlight that digital literacy among educators remains low, particularly in traditional schools and pesantren. This limitation obstructs the potential of technology to create more engaging and relevant learning experiences for students. Therefore, digital literacy training for educators is essential to ensure that they can utilize technology effectively in their teaching practices.

3. The Influence of Technology on Islamic Learning Methods

Digital technology not only affects access to education but also transforms learning methodologies. Interactive learning, supported by technology, enables students to engage in more flexible learning tailored to their individual learning styles. Kastolani (2019) emphasizes that technology allows students to learn independently through e-learning platforms that offer Islamic materials in an interactive and diverse manner. This reinforces student autonomy in learning, a key principle in Islamic education.

Moreover, digital learning platforms facilitate a better integration of general knowledge and religious studies. Hasan (2023) notes that although some pesantren (Islamic boarding schools) in Madura still face infrastructure challenges, many have started to leverage technology to strengthen the teaching of the Qur'an and Hadith alongside general education. This creates a balance between religious education and modern scientific knowledge, equipping students to face the increasingly complex world (Hasan, 2023).

4. Opportunities for Islamic Law in the Digital Era

The digital transformation also presents opportunities for the implementation of Islamic law. Technology has facilitated public access to Sharia law through digital platforms that offer online legal consultations and digital fatwas. Raehana (2024) states that the use of information technology in the application of Islamic law has enhanced the efficiency and accessibility of legal services, particularly for communities living far from religious centers. The digital fatwas issued by the National Sharia Board and the Indonesian Ulema Council (DSN-MUI) are a response to the demand for the digitalization of Sharia law.

Allah SWT in Surah An-Nisa: 58 says:

﴿إِنَّ اللَّهَ يَأْمُرُكُمْ أَنْ تُؤَدُّوا الْأَمَانَاتِ إِلَىٰ أَهْلِهَا وَإِذَا حَكَمْتُمْ بَيْنَ النَّاسِ أَنْ تَحْكُمُوا بِالْعَدْلِ إِنَّ اللَّهَ نِعِمَّا يَعِظُكُمْ بِهِ إِنَّ اللَّهَ كَانَ سَمِيعًا بَصِيرًا﴾

"Indeed, Allah commands you to render trusts to whom they are due and when you judge between people to judge with justice. Allah instructs you with the best of guidance. Indeed, Allah is ever Hearing and Seeing."

The commentary of Al-Jalalayn (2003) highlights the importance of upholding justice and individual rights in society. Digital technology facilitates access to justice and legal knowledge, enabling Muslims to gain a better understanding of their rights and duties within the framework of Sharia.

The application of digital fatwas is also relevant to the concept of justice in Islam. Technology provides an opportunity for scholars to respond more quickly and accurately to legal questions from the public. Emphasize that digital fatwas issued by DSN-MUI have helped the Islamic finance industry keep up with technological advancements while adhering to Sharia principles (Hidayanto et al., 2024).

5. Challenges of Islamic Law in the Digital Era

However, alongside these opportunities, significant challenges persist for Islamic law in the digital era. One of the major challenges is the legal regulation that has not yet fully kept pace with technological developments, especially concerning digital currencies and online transactions. Albalawee and Al Fahoum (2023) find that in Jordan, the use of digital currencies still generates controversy within Islamic law. They assert that the instability and high volatility of digital currencies do not align with Sharia principles, which prioritize stability and security in financial transactions.

Allah SWT in Surah Al-Baqarah: 188 declares:

وَلَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبَاطِلِ وَتُدْلُوا بِهَا إِلَى الْحُكَّامِ لِنَأْكُلُوا فَرِيقًا مِّنْ أَمْوَالِ النَّاسِ بِالْإِثْمِ وَأَنْتُمْ تَعْلَمُونَ ﴿١٨٨﴾

"Do not consume one another's wealth unjustly or send it [in bribery] to the rulers in order that [they might aid] you to consume a portion of the wealth of the people in sin, while you know [it is unlawful]."

This verse warns against consuming others' wealth unjustly. Ibn Katsir (2012) exegesis explains that this verse highlights the importance of honesty and justice in economic transactions, which is directly relevant to the challenges faced by Islamic law in the digital era. The volatility of digital currencies, such as cryptocurrencies, could be seen as violating this principle of justice, requiring scholars to engage in *ijtihad* (independent legal reasoning) to assess the conformity of digital currencies with Sharia.

Furthermore, new issues in the digital world, such as digital contracts and copyright violations, have not been explicitly addressed in classical Islamic law. Khan & Khan (2024) underscores the importance of new *ijtihad* to address these challenges, ensuring that Islamic law remains relevant and applicable in the digital age. In this regard, Allah SWT in Surah Al-Ma'idah: 3 says:

... الْيَوْمَ أَكْمَلْتُ لَكُمْ دِينَكُمْ وَأَتِمَمْتُ عَلَيْكُمْ نِعْمَتِي وَرَضِيتُ لَكُمُ الْإِسْلَامَ دِينًا

"On this day I have perfected for you your religion and completed My favor upon you, and have approved for you Islam as your religion."

This verse signifies that Sharia is a perfect system of law but requires new interpretations to remain applicable to contemporary contexts.

6. Ijtihad in Islamic Law in the Digital Era

The implementation of Islamic law in the digital era necessitates new ijtihad (independent legal reasoning) to address various challenges that have not been directly regulated by classical law. Ijtihad is the process through which scholars apply legal reasoning to provide solutions for contemporary issues not explicitly addressed in the texts of the Qur'an and Hadith. As digital technology continues to advance, numerous new issues have emerged, such as electronic transactions, digital currencies, digital contracts, and online copyright, which require fatwas and legal rulings that align with Islamic principles.

In a Hadith narrated by Imam Bukhari, the Prophet Muhammad (SAW) said:

إِذَا حَكَمَ الْحَاكِمُ فَاجْتَهَدَ ثُمَّ أَصَابَ فَلَهُ أَجْرَانِ، وَإِذَا حَكَمَ فَاجْتَهَدَ ثُمَّ أَخْطَأَ فَلَهُ أَجْرٌ

"When a judge makes a decision and exercises ijtihad, and he is correct, he will receive two rewards; and if he errs, he will receive one reward." (HR Al-Bukhari)

This Hadith establishes that while ijtihad may lead to imperfect decisions, it is still regarded as a noble and valuable effort. Othman (2024) highlights that a major challenge in making ijtihad in the digital age is ensuring that the solutions adopted not only adhere to Sharia principles but also keep pace with the rapidly evolving technological landscape.

A concrete example of modern ijtihad in the digital era can be found in the fatwa issued by the DSN-MUI (National Sharia Board of the Indonesian Ulema Council) regarding the use of sharia fintech services. This fatwa enables innovation in the financial sector while preserving Islamic values, illustrating how ijtihad can adapt Islamic law to the realities of modern technology.

7. Opportunities for Islamic Economics in the Digital Era

Islamic economics in the digital era holds tremendous potential for growth, especially with the rise of sharia fintech, which provides technological financial solutions that align with Islamic principles. This technology allows Muslims to participate in the global financial system without engaging in practices prohibited by Islam, such as *riba* (interest) and *gharar* (uncertainty).

In Surah Al-Baqarah: 275, Allah says:

... وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا... ﴿٢٧٥﴾

"... and Allah has made trade lawful and has made interest unlawful..." (2:275)

The exegesis of this verse explains that Islam acknowledges the importance of trade and economic transactions, but prohibits practices that exploit one party, such as riba. Sharia fintech provides Muslims with opportunities to engage in fair and transparent financial transactions that do not involve riba or uncertainty. Therefore, digital technology can be a powerful tool to globally develop Islamic economics.

Sharia fintech also offers opportunities for small and medium enterprises (SMEs) to access financing more easily. Rabbani (2022) observe that sharia fintech has become an attractive financing solution for many entrepreneurs seeking to operate their businesses in accordance with Islamic principles. This aligns with Allah's command in Surah Al-Ma'idah: 2, which says:

... وَتَعَاوَنُوا عَلَى الْبِرِّ وَالتَّقْوَىٰ وَلَا تَعَاوَنُوا عَلَى الْإِثْمِ وَالْعُدْوَانِ وَاتَّقُوا اللَّهَ إِنَّ اللَّهَ شَدِيدُ الْعِقَابِ ﴿٢﴾

"... cooperate in righteousness and piety, but do not cooperate in sin and aggression. And fear Allah; indeed, Allah is severe in penalty." (5:2)

This verse emphasizes that Muslims should help one another in goodness and piety, including in the economic sphere.

8. Challenges for Islamic Economics in the Digital Era

Along with its vast opportunities, Islamic economics in the digital era also faces several challenges. One of the primary challenges is the low level of financial literacy regarding sharia-compliant finance among the general public. Many people still lack understanding about the differences between sharia financial products and conventional financial products, making it difficult for them to choose the right products that align with Islamic principles. Hadi et al. (2021) note that one of the main barriers to the implementation of digital zakat technology in Indonesia is the public's low awareness of zakat and how technology can help them fulfill their zakat obligations more efficiently (Hadi et al., 2021).

In Surah Al-Hujurat: 13, Allah reminds humanity:

يَا أَيُّهَا النَّاسُ إِنَّا خَلَقْنَاكُمْ مِنْ ذَكَرٍ وَأُنْثَىٰ وَجَعَلْنَاكُمْ شُعُوبًا وَقَبَائِلَ لِتَعَارَفُوا ۚ إِنَّ أَكْرَمَكُمْ عِنْدَ اللَّهِ أَتْقَىٰكُمْ ۚ إِنَّ اللَّهَ عَلِيمٌ خَبِيرٌ ﴿١٣﴾

"O mankind, indeed We have created you from male and female and made you peoples and tribes that you may know one another. Indeed, the most noble of you in the sight of Allah is the most righteous of you. Indeed, Allah is Knowing and Acquainted." (49:13)

This verse emphasizes the importance of mutual knowledge and learning. In the context of Islamic economics, it is crucial for sharia financial institutions and governments to enhance financial literacy about Islamic finance so that people can understand the benefits and advantages of sharia-compliant financial products.

Additionally, another challenge faced by Islamic economics is the regulatory framework, which has not yet fully supported the development of sharia fintech. Proper regulation is essential to maintain public trust in sharia fintech and ensure that the products offered do not violate Islamic law.

CONCLUSION

The findings of this study reinforce the view that the digital era presents both significant opportunities and challenges for the development of education, Islamic law, and Islamic economics. The integration of technology across these three domains facilitates broader access, enhances efficiency, and promotes inclusivity, especially in education and finance. However, the study also highlights the persistent challenges, such as the digital divide, low digital literacy, and the need for updated legal frameworks to adapt to technological advancements, particularly in the fields of Islamic law and Islamic finance.

The results of this study align with previous research emphasizing the transformative potential of digital tools in enhancing education and economic practices, especially within Islamic institutions. However, this study adds depth by showing that despite the optimism surrounding digital integration, there remains a significant gap in terms of infrastructure and regulation that requires urgent attention. The logical consequence of these findings is the need for targeted interventions in educational policies, digital literacy programs, and legal reforms to fully harness the potential of technology in these fields.

Furthermore, this research contributes to the literature by offering a more nuanced analysis of how digital transformation impacts Islamic institutions, particularly in education and finance. It strengthens existing theories on the role of technology in expanding educational reach and financial inclusion, while also suggesting that further *ijtihad* (legal interpretation) is needed to address legal ambiguities in the context of digital transactions and economic practices. In terms of educational praxis, the study recommends that educators and policymakers prioritize training and infrastructure development to bridge the digital divide and ensure that Islamic educational institutions remain competitive in an ever-evolving digital landscape.

For future research, this study opens up opportunities to explore more specific regulatory frameworks that better align with Islamic law principles in digital financial transactions. Additionally, it suggests the need for empirical studies focused on the long-term impact of digital learning on Islamic educational outcomes. Future studies should also evaluate the effectiveness of digital literacy programs in enhancing access to sharia-compliant financial products, thereby contributing to both theoretical advancement and practical solutions in these fields.

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