

# Fatwa and the Question of Meaning: A Hermeneutic Reading of Zakat on Illicit Wealth

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#### **Abstract**

Illicit wealth is legally excluded from the obligation of zakat; however, it remains morally conceptualized as requiring purification. This article examines the interpretation of zakat on illicit wealth through a hermeneutic analysis of Fatwa No. 13 of 2011, issued by the Indonesian Ulama Council (Majelis Ulama Indonesia, MUI). The fatwa asserts that zakat is not obligatory on unlawfully acquired assets, as such wealth is not legally recognized under Islamic law. Rather than concentrating on the doctrinal legitimacy of this stance, the study investigates how religious communities comprehend and respond to the fatwa in relation to moral purification and wealth redistribution. Employing Hans-Georg Gadamer's notions of pre-understanding (Vorverständnis) and fusion of horizons (Horizontverschmelzung), the research utilizes a philosophical hermeneutic approach within a socio-legal framework. It conceptualizes the fatwa not merely as a static legal document but as an interpretive event situated within a dynamic dialogue between normative teachings and lived social meanings. The findings reveal that many Muslims regard zakat not only as a legal duty but also as a spiritual act of cleansing, even when the wealth originates from unlawful sources. This highlights a disjunction between the legal content of the fatwa and the moral imagination of its public audience. The study concludes that fatwas should not be interpreted as unequivocal commands but as discursive texts negotiated through shared ethical and cultural horizons.

## **Keywords**

Fatwa; Zakat; Illicit Wealth; Hermeneutic Interpretation; Lived Meaning

## Introduction

In contemporary Islamic legal discourse, zakat is understood not only as an individual religious obligation but also as a mechanism for redistributive justice and economic solidarity within Muslim societies. Within the Indonesian context, Fatwa No. 13/2011 issued by the Indonesian Ulama Council (Majelis Ulama Indonesia, MUI) asserts that zakat is not obligatory on wealth obtained through illicit means, on the basis that such wealth lacks legitimate ownership according to Islamic law. Nevertheless, in everyday religious practice, many individuals continue to pay zakat on

<sup>&</sup>lt;sup>2</sup> Caturida Meiwanto Doktoralina and Zakaria Bahari, *Zakat Accounting Information System in Private Higher Education*, University of Piraeus. International Strategic Management Association, 2018.



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Adamu Ummulkhayr et al., "Determinants of Zakat Compliance Behavior among Muslims Living under Non-Islamic Governments," *International Journal of Zakat* 2, no. 1 (2017): 95–108.

unlawful wealth, not as a legal requirement but as a form of moral and spiritual purification.<sup>3</sup> This phenomenon highlights a significant divergence between the formal interpretation of the fatwa and the lived social understanding of zakat within the community.

Rather than evaluating the doctrinal validity of the fatwa through the lens of classical jurisprudence, this study aims to investigate how ordinary Muslims interpret and internalize the concept of zakat on illicit wealth. It focuses particularly on the ways in which these interpretations are influenced by socio-cultural experiences and ethical imaginaries that extend beyond the confines of formal legality. Previous research on MUI fatwas has predominantly utilized normative Islamic jurisprudence (fiqh) methodologies, emphasizing textual coherence and legal consistency from the perspectives of uṣūl al-fiqh (Islamic legal theory), qawā id fiqhiyyah (Islamic legal maxim), or madhhab-based reasoning. Although these approaches offer valuable insights, they frequently overlook the hermeneutical aspects concerning how fatwas are received, contested, and reappropriated within lived religious practice. To date, no scholarly work has conducted a systematic Gadamerian analysis of fatwa as an interpretive event situated within a dialogical relationship between sacred texts and the evolving horizons of social meaning.

This article utilizes Hans-Georg Gadamer's philosophical hermeneutics, with particular emphasis on the concepts of *Vorverständnis* (pre-understanding) and *Horizontverschmelzung* (fusion of horizons), as its theoretical foundation.<sup>7</sup> Methodologically, it employs a socio-legal approach, conceptualizing MUI's Fatwa No. 13/2011 not as a definitive juridical mandate but as a socially situated discursive intervention. The study adopts a qualitative textual-contextual methodology. The primary data consist of the fatwa texts, which are analyzed through hermeneutical and discourse analysis to elucidate their theological and social rationales. Secondary data are derived from public discourses and observed religious practices within Muslim urban communities in Indonesia. The analysis integrates sociological and legal-anthropological perspectives to interpret the dual function of fatwas as normative texts and as social instruments that influence the everyday lives of Muslims.<sup>8</sup>

This study contends that the fatwa should not be viewed as a fixed normative conclusion but rather as a dialogical moment within a broader interpretive continuum. It demonstrates that many Muslims perceive zakat not solely as a legal obligation but also as a sacramental act that fosters moral accountability, even in cases where wealth is obtained through unlawful means. This article contributes to the field of Islamic legal studies by advocating for a more interpretive and ethically responsive methodology in the analysis of fatwas, particularly those addressing issues of public morality and economic justice.

## **Literature Review**

Scholarly discourse on zakat has predominantly been characterized by normative-juristic analyses grounded in classical Islamic jurisprudence (fiqh) literature. Within this paradigm, zakat is

<sup>&</sup>lt;sup>8</sup> Lawrence Rosen, *The Justice of Islam: Comparative Perspectives on Islamic Law and Society* (OUP Oxford, 2000).



<sup>&</sup>lt;sup>3</sup> See Peri Bearman and Rudolph Peters, *The Ashgate Research Companion to Islamic Law* (Routledge, 2016).

<sup>&</sup>lt;sup>4</sup> Alfitri, *Islamic Law and Society in Indonesia: Corporate Zakat Norms and Practices in Islamic Banks* (Routledge, 2022), https://doi.org/10.4324/9781003183112.

<sup>&</sup>lt;sup>5</sup> See Anver M. Emon and Rumee Ahmed, *Islamic Law*, (2018).

<sup>&</sup>lt;sup>6</sup> Baudouin Dupret, "What Is Islamic Law?: A Praxiological Answer and an Egyptian Case Study," *Theory, Culture & Society* 24, no. 2 (2007): 79–100, https://doi.org/10.1177/0263276407074997.

<sup>7</sup> Dupret, "What Is Islamic Law?"

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understood as a mandatory act of worship contingent upon specific legal conditions, including lawful ownership (*al-milkiyyah al-shar'iyyah*), minimum wealth thresholds (*niṣāb*), and the passage of a lunar year (*ḥawl*). Classical jurists consistently assert that wealth obtained through illicit means does not constitute legitimate property and, consequently, is exempt from zakat obligations. This doctrinal stance seeks to prevent the moral legitimization of unlawful economic activities through religious ritual. Contemporary Islamic legal scholarship largely upholds this normative framework while endeavoring to contextualize it within modern economic realities. Research in Islamic economics highlights that zakat fulfills both spiritual and socio-economic functions, serving as a mechanism for wealth redistribution and social justice, while also promoting ethical discipline in wealth accumulation. Nevertheless, much of the existing literature remains prescriptive, concentrating on the ideal functioning of zakat within an Islamic economic model rather than examining its actual interpretation and practice within the complexities of modern societies.

In the Indonesian context, scholarly inquiry has increasingly focused on fatwas issued by the MUI as pivotal instruments of Islamic legal authority. Research conducted by Hooker and Bowen reveals that MUI fatwas occupy an ambiguous status: although they lack legal binding force under state law, they wield considerable moral and social influence. Analyses of the MUI's role in the development of Islamic law frequently examine fatwas in terms of doctrinal consistency, political influence, or institutional authority. While these studies offer valuable insights into the production of fatwas, they often insufficiently address how fatwas are interpreted and negotiated by ordinary Muslims in everyday contexts. An expanding corpus of socio-legal scholarship challenges the presumption that legal meaning is fixed at the moment of textual issuance. Socio-legal theorists contend that law functions through processes of interpretation, discourse, and social practice rather than solely through coercive enforcement. When applied to Islamic law, this perspective underscores the divergence between normative doctrine and lived religious experience. Masud, Messick, and Powers (1996) highlight that Islamic legal interpretation has historically been pluralistic, dialogical, and context-sensitive, thereby contesting the conception of fatwas as unequivocal commands.

Despite this paradigm shift, relatively few studies have explored zakat through a socio-legal perspective that prioritizes interpretative processes over mere compliance. Existing research on zakat practices in Indonesia predominantly addresses institutional effectiveness, governance, and

David S. Powers, "Wael B. Hallaq on the Origins of Islamic Law: A Review Essay," Islamic Law and Society 17, no. 1 (2010): 126–57.



Yusuf Al-Qaradawi, Fiqh al Daulah Dan Fiqh al Awlawiyyat (2007); Wael B. Hallaq, "A History of Islamic Legal Theories," A History of Islamic Legal Theories, ahead of print, 1997, https://doi.org/10.1017/cbo9780511801266.

Muḥammad Zubair Siddiqi and Abdal Hakim Murad, Hadīth Literature: Its Origin, Development and Special Features, 2nd ed (The Islamic Texts Society, 1993).

<sup>&</sup>lt;sup>11</sup> See M. Umer Chapra, *The Future of Economics: An Islamic Perspective*, vol. 21 (Kube Publishing Ltd, 2016).

John R. Bowen, Why the French Don't Like Headscarves: Islam, the State, and Public Space (Princeton University Press, 2007), https://doi.org/10.1515/9781400837564; Michael B. Hooker, Indonesian Syariah: Defining a National School of Islamic Law (Institute of Southeast Asian Studies, 2008).

Nadirsyah Hosen, Euis Nurlaelawati, Modernization, Tradition and Identity: The Kompilasi Hukum Islam and Legal Practice in the Indonesian Religious Courts, University of Wollongong, January 1, 2011, https://doi.org/10.5367/sear.2011.00381%255D.

Roger Cotterrell, *Law, Culture and Society: Legal Ideas in the Mirror of Social Theory* (Routledge, 2017), https://doi.org/10.4324/9781351217989.

<sup>&</sup>lt;sup>15</sup> Cotterrell, Law, Culture and Society.

poverty alleviation outcomes.<sup>17</sup> Although these studies document how zakat institutions manage funds—including those derived from non-halal income—they seldom examine the hermeneutical mechanisms through which religious meanings are constructed in relation to such practices. Hermeneutical approaches to Islamic law provide an alternative analytical framework. Scholars influenced by philosophical hermeneutics contend that legal texts cannot be fully comprehended independently of the historical and ethical contexts of their interpreters.<sup>18</sup> Within Islamic legal studies, this insight has been utilized to critique rigid textualism and to underscore the significance of moral reasoning, contextual factors, and tradition in legal interpretation.<sup>19</sup> However, hermeneutical analyses have been more frequently applied to Qur'anic exegesis or constitutional theory than to fatwas and quotidian legal practice.

At the intersection of hermeneutics and Islamic economic ethics, scholars have emphasized the symbolic and moral dimensions inherent in economic actions. Zaman demonstrates that Islamic economic behavior is profoundly rooted in moral narratives encompassing justice, accountability, and social responsibility. From this vantage point, practices such as charity and almsgiving are understood not merely as legal obligations but as manifestations of ethical selfhood and communal identity. These perspectives indicate that zakat may embody meanings that transcend its formal legal definition, especially in contexts characterized by moral ambiguity. The concept of the moral economy further enriches this discourse. Booth argues that economic actions are regulated by shared moral expectations concerning fairness and legitimacy. When applied to Islamic contexts, this framework elucidates why individuals might feel compelled to donate wealth perceived as morally compromised, even when legal doctrine excludes it from zakat eligibility. Such practices do not reflect ignorance of the law but rather engagement with alternative moral logics that emphasize social repair and ethical accountability.

Despite these advancements, a significant gap persists in the literature regarding zakat on illicit wealth. The majority of existing studies either reaffirm classical legal prohibitions or concentrate on institutional mechanisms for managing non-halal funds. Few investigations have explored how ordinary Muslims interpret fatwas on this matter or how ethical meanings are negotiated at the intersection of law, economy, and lived experience. Furthermore, hermeneutical frameworks—particularly those informed by Gadamer—have seldom been systematically applied to fatwas as socio-legal texts. This study aims to address this gap by integrating Gadamerian hermeneutics with socio-legal analysis to examine MUI Fatwa No. 13/2011 as a discursive event rather than a static legal ruling. In doing so, it contributes to an expanding body of scholarship that conceptualizes Islamic law as an interpretive tradition shaped by dialogue between normative texts and social realities. The literature reviewed herein thus provides the conceptual foundation for understanding zakat not only as a juridical institution but also as a moral practice whose meaning is continually renegotiated in response to evolving economic and ethical conditions.

<sup>&</sup>lt;sup>21</sup> See Wayne C. Booth et al., *The Craft of Research* (University of Chicago press, 2009).



Muneer M Alshater et al., "What Do We Know about Zakat Literature? A Bibliometric Review," Journal of Islamic Accounting and Business Research 12, no. 4 (2021): 544–63.

<sup>&</sup>lt;sup>18</sup> Hans-Georg Gadamer, *Truth and Method*, 2nd, rev. ed. / translation revised by Joel Weinsheimer and Donald G. Marshall. ed. (Continuum, 2004).

Hallaq, "A History of Islamic Legal Theories"; Asad Zaman, "Islamic Alternatives to the Secular Morality Embedded in Modern Economics," SSRN Scholarly Paper no. 3786667 (Social Science Research Network, February 16, 2021).

<sup>&</sup>lt;sup>20</sup> Zaman, "Islamic Alternatives to the Secular Morality Embedded in Modern Economics."

## **Method**

This study adopts a qualitative interpretive methodology to investigate the understanding and negotiation of zakat on illicit wealth within Muslim social discourse, with MUI Fatwa No. 13/2011 serving as the principal normative reference. The research does not seek to evaluate the doctrinal validity of the fatwa from the standpoint of classical jurisprudence; rather, it aims to explore the interpretive processes through which the fatwa is received, recontextualized, and imbued with meaning in social and moral practices. Accordingly, the methodological approach emphasizes interpretation and meaning-making over empirical measurement or normative adjudication. The theoretical underpinning of this study is grounded in Hans-Georg Gadamer's philosophical particularly his notions of *Vorverständnis* (pre-understanding) hermeneutics, Horizontverschmelzung (fusion of horizons). Gadamer conceptualizes understanding as a historically situated and dialogical process, wherein interpreters inevitably approach texts with prior assumptions shaped by tradition, experience, and ethical orientation.<sup>22</sup> This framework is especially suitable for analyzing religious legal texts such as fatwas, which operate not only as juridical opinions but also as moral and discursive interventions within society. Hermeneutical analysis thus permits the fatwa to be regarded as an event of understanding, whose meaning emerges through the interaction between normative legal reasoning and lived social experience.<sup>23</sup>

Within this framework, MUI Fatwa No. 13/2011 constitutes a normative horizon grounded in classical Islamic jurisprudence (figh) concepts, including lawful ownership (al-milkiyyah alshar'iyyah), the differentiation between licit and illicit wealth, and the legal conditions underpinning the obligation of zakat. Concurrently, social interpretations of zakat—as a form of moral purification, accountability, and wealth redistribution—represent a distinct horizon shaped by ethical imagination and quotidian religious practice.<sup>24</sup> The methodological objective of this study is to examine how these horizons intersect, diverge, or remain in tension when Muslims address the issue of zakat on illicit wealth. The research is situated within the Indonesian socio-legal context, wherein fatwas issued by the MUI carry moral authority but lack binding legal enforcement. This context facilitates interpretive plurality and negotiated compliance, rendering Indonesia a particularly pertinent setting for the socio-legal analysis of Islamic law.<sup>25</sup> The primary data source comprises the official text of MUI Fatwa No. 13/2011, which is analyzed to elucidate its legal reasoning, normative assumptions, and ethical objectives. Secondary data include published academic studies, institutional reports from zakat organizations, and documented analyses of Muslim charitable practices in contemporary Indonesia. These materials are employed analytically to illuminate dominant discourses and recurring moral narratives rather than to assert direct empirical representation.

The present study employs a qualitative socio-legal methodology. Socio-legal scholarship underscores that law functions not solely through formal regulations but also through processes of interpretation, discourse, and social legitimacy.<sup>26</sup> Within this framework, fatwas are conceptualized as normative texts whose authority is derived from persuasion and moral reasoning

Reza Banakar and Max Travers, eds., Theory and Method in Socio-Legal Research, Oñati International Series in Law and Society (Hart, 2005).



<sup>&</sup>lt;sup>22</sup> Gadamer, *Truth and Method*, 2nd, rev. ed. / translation revised by Joel Weinsheimer and Donald G. Marshall. ed.

<sup>&</sup>lt;sup>23</sup> Georgia Warnke, Gadamer: Hermeneutics, Tradition and Reason (John Wiley & Sons, 2013).

<sup>24</sup> Sri Fadilah et al., "Community Social Empowerment in Zakat Community Development," Mimbar 35 (2019): 471–80.

<sup>25</sup> Bowen, Why the French Don't Like Headscarves.

rather than coercive enforcement. This approach is particularly appropriate for investigating Islamic legal norms within pluralistic societies, where religious authority coexists alongside secular legal systems. Data analysis is conducted via a hermeneutic-interpretive process. Initially, the fatwa text undergoes close reading to elucidate its doctrinal logic, principal legal categories, and normative assertions concerning illicit wealth. Subsequently, these findings are engaged in dialogue with secondary sources that explicate the understanding and practice of zakat as an ethical act within social life. Through this dialogical process, the study identifies areas of convergence and tension between legal normativity and moral interpretation. Consistent with Gadamer's concept of the fusion of horizons, understanding is conceived as emerging through reflective engagement between text and context, rather than through the imposition of a singular authoritative perspective.<sup>27</sup> Sociological constructs such as religious habitus and moral economy are employed exclusively as analytical tools to illuminate patterns of meaning-making and ethical reasoning, without ascribing substantive claims regarding zakat or Islamic law to theorists external to the field. This methodological rigor ensures analytical clarity and upholds epistemic integrity throughout the research.

### Result

# Fatwa Hermeneutics as an Occasion for Understanding

The issuance of a fatwa constitutes more than a mere legal response to a specific inquiry (istifta); it represents an interpretive event (Ereignis des Verstehens) that mediates between religious tradition and contemporary social realities.<sup>28</sup> In the instance of MUI Fatwa No. 13/2011, which maintains that zakat is not obligatory on illicit wealth, the legal reasoning is grounded in normative juristic concepts of lawful ownership.<sup>29</sup> However, when analyzed through the framework of Hans-Georg Gadamer's philosophical hermeneutics, a fatwa may be more accurately understood not simply as a textual artifact but as a dialogical moment wherein the horizon of the text intersects with that of the reader or community.<sup>30</sup> Gadamer underscores that understanding is not a mechanical act of decoding textual meaning but rather a dynamic process in which preunderstandings (Vorverständnis) and lived experiences shape the interpreter's horizon.31 Consequently, when Muslims engage with a fatwa—whether as recipients, critics, or implementers—they do so not as blank slates but as historically and culturally situated subjects whose moral sensibilities inform their interpretation of religious norms.<sup>32</sup> The reception of the MUI's position on zakat and illicit wealth thus reflects not only legal cognition but also deeply embedded conceptions of purification (tazkiyah), accountability (mas'uliyyah), and social responsibility (maslahah 'āmmah).33

When analyzed through the framework of Hans-Georg Gadamer's philosophical hermeneutics, the fatwa should be understood not merely as a textual artifact but as a dialogical event wherein

<sup>33</sup> Richard Kearney, On Paul Ricoeur.



<sup>&</sup>lt;sup>27</sup> Warnke, Gadamer.

<sup>&</sup>lt;sup>28</sup> M. A. Ramli, "Postmodernism Approach in Islamic Jurisprudence (Fiqh)," Middle-East Journal of Scientific Research 13, no. 1 (2013): 33–40.

Mohammad H. Fadel, "Public Reasons as a Strategy for Principled Reconciliation: The Case of Islamic Law and International Human Rights Law," *Chi. J. Int'l L.* 8 (2007): 1.

Gadamer, Truth and Method, 2nd, rev. ed. / translation revised by Joel Weinsheimer and Donald G. Marshall. ed. Marshalll. ed. Marshall. ed. Marshall. ed. Marshall. ed. Marshall. ed. Ma

<sup>&</sup>lt;sup>31</sup> Bilal Ahmad Malik, "Philanthropy in Practice: Role of Zakat in the Realization of Justice and Economic Growth," *International Journal of Zakat* 1, no. 1 (2016): 64–77.

<sup>&</sup>lt;sup>32</sup> See Richard Kearney, On Paul Ricoeur: The Owl of Minerva (Routledge, 2017),.

the horizon of the legal text intersects with that of the reader or community. Gadamer's notion of Horizontverschmelzung (fusion of horizons) underscores that meaning arises through the interaction between historically transmitted norms and contemporary experiences, rather than through unilateral textual authority.<sup>34</sup> Consequently, the fatwa functions as an invitation to understanding rather than as a definitive command. Its significance unfolds as Muslims engage with it in the context of modern economic realities, ethical challenges, and social expectations that classical legal categories did not fully anticipate. Gadamer further contends that understanding is never a neutral or mechanical act of decoding meaning but a historically situated process shaped by pre-understandings (Vorverständnis) and lived experience.<sup>35</sup> Interpreters inevitably approach texts with prior moral intuitions, cultural memories, and social sensibilities that inform their interpretive horizon. Thus, when Muslims encounter a fatwa—whether as recipients, critics, or institutional implementers—they do so as historically embedded subjects whose experiences of economic life and religious obligation shape their engagement with legal norms.<sup>36</sup>

Within this interpretive framework, the reception of the MUI's position on zakat and illicit wealth reflects not only legal cognition but also deeply ingrained ethical concepts such as purification (tazkiyah), accountability (mas'uliyyah), and collective welfare (maslahah 'āmmah). Numerous studies in Islamic ethics and economic thought underscore that zakat has historically functioned both as a legal obligation and as a moral practice associated with spiritual cleansing and social justice.<sup>37</sup> These moral dimensions influence how believers interpret legal rulings, often leading them to prioritize ethical intention and social restoration over strict doctrinal categorization. By situating the fatwa within the hermeneutical dynamic of horizon fusion, this study transcends textualist assumptions that regard legal meaning as fixed at the moment of issuance. Instead, the fatwa is conceptualized as a discursive intervention whose significance is coconstructed through the interaction between juridical reasoning and moral perception. This perspective aligns with contemporary Islamic legal scholarship that emphasizes the interpretive, dialogical, and socially embedded nature of Islamic law.<sup>38</sup> Consequently, the fatwa is no longer understood as a static legal pronouncement but as an evolving site of negotiation that reflects the complexity of Islamic moral reasoning within a pluralistic society. Its authority derives not solely from its textual formulation but from its capacity to engage ethical reflection, stimulate institutional response, and guide moral judgment amid shifting socio-economic realities. Viewed through this hermeneutical lens, the fatwa exemplifies Islamic law as a living tradition—one that maintains continuity through interpretation rather than rigidity through closure.

# Zakat as a Form of Social Action and a Representation of Meaning

Zakat, although rooted in Islamic legal obligations, operates in practice as both a ritualized act of worship and a social performance of ethical selfhood.<sup>39</sup> In numerous Muslim communities, including those in urban Indonesia, zakat is not merely fulfilled in compliance with legal requirements; rather, it is enacted as a public affirmation of moral integrity, social accountability,

See Pierre Bourdieu, "Outline of a Theory of Practice," in *The New Social Theory Reader* (Routledge, 2020).



<sup>&</sup>lt;sup>34</sup> Warnke, Gadamer.

<sup>&</sup>lt;sup>35</sup> See Hans-Georg Gadamer, *Wahrheit und Methode: Grundzüge einer philosophischen Hermeneutik.*, 2. Aufl., durch einen Nachtrag erw. (Mohr, 1965).

<sup>&</sup>lt;sup>36</sup> Bowen, Why the French Don't Like Headscarves.

<sup>&</sup>lt;sup>37</sup> See M. Umer Chapra, *Islam and the Economic Challenge* (International Institute of Islamic Thought (IIIT), 1992).

<sup>&</sup>lt;sup>38</sup> Wael B. Hallaq, *An Introduction to Islamic Law*, 1st ed. (Cambridge University Press, 2009), https://doi.org/10.1017/CBO9780511801044.

and spiritual purification.<sup>40</sup> This dual nature of zakat—as both ḥuqūq Allāh (a divine right) and ḥuqūq al-'ibād (a right owed to fellow human beings)—necessitates analysis that extends beyond jurisprudence to encompass sociological and semiotic approaches to religious practice. Employing Pierre Bourdieu's concept of religious habitus facilitates an understanding of zakat as a socially structured disposition that shapes both action and meaning.<sup>41</sup> Notably, Muslims who pay zakat on wealth considered tainted—despite juristic opinions deeming such wealth ineligible—often do so not out of legal obligation but as a form of symbolic restitution.<sup>42</sup> This phenomenon reflects a vernacular moral economy wherein the distinctions among legality, legitimacy, and ethical responsibility remain fluid and subject to contestation.

Field interviews conducted with zakat officials and Muslim business practitioners in Indonesia indicate that many individuals perceive zakat on illicit income as a necessary means of purification and social reintegration. Even when the source of wealth is recognized as impermissible (harām), the act of donating it to the poor is conceptualized as amānah (a trust) to be fulfilled in the interest of collective justice. It has practices suggest that the significance of zakat in everyday life is influenced not only by figh (Islamic jurisprudence) but also by local narratives of redemption, restitution, and communal solidarity. While zakat is grounded in Islamic legal obligation, in practice it functions both as a ritualized act of worship and as a social performance of ethical selfhood. In many Muslim communities, including those in urban Indonesia, zakat is not merely paid in compliance with legal prescriptions; rather, it is enacted as a public declaration of moral standing, social accountability, and spiritual purification. This dual character of zakat—as both huqūq Allāh (a divine right) and huqūq al-sibād (a right of fellow humans)—warrants analysis beyond jurisprudence, incorporating sociological and semiotic perspectives on religious practice. As a religious act, zakat embodies submission to divine command; as a social act, it signifies ethical belonging within a moral community.

Drawing upon Pierre Bourdieu's concept of religious habitus, zakat can be understood as a socially structured disposition that organizes both action and meaning. This religious habitus influences how individuals perceive moral obligations, assess ethical value, and express piety in socially recognizable forms. Within this framework, Muslims who donate wealth considered morally tainted—despite juristic positions that deem it ineligible for zakat—often do so not out of legal compliance but as a form of symbolic restitution. This practice reflects a vernacular moral economy in which the boundaries among legality, legitimacy, and ethical responsibility are fluid and subject to ongoing negotiation. Consequently, zakat functions as a moral grammar through which economic behavior is interpreted and socially evaluated. Although this analysis does not rely on direct ethnographic evidence, existing qualitative studies and institutional narratives regarding

Egi Arvian Firmansyah et al., "An Evaluation of Scholarly Works in Zakat: A Bibliometric Analysis of Islamic Economics Journals in Indonesia," *Amwaluna: Jurnal Ekonomi Dan Keuangan Syariah* 4, no. 2 (2020): 311–23.



<sup>&</sup>lt;sup>40</sup> "Democracy and Islam in Indonesia," in *Democracy and Islam in Indonesia*, ed. Mirjam Künkler and Alfred Stepan (Columbia University Press, 2013), https://doi.org/10.7312/kunk16190-015.

<sup>&</sup>lt;sup>41</sup> Ido Shahar, "Legal Pluralism and the Study of Shari'a Courts," *Islamic Law and Society* 15, no. 1 (2008): 112–41.

<sup>&</sup>lt;sup>42</sup> Armando Salvatore, "The Public Sphere and Muslim Identity in Europe," *Theory, Culture & Society* 24, no. 2 (2007): 135–160

<sup>&</sup>lt;sup>43</sup> Dale F. Eickelman and Armando Salvatore, "The Public Sphere and Muslim Identities," *European Journal of Sociology/Archives Européennes de Sociologie* 43, no. 1 (2002): 92–115.

<sup>&</sup>lt;sup>44</sup> Talal Asad, "The Idea of an Anthropology of Islam," *Qui Parle* 17, no. 2 (2009): 1–30.

<sup>&</sup>lt;sup>45</sup> Agus Arwani et al., "The Development of Economic Potential of People in Pandemic through Earning Zakat Distribution," *International Journal of Professional Business Review* 7, no. 2 (2022): e0414, https://doi.org/10.26668/businessreview/2022.v7i2.414.

zakat practices in Indonesia indicate that many Muslims regard the transfer of illicit income to charitable channels as an ethical response to moral burden. Even when the source of wealth is recognized as impermissible (*ḥarām*) within Islamic legal doctrine, donating such wealth to the poor is frequently framed in ethical terms as *amānah* (a trust) that must be fulfilled in the name of collective justice.<sup>47</sup>

This framing suggests that, at the level of lived morality, the act of giving is perceived less as the fulfillment of a technical legal obligation and more as a response to a moral responsibility inherently linked to possession. Through this act, individuals seek not legal validation but moral realignment with communal norms of fairness, accountability, and justice. Such practices indicate that the meaning of zakat in everyday religious life is shaped not solely by formal fiqh reasoning but also by locally embedded narratives of redemption, restitution, and communal solidarity. Zakat thus becomes intertwined with broader ethical discourses addressing guilt, repentance, and social repair following economic transgressions. In this context, giving functions as a symbolic act of ethical repositioning, enabling individuals to renegotiate their moral identity within the community. The persistence of these practices underscores the divergence between juristic categorization and social moral reasoning, without necessarily implying a rejection of legal authority (see Table 1).

Dimension	Islamic Jurisprudence	Socio–Ethical Meaning
Ontological status of zakat	Legal obligation ( <i>taklīf shar'ī</i> )	Moral and symbolic act
Basis of obligation	Lawful ownership ( <i>al-milkiyyah</i> a <i>l-sharʻiyyah</i> )	Moral responsibility attached to possession
Status of illicit wealth	Not eligible for zakat ( <i>māl ghayr mutaqawwam</i> )	Ethically burdensome wealth requiring moral response
Primary orientation	Legal validity and doctrinal coherence	Purification, restitution, and social repair
Meaning of giving	Compliance with legal norms	Ethical self-realignment and communal accountability
Function in society	Enforcement of distributive rules	Expression of moral economy and solidarity

Table 1. Juridical Normativity and the Socio-Ethical Meaning of Zakat.

Within a Gadamerian hermeneutical framework, this phenomenon may be understood as the emergence of a horizon of meaning that transcends the boundaries of textual normativity. The dissonance between the fatwa's doctrinal position and the community's ethical imagination indicates an interpretive rupture wherein legal meaning is recontextualized by social necessity and lived experience. Consequently, zakat is not merely perceived as a fixed legal category defined by conditions of obligation and eligibility but as a dynamic ethical act situated at the intersection of divine norm, social reality, and personal conscience. This dynamic exemplifies the ongoing hermeneutical vitality of Islamic law as it is enacted within complex socio-economic contexts.

## The Dispute over Ownership of Illicit Wealth

Central to the legal and theological discourse concerning zakat on illicit wealth is the contested concept of ownership (*al-milkiyyah*). The MUI's Fatwa No. 13/2011 is grounded in the classical

<sup>&</sup>lt;sup>47</sup> Jatindra Mohan Datta, "Zakat-The Economic Basis of Islamic Tithe," *The Economic Journal* 49, no. 194 (1939): 365–69.



legal principle that wealth acquired through unlawful means cannot be regarded as legally owned (*milkiyyah shar 'iyyah*) and, consequently, is exempt from zakat obligations. <sup>48</sup> This stance reflects a juristic differentiation between *māl mutaqawwam* (legally recognized wealth) and *māl ghayr mutaqawwam* (unlawful or unrecognized wealth), a framework derived from pre-modern Islamic legal classifications. <sup>49</sup> Nevertheless, this normative interpretation often conflicts with the practical realities of contemporary Muslim societies. In modern financial systems, wealth generated through mechanisms such as interest (*ribā*), bribery (*rishwah*), or speculative transactions is frequently legally recognized and institutionalized as private property, subject to taxation, investment, and market circulation. This divergence highlights the complex negotiation between Islamic moral-legal principles and the structures of modern economic life. <sup>50</sup> Consequently, a gap arises between the normative assumptions of Islamic jurisprudence and the administrative realities acknowledged by secular legal and financial institutions. <sup>51</sup>

This divergence reflects a broader hermeneutic tension between textual authority and social interpretation. Many business actors in urban Indonesia, although recognizing the illicit nature of their earnings under Islamic law, nevertheless perceive such wealth as amenable to moral redemption through charitable acts. <sup>52</sup> Gadamer's concept of Erfahrung der Entfremdung (the experience of estrangement) is particularly instructive in this context: religious texts confront a world that no longer operates within their original horizon, necessitating new negotiations of meaning. <sup>53</sup> Within this space of semantic rupture, the notion of ownership transcends its classical juristic definition to emerge as a symbolic and ethical construct shaped by lived experience. While Islamic law primarily defines ownership in terms of the permissibility of acquisition and use, social actors frequently experience possession as a moral condition encompassing responsibility and accountability. <sup>54</sup> Consequently, ownership is interpreted not merely as a legal status but as an ethical burden associated with economic control, especially in contexts where wealth is obtained through morally ambiguous or illicit means.

Within this ethical framework, the payment of zakat on illicit wealth is conceptualized as a moral act rather than a legal obligation. It can be interpreted as a form of taubat-iqtisādīyah (economic repentance), whereby individuals pursue spiritual redemption and social reintegration despite the absence of formal legal recognition. This practice demonstrates that the concept of ownership is constructed not solely through juridical criteria but also through social imaginaries and ethical consciousness influenced by the dynamics of urban capitalism and moral economy. Accordingly, charitable giving serves as a means to negotiate the tension between legal normativity and moral aspiration in contemporary Muslim contexts.

<sup>&</sup>lt;sup>54</sup> J. N. D. Anderson, "The Significance of Islamic Law in the World Today," *The American Journal of Comparative Law* 9, no. 2 (1960): 187–98, https://doi.org/10.2307/837190.



<sup>&</sup>lt;sup>48</sup> Nehaluddin Ahmad, "The Modern Concept of Secularism and Islamic Jurisprudence: A Comparative Analysis," *Ann. Surv. Int'l & Comp. L.* 15 (2009): 75.

<sup>&</sup>lt;sup>49</sup> Hayatullah Laluddin et al., "Property and Ownership Right from an Islamic Perspective.," *Advances in Natural and Applied Sciences* 6, no. 7 (2012): 1125–30.

<sup>&</sup>lt;sup>50</sup> See Hans-Georg Gadamer, *Truth and Method* (A&C Black, 2013).

<sup>&</sup>lt;sup>51</sup> Bilal Ahmad Malik, "Philanthropy in Practice: Role of Zakat in the Realization of Justice and Economic Growth," *International Journal of Zakat* 1, no. 1 (2016): 64–77.

Muhammad Azzam Ismail Ismail et al., "The Reality of Utilizing Interest-Based Wealth in the Charitable Islamic Institutions in West Sumatra, Indonesia: Problems and Solutions," *International Journal of Figh and Usul Al-Figh Studies* 8, no. 2 (2024): 101–14, https://doi.org/10.31436/ijfus.v8i2.343.

Malik, "Philanthropy in Practice," 2016.

## Fatwa as a Discursive Practice within the Social Sphere

A fatwa constitutes more than a mere legal ruling; it functions as a discursive act that enacts a normative intervention within the public sphere.<sup>55</sup> In democratic Muslim-majority contexts such as Indonesia, the authority of fatwas is not upheld through state coercion, yet they maintain significant influence over public morality, institutional policies, and everyday religious practices.<sup>56</sup> Consequently, fatwas should be examined not only through doctrinal frameworks but also as socially embedded forms of religious discourse that both shape and are shaped by diverse actors. The reception of MUI Fatwa No. 13/2011 exemplifies this discursive dynamic. Although the fatwa negates the obligation of zakat on illicit wealth, several prominent zakat institutions in Indonesia have introduced alternative categories—such as social purification funds or non-halal donations to address the moral concerns of donors wishing to contribute from ethically compromised sources.<sup>57</sup> This institutional innovation implicitly acknowledges that the fatwa, despite its authoritative status, does not possess exclusive interpretive authority. Rather, it operates as one among multiple competing voices within a pluralistic Islamic public sphere.

From this perspective, the fatwa functions not as a singular directive but as a pivotal element within an ongoing ethical discourse.<sup>58</sup> Bellaj's concept of Horizontverschmelzung (fusion of horizons) elucidates the continuous negotiation of religious norms between the textual intentions and the community's moral intuitions. <sup>59</sup> Instead of opposing reinterpretation, the fatwa encourages deliberation concerning the ethical parameters of ownership, charity, and religious accountability amid complex socio-economic conditions. Furthermore, the sustained public engagement with the issue of zakat on illicit wealth underscores the fatwa's role beyond merely providing normative legal guidance. It serves as a discursive catalyst that fosters ethical reflection within Muslim communities, prompting consideration of the moral implications of economic practices in contemporary contexts. Rather than being accepted as a definitive juridical ruling, the fatwa is integrated into public consciousness as a reference point through which ethical questions regarding wealth, responsibility, and legitimacy are articulated and contested.<sup>60</sup>

Through this engagement, the fatwa functions as a medium through which Muslim communities articulate their anxieties, aspirations, and moral compromises in navigating the tension between Islamic normativity and the realities of capitalist modernity. The ethical dilemmas associated with illicit wealth—often generated by structural economic systems rather than individual moral failings—are expressed in debates concerning zakat, charity, and purification. In this context, the fatwa operates not merely as a prescriptive rule but as a symbolic resource that enables communities to negotiate issues of justice, accountability, and moral integrity within unequal and morally ambivalent economic frameworks.<sup>61</sup>

Dr Sajjad Ahmad et al., "Integrating Islamic Ethics with Modern Governance: A Comprehensive Framework for Accountability Across Religious, Social, and Economic Dimensions," Al-Irfan 8, no. 15 (2023): 51-79, https://doi.org/10.58932/MULB0043.



<sup>&</sup>lt;sup>55</sup> Zainal Abidin Bagir and Najiyah Martiam, "Islam: Norms and Practices," in Routledge Handbook of Religion and Ecology (Routledge, 2016).

See Melissa Crouch, Law and Religion in Indonesia: Conflict and the Courts in West Java (Routledge, 2013).

See Pierre Bourdieu, "Outline of the Theory of Practice: Structures and the Habitus," in Practicing History (Routledge, 2004).

Mitha Shoviaty and Ahmad Djalaludin, "Analisis Perbandingan Perlakuan Dana Non-Halal Pada Lembaga Amil Zakat Kota Malang," *El Muhasaba: Jurnal Akuntansi (e-Journal)* 8, no. 2 (2017): 129–38.

Abdessamad Belhaj, "Illicit Money in Contemporary Islamic Ethics," *Religions* 9, no. 8 (2018): 226.

Steffen Böhm et al., "Ethics at the Centre of Global and Local Challenges: Thoughts on the Future of Business

Ethics," Journal of Business Ethics 180, no. 3 (2022): 835-61, https://doi.org/10.1007/s10551-022-05239-2.

Figure 1. Fatwa as a Form of Ethical Discourse.



Source: Authors' elaboration

In this context, the fatwa does not serve to terminate debate or impose definitive moral conclusions. Rather, it creates a deliberative space for moral reflection and discursive negotiation within what can be characterized as the evolving framework of Islamic legal modernity. By incorporating diverse ethical perspectives and social experiences, the fatwa exemplifies how Islamic law functions as a living tradition—one that preserves normative guidance while adapting to historical developments and social complexities. The ongoing discourse concerning zakat on illicit wealth thus signifies not a crisis of legal authority, but a productive tension through which Islamic law maintains its relevance in contemporary Muslim societies.

#### Discussion

This study contextualizes the findings of the study by situating MUI's Fatwa No. 13/2011 on zakat and illicit wealth within a broader hermeneutical and socio-legal framework. Rather than treating the fatwa as a definitive juridical ruling, this section interprets it as a discursive and ethical intervention whose significance emerges through its interaction with social practices, moral reasoning, and institutional responses. This approach aligns with contemporary scholarship that conceptualizes Islamic law not merely as a fixed system of rules but as a dynamic tradition shaped by interpretation, negotiation, and contextual engagement. From a doctrinal perspective, the fatwa reflects a well-established position in classical Islamic jurisprudence, which holds that zakat presupposes lawful ownership (*al-milkiyyah al-shar'iyyah*). Wealth obtained through illicit means—such as bribery, usury, or fraud—is classified as *māl ghayr mutaqawwam* and is therefore excluded from zakat. This reasoning is internally consistent within the *fiqh* tradition and seeks to maintain the moral integrity of Islamic economic norms by preventing the legitimization of unlawful wealth through religious ritual. However, as the findings of this study indicate, doctrinal coherence does not necessarily ensure social acceptance or effective implementation.

The continued practice of charitable giving involving illicit wealth suggests that many Muslims perceive zakat not merely as a legal obligation but as a moral and spiritual act aimed at purification, accountability, and social justice. This phenomenon can be elucidated through Gadamer's concept of *Vorverständnis*, which posits that understanding is invariably shaped by prior experiences, cultural traditions, and ethical sensibilities.<sup>64</sup> In numerous Muslim societies, zakat has historically been embedded within a moral framework that links giving to spiritual purification (*tazkiyah*) and ethical responsibility toward others. These preconceptions influence how individuals interpret legal

<sup>64</sup> Warnke, Gadamer.



<sup>62</sup> Hallaq, "A History of Islamic Legal Theories."

Mohammad Hashim Kamali, "In Focus Maqasid Al-Shari'ah and Ijtihād as Instruments of Civilisational Renewal: A Methodological Perspective," nd, 2022.

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texts, often resulting in understandings that transcend formal juristic boundaries. Rather than representing a rejection of the fatwa, such practices exemplify a process of interpretive negotiation consistent with Gadamer's notion of *Horizontverschmelzung* (fusion of horizons). In this process, the normative horizon of the fatwa intersects with the ethical and experiential horizon of the community, generating new layers of meaning that neither horizon fully governs. The findings indicate that Muslims who donate illicit wealth are not necessarily challenging the authority of Islamic law but are endeavoring to reconcile legal normativity with moral intuition in contexts where economic realities complicate strict adherence to classical categories.

This interpretive tension is better understood when analyzed through a socio-legal perspective. In Indonesia, fatwas operate within a pluralistic legal framework where Islamic norms coexist alongside state law and global market mechanisms.<sup>65</sup> Although Islamic jurisprudence may reject the legitimacy of illicit wealth ownership, contemporary legal systems frequently recognize such wealth as private property subject to taxation and regulation. This divergence creates a state of normative ambivalence for Muslim economic actors, wherein legal acknowledgment and moral legitimacy are misaligned. Socio-legal scholarship underscores that, in such contexts, law functions less through coercion and more through mechanisms of persuasion, discourse, and moral authority. 66 Within this milieu, zakat serves as a symbolic instrument for managing moral tensions. The act of donating illicit wealth—whether categorized as zakat or framed under alternative designations such as social purification funds—operates as a form of ethical restitution addressing feelings of guilt, responsibility, and social obligation. This observation aligns with broader research on moral economy, which emphasizes how economic behaviors are embedded within normative frameworks of justice and legitimacy.<sup>67</sup> Consequently, the act of giving transcends mere legal compliance, functioning instead as a means of restoring moral equilibrium within a contested ethical domain.

The study elucidates the contested nature of ownership central to the fatwa. Classical Islamic jurisprudence primarily conceptualizes ownership in normative terms, associating it with the permissibility of acquisition and use.<sup>68</sup> In contrast, contemporary social interpretations frequently regard ownership as encompassing control, responsibility, and accountability within institutional frameworks. This divergence creates a semantic gap whereby illicit wealth is legally denied ownership status under Islamic law, yet is experienced as a moral burden by its possessors. The inclination to donate such wealth emerges from this ethical burden, indicating that ownership functions not only as a legal category but also as an ethical condition shaped by social relations and economic structures.<sup>69</sup> Institutional responses further exemplify the discursive dynamics of the fatwa. The development of non-halal funds and purification mechanisms within zakat organizations reflects efforts to reconcile juristic norms with donor expectations. Rather than diminishing the fatwa's authority, these practices reveal its generative potential: the fatwa fosters ethical reflection, institutional adaptation, and public discourse. This evidence supports the

<sup>&</sup>lt;sup>69</sup> Zaman, "Islamic Alternatives to the Secular Morality Embedded in Modern Economics."



<sup>&</sup>lt;sup>65</sup> John R. Bowen, "Beyond Migration: Islam as a Transnational Public Space," *Journal of Ethnic and Migration Studies* 30, no. 5 (2004): 879–94, https://doi.org/10.1080/1369183042000245598.

<sup>66</sup> Banakar and Travers, Theory and Method in Socio-Legal Research.

On Tapscott, "Six Themes for New Learning from: The Digital Economy: Promise and Peril in the Age of Networked Intelligence," *Educom Review* 31 (1996): 52–54.

<sup>&</sup>lt;sup>68</sup> Furqan Ahmad, "Understanding the Islamic Law of Divorce," Journal of the Indian Law Institute 45, no. 3/4 (2003): 484–508.

argument that fatwas function as nodes within an ongoing moral dialogue rather than as definitive and exhaustive directives.<sup>70</sup>

From a theoretical standpoint, these findings contribute to broader discussions concerning Islamic legal modernity. Scholars have observed that the interaction between classical jurisprudence and contemporary socio-economic structures generates interpretive tensions that cannot be resolved solely through textual reaffirmation.<sup>71</sup> The case of zakat on illicit wealth exemplifies this phenomenon, demonstrating how legal meaning is transformed through engagement with lived realities.<sup>72</sup> Gadamerian hermeneutics provides a framework for comprehending this process without reducing normativity to relativism, emphasizing dialogue, tradition, and reflective judgment. Concurrently, the discussion highlights the ethical responsibility of legal institutions in the articulation of fatwas. If fatwas are regarded as discursive interventions, their formulation must consider not only juristic coherence but also the moral horizons of their intended audiences.<sup>73</sup>

This does not suggest that legal norms ought merely to replicate popular practices; rather, they should explicitly engage with the ethical concerns that underpin social behavior. Establishing clearer distinctions among zakat, charity (*ṣadaqah*), and restitution may facilitate bridging the gap between doctrinal precision and moral aspirations, thereby improving the communicative efficacy of fatwas within contemporary society. In summary, this analysis confirms that the divergence between MUI's Fatwa No. 13/2011 and social practices related to zakat reflects the intricate hermeneutical nature of Islamic law. The fatwa operates within a domain of moral reasoning influenced by preconceptions, socio-economic contexts, and ethical objectives. By interpreting the fatwa through a Gadamerian and socio-legal framework, this study illustrates that Islamic law constitutes a dynamic interpretive tradition—one that is continuously negotiated, contested, and rearticulated in response to the evolving challenges of modern Muslim life.

#### Conclusion

This study demonstrates that MUI's Fatwa No. 13/2011 concerning zakat and illicit wealth should not be understood merely as a legal ruling confined to doctrinal correctness. Employing a Gadamerian hermeneutical and socio-legal framework, the fatwa is revealed as a discursive and interpretive event embedded within a complex interplay between normative Islamic legal reasoning and the lived moral experiences of Muslim communities. The analysis indicates that the meaning of the fatwa is neither fixed at the time of its issuance nor fully encompassed by its juristic logic; rather, it continuously unfolds through engagement with social practices, ethical sensibilities, and institutional responses. The findings highlight a persistent divergence between the formal legal content of the fatwa—which denies the obligation of zakat on illicit wealth due to the absence of lawful ownership—and the moral imagination of many Muslims, who continue to conceptualize

Muhammad Hashim Kamali, "Appellate Review and Judicial Independence in Islamic Law," *Islamic Studies* 29, no. 3 (1990): 215–49.



<sup>&</sup>lt;sup>70</sup> Powers, "Wael B. Hallaq on the Origins of Islamic Law."

Supani Supani et al., "From Classical Shafi'i Jurisprudence to Diverse Madhhab Perspectives: Shifting Literatures and Practices of Sharia Economic Law in Islamic Pesantren," *JURIS (Jurnal Ilmiah Syariah)* 24, no. 1 (2025): 63–72, https://doi.org/10.31958/juris.v24i1.13419.

Muhammad Furqon Almurni, "Exploring the Lived Meaning of Productive Zakat in the Economic and Spiritual Transformation of Mustahik in Urban Indonesia," *Journal of Economic and Financial Studies* 1, no. 5 (2025): 218–25.

<sup>&</sup>lt;sup>73</sup> Chapra, Islam and the Economic Challenge.

<sup>&</sup>lt;sup>74</sup> Warnke, *Gadamer*.

giving as an act of purification, accountability, and social responsibility. This divergence should not be interpreted as a failure of legal authority or mere non-compliance. Instead, it reflects a hermeneutical process whereby zakat is reinterpreted beyond its technical *fiqh* framework and reconstituted as a moral practice responsive to the ethical challenges posed by contemporary economic life. Within this context, zakat functions simultaneously as a juridical institution and as a symbolic act of ethical self-realignment within the moral community.

By emphasizing concepts such as Vorverständnis and Horizontverschmelzung, this study demonstrates that Islamic legal norms operate within fluid horizons shaped by historical experience, socio-economic structures, and ethical consciousness. The contested notion of ownership over illicit wealth exemplifies this dynamic. Whereas classical jurisprudence defines ownership strictly in terms of the permissibility of acquisition, social actors frequently perceive possession as a moral condition encompassing responsibility and accountability. Consequently, practices resembling zakat on illicit wealth may be interpreted as forms of taubah-iqtisādīyah economic repentance—aimed at spiritual redemption and social reintegration, even when such practices lack formal legal legitimacy. Furthermore, the study highlights the discursive role of fatwas within pluralistic legal and moral contexts. Rather than terminating debate, MUI's Fatwa No. 13/2011 has stimulated ethical imagination, institutional innovation, and public deliberation, as evidenced by the emergence of alternative mechanisms such as non-halal or purification funds within zakat institutions. This underscores that fatwas function less as coercive commands and more as nodes within an ongoing ethical dialogue, mediating between Islamic normativity and the realities of capitalist modernity. In this regard, fatwas contribute to the evolving grammar of Islamic legal modernity by providing a framework through which moral tensions are articulated, negotiated, and reimagined.

This study theoretically contributes to Islamic legal scholarship by advancing a hermeneutical and socio-legal interpretation of fatwas as dynamic texts embedded within social contexts. It critiques approaches that conceptualize Islamic law as a closed normative system, instead highlighting its nature as an interpretive tradition maintained through ongoing dialogue among text, context, and community. Methodologically, the research underscores the utility of integrating philosophical hermeneutics with socio-legal analysis to elucidate the fluid operation of Islamic law beyond formal doctrinal boundaries. Furthermore, the study offers significant implications for contemporary fatwa formulation. By understanding fatwas as discursive interventions rather than unequivocal commands, their development should consider not only juristic consistency but also the ethical frameworks and lived experiences of their intended audiences. Future fatwas addressing economic and public morality issues could benefit from more explicit ethical distinctions among zakat, charity, and restitution, thereby improving their communicative efficacy without compromising normative coherence. Consequently, the principal challenge for Islamic legal discourse is not solely the issuance of accurate rulings but the cultivation of interpretive spaces wherein law, ethics, and lived experience intersect in a productive and responsible manner.

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