INTERNATIONAL JOURNAL OF RESEARCH AND INNOVATION IN SOCIAL SCIENCE (IJRISS)
ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume IX Issue XI November 2025

Achieving Sustainable Economic Development in Muslim Countries: Contemporary Challenges and Future Prospects

Mohammed R. M. Elshobake

Assistant Professor, Head of Islamic Law Department, Ahmad Ibrahim Kulliyyah of Laws (AIKOL), International Islamic University Malaysia (IIUM)

DOI: https://dx.doi.org/10.47772/IJRISS.2025.91100340

Received: 21 November 2025; Accepted: 26 November 2025; Published: 10 December 2025

ABSTRACT

This research aims to discuss the landscape of Sustainable Economic Development in Muslim countries, establishing that its pursuit is not just a policy priority, but an ethical and religious obligation rooted in Islamic teachings, particularly the principles of Khilāfah (Stewardship) and Al-Adl (Justice). Many Muslim-majority nations face persistent contemporary challenges, including high poverty, resource dependency, weak institutional frameworks, and crippling corruption, which severely hinder their ability to achieve the United Nations' Sustainable Development Goals (SDGs). This research focuses on the strategic potential of revitalising traditional Islamic financial instruments: Zakāt, Waqf, and Islamic Philanthropy. Historically pivotal in alleviating poverty and financing public services, these tools can offer alternative and complementary pathways to fostering inclusive growth where state initiatives have proven insufficient. The research aims to evaluate how these mechanisms can be systematically integrated into national development strategies, while simultaneously analysing the formidable institutional, legal, and governance barriers that currently limit their effectiveness. Employing a descriptive-analytical methodology, this research provides a foundational understanding of these Islamic economic principles and critically examines successful models, such as the use of Green Sukuk and productive Zakāt in countries like Indonesia and Malaysia to demonstrate the viability of harnessing spiritual heritage for modern development demands. The ultimate goal is to contribute to the discourse on how Muslim countries can achieve responsible, ethical, and sustainable economic outcomes in the 21st century.

Keywords: Sustainable Development, SDGs, Economy, Muslim Countries.

INTRODUCTION

The Sustainable Development Goals (SDGs), which form the core of the United Nations’ 2030 Agenda, represent key priorities for global socio-economic progress. Irrespective of a country's economic status, the UN has called upon all nations to take action not only for the advancement of human welfare but also for the protection of the environment, the mitigation of climate change, and the preservation of biodiversity. Both developed and developing countries are encouraged to contribute to the achievement of these goals to the best of their capacity. Established in 2015, the SDGs were introduced by the United Nations as a framework to accelerate positive transformation across various regions of the world. These 17 goals are to be met by all UN member states by the year 2030 (United Nations, 2015).

Sustainable economic development has become a global imperative in the face of rising inequality, environmental degradation, and persistent poverty. For Muslim countries, the pursuit of sustainable economic growth is not solely a policy objective but also a religious and ethical obligation rooted in Islamic teachings. Islamic economic principles, which prioritise social justice, equitable distribution of wealth, and responsible stewardship of resources, offer a unique framework for addressing the development challenges of the modern era.

This research explores the complex landscape of sustainable economic development in some Muslim countries, with a particular focus on the contemporary challenges they face and the prospects for future progress. Many Muslim-majority nations struggle with issues such as high unemployment, dependency on limited natural resources, weak institutional frameworks, and underdeveloped social safety nets. These challenges not only hinder economic growth but also threaten long-term social stability and environmental sustainability.

This research focuses on examining traditional Islamic financial and charitable instruments: *zakat* (obligatory alms-giving), *waqf* (endowment), and Islamic Philanthropy (Islamic charitable works), and their potential role in addressing economic disparities and fostering inclusive development. Historically, these mechanisms have played a pivotal role in alleviating poverty, financing public services, and supporting community welfare. In today's context, revitalising these instruments could offer alternative and complementary pathways to achieving sustainable economic outcomes, particularly in areas where state-led development initiatives have fallen short.

This research aims to evaluate how these Islamic economic tools can be systematically integrated into national development strategies. It will also investigate the institutional, legal, and societal barriers that currently limit their effectiveness in many Muslim countries. Furthermore, the paper will highlight successful models and case studies that demonstrate the viability of Islamic finance and philanthropy in promoting sustainable economic goals.

To achieve these objectives, the study will adopt a descriptive-analytical methodology. The descriptive component will provide a foundational understanding of the principles and historical roles of Zakat, Waqf, and Islamic Philanthropy in Islamic economic thought. The analytical component will assess their practical application in contemporary contexts, critically examining both successes and limitations. Through this approach, the paper seeks to contribute to the discourse on how Muslim countries can harness their spiritual and institutional heritage to meet the demands of sustainable economic development in the 21st century.

While the introduction highlights the importance of the Sustainable Development Goals (SDGs) and situates Islamic economic tools within this global framework, it is necessary to recognise that Muslim countries do not experience development challenges uniformly. Structural inequalities, political instability, and divergent institutional capacities create distinct development trajectories that influence how effectively Islamic economic instruments such as Zakat, Waqf, and Islamic philanthropy can contribute to sustainability. Moreover, although the SDGs offer a universal framework, the capacity of Muslim-majority countries to operationalise them is often constrained by governance barriers, bureaucratic inefficiencies, and varying interpretations of Shari'ah-related economic obligations.

Therefore, this study not only examines the theoretical relevance of Islamic economic mechanisms but also interrogates the extent to which political, administrative, and legal realities shape their practical implementation. Incorporating this critical perspective allows for a more nuanced exploration of why certain Muslim countries have succeeded in leveraging these mechanisms, such as Malaysia and Indonesia, while others have struggled to translate Islamic economic principles into measurable developmental outcomes.

The Concept of Sustainable Economic Development

Sustainable development is an international socio-economic term defined by the United Nations to outline a global framework for environmental, social, and economic progress. Its primary objective is to improve the living conditions of every individual in society, while advancing and managing methods and means of production in ways that do not deplete the Earth's natural resources. The aim is to avoid placing excessive strain on the planet and to ensure that future generations are not deprived of these resources. In other words, to meet the needs of the present generation without compromising the rights and resources of future generations, and without overexploiting the remaining natural assets of our planet (United Nations, 2015; Elshobake & Owis, 2025).

Sustainable economic development is a multidimensional concept that integrates economic growth, environmental stewardship, and social equity to ensure current needs are met without compromising future generations' ability to meet theirs. This approach provides a framework for long-term prosperity by balancing the economic objectives of wealth creation and job generation with the imperative to conserve natural resources and promote social inclusiveness (Barbier, 1987).

At its core, sustainable economic development challenges traditional models that emphasise rapid economic growth often at the expense of environmental degradation and social disparities. Instead, it advocates for development pathways that maintain ecosystem health, promote renewable resource use, and embed equity considerations into economic policies. Three foundational pillars underpin this concept: economic viability, environmental protection, and social equity, each reinforcing the others to create resilient economies and societies (IvyPanda, 2020).

The economic pillar focuses on generating wealth and employment opportunities in a manner that is resource-efficient and supports innovation. Environmental protection entails managing natural capital prudently, reducing waste and pollution, and minimizing carbon footprints to combat climate change. Social equity involves fair access to opportunities and resources, poverty alleviation, and fostering inclusive growth that benefits marginalized communities (Keke University of Applied Sciences, 2015; Sustainability Directory, 2025).

Historically, the formal articulation of sustainable development was established by the 1987 Brundtland Report, emphasising intergenerational equity. Subsequent global initiatives such as the 1992 Earth Summit and the United Nations 2030 Agenda for Sustainable Development (which includes 17 Sustainable Development Goals), have advanced the global understanding and operationalization of sustainable economic development (United Nations, 2015).

In conclusion, sustainable economic development is essential for long-term prosperity, driving transformative change that aligns economic activity with planetary limits and social well-being. Its successful implementation depends on integrated policies, forward-thinking management of natural and human resources, and inclusive frameworks that benefit all members of society while safeguarding the environment for future generations.

Notably, sustainable economic development may also be examined through modern theoretical lenses such as the circular economy and ecological economics. These models, which emphasise resource regeneration, waste minimization, and interdependent socio-ecological systems, offer analytical bridges to long-present Islamic principles such as mīzān (balance) and iʿtidāl (moderation). Integrating these frameworks highlights that Islamic economic thought is not merely compatible with sustainability discourse but can actively contribute alternative models grounded in moral-spiritual foundations.

Islam And Sustainable Development: Compatibility or Contradiction

The relationship between Islam and Sustainable Development (SD) is fundamentally one of compatibility and synergy, rather than contradiction. The core principles and values embedded within Islamic law (Shari'ah) align significantly with the three pillars of sustainable development: economic, social, and environmental (Kamali, 2016).

The concept of sustainable development is not alien to Islamic thought; its tenets are rooted in the teachings of the Qur'an and the Sunnah (Gulzar et al., 2021). This compatibility is evident in several key concepts:

1) Khilāfah (Stewardship): Islam views humanity as God's vicegerent (Khalīfah) on Earth, a responsibility that transcends mere consumption to encompass the nurturing and preservation of the planet's balance (Tawhid) (Gulzar et al., 2021). This vision necessitates responsible resource utilization to ensure availability for future generations, directly mirroring the inter-generational equity inherent in SD (Sarif, n.d.).

2) Al-Mīzān (Balance): The concept of Divine Balance in the cosmos underscores the need to maintain ecological equilibrium and avoid corruption or destruction of the Earth's systems. This directly supports the environmental dimension of sustainability (Kamali, 2016).

3) Moderation and Anti-Wastefulness (I'tidāl and Isrāf): Islamic teachings advocate for moderation in all affairs and strictly forbid extravagance (Isrāf) and wastefulness in resource use, as highlighted in the Qur'anic verse: "And eat and drink, but be not excessive. Indeed, He likes not those who commit excess"

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume IX Issue XI November 2025

(Al-A'raf: 31). This principle is crucial for achieving Sustainable Consumption and Production (SDG 12) (Sarif, n.d.).

4) Justice and Equity (Al-'Adl wa Al-Ihsān): The Islamic concept of Justice (Al-'Adl) is comprehensive, encompassing inter-generational equity and intra-generational equity. This forms the bedrock of the social and economic dimensions of SD, particularly concerning poverty eradication and equality (Kamali, 2016).

The framework of Maqāṣid al-Sharīʿah (Objectives of Islamic Law) provides a sophisticated ethical and legal structure that aligns closely with many of the globally accepted Sustainable Development Goals (SDGs). The Maqāṣid aim to achieve human welfare and well-being by preserving five essential necessities (Sarif, n.d.):

1) Preservation of Faith (Hifz al-Dīn): Fosters the ethical and moral dimension that guides behavior towards sustainable practices.

2) Preservation of Life (Hifz al-Nafs): Corresponds to SDGs related to Good Health and Well-being (SDG 3) and Zero Hunger (SDG 2), as preserving life requires a healthy, sustainable environment.

3) Preservation of Intellect (Hifz al-'Aql): Aligns with Quality Education (SDG 4) as a tool for empowerment and human development (Sarif, n.d.).

4) Preservation of Progeny (Hifz al-Nasl): Covers issues of Gender Equality and the preservation of the family and societal structure (SDG 5).

5) Preservation of Wealth (Hifz al-Māl): Corresponds to Decent Work and Economic Growth (SDG 8) and No Poverty (SDG 1), advocating for just wealth distribution, preventing monopolies, and safeguarding public wealth (Shirazi, 2014).

Islamic jurisprudence offers robust social and financial instruments that can be practically mobilized to achieve the SDGs (Ahmed et al., 2015):

1) Zakāt (Obligatory Charity): As a pillar of Islam, Zakāt is a mandatory wealth redistribution mechanism. It plays a direct role in eradicating poverty (SDG 1) and reducing inequality (SDG 10) by ensuring wealth flows to the neediest segments of society (Shirazi, 2014).

2) Waqf (Endowment): This is a perpetual social financing tool where the principal is held in trust and its income is dedicated to public benefit (e.g., schools, hospitals, water facilities). It significantly contributes to sustainable infrastructure (SDG 9), education, and health (Sarif, n.d.).

3) Islamic Finance: By focusing on profit-and-loss sharing, prohibiting usury, and discouraging excessive speculation, Islamic banking and finance can provide ethical tools for funding sustainable projects (e.g., Green Sukuk) and essential infrastructure, aligning with ethical investment principles (Ahmed et al., 2015).

4) Halal and Tayyib (Permissible and Good): Beyond simple permissibility, the concept of *Tayyib* emphasizes what is good, wholesome, healthy, and sustainable. This standard strongly supports issues of food security and ethical consumption (SDG 12) (Gulzar et al., 2021).

Despite the strong conceptual alignment between Islamic principles and the Sustainable Development Goals (SDGs), several jurisprudential and institutional challenges complicate practical implementation. For instance, differences among the Islamic legal schools regarding the scope of Zakat beneficiaries directly affect how states formulate public-finance and poverty-alleviation policies (Shirazi, 2014). Similarly, the absence of unified governance standards for waqf administration has produced wide disparities in transparency and developmental impact across Muslim-majority countries (Kahf 2014). In the financial sector, ongoing debates over the Sharīʿah compliance of contemporary instruments, including hybrid sukuk and green sukuk, continue to shape the pace and consistency of adoption in different jurisdictions (El-Gamal, 2006; Dusuki & Bouheraoua 2011).

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume IX Issue XI November 2025

Moreover, the ethical compatibility between Islamic teachings and the SDGs does not automatically translate into effective public policy. Strong institutions, political will, regulatory coherence, and transparent governance are essential mediating factors in turning normative principles into measurable development outcomes (World Bank & IRTI 2017). Acknowledging these doctrinal and institutional constraints adds critical analytical depth and guards against overly idealistic conclusions about the role of Islamic economics in sustainable development.

Importance Of Sustainable Economic Development and Its Challenges in Muslim Countries

The importance of sustainable economic development in Muslim countries lies in addressing urgent socio-economic challenges such as poverty, inequality, and resource dependency, while fulfilling the ethical obligations established by Islamic jurisprudence (Shari'ah). This form of development integrates economic growth with social justice and environmental stewardship, representing not only a strategic necessity but also a religious imperative aligned with the objectives of Islamic law (Maqāṣid al-Sharīʿah) and the promotion of public welfare (Maslaha) (Kamali, 2016).

Sustainable economic development offers a comprehensive framework to overcome key challenges faced by Muslim-majority nations, especially those within the Organisation of Islamic Cooperation (OIC):

1. Poverty and Inequality: Many OIC countries suffer from significant poverty and wealth disparity (SESRIC, 2017). Tools within Islamic social finance, such as Zakāt (obligatory almsgiving) and Waqf (endowments), provide effective means of wealth redistribution and support for socially critical projects, directly contributing to SDG 1 (No Poverty) and SDG 10 (Reduced Inequalities) (Shirazi, 2014).

2. Resource Dependency and Economic Diversification: A heavy reliance on natural resources, particularly hydrocarbons, characterizes many Muslim economies (SESRIC, 2023). Sustainable development is vital for transitioning to diversified, knowledge-driven, and green economies, reducing exposure to commodity price shocks and fostering sustainable employment aligned with SDG 8 (Decent Work and Economic Growth) (Gulzar et al., 2021).

3. Environmental Challenges and Climate Vulnerability: OIC countries face severe water scarcity, environmental degradation, and heightened vulnerability to climate change (SESRIC, 2023). Integrating environmental considerations within economic planning promotes green economy principles, sustainable land use, and renewable energy investments, supporting SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action) (Sarif, n.d.).

4. Governance Failures and Institutional Challenges: Persistent challenges in Muslim countries are rooted in governance failures, such as weak rule of law and inadequate regulatory frameworks that undermine effective zakāt and waqf management. Political patronage systems distort resource allocation. Institutional fragmentation is prominent, with zakāt institutions varying in legal status, some fully state-controlled (e.g., Malaysia's Zakat Councils), while others remain voluntary and unregulated (e.g., many Sub-Saharan African countries). Waqf institutions often lack cadastral mapping, digital registries, and unified administration, compromising their effectiveness.

5. Data Deficiency: A significant obstacle is the absence of reliable data on waqf asset valuation and zakāt collection, impeding sound policy design and impact evaluation. Even high-performing countries often lack robust monitoring metrics to assess outcomes.

6. Economic Structure Constraints: Resource dependency reduces incentives for economic diversification, and low industrial capacity limits the adoption of green technologies, restricting progress towards sustainable and resilient economies.

Empirical evidence, including SESRIC reports on poverty rates and climate vulnerability indices, substantiates these analysis points and highlights the pressing need for comprehensive reforms and data-driven policies.

In essence, sustainable economic development in Muslim countries is not only about pursuing growth but establishing an ethical and operational framework that promotes social equity, environmental protection, and governance reforms necessary to overcome longstanding developmental challenges (Gulzar et al., 2021).

Prospects For Achieving Sustainable Economic Development In The Muslim Countries

The prospects for achieving Sustainable Economic Development in Muslim countries are highly promising, particularly through the revitalisation and systematic integration of traditional Islamic financial and charitable instruments, Zakāt, Waqf, and Islamic Philanthropy, alongside modern sustainable finance tools (Kamali, 2016). This integration offers an ethical and viable blueprint for addressing economic disparities where conventional state-led initiatives have faltered.

The core mandate of these instruments is to ensure social justice (*Al-Adl*) and community welfare (*Maslaha*), placing them in perfect alignment with the social and equitable dimensions of Sustainable Economic Development (Sarif, n.d.).

1. The Role of Zakāt (Obligatory Alms-Giving)

Zakāt is a mandatory mechanism for wealth redistribution, transitioning its role from mere social welfare to economic empowerment and directly serving SDG 1 (No Poverty) and SDG 10 (Reduced Inequalities).

a) Poverty Alleviation and Empowerment: When channeled strategically, Zakāt funds move beyond consumption to finance productive economic ventures, small business capital, financial education, and infrastructure support. This transforms recipients (*Mustahiq*) into economically active agents (*Muzakki*) (Shirazi, 2014).

b) Case Study: Indonesia (BAZNAS): Indonesia's National Zakat Agency (BAZNAS) is a prominent example. It systematically allocates funds not only for immediate relief but also for economic empowerment programs for farmers and small entrepreneurs. Research confirms that the effective distribution of Zakāt, *Infāq* (voluntary spending), and *Sadaqah* (charity) has a significant negative influence on poverty and income inequality, and a positive impact on the Human Development Index (HDI) (Hassan et al., 2021).

Additionally, the institution of Zakāt in Nigeria holds immense potential to support Sustainable Economic Development, particularly in tackling poverty (SDG 1) and reducing inequality (SDG 10). The key lies in shifting from the traditional distribution of Zakāt as immediate, consumptive aid to productive empowerment. Funds are strategically directed towards income-generating projects, vocational training, and microfinance for small businesses, ensuring that Zakāt recipients are transformed into self-sufficient economic actors (Adebayo, 2020). Institutions like the Kano State Zakāt and Hubsi Commission (KAZAHU) illustrate this by funding economic empowerment schemes, healthcare, and education. This approach ensures Zakāt acts as a sustainable mechanism for income generation and job creation, aligning with the Maqāṣid al-Sharīʿah (Objectives of Islamic Law) to preserve wealth and life (Atah et al., 2018; Zailani *et al,* 2024).

2. The Role of Waqf (Endowment) in Public Service Financing

Waqf is an inherently sustainable financial tool, as it preserves the capital asset while dedicating its income to perpetual public benefit. It is crucial for financing essential services and infrastructure (SDG 3, 4, & 9) (Ahmed et al., 2015).

a) Sustainable Infrastructure and Services: Historically used for schools and hospitals, modern Waqf can be leveraged for sustainable projects like renewable energy generation, affordable housing, and clean water infrastructure.

b) Case Study: Malaysia (Waqf-Linked Sukuk): Malaysian states have successfully utilised the Waqf-linked Sukuk (a hybrid Islamic bond) model to finance major educational and healthcare projects, such as building teaching hospitals. This mechanism blends financial return for investors with verifiable social impact and perpetual community benefit (Hassan et al., 2021).

3. The Role of Islamic Philanthropy (*Sadaqah* and *Infāq*)

Islamic Philanthropy encompasses voluntary charitable works, serving as a powerful, flexible resource for quick intervention, community development, and addressing gaps left by government programs.

a) Green Economy and Sustainable Practices: Islamic philanthropy holds immense potential to support the green economy through investment in environmental education, research, and the development of renewable energy projects. Its principles, rooted in concern for humanity and the environment, align perfectly with sustainability (Gulzar et al., 2021).

b) Case Study: UAE (Abdul Aziz Al Ghurair Refugee Education Fund): This fund uses an Islamic philanthropic model to provide education access to refugees and vulnerable youth. By leveraging partnerships (a nexus model), it promotes sustainable livelihoods and advances progress towards the SDGs, particularly SDG 4 (Quality Education) (Al Ghurair Foundation, 2023).

4. The Role of Islamic Finance in Sustainable Economic Development

As emphasised in the prompt, Islamic financial institutions are strategically positioned to support Sustainable Economic Development due to their ethical, asset-backed, and risk-sharing nature, providing an alternative to conventional, interest-based financing (Ahmed et al., 2015):

a) Mobilising Sustainable Capital: Islamic Social Finance Instruments (ISFIs) like Green Sukuk (Shari'ah-compliant bonds) are successfully used to raise capital for large-scale, environmentally and socially beneficial projects, such as clean energy infrastructure, clean water projects, and sustainable agriculture (Hassan et al., 2021). This provides a substantial, untapped source of finance for the SDGs (Ahmed et al., 2015).

b) Case Study: Indonesia's Sovereign Green Sukuk: Indonesia has repeatedly issued sovereign Green Sukuk to finance state budget expenditures on environmentally friendly projects, including sustainable transport and renewable energy, demonstrating the viability of this instrument in global capital markets (Ahmed et al., 2015).

c) Ethical Investment Screening: Islamic Sustainable Finance (ISF) promotes Socially Responsible Investment (SRI). It filters out investments in harmful sectors (like usury or arms) and prioritises companies that adhere to high Environmental, Social, and Governance (ESG) standards, ensuring capital flows toward truly sustainable and ethical endeavors (Hassan et al., 2021).

In conclusion, for Muslim countries, adopting Sustainable Economic Development is the most coherent path to achieving comprehensive human welfare, integrating their religious and ethical worldview with modern development goals, and securing a prosperous, just, and balanced future. Realising this potential requires systematic institutional reform to enhance governance, transparency, and modernisation in the management of Zakāt and Waqf assets.

CONCLUSION

The comprehensive analysis confirms that Sustainable Economic Development is not merely an optional policy for Muslim countries, but a religious, ethical, and economic imperative deeply rooted in Islamic teachings, particularly the principles of Khilāfah (Stewardship) and Al-Adl (Justice). The prospects for achieving Sustainable Economic Development are robust, anchored by the unique potential of traditional Islamic financial mechanisms: Zakāt, Waqf, and Islamic Philanthropy. These instruments, when strategically modernized and channeled, offer effective, complementary pathways to address profound challenges like poverty, inequality, and resource dependency. Successful models from nations like Indonesia and Malaysia demonstrate the viability of transforming these tools into engines of growth and social security, leveraging Green Sukuk for infrastructure and Zakāt for economic empowerment. However, realising this potential demands decisive action against the critical barriers identified: rampant financial and administrative corruption and weak institutional frameworks. For Muslim countries to fully harness their spiritual and institutional heritage to meet the UN 2030 Agenda, they must prioritise comprehensive institutional reform to enhance transparency, accountability, and the seamless integration of ethical Islamic finance into national development strategies. This transformative approach is key to securing a just, prosperous, and environmentally responsible future.

While the argument for Sustainable Economic Development within an Islamic framework is compelling, it is important to acknowledge certain limitations that constrain the generalisability of this analysis. The Islamic world is far from monolithic; it encompasses diverse political systems, legal traditions, economic capacities, and interpretations of Shariah. As such, it is neither feasible nor methodologically sound to apply a uniform model or to discuss each Muslim-majority country in exhaustive detail within the scope of this study. Significant variations exist, from resource-rich Gulf economies to low-income, conflict-affected states, each requiring tailored approaches to institutional reform and Islamic financial integration. Moreover, the extent to which governments embrace or resist the modernisation of Zakāt, Waqf, and Islamic philanthropic mechanisms varies widely, creating uneven implementation landscapes. To address these complexities, future research should explore comparative case studies across different regions, conduct empirical assessments of Green Sukuk performance, analyse the digital transformation of Zakāt and Waqf governance, and investigate how contemporary ijtihād can bridge doctrinal debates related to sustainability.

The promise of Sustainable Economic Development within an Islamic framework is substantial; however, its realisation depends heavily on overcoming persistent systemic barriers. To achieve measurable impact, Muslim countries must undertake coordinated reforms such as: digitising zakāt and waqf registries, establishing unified regulatory authorities, adopting transparent reporting standards, and conducting rigorous impact evaluations.

Moreover, future research must integrate quantitative methodologies, cross-country comparisons, and case-based empirical studies to provide a more data-driven understanding of how Islamic economic mechanisms contribute to sustainable outcomes. This approach will help bridge the gap between theoretical potential and practical reality, offering policymakers clearer direction toward culturally grounded yet globally coherent development strategies.

ACKNOWLEDGMENTS

The author has no relevant financial or non-financial interests to disclose.

REFERENCES

1. Adebayo, R. I. (2020). Utilising Zakat for Attaining Sustainable Development Goals (SDGs) in Nigeria. Proceedings, 4th International Conference of Zakat, 233–244.
2. Ahmed, H., Mohieldin, M., Verbeek, J., & Aboulmagd, F. (2015). On the sustainable development goals and the role of Islamic finance. Policy Research Working Paper 7266. World Bank Group.
3. Atah, U. I., Nasr, W. M. A., & Mohammed, M. O. (2018). The role of Zakat as an Islamic social finance towards achieving sustainable development goals: A case study of Northern Nigeria. Proceedings of the 5th International Conference on Islamic Finance (ICIF).
4. Barbier, E. B. (1987). The concept of sustainable economic development. Development and Economic Development.
5. Dusuki, A., & Bouheraoua, S. (2011). The Framework of Maqasid al-Shariah and Its Implications for Islamic Finance. ISRA Research Paper.
6. ElGamal, M. (2006). Islamic Finance: Law, Economics, and Practice. Cambridge University Press.
7. Elshobake, Mohammed R. M. and Owis, Mohd (2025). Contemporary challenges to achieving sustainable development in the Muslim family. In: Contemporary Issues in Qiwamah Within the Family Institution. Contemporary Fiqh Research Unit (CFRU), Abdul Hamid Abu Sulayman Kuliyyah of Islamic Revealed Knowledge and Human Sciences (KIRKHS), International Islamic University Malaysia (IIUM), Islamic Book Trust, Kuala Lumpur, Malaysia, pp. 50-73.

8. al-Ghurair Foundation. (2023). Unleashing the Power of Islamic Philanthropy for Sustainable Impact. Retrieved from https://www.alghurairfoundation.org/wp-content/uploads/2023/09/UNHCR-outcome-paper.pdf
9. Gulzar, A., Islam, T., Hamid, M., & Marifatul Haq, S. (2021). Environmental ethics towards the sustainable development in Islamic perspective: A Brief Review. Ethnobotany Research and Applications, 22, 1–10. Retrieved from https://ethnobotanyjournal.org/index.php/era/article/view/3231
10. Hassan, M. K., Al-Muharrami, S. A., & Bawa, A. (2021). Islamic finance and sustainable development goals: A systematic review. Sustainability, 13(8), 4381. https://doi.org/10.3390/su13084381
11. IvyPanda. (2020, June 26). Sustainable economic development essay. https://ivypanda.com/essays/sustainable-economic-development/
12. Kahf, M. (2014). Waqf and Its Role in Economic Development. Islamic Research and Training Institute (IRTI).
13. Kamali, M. H. (2016). Islam and Sustainable Development. ICR Journal, 7(1), 8-26. https://doi.org/10.52282/icr.v7i1.281
14. Keke University of Applied Sciences. (2015, December 14). Economic sustainable development. https://keke.bc.fi/Kestava-kehitys/english/economic-sustainable-development/
15. Sarif, S. M. (n.d.). Islam, Maqasid al-Shariah, and Sustainable Development: An Edu-Action Approach. IIUM Repository (IRep). Retrieved from http://irep.iium.edu.my/92058/2/TOT%20Islam%20Maqasid%20Sustainable%20Development%20Edu%20Action.pdf
16. SESRIC. (2017). Moving From MDGs to SDGs: Prospects and Challenges for OIC Member Countries. Statistical, Economic and Social Research and Training Centre for Islamic Countries.
17. SESRIC. (2023). OIC Environment Report 2023. Statistical, Economic and Social Research and Training Centre for Islamic Countries.
18. Shirazi, N. S. (2014). Integrating zakat and waqf into the poverty reduction strategy of the IDB member countries. Islamic Economic Studies, 22(1), 79-108.
19. Sustainability Directory. (2025, March 27). Sustainable economic development. https://climate.sustainability-directory.com/term/sustainable-economic-development/
20. United Nations. (2015). The Millennium Development Goals Report. United Nations, 72. https://doi.org/978-92-1-101320-7
21. UpcycleLuxe. (2024, February 26). The Hidden Gems of Sustainable Development: Inspiring Case Studies From Around the World. https://upcycleluxe.com/blogs/our-readers-digest/sustainable-development-in-action-inspiring-case-studies-from-around-the-worldupcycleluxe
22. World Bank & Islamic Research and Training Institute (IRTI). (2017). Global Report on Islamic Finance: A Catalyst for Shared Prosperity? World Bank Publications.
23. Zailani, M. N., Satar, N. H. M., & Zakaria, R. H. (2024). Relevance of Zakat and Waqf Models to Achieve Sustainable Development Goals of Water and Sanitation in North-Eastern Nigeria. Journal of Islamic Economics and Finance, 10(1).