
SHARIAH-BASED DIGITAL SYNERGY FOR LOCAL ECONOMIC EMPOWERMENT THROUGH MSMES AND SMART VILLAGES

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ABSTRACT

Digital transformation is reshaping economic systems across Muslim majority countries, yet its alignment with Islamic ethical governance remains limited in practice. This paper proposes a Shariah-Based Digital Synergy Framework that integrates MSME empowerment, Islamic social finance, and smart village innovation through the lens of maqasid al-Shariah. The novelty of this study lies in its dual contribution: (1) constructing an ethical digital-economic framework grounded in the objectives of Shariah, and (2) demonstrating its real-world applicability through the Pekanbaru Smart Village initiative in Desa wisata tebing Tinggi Okura. Using qualitative thematic analysis of academic sources, policy documents, and field reports, the study finds that Shariah-compliant digital platforms supported by LinkAja Syariah, BAZNAS Riau, and local government enable MSMEs to achieve measurable improvements in market access and financial inclusion. Empirical institutional data show that digitally enabled MSMEs in Indonesia experience an 18–30% increase in sales, averaging 23% between 2022 and 2024. Furthermore, the Okura Smart Village model illustrates how Islamic social finance, halal-fintech integration, and community-based digital literacy can operationalize justice, transparency, and welfare the core objectives of Maqasid al-Shariah. This study contributes both conceptually and practically by offering a replicable ethical digital model for empowering local economies in Muslim societies.

Keywords: Shariah, Digital Economy, MSMEs, Islamic Finance, Smart Villages

BACKGROUND

The rapid expansion of digital transformation has become a defining force in contemporary economic restructuring, creating new pathways for productivity, connectivity, and community empowerment. In Muslim-majority contexts, however, digitalization carries an additional ethical dimension: technological advancement must align with Islamic economic principles that prioritize justice, transparency, and collective welfare. This dual responsibility distinguishes the Islamic digital economy from its conventional counterparts, making ethical governance a central consideration in every stage of digital adoption.

Indonesia, as the largest Muslim-majority nation, holds a strategic position in the global Islamic digital landscape. Reports from the Islamic Digital Economy Forum and the Organization of Islamic Cooperation (OIC) project that the Islamic digital economy will surpass USD 4.5 trillion by 2030. Within Indonesia, Micro, Small, and Medium Enterprises (MSMEs) form the backbone of the national economy, representing more than 97% of all business units. Yet despite this vast potential,

digital adoption among MSMEs remains uneven. Bank Indonesia (2023) and the Ministry of Cooperatives and SMEs (2024) report that only a fraction of MSMEs have transitioned fully into digital platforms. Nevertheless, those that have adopted digital tools demonstrate measurable improvements, with digitally enabled MSMEs experiencing sales increases ranging from 18% to 30%, averaging 23% over the 2022–2024 period. These empirical indicators underscore the significance of digital transformation as a catalyst for inclusive economic growth.

The challenge is more pronounced at the local level. In many regions, digital infrastructure gaps, limited literacy, and the absence of integrated Shariah-compliant platforms hinder the full realization of digital economic benefits. Pekanbaru, a developing Islamic economic hub in Riau Province, provides a compelling case of how these challenges manifest in practice. The Smart Village initiative in Desa Wisata Tebing Tinggi Okura illustrates both the potential and the barriers faced by local communities. Supported by the Pekanbaru City Government, BAZNAS Riau, and halal digital service providers, Okura seeks to integrate digital payments, halal certification, Islamic social finance, and community-based economic activities. However, the initiative continues to face structural obstacles, including limited digital infrastructure in rural hamlets, uneven digital literacy levels among MSME actors, and the need for stronger institutional coordination to sustain long-term digital inclusion.

These gaps highlight the urgency of developing an integrative framework that not only advances digital innovation but also aligns with Islamic ethical principles. The novelty of this study emerges from this critical need. While existing research has extensively discussed Islamic finance, MSME empowerment, or digitalization as separate domains, few studies have systematically integrated these components into a unified model grounded in Maqasid al-Shariah. This study addresses this gap by proposing a Shariah-Based Digital Synergy Framework that connects the ethical objectives of Shariah with practical mechanisms for implementing digital economic transformation. The framework is further illustrated through an empirical examination of the Pekanbaru Smart Village initiative in Okura, demonstrating how Islamic values can be operationalized within local digital ecosystems.

By grounding technological adoption within the ethical imperatives of Islam justice (*'adl*), welfare (*maslahah*), intellect preservation (*hifz al-aql*), and wealth protection (*hifz al-mal*) this study positions digital transformation as a moral as well as economic endeavor. It contributes to bridging the persistent gap between national policy aspirations and community-level outcomes, offering both conceptual insight and practical relevance for policymakers, scholars, and local stakeholders.

Research Objectives

This paper aims to construct a Shariah-based digital synergy framework integrating the Maqasid al-Shariah principles with the Islamic digital ecosystem concept.

LITERATURE REVIEW

The literature on Islamic digital economy has grown significantly in recent years, reflecting the increasing relevance of technology-driven economic transformation in Muslim societies. Scholars generally agree that digitalization within the Islamic economic framework must not be reduced to technological adoption alone; rather, it must be understood as an ethical process anchored in the principles of Maqasid al-Shariah. Bashori et al. (2024) emphasize that digital ecosystems guided by Islamic values promote justice, transparency, and sustainability, distinguishing them from secular digital transformation models that often prioritize efficiency over moral accountability. Mariyono and Asfiyak (2025) similarly highlight that innovation in the halal industry and multicultural digital sustainability strengthens the identity and competitiveness of the Islamic economy on the global stage. Their findings show that when Shariah governance is integrated into digital systems, consumer trust and platform credibility increase significantly.

Parallel to these developments, a growing body of research examines the role of digitalization in enhancing MSME performance across Muslim-majority regions. In Indonesia, MSMEs represent more than 97% of business units and are thus central to the nation's economic resilience. Research from the Ministry of Cooperatives and SMEs (2024) and Bank Indonesia (2023) demonstrates that MSMEs adopting digital tools experience substantial improvements in productivity and market reach. Empirical data indicate that digital integration increases MSME sales by 18–30%, with an average growth of 23% over the period of 2022–2024. These findings affirm that digital transformation is a crucial driver of inclusion and competitiveness among small enterprises, especially in regions where traditional market access remains limited.

Islamic social finance plays an equally important role in supporting equitable development within digital economic ecosystems. Ismail, Hassan, and Rahmat (2023) argue that zakat, waqf, and Islamic microfinance when digitized serve as redistributive mechanisms that enhance transparency and widen access to capital. Institutions such as BAZNAS and Bank Syariah Indonesia have begun to integrate zakat-based microfinancing into digital platforms, enabling MSME actors to benefit from Shariah-compliant financial support while simultaneously fostering accountability and social responsibility. Research by Siregar, Ramadhan, and Kamillah (2025) adds that intellectual capital and ethical business practices grounded in Islamic principles further strengthen the long-term sustainability and competitiveness of halal MSMEs, especially when combined with digital literacy and innovation capabilities.

Smart village development represents another emerging theme in contemporary literature on Islamic economic transformation. International models from Malaysia and the United Arab Emirates show that centralized digital infrastructure, combined with strong Islamic governance, can create robust ecosystems for rural innovation and community empowerment. In Indonesia, smart village initiatives are increasingly recognized as strategies to address digital inequality and rural economic stagnation. The Pekanbaru Smart Village program offers a particularly relevant illustration. Desa Wisata Tebing Tinggi Okura, one of its flagship locations, has adopted Shariah-compliant digital payments, halal traceability systems, and community-centered digital literacy programs. These efforts demonstrate how digital technology can be

harmonized with Islamic ethical principles to strengthen local economic resilience. Nonetheless, researchers note that the implementation of such initiatives often encounters persistent challenges, including limited infrastructure, uneven digital skills among rural entrepreneurs, and the need for more integrated institutional coordination.

Although the existing literature provides a rich understanding of Islamic digital economy, several conceptual and empirical gaps remain. Most notably, prior studies tend to address Islamic finance, digital MSMEs, and smart village development as separate domains rather than as interconnected components of a unified system. Moreover, while theoretical discussions on Maqasid al-Shariah are abundant, relatively few studies explore how its ethical objectives can be operationalized within digital ecosystems at the community level. Empirical studies that examine localized implementations of Shariah-based digital transformation particularly in Indonesian settings such as Pekanbaru and rural areas like Okura are still limited.

This study responds to these gaps by integrating the main strands of the literature into a cohesive analytical foundation. It contributes conceptually by proposing a Shariah-Based Digital Synergy Framework, which connects digital MSME empowerment, Islamic social finance, and smart village innovation within a Maqasid al-Shariah ethical structure. It also contributes practically by examining the Pekanbaru Smart Village initiative in Desa Wisata Tebing Tinggi Okura as an empirical case that illustrates how these components operate in a real community context. Through this integration, the literature review establishes a comprehensive basis for understanding how digital transformation can be aligned with Islamic moral principles to create inclusive and ethical local economies.

Previous Research

The current study builds upon a growing body of research that examines the intersection between digital transformation, Islamic economics, and community empowerment. Over the past five years, scholars have explored the mechanisms through which technology and Islamic ethical principles can be harmonized to generate inclusive and sustainable economic development. The existing literature consistently highlights that digital innovation, when guided by Maqasid al-Shariah, not only enhances market efficiency but also fosters moral accountability and social equity [5].

Bashori et al. (2024) are among the key scholars who have articulated the need for an integrative digital economy model grounded in Maqasid al-Shariah. Their study proposes that Islamic digitalization should not be understood merely as a technical process of automation but rather as an ethical transformation designed to uphold justice and welfare within economic systems. This ethical orientation ensures that digital economic growth aligns with spiritual and communal objectives rather than serving material profit alone. Similarly, Mariyono and Asfiyak (2025) emphasize the role of the halal industry and multicultural sustainability in bridging cultural and religious diversity through Shariah-based digital innovation, suggesting that ethical compliance can enhance trust and brand value in global markets [6].

The focus on microeconomic resilience and MSME performance has also become a central theme in recent Islamic economic literature. Siregar, Ramadhan, and Kamilah (2025) demonstrate empirically that intellectual capital and business sustainability are the principal determinants of halal MSME performance in Medan, Indonesia [7]. Their findings indicate that Islamic ethical practices, when integrated with digital business models, can strengthen competitiveness and promote long-term resilience. In a similar vein, Ismail, Hassan, and Rahmat (2023) argue that Islamic social finance encompassing zakat, waqf, and Islamic microfinance can serve as redistributive instruments that empower small-scale enterprises and facilitate rural development [8]. Their research provides a critical foundation for understanding how social finance mechanisms can be digitized to expand economic inclusivity.

Several global studies further contextualize the integration of technology and Islamic finance within the broader framework of sustainable development. Comparative analyses from Malaysia and the United Arab Emirates demonstrate that the adoption of government-backed Islamic digital ecosystems accelerates both innovation and compliance [11]. Malaysia's Digital Economy Blueprint (MyDIGITAL), for instance, illustrates how centralized digital infrastructure can merge halal certification, Shariah fintech, and business data management into a single interoperable platform [12]. These models highlight the potential scalability of Shariah-based digital systems when supported by coherent policy coordination and institutional collaboration.

At the theoretical level, much of the previous research is informed by two main conceptual frameworks: the Maqasid al-Shariah model of economic ethics and the Quadruple Helix Model of innovation systems. The Maqasid al-Shariah framework offers the moral and philosophical foundation upon which Islamic economic governance is built, emphasizing the protection of faith (*din*), life (*nafs*), intellect (*aql*), lineage (*nasl*), and wealth (*mal*) as the ultimate objectives of development [9]. The Quadruple Helix Model, on the other hand, provides a pragmatic approach to linking academia, government, industry, and civil society in driving innovation [10]. Together, these frameworks establish a dual lens through which digital transformation can be examined both ethically and institutionally.

Despite these rich contributions, however, the literature reveals a persistent gap in the localization of Shariah-based digital economy models. While most studies have offered theoretical constructs or macro-level analyses, few have empirically examined how digital Islamic ecosystems operate at the local community level. In particular, there is a lack of case studies that explore how digital platforms, Islamic social finance, and local governance interact to empower MSMEs in Muslim-majority regions. This gap underscores the necessity of the present research, which aims to fill that void by examining the Pekanbaru Smart Village Project as a real-world manifestation of Shariah-based digital synergy in Indonesia.

By integrating theoretical insights with empirical observation, this study not only extends previous research but also contextualizes it within Indonesia's socio-economic transformation agenda. In doing so, it contributes to a more comprehensive understanding of how ethical governance, digital technology, and community innovation can converge to build sustainable Islamic economies.

RESEARCH METHODS

This study adopts a qualitative descriptive research design supported by thematic content analysis. The qualitative approach is selected to capture the ethical, institutional, and social dynamics that shape the integration of Shariah principles into digital economic ecosystems in Indonesia. As digital transformation within Islamic economics is an emerging field, qualitative methods allow for a deeper exploration of the values, processes, and contextual realities that numerical measurements alone cannot adequately reveal.

The data used in this research consist exclusively of secondary sources. These include peer-reviewed journal articles, books, government regulations, institutional reports, policy blueprints, and empirical documentation from the period of 2019 to 2025. The selection of literature follows three guiding considerations: relevance to Islamic digital economy and MSME empowerment, credibility of the publication source, and alignment with the ethical dimension of Shariah-based economic transformation. These materials collectively provide a comprehensive foundation for understanding the development of digital ecosystems in Muslim-majority regions, with particular attention to the Indonesian context.

Data collection and analysis were conducted in three interconnected stages. The first stage involved identifying and coding key concepts that recur across the selected literature, including terms such as Islamic digital economy, smart villages, MSME empowerment, zakat digitalization, and Shariah fintech. Through this coding process, thematic patterns and conceptual linkages began to emerge. The second stage consisted of triangulating the coded themes with policy documents and institutional case reports issued by Bank Indonesia, the National Committee for Islamic Economy and Finance (KNEKS), the Pekanbaru City Government, and BAZNAS Riau. This triangulation ensured that the study's analysis was grounded not only in theoretical perspectives but also in documented practical realities. The third stage entailed conducting a contextual case analysis of the Pekanbaru Smart Village initiative, with a particular focus on Desa Wisata Tebing Tinggi Okura. This step allowed the study to examine how digital platforms, Shariah-compliant financial tools, and community empowerment programs intersect at the local level.

Throughout the entire analytical process, the study maintained a commitment to methodological integrity consistent with Islamic research ethics. Principles such as fairness, transparency, and intellectual honesty guided the interpretation of data. The aim was not merely to describe digital transformation initiatives but to assess whether these developments align with the broader ethical imperatives of Maqasid al-Shariah, including the preservation of wealth, intellect, social welfare, and human dignity. By integrating diverse sources of evidence within a coherent thematic framework, the study ultimately constructs the Shariah-Based Digital Synergy Framework presented in the findings.

Data

The research is built upon secondary data collected from a wide range of academic, institutional, and empirical sources between 2019 and 2025. The purpose of the data collection is to construct a comprehensive and verifiable foundation for developing

the Shariah-Based Digital Synergy Framework within the context of Indonesia's Islamic digital economy.

Methods

This study applies a qualitative descriptive methodology supported by thematic content analysis. The qualitative design was selected due to the research focus on interpreting ethical, institutional, and social dimensions of digital transformation in Islamic local economies. Rather than relying on numerical indicators, this study prioritizes interpretive depth, meaning construction, and contextual understanding

RESULTS AND DISCUSSION

Results

The findings of this study show that the development of a Shariah-based digital economy in Indonesia rests upon the interaction of three major components: ethical digital inclusion, MSME empowerment through halal financial technology, and institutional collaboration grounded in Islamic social finance. The thematic analysis conducted in this study demonstrates that digital transformation is most effective when it operates within an ethical framework that prioritizes justice, transparency, and community welfare. These principles, which form the core of Maqasid al-Shariah, were consistently reflected in institutional reports, policy directives, and empirical cases reviewed throughout the research.

The first major finding concerns the impact of digital adoption on MSME performance. Across multiple institutional reports, MSMEs that integrated digital platforms into their business processes experienced significant improvements in productivity, market reach, and financial inclusion. Data published by Bank Indonesia (2023) and the Ministry of Cooperatives and SMEs (2024) indicate that digitally enabled MSMEs recorded sales increases ranging between 18 percent and 30 percent, with an average growth of 23 percent during the 2022–2024 period. This trend illustrates that digital transformation not only enhances operational efficiency but also opens access to broader markets that were previously inaccessible due to geographical and informational constraints. Such improvements carry important implications for local economic resilience, particularly in regions where traditional market structures remain dominant.

The second key finding relates to the integration of Islamic social finance into digital ecosystems. Evidence from BAZNAS Riau, Bank Syariah Indonesia, and KNEKS shows that digitalization of zakat, waqf, and Islamic microfinance has expanded opportunities for small-scale entrepreneurs to access ethical and interest-free financing. This integration supports MSME actors who may lack collateral or credit history, enabling them to participate more fully in local and national value chains. The shift toward digital social finance also enhances transparency and community oversight, strengthening trust in financial institutions and aligning economic activities with Islamic ethical norms. Such alignment is particularly significant in rural communities, where trust and religious legitimacy remain central to economic participation.

The third and most illustrative finding emerges from the contextual analysis of the Pekanbaru Smart Village initiative, with a focus on Desa Wisata Tebing Tinggi Okura.

This community provides a concrete example of how Shariah-based digital transformation operates within a localized environment. Supported by the Pekanbaru City Government, BAZNAS Riau, LinkAja Syariah, and other institutional actors, Okura has implemented a range of digital tools to enhance community productivity. These include digital payment systems for tourism and agricultural products, halal certification supported by digital traceability features, and zakat-based financing programs that assist local entrepreneurs in developing micro-businesses. The community has also adopted digital literacy programs aimed at equipping residents especially women entrepreneurs with the skills necessary to navigate online marketplaces.

Despite these advancements, the analysis reveals that Okura continues to face several challenges. Digital infrastructure remains uneven across different hamlets, limiting the consistency of platform usage. Many MSME actors still have limited digital literacy, reducing their ability to utilize online systems optimally. Additionally, the implementation process requires stronger coordination among government units, financial institutions, and community organizations to ensure program continuity and scalability. These challenges highlight the importance of viewing digital transformation not as a singular technological intervention but as a long-term process that depends on institutional synergy, community engagement, and continuous capacity-building.

Overall, the results confirm that Shariah-based digital innovation when appropriately supported by institutions and aligned with ethical frameworks can generate tangible socio-economic improvements at the community level. The case of Okura demonstrates that digital tools are most effective when integrated with Islamic social finance and supported by educational initiatives that strengthen community capacity. This alignment between digital innovation and ethical governance creates an economic ecosystem that is not only technologically forward but also socially inclusive and spiritually grounded.

Discussion

The findings of this study reveal that digital transformation, when guided by the ethical foundation of Islamic economic principles, can fundamentally reshape the structure of local economies. The case of Pekanbaru, especially the experience of Desa Wisata Tebing Tinggi Okura, demonstrates that digital tools do not function merely as instruments of economic efficiency but as mechanisms that enable value-based development rooted in Maqasid al-Shariah. This relationship between technology and ethics forms the central argument of the study: digital innovation in Muslim societies attains its fullest meaning when it serves the preservation of human dignity, community welfare, and equitable prosperity.

From a theoretical standpoint, the study reinforces the proposition that Maqasid al-Shariah provides a viable normative framework for digital economic governance. The objectives of Shariah preservation of faith, life, intellect, lineage, and wealth are not abstract ideals but operational principles that can shape the design and implementation of digital ecosystems. Digital literacy programs in Okura, for instance, support the preservation of intellect by enhancing the community's capacity to engage with technology critically and productively. The integration of halal

traceability and transparent transaction systems aligns with the preservation of wealth by preventing fraud, ensuring fairness, and safeguarding property rights. Meanwhile, the adoption of digital social finance mechanisms promotes welfare and social equity by redistributing resources to those who need them most. These examples show that Maqasid al-Shariah can function as a practical lens through which digital transformation projects are evaluated and refined.

The discussion also highlights the role of Islamic social finance as a transformative pillar within digital ecosystems. The integration of zakat, waqf, and Islamic microfinance into digital platforms significantly expands access to financing for small entrepreneurs who often face structural barriers in conventional financial systems. In Okura, the availability of zakat-based microfinancing supports MSME actors who lack formal credit histories, thereby enabling them to develop micro businesses and participate in broader value chains. This integration demonstrates how Islamic social finance can be operationalized in ways that are not only spiritually grounded but also economically empowering. By merging ethical financing with digital convenience, the community benefits from both moral legitimacy and practical accessibility.

Moreover, the findings illustrate how multi-actor collaboration shapes the success of Shariah-based digital ecosystems. Government institutions provide regulatory structure and infrastructure, Islamic financial institutions ensure compliance with ethical standards, technology providers offer the tools needed for innovation, and community organizations facilitate adoption at the grassroots level. The synergy among these actors reflects the logic of the Quadruple Helix Model, reinterpreted within an Islamic context. The experience of Okura suggests that digital transformation cannot proceed effectively in isolation; it requires sustained coordination, trust, shared values, and a collective vision of prosperity. This level of cooperation is essential in addressing the persistent challenges of digital inequality, infrastructure limitations, and uneven digital skills among rural communities.

The discussion further emphasizes that digital transformation in Muslim societies must be approached not as a race toward modernization but as a process of harmonizing technological advancement with ethical principles. This distinction is critical. Conventional digitalization projects often prioritize speed, scalability, and market efficiency, sometimes at the expense of social cohesion and community welfare. In contrast, a Shariah-based digital transformation introduces moral boundaries and value-driven objectives that ensure technology serves the collective good. The outcomes observed in Okura reinforce this point. The community's digital adoption is not merely aimed at increasing market access but at enhancing welfare, strengthening social ties, and preserving the cultural and spiritual identity of the village.

Nevertheless, the study also acknowledges the challenges that arise in implementing such an ethical digital framework. Okura's experience shows that infrastructure gaps, limited digital literacy, and fragmented institutional coordination can inhibit optimal outcomes. These issues require continued investment in education, targeted support for MSME actors, and stronger policy alignment across local and national levels. The discussion suggests that sustainable digital transformation must prioritize long-term capacity-building rather than short-term technological deployment. This approach

ensures that communities do not merely receive technological tools but actually possess the knowledge and skills necessary to use them effectively.

In broader terms, the findings contribute to ongoing debates about the role of Islamic economics in shaping modern digital landscapes. They highlight the potential for Muslim societies to develop digital ecosystems that are not only technologically sophisticated but also ethically anchored. Such ecosystems can promote inclusive growth, strengthen financial integrity, and enhance social welfare in ways that conventional models often overlook. The experience of Okura provides a concrete example of how this vision can be enacted at the local level and scaled to other regions with similar socio-economic characteristics.

Overall, the discussion affirms that the Shariah-Based Digital Synergy Framework proposed in this study offers a compelling paradigm for bridging the gap between technological innovation and ethical governance. It demonstrates that Islamic economic principles can provide not only moral guidance but also strategic direction for building sustainable, inclusive, and socially responsible digital economies. By grounding digital transformation in the values of justice, trust, and collective welfare, Muslim societies can chart a distinctive path that integrates faith, technology, and community development into a holistic vision of progress.

CONCLUSION

This study concludes that the advancement of the Islamic digital economy requires an approach that integrates technological innovation with the ethical imperatives of Maqasid al-Shariah. Digital transformation, when aligned with the values of justice, transparency, and collective welfare, becomes more than an economic process; it becomes a moral endeavor that strengthens the social fabric and enhances community resilience. The findings of this study demonstrate that such an alignment is both necessary and feasible, particularly within the context of Indonesia's emerging digital ecosystem.

The analysis of MSME digital adoption reveals that technology plays a critical role in expanding market access and improving business performance. Empirical data show that MSMEs adopting digital platforms experience substantial improvements, with sales increasing between 18 percent and 30 percent, and an average growth of 23 percent over recent years. These outcomes illustrate that digitalization is not merely a tool for increasing efficiency but a pathway toward inclusive economic growth, especially when supported by ethical financial mechanisms. The integration of Islamic social finance into digital systems further enhances this process by widening access to capital, strengthening transparency, and reinforcing community participation in economic activities.

The case of Desa Wisata Tebing Tinggi Okura provides an important empirical illustration of how Shariah-based digital transformation can be implemented at the local level. The village's efforts to integrate halal digital payments, digital literacy programs, and zakat-based microfinancing demonstrate that Islamic economic

principles can be translated into practical mechanisms that empower rural communities. These initiatives also reveal that success depends on the synergy among multiple stakeholders, including government institutions, financial entities, technology providers, and community organizations. Through such collaboration, digital transformation becomes a process that uplifts not only individual entrepreneurs but the entire local ecosystem.

However, the study also identifies challenges that must be addressed to sustain these achievements. Infrastructure limitations, uneven digital skills, and fragmented institutional coordination remain significant obstacles. Addressing these issues requires sustained investment in capacity-building, stronger policy alignment, and continued community engagement. In this regard, the ethical orientation of Islamic economics offers a guiding framework for ensuring that digital development remains equitable, responsible, and community-centered.

Conceptually, this study contributes to the broader literature by proposing a Shariah-Based Digital Synergy Framework that unifies digital MSME empowerment, Islamic social finance, and smart village innovation within the ethical structure of Maqasid al-Shariah. This framework advances current debates by demonstrating that Islamic economic principles can serve both as normative guidelines and as operational foundations for digital governance. Practically, the study provides insights for policymakers and development practitioners seeking to implement Shariah-compliant digital initiatives that are contextually grounded and socially impactful.

In summary, the future of the Islamic digital economy depends on the ability to integrate technological progress with spiritual and moral values. The experience of Okura shows that when digital transformation is guided by justice, trust, and compassion, it produces not only economic benefits but also strengthens community welfare and preserves cultural identity. This study therefore envisions digital synergy rooted in Shariah not merely as a model of innovation but as a holistic vision of development that unites faith, knowledge, and technology in the pursuit of sustainable prosperity.

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