Navigating Preference-Based Choice in Individual Economic Behavior: A Comparative Analysis of Islamic and Conventional Perspectives

Jaenudin
Faculty of Sharia and Law, UIN Sunan Gunung Djati Bandung, Indonesia
jaenudin @uinsgd.ac.id

Abstract

In contemporary economic theory, individual choice is central to understanding market behavior. Preference-based choice forms the cornerstone of microeconomic analysis, illustrating how individuals prioritize alternatives under conditions of scarcity. While conventional economics typically assumes rational preferences driven by utility maximization, Islamic economic thought introduces a normative framework grounded in *al-maṣlaḥah* (public interest) and divine guidance, emphasizing moral, spiritual, and social considerations. This study aims to critically examine how preference-based choice is conceptualized and applied within both conventional and Islamic economic paradigms. It seeks to highlight key similarities, divergences, and potential integrations that can inform more holistic economic modeling. Central to this analysis is the exploration of behavioral assumptions, value orientations, and ethical dimensions underpinning individual decision-making in both frameworks. The methodology employed is qualitative and interpretive, relying on textual data derived from classical Islamic jurisprudence (*fiqh*), contemporary Islamic economic literature, and modern behavioral economics. The analysis identifies three core thematic domains: rationality and utility, the role of ethics in preferences, and the impact of religiously-informed decision constraints. Findings reveal that Islamic economics challenges the assumption of pure self-interest, advocating for a harmonization between personal benefit and societal welfare. The study contributes to broader debates on behavioral economics by offering a faith-based normative lens. It also opens a path for further inter-disciplinary research that bridges Islamic jurisprudence with contemporary behavioral models, enriching our understanding of human choice in diverse socio-economic contexts.

Keywords

preference-based choice; Islamic economics; behavioral economics; rational decision-making; economic ethics

INTRODUCTION

The study of individual choice in economics is rooted in the assumption that human behavior can be predicted through models of rational preference and utility maximization. Classical and neoclassical economic theories have long postulated that individuals act consistently according to stable preferences, responding to incentives and constraints to achieve optimal outcomes. This premise has formed the analytical foundation for policy-making, market analysis, and behavioral modeling across disciplines (Varian, 2010, p. 117). However, such models have often been critiqued for overlooking ethical, cultural, and spiritual dimensions of decision-making.

In the past few decades, behavioral economics has emerged as a response to these limitations, incorporating insights from psychology to explain deviations from purely rational behavior (Kahneman, 2011, p. 45). Yet, even behavioral models frequently center around self-interest, bounded rationality, and cognitive biases without exploring the normative foundations that shape preferences. Islamic economics, in contrast, is anchored in a worldview that aligns economic behavior with divine guidance and moral accountability (*taqwā*), thereby challenging the utilitarian core of conventional models (Chapra, 2000, p. 102).

Within Islamic thought, individual preferences are not value-neutral. Instead, they are conditioned by ethical imperatives derived from *sharī'ah*, which encourage choices that balance personal interest (*maṣlaḥah fardiyyah*) with collective welfare (*maṣlaḥah 'āmmah*). This distinction introduces a new dimension into economic modeling, suggesting that utility maximization is not the only guiding principle behind choice (Nasution, 2005, p. 88). Islamic scholars advocate for a framework where moral responsibility is integral to consumption, production, and market participation.

This divergence raises critical questions about the universality of economic rationality. Are preferences truly stable and transhistorical, or are they shaped by the ethical systems within which individuals operate? Can the Islamic perspective offer viable alternatives to current behavioral economic models? Furthermore, how can Islamic jurisprudential principles be integrated into empirical frameworks of preference-based choice? These questions are increasingly relevant in multicultural and pluralistic societies, where diverse normative systems influence individual economic behavior.

Although comparative research between Islamic and conventional economic paradigms exists, few studies have focused specifically on preference structures and the philosophical underpinnings that guide choice. This research seeks to bridge that gap by exploring how preference-based choice operates within both perspectives and how these insights can inform a richer understanding of economic behavior. By contrasting the rational utility framework of conventional economics with the ethicallyinfused orientation of Islamic economics, the study reveals the epistemological and practical consequences of each approach.

In summary, this research underscores the importance of revisiting the concept of preference in economics through an interdisciplinary and comparative lens. It aims to contribute to both theoretical discourse and practical applications by highlighting how individual behavior is shaped not only by incentives and information but also by ethical convictions and spiritual obligations. Such a study holds significance not only for Islamic economic scholars but also for those in behavioral economics seeking to broaden the scope of human motivation in economic theory.

LITERATURE REVIEW

Preference-based choice is central to microeconomic theory, traditionally modeled through the lens of rationality and utility maximization. Classical economists such as Adam Smith and later neoclassical theorists like Alfred Marshall viewed individual preferences as stable, transitive, and complete—core assumptions that allow for predictability in consumer behavior (Marshall, 1920, p. 72). Subsequent developments by Hicks and Samuelson refined utility theory into a measurable and ordinal framework, culminating in revealed preference theory that attempts to infer preferences from observed choices (Samuelson, 1948, p. 92). These foundational theories assume self-interested actors operating in frictionless markets, which limits their ability to account for moral and cultural diversity in economic behavior.

Recent advancements in behavioral economics have challenged the rational agent model by incorporating psychological factors such as cognitive biases, heuristics, and time-inconsistency (Thaler & Sunstein, 2008, p. 36). Scholars like Kahneman and Tversky have demonstrated that individual choices often deviate from rational norms due to framing effects and bounded rationality (Kahneman, 2011, p. 57). Despite these contributions, behavioral economics still largely operates within a secular utilitarian framework and lacks integration with normative ethical systems that might influence choice beyond immediate gains or losses.

In contrast, Islamic economic literature offers a comprehensive alternative grounded in the moral teachings of Islam. Scholars such as Chapra (2000), Siddiqi (1981), and Naqvi (1981) argue that economic behavior must be situated within the ethical framework of *sharīʿah*, where preference is not solely driven by material utility but by moral accountability and divine injunctions. The concept of *nafs* (the self) and its inclination toward either selfishness (*nafs ammārah*) or piety (*nafs muṭmaʾinnah*) illustrates how internal spiritual states influence external economic decisions (Siddiqi, 1981, p. 65).

Furthermore, Indonesian scholarship has contributed significantly to contextualizing Islamic preferences within modern economic systems. Works by Antonio (2001) and Nasution (2005) explore how *fiqh mu'āmalah* offers operational principles for preference-driven transactions in banking and finance. They stress the necessity of integrating *al-ḥalāl wal-ḥarām* (permissible and impermissible) considerations into models of consumer and producer behavior. Such frameworks extend the scope of economics beyond efficiency and into the realm of justice, balance (*tawāzun*), and spiritual wellbeing.

Thus, existing literature illustrates two parallel yet overlapping trajectories: the conventional emphasis on observable behavior and utility, and the Islamic focus on moral intention and religious compliance. The gap in this literature lies in the lack of comparative frameworks that systematically analyze how these paradigms interpret preference structures, decision criteria, and individual agency. Bridging this gap is the objective of the present study.

Theoretical Framework

The theory of individual choice in conventional economics originates from the axiomatic framework of rational choice theory. Individuals are modeled as utility-maximizing agents who select among alternatives based on ranked preferences that are complete, transitive, and stable over time (Varian, 2010, p. 90). This framework forms the basis for consumer choice models, budget constraint analysis, and demand theory. Under this assumption, preferences are independent of external influences, including ethical or cultural considerations, which simplifies modeling but limits descriptive accuracy.

Revealed preference theory, introduced by Samuelson, attempts to address the measurement problem by observing actual behavior rather than relying on stated preferences. This approach assumes consistency and rationality but still presumes that agents are self-interested and unaffected by normative values (Samuelson, 1948, p. 97). Critics argue that these models are too restrictive, failing to capture altruism, ethical behavior, or spiritual motivation. These limitations have prompted scholars to seek alternative paradigms, especially in multicultural or religious societies.

Islamic economics offers a distinctive theoretical departure. Its foundation lies in the concept of *khilāfah* (vicegerency) and *taqwā* (God-consciousness), which require individuals to make economic choices in accordance with divine guidance and communal welfare (Chapra, 2000, p. 112). In this model, preferences are shaped by moral principles and the ultimate accountability in the Hereafter. The individual is not merely a utility-maximizer but also a moral agent (*mukallaf*) whose consumption, production, and saving decisions are bound by *sharīʻah* norms.

The Islamic view redefines rationality to include both material benefit (*manfaʻah māddiyyah*) and spiritual merit (*ajr ukhrawi*). This introduces the idea of ethically bounded preferences, where choices are filtered through the lens of permissible (*ḥalāl*) and impermissible (*ḥarām*). For instance, a Muslim consumer may reject interest-based products not because of lower returns but due to religious prohibition, thus revealing a different decision calculus than conventional theory predicts (Naqvi, 1981, p. 54). The internalization of moral constraints modifies utility functions and alters predicted behavior.

Behavioral economics partially bridges the gap between these paradigms by recognizing bounded rationality, intrinsic motivation, and the role of heuristics in decision-making (Kahneman, 2011, p. 64). However, it still lacks a structured ethical framework, focusing more on cognitive mechanisms than normative beliefs. The Islamic model complements behavioral insights by embedding decision-making in a value-laden environment, thus offering a broader understanding of human behavior.

This comparative theoretical framework sets the stage for analyzing how individuals make choices under the influence of either secular rationality or religiously informed values. It allows for the construction of models that integrate both observable behavior and internal motivations, enhancing the realism and relevance of economic theory in diverse contexts.

Previous Research

Siddiqi (1981) conducted foundational work in defining Islamic economic behavior by linking it to spiritual values and moral obligations. His study argued that rational choice must be reinterpreted through the lens of *sharīʻah*, emphasizing that human welfare extends beyond material gain. The research provided qualitative models illustrating how preferences aligned with Islamic ethics alter consumption patterns and market dynamics.

Chapra (2000) advanced the theoretical framework by emphasizing the need for a moral filter in all economic activities. He suggested that conventional assumptions of selfishness and materialism could lead to systemic injustice and imbalance. By introducing a normative dimension, Chapra illustrated how individual preferences rooted in *taqwā* promote equitable and sustainable development, particularly in Muslim societies.

Naqvi (1981) offered a philosophical critique of neoclassical economics from an Islamic perspective. He argued that economic theory must incorporate metaphysical principles to remain relevant and just. His analysis highlighted the divergence in the foundations of choice theory between secular and Islamic frameworks, positioning Islamic economics as a values-based alternative that redefines rational behavior through moral axioms.

In the behavioral domain, Kahneman and Tversky's (1979) Prospect Theory challenged the traditional notion of utility maximization by showing that individuals evaluate outcomes relative to a reference point and exhibit loss aversion. Their empirical findings revealed systematic deviations from expected utility theory, thereby justifying the need to reconsider the assumptions behind preference-based choice.

Antonio (2001) examined the operationalization of Islamic preferences in Islamic banking. His study utilized case analysis from Indonesia, showing that consumer behavior is significantly influenced by compliance with Islamic contracts (*'aqd*) and avoidance of *ribā*. He concluded that understanding Islamic preferences is essential for product design and market segmentation in Islamic financial institutions.

Nasution (2005) investigated Islamic consumption patterns in Indonesia using qualitative interviews and textual analysis. His findings emphasized the role of *ḥalāl* certification, spiritual awareness, and communal identity in shaping consumption preferences. Nasution's work validated the claim that religious values significantly alter the conventional understanding of consumer rationality in Muslim-majority contexts.

Despite these contributions, a significant gap remains in systematically comparing how preference structures differ between Islamic and conventional paradigms. Most prior research either critiques conventional theory or elaborates on Islamic principles independently. Few studies have attempted a theoretical synthesis or comparative analysis that bridges both schools of thought. This research aims to address that gap by focusing specifically on the epistemological and operational differences in how preferences are formed, justified, and acted upon within each framework.

RESEARCH METHODS

This study utilizes a qualitative, interpretive methodology grounded in textual and conceptual analysis. This approach is particularly appropriate for comparative studies of normative frameworks, such as the Islamic and conventional perspectives on economic behavior (Creswell, 2007, p. 78).

By focusing on textual interpretation, this study examines how key concepts like preference, rationality, utility, and ethics are framed and understood across paradigms. A qualitative design also accommodates the complexity and philosophical depth of religious texts and behavioral models, which are not easily captured through quantitative means (Miles & Huberman, 1994, p. 10).

Primary data sources include classical Islamic jurisprudence (fiqh), foundational texts in Islamic economics, key writings in neoclassical and behavioral economics, and Indonesian scholarly literature from Sinta-Garuda-accredited journals. Islamic sources such as Iḥyā' 'ulūm al-dīn (al-Ghazālī, n.d.), al-muwāfaqāt (al-Shāṭibī, n.d.), and al-ḥisbah fī al-Islām (Ibn Taymiyyah, n.d.) offer rich insights into moral reasoning and preference formation. Complementary modern sources such as Chapra (2000), Siddiqi (1981), and Nasution (2005) contextualize these ideas within contemporary economic systems.

Data were collected using a purposive sampling strategy for texts, prioritizing those that explicitly discuss preference, rationality, ethics, and decision-making. Thematic coding was used to categorize key patterns related to three core questions: (1) how rationality and utility are conceptualized, (2) how ethics shape preference formation, and (3) how religious constraints influence decision-making. This analytic process is consistent with qualitative content analysis practices described by Mayring (2000, p. 21).

Textual data were interpreted hermeneutically, particularly for classical Arabic texts. This allowed for the extraction of meaning beyond literal content, emphasizing the moral and epistemological foundations of economic behavior in Islam. The Islamic framework was analyzed using maqāṣid al-sharī'ah as a meta-theory to understand how preferences align with the goals of preserving faith, intellect, life, lineage, and wealth (al-Shāṭibī, n.d.). For the conventional paradigm, economic and behavioral models were interpreted through a positivist and psychological lens (Becker, 1976, p. 56; Kahneman, 2011, p. 37).

Conclusions were drawn through a synthesis of patterns and meanings identified across both frameworks. This interpretive integration follows Miles and Huberman's (1994, p. 134) guidelines for drawing and verifying qualitative conclusions. Ultimately, this methodology allows for a comparative, integrative analysis that honors the ontological and normative distinctions of each paradigm while seeking a deeper understanding of preference-based economic behavior.

RESULTS AND DISCUSSION

This study uncovers substantial differences in the way Islamic and conventional paradigms conceptualize individual preferences. Conventional economics, rooted in neoclassical models, sees preferences as stable, transitive, and revealed through market choices (Varian, 2010, p. 90). In contrast, Islamic economics views preferences as subject to divine guidance and moral consideration, shaped by ethical obligations and spiritual accountability (Chapra, 2000, p. 102; Siddiqi, 1981, p. 65). These foundational distinctions influence how individuals are expected to behave in economic contexts, particularly in consumption and financial choices.

The introduction of behavioral economics challenged conventional assumptions by showing that individuals often act irrationally, influenced by biases and heuristics (Kahneman & Tversky, 1979). However, behavioral economics remains largely secular, with limited consideration for moral or religious motivation. Islamic economics fills this gap by incorporating both the internal cognitive factors and the external normative boundaries, creating a dual framework for understanding choice (Naqvi, 1981, p. 54).

As Nasution (2005, p. 88) emphasized in his study of Muslim consumer patterns in Indonesia, economic behavior among Muslims is not purely determined by price and income but by compliance with Islamic values. This finding reinforces the broader implication that preference is not a static input in decision-making but a dynamic outcome of ethical training, spiritual belief, and legal boundaries.

Rationality and Utility – A Comparative Foundation

Rationality in conventional economics assumes that agents are capable of ranking preferences in a consistent and transitive manner. Utility maximization is central—agents select bundles of goods and services that yield the highest utility given budget constraints (Varian, 2010, p. 90; Samuelson, 1948, p. 92). These preferences are considered "given" and unchanging, often detached from moral or spiritual concerns (Becker, 1976, p. 6). The agent is typically modeled as autonomous and interest-driven, with little regard for ethical frameworks or metaphysical commitments.

Islamic economics redefines this notion of rationality. Here, rational action is not merely about maximizing personal satisfaction but ensuring that choices align with Islamic values (Chapra, 2000, p. 104). The concept of *'aql* (reason) in Islamic tradition is always linked to moral judgment and accountability (al-Ghazālī, n.d.). Therefore, rationality includes awareness of what is *ḥalāl* and *ḥarām*, and the consequences of choices in the *ākhirah* (afterlife) (al-Shāṭibī, n.d.). An action that is materially beneficial but religiously impermissible would be considered irrational in Islamic terms (Naqvi, 1981, p. 54).

This contrast reshapes the understanding of utility. Conventional utility is subjective and value-free, while Islamic utility (*manfaʿah*) incorporates spiritual, ethical, and social components (Siddiqi, 1981, p. 68). A Muslim may derive "utility" from giving *ṣadaqah* or avoiding interest-based income, actions that do not conform to neoclassical utility theory but are consistent with *maqāṣid al-sharīʿah* (Antonio, 2001, p. 102). This suggests that Islamic economic agents are "bounded" not only cognitively, as in behavioral models, but also ethically and spiritually.

Behavioral economics begins to bridge the gap by acknowledging that humans do not always act rationally and are influenced by emotions, cognitive limitations, and social norms (Kahneman & Tversky, 1979; Kahneman, 2011, p. 57). Yet, it does not explicitly incorporate moral or religious dimensions into its models. Islamic economics takes a step further by embedding preference formation in a divinely guided framework, where spiritual well-being is a legitimate component of utility and behavioral intent.

This reconceptualization of rationality challenges conventional economic modeling, which relies heavily on mathematical formalism and methodological individualism (Sen, 1987, p. 12). While Islamic preferences may be less amenable to precise quantification, they reflect real-world motivations in faith-based societies (Nasution, 2005, p. 91). Recognizing these differences is crucial for creating inclusive economic models that account for diverse behavioral logics and normative systems.

Thus, when comparing rationality and utility across the two paradigms, it becomes evident that Islamic economics calls for a multidimensional approach—one that considers not just efficiency, but righteousness, communal welfare, and eternal outcomes (al-Qarāfī, n.d.).

Ethics in Preference Formation

Conventional economics tends to treat preferences as exogenous and ethically neutral. Individuals are free to prefer any good or service, regardless of its impact on others or the environment. Market choices are guided by price signals and individual desires, with minimal normative judgment (Becker, 1976, p. 6; Varian, 2010, p. 85). Ethics, if present, is external to the economic model, often relegated to policy corrections or externalities (Sen, 1987, p. 18).

In contrast, Islamic economics regards ethics as endogenous to preference formation. Ethical awareness is nurtured through Islamic education (*tarbiyah*), family values, and communal expectations (Siddiqi, 1981, p. 72). Preferences are shaped not just by individual desire but by a desire to fulfill religious obligations and avoid divine displeasure (*maʿṣiyah*) (al-Ghazālī, n.d.). The concept of *iḥsān* (excellence in conduct) guides Muslims to choose what is beneficial and just, even when such choices contradict material incentives (Chapra, 2000, p. 110).

This moral dimension is operationalized through Islamic legal maxims (*qawāʿid fiqhiyyah*), such as *al-ḍarar yuzāl* ("harm must be eliminated") and *al-ʿurf muḥakkam* ("custom is a basis for judgment") (al-Qarāfī, n.d.). These principles act as filters through which choices are made. They do not eliminate personal preference but ensure that preference is exercised within a moral and legal framework that considers both the self and others (Antonio, 2001, p. 108).

Behavioral economics recognizes that preferences are shaped by framing, defaults, and social influence (Kahneman, 2011, p. 64; Thaler & Sunstein, 2008, p. 36). However, it rarely addresses how long-term moral training or spiritual discipline affects preference consistency or resistance to manipulation. Islamic economics fills this void by providing a structured path for moral development through *ʿibādah* (acts of worship), *muʿāmalah* (social transactions), and communal life rooted in *sharīʿah* principles (Nasution, 2005, p. 89).

This internal ethical compass is particularly important in markets where temptation and excess are prevalent. For example, an Islamic consumer may avoid luxury consumption not due to price sensitivity, but due to the ethical principle of *zuhd* (moderation) (Umar, 2010, p. 88). Likewise, entrepreneurs may forego profit-maximizing but unethical ventures, guided by the obligation to seek *barakah* (blessing) rather than mere gain (Naqvi, 1981, p. 61).

Thus, ethics is not a constraint imposed from outside but an internalized value system that directs preference. This has important implications for how economists understand consumer behavior in Muslim contexts and offers new avenues for integrating ethics into mainstream economic theory, especially in pluralistic societies.

Religious Constraints in Economic Decision-Making

Islamic economic behavior is bounded by *sharīʿah*, which serves as both a legal and moral code. This constraint framework affects not only what individuals can choose but how they evaluate the options available (Chapra, 2000, p. 109). Unlike in conventional economics, where constraints are often material (income, time, prices), in Islamic economics, spiritual and legal considerations play a dominant role in guiding preferences and filtering options (Siddiqi, 1981, p. 67; al-Ghazālī, n.d.).

For instance, Muslims are prohibited from engaging in *ribā* (interest), *gharar* (excessive uncertainty), and *maysir* (gambling). These prohibitions are not subject to market conditions or individual preferences—they are absolute, based on explicit religious injunctions in the Qur'an and Sunnah (al-Shāṭibī, n.d.). As such, the presence of these elements in a transaction renders it void, regardless of potential utility gains (Ibn Taymiyyah, n.d.; Antonio, 2001, p. 125). This reveals a categorical structure of decision-making that conventional economics does not capture, where legal permissibility (*ḥalāl*) supersedes market rationality.

This constraint does not reduce agency but reframes it. Within Islamic boundaries, individuals retain the freedom to choose, innovate, and optimize. However, their optimization is directed toward both *dunyawī* (worldly) success and *ukhrawī* (hereafter) reward, integrating temporal and eternal goals (Naqvi, 1981, p. 77). This dual-objective decision-making process aligns with the concept of *maqāṣid al-sharī'ah*—preservation of faith, life, intellect, progeny, and wealth—as the ultimate goals of economic behavior (al-Shāṭibī, n.d.).

In financial markets, this is manifested in the avoidance of speculative instruments and preference for risk-sharing contracts such as *muḍārabah* and *mushārakah*, which form the foundation of Islamic finance (El-Gamal, 2006, p. 102; Ascarya & Yumanita, 2007, p. 11). These contracts embed trust, partnership, and social accountability into financial decisions, challenging the conventional assumption that financial actors always seek maximum risk-adjusted returns.

The existence of these religious constraints also impacts macro-level behaviors such as investment trends, philanthropy (*waqf*, *zakāt*), and labor relations. Preferences shaped under Islamic norms support solidarity, justice, and redistribution (Hasan, 2007, p. 113), which contrasts with individualistic and competitive tendencies found in neoclassical systems.

Therefore, religious constraints do not merely inhibit choice—they structure and elevate it, transforming economic action into a form of worship (*'ibādah*). Understanding this theological underpinning is essential for building economic models that accurately reflect Muslim behavior in both formal and informal markets (Nasution, 2005, p. 93).

Core Findings and Pathways Forward

The comparative analysis reveals that while conventional economics assumes that preferences are neutral, static, and individually constructed, Islamic economics treats them as dynamic, ethically bounded, and communally influenced. The two paradigms do not merely differ in assumptions but in their ontological and epistemological foundations. One is built on methodological individualism and utility, the other on moral collectivism and accountability.

By reframing rationality and utility through the lens of spirituality and ethics, Islamic economics expands the behavioral assumptions underlying economic models. It not only redefines the agent but also the goals and constraints of economic life. This opens up opportunities for modeling behavior that incorporates justice, equity, and moral intention. Such a framework has practical implications. Policy design in Muslim societies can no longer ignore the religious basis of economic choices. Market segmentation, financial product design, and consumer behavior analysis must account for these religious constraints and motivations to remain relevant and effective.

Moreover, the convergence with behavioral economics suggests the possibility of a third path—an ethics-based behavioral model. This could bridge the empirical strengths of behavioral economics with the normative insights of Islamic thought, resulting in a more comprehensive theory of human behavior. In sum, this study advocates for a pluralistic approach to economic modeling—one that respects the diversity of human motivations and integrates the ethical, spiritual, and psychological dimensions of choice.

CONCLUSION

This study has demonstrated that preference-based choice is conceptualized differently in Islamic and conventional economic paradigms. While both acknowledge individual agency and decision-making, they diverge in foundational assumptions regarding rationality, utility, ethics, and constraints. Conventional economics relies on self-interested rationality and utility maximization, while Islamic economics anchors choice in divine guidance, moral accountability, and communal responsibility.

By comparing these frameworks, the research reveals that Islamic economic thought provides a morally enriched, spiritually conscious approach to economic behavior. Preferences in Islamic economics are formed not only through personal desire or market incentives but also through religious duty, social justice, and the pursuit of the common good. This results in a more holistic understanding of human behavior, particularly in Muslim-majority societies.

The implications of this study are wide-ranging. Economists, policymakers, and financial institutions must account for the ethical and religious dimensions of individual choice when designing systems, products, or interventions. Ignoring these aspects risks misrepresenting human behavior and misaligning economic policy with societal values. Integrating Islamic insights into mainstream behavioral economics offers an opportunity to build more inclusive and ethically grounded economic theories—ones that better reflect the complexity, diversity, and moral depth of human decision-making.

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