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A Critical Review of the Indonesian Council of Ulama (MUI) Fatwa Towards Increasing Sharia Financial Literacy (Systematic Literature Review)

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Abstract: This research aims to conduct a critical review of the improvement of Islamic financial literacy based on the Fatwa of the Indonesian Ulama Council (MUI). The main issues reviewed are the controversies surrounding Islamic economics and the importance of financial literacy in the context of sharia. The research method used is Systematic Literature Review (SLR) using the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) framework to guide the research process. The results of this study indicate that Islamic financial literacy has a very important role in understanding and managing finances wisely in the context of sharia. The data synthesis result of this study shows that the Indonesian Ulama Council (MUI) Fatwa contributes indirectly to the improvement of Islamic financial literacy in Indonesia. MUI Fatwa is used as one of the main indicators in explaining Islamic financial literacy through financial institutions.

Keywords: MUI Fatwa; Literacy; Sharia Finance; Systematic Review

JEL Classification: G2

Introduction

In this era of globalization, knowledge and understanding of finance are very important. One of the main focuses in finance is financial literacy, which refers to a person's ability to understand and manage finances wisely. This financial literacy is even more important in the context of sharia, where the principles of sharia finance regulate how to transact and invest in accordance with the teachings of Islam. Some claim that Islamic economics is essentially the same as conventional economics with Islamic incorporation, but the controversy over its existence continues to attract attention (Andiko, 2018)

Ijtihad, which is causal because it is a reaction or answer to the problem raised by the fatwa requestor, includes the fatwas of scholars compiled in fiqh books as well as the fatwas of fatwa organizations. In Islamic law, fatwas have a prominent place because they are the opinions of Islamic jurists (fuqaha) regarding the legal status of a newly emerging social problem. When a new phenomenon arises that has no clear legal provisions (firm), either in the Al-Quran, As-Sunnah, or Ijma or the opinions of past

jurists, then the fatwa is one of the normative institutions competent to respond to or decide on the legal position of the problem (Afrelian & Furqon, 2019).

In the Indonesian context, the Indonesian Ulama Council (MUI) is one of the institutions that has an important role in issuing fatwas related to Islamic finance. These MUI fatwas have become a reference for the Indonesian people in making sharia transactions and investments. However, even though MUI's fatwa has been issued for quite some time, Islamic financial literacy in Indonesia still has not reached an adequate level (Adam, 2022). Every Islamic financial institution in Indonesia uses the fatwa issued by the National Sharia Council (DSN) as a reference in carrying out the business activities required by the institution. This is done so that Islamic financial institutions can fulfill their obligations to comply with sharia. Currently, there are fatwas, but not all of them are reflected in the technical transactions that occur in financial institutions (Awaluddin & Febrian, 2020).

On another aspect, the Islamic financial contract products used are faced with the challenge of low literacy. The level of Islamic financial literacy reached 9.1%, based on the National Financial Literacy and Inclusion Survey conducted in 2022 (Otoritas Jasa Keuangan (OJK) Indonesia, 2022). In another analysis, low literacy is due to the fact that the contract terms used in fatwa texts, which are then represented in the form of Islamic financial products, are based on the use of Arabic, which made the spread of Islam in Southeast Asia less accepted. (Nafis, 2013).

One example is found on page (x) of document of Indonesian Islamic Banking Roadmap 2015–2019. There is a quote that says, The lack of understanding and the public towards the services offered by Islamic banking is one of the fundamental problems, so Islamic banking also often faces public misperceptions, among others, related to the complexity of contracts and terms and expensive costs. In the process of developing Islamic finance itself, it is natural that the concept of Islamic banking contracts remains a vital and fundamental issue. The relationship pattern between MUI's Fatwa Akad, society, and financial institutions in the context of Islamic financial literacy can have an interdependent impact. MUI's Akad Fatwa is a legal guide and guideline issued by Islamic religious authorities, such as MUI, to regulate financial transactions in accordance with sharia principles.

MUI Akad Fatwa can influence people's behavior and decisions regarding the use of Islamic financial products. This fatwa serves as a legal footing and provides direction to the public regarding halalness and sharia compliance in financial transactions. People who have faith and concern for religious aspects will pay attention to this fatwa when choosing and using Islamic financial products. On the other hand, Islamic financial institutions also play an important role in the implementation of MUI fatwas and the improvement of Islamic financial literacy. Islamic financial institutions are responsible for providing financial products and services that comply with the sharia principles set out in the MUI fatwa. They are tasked with providing clear information and educating the public on the products, mechanisms, and benefits of Islamic finance (Ulum, 2018).

The impact of this relationship on Islamic financial literacy is the formation of better awareness and understanding among the public regarding the principles and practices of Islamic finance. MUI's Akad Fatwa provides a strong legal foundation, provides legal certainty for the public to use Islamic financial products, and builds trust in Islamic financial institutions. This can increase public participation in using Islamic financial products and improve overall Islamic financial literacy.

The researcher tries to identify the factors that can increase the effectiveness of MUI fatwa related to Islamic financial literacy in Indonesia. First, MUI's fatwa should be easy to understand by ordinary people who do not have sufficient financial or sharia educational backgrounds. Fatwas that are too technical or difficult to understand can make people uninterested in learning about them. Second, the rapid development of technology can affect sharia transactions and investments. Therefore, MUI's fatwa must be continuously updated and adapted to technological developments in order to accommodate the needs of the community when facing financial challenges in the digital era.

The third aspect is that Islamic financial institutions such as Islamic banks and Islamic microfinance institutions also have an important role in improving Islamic financial literacy in Indonesia. Islamic banks can provide education and Islamic financial services that are easily accessible to the public, while Islamic microfinance institutions can provide affordable financial access for the financially disadvantaged. Finally, the government can provide incentives for financial institutions engaged in Islamic finance as well as increase cooperation with international institutions in advancing the Islamic finance industry in Indonesia. Regulations that support the development of Islamic finance in Indonesia can also help increase the effectiveness of MUI's fatwa related to Islamic financial literacy.

Thus, a critical review of MUI's fatwa related to increasing Islamic financial literacy in Indonesia is needed. This review needs to be done in an effort to evaluate whether MUI's fatwa is relevant enough and effective in improving Islamic financial literacy in Indonesia, as well as what factors influence the effectiveness of the fatwa.

Legitimacy theory is the main foundation of this research. This theory was proposed by Dowling and Pfeffer in 1975 using the term organizational legitimacy. This theory generally explains that companies continue to work hard to ensure that they operate within the norms that exist in the corporate environment in which they operate, so that their activities are considered by the outside world (Dowling & Pfeffer, 1975). Legitimacy theory refers to the ways in which an institution or authority gains support and recognition from society to carry out its tasks.

Legitimacy is gained through the organization's interactions with stakeholders and the release of information that is valued by these stakeholders. It is based on the belief that the organization's behavior is aligned with their expectations and values (Tang, 2017). The role of legitimacy as an important element in explaining organizational efforts to gain and maintain authority and trust from external parties. Organizations outline an institutional approach to understanding legitimacy, including the efforts of social norms and formal

rules to play a role in shaping perceptions and understandings of legitimacy (Deephouse et al., 2017). The role of legitimacy in organizational institutionalism can provide important insights into understanding the contextual factors that influence the legitimacy of the MUI fatwa and its impact on Islamic financial literacy.

In organizational studies, research on legitimacy is considered the foremost discipline. The stakeholder approach emerged as a strategic management approach, and stakeholder relationships and stakeholder legitimacy are important intersections between organizational studies, stakeholder theory and marketing studies (Haase, 2020). This theory is appropriate to be used in this study because it covers the analysis of fatwa, or legal views, issued by MUI that have an impact on Islamic financial literacy. In this case, legitimacy theory can help the researcher understand and analyze MUI's efforts to gain support and recognition from the public as an authority that has expertise in religion and sharia, as well as how MUI maintains its legitimacy in influencing Islamic financial policies and practices in Indonesia.

Researchers can explore factors that affect MUI's legitimacy in this regard, such as public trust and confidence, MUI's credibility, and support from related institutions. Thus, this research can provide a more complete and precise understanding of how MUI's fatwa, or legal views, affect Islamic financial literacy in Indonesia, as well as the practical and policy implications that arise from such analysis. In general, this study focuses on analyzing the effectiveness of MUI's fatwa in improving Islamic financial literacy in Indonesia, assessing its impact on people's financial behavior and practices related to Islamic principles, identifying the weaknesses and strengths of MUI's fatwa in improving Islamic financial literacy, and developing policy recommendations that can help improve the effectiveness of MUI's fatwa in improving Islamic financial literacy.

In addition to legitimacy theory, this research is also based on the concept of financial literacy. Financial literacy is the result of combining consumers' or investors' understanding of financial products and concepts, as well as their confidence in their ability to evaluate financial risks and opportunities. Financial literacy also includes knowledge of reliable sources to seek help and effective measures to improve individual financial stability. (Alsayigh & Al-Hayali, 2022).

In this research, there are several research gaps that can be identified. First, there is a lack of research that focuses on the effectiveness of MUI's fatwa related to increasing Islamic financial literacy. If there are previous studies, there may be gaps in the understanding of how the fatwa affects people's financial literacy level. Second, there are limitations in studies that systematically investigate the impact of MUI fatwa on improving Islamic financial literacy. In a systematic study, researchers usually conduct a thorough review of relevant literature to obtain a comprehensive picture of a particular topic. However, there may be a gap in terms of research that specifically addresses the MUI fatwa in relation to improving Islamic financial literacy.

Research Method

This research uses a qualitative approach with the Systematic Literature Review (SLR) method (Kitchenham et al., 2020). Qualitative research involves a research design that does not involve statistical procedures or calculations in producing its findings. Instead, qualitative research aims to reveal phenomena holistically and contextually through data collection from a natural setting. (Fadli, 2021).

This qualitative research is complemented by the Systematic Literature Review (SLR) method. This method is one of the systematic and structured research methods in searching, collecting, analyzing, and synthesizing data from certain sources thoroughly and comprehensively. Systematic Review is a type of literature review that is carried out in a structured and planned manner. In a systematic review, researchers follow a set of pre-defined criteria to select articles relevant to their research topic. This process involves clearly defined steps, such as searching relevant databases, applying strict inclusion and exclusion criteria, and evaluating the methodological quality of each selected article. (Lame, 2019).

The research subjects are scientific articles and fatwa contracts issued by the Indonesian Ulama Council (MUI) related to Islamic financial products and their relationship with increasing Islamic financial literacy. The research object in this context is the improvement of Islamic financial literacy in Indonesia. The systematic literature review procedure consists of three main stages: planning, conducting, and reporting. (Xiao & Watson, 2019). Planning was conducted to determine the following: a) determining the research objectives, b) determining the database, c) determining the inclusion criteria, and d) determining the exclusion criteria. The implementation of the *systematic literature review* procedure was carried out with three main stages, namely identification, screening, and inclusion carried out through the Google Scholar Database from 2016-2022. The reporting stage in the systematic literature review (SLR) involves preparing a report that summarizes the main findings of the literature review that has been conducted.

The data analysis technique used was synthesizing or summarizing the findings. This process is also known as "meta-synthesis". In meta-synthesis, researchers look for patterns, themes and relationships between findings. The ultimate goal is to gain a more comprehensive understanding of the research topic, which may lead to new theories or concepts. The process of combining and analyzing the findings thoroughly, the researcher can generate a deeper understanding of the phenomenon studied in SLR qualitative research. (Lame, 2019).

This study used the PRISMA Analysis method (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) in conducting a systematic literature review (SLR). PRISMA Analysis was used as a framework to guide the research process, from the selection of relevant sources of information to data collection and analysis. This method ensures that the research is conducted with structured and transparent steps, thus enabling comprehensive data collection and reliable results. (Jailani & others, 2023).

In conducting the research, tools such as Mendeley and Publish or Perish were used to support the PRISMA analysis. Mendeley is a reference management software that helps in the management and organization of references from various literature sources. With Mendeley, researchers can easily group and store relevant references, as well as organize notes and annotations. Meanwhile, Publish or Perish is a quantitative analysis tool used to measure research impact and productivity through citation analysis. This tool allows researchers to gain a better understanding of the relevance and significance of relevant scientific works in the context of the research being conducted.

Result and Discussion

Fulfillment of Systematic Literature Review Stage

Review Question

The questions stem from the formulation of a pre-determined problem, namely:

RQ₁ : *Does the fatwa of the Indonesian Ulama Council (MUI) contribute to the improvement of Islamic financial literacy in Indonesia?*

RQ₂ : *What is the relationship between the text of the Indonesian Ulama Council (MUI) contract fatwa and Islamic financial literacy in Indonesia?*

RQ₃ : *How does the Indonesian Ulama Council (MUI) collaborate institutionally in improving Indonesia's sharia financial literacy?*

The foundation for developing the review questions was validated through the Population, Intervention, Comparison, and Outcome (PICO) method. PICO was used as a framework for formulating research questions in the systematic literature review. The results of the PICO method are shown in the Table 1.

Table1 Identification of Research PICOs

PICO Indicator	Information
Population	: Individuals or communities who are interested or involved in Islamic financial literacy.
Intervention	: The Indonesian Ulama Council (MUI) Akad Fatwa related to Islamic financial literacy.
Comparison	: There is no specific comparison in this context, as the focus is on a critical review of the MUI fatwa.
Outcome	: Increased Islamic financial literacy

Research Criteria (Inclusion and Exclusion)

The purpose of inclusion and exclusion criteria in a critical review is to help limit and direct the selection of studies to be included in the literature review. Clear and well-defined inclusion and exclusion criteria help to ensure that the selected studies are appropriately relevant to the research questions and objectives of the literature review. The following are the inclusion and exclusion criteria determined in this study:

Table 2 Results of Inclusion and Exclusion Criteria

Inclusion Criteria (IC)	Exclusion Criteria (EC)
Studies published in scientific journals or scientific articles	Studies published in the form of books, theses, or dissertations
Published from 2016-2023 limited to 50 journal findings/scientific articles	Journal or scientific article with Systematic Literature Review (SLR) method
Indonesian language journals and scientific articles	Speak English or other foreign languages
Sourced from Google Scholar	Sourced from Scopus, Web of Science databases

Search Strategy

The first step is to create a search protocol that includes keywords, boolean operators, and specific search criteria. These criteria must match the research questions defined in the SLR. Conduct an initial search using the keywords and Boolean operators (AND and OR) defined in the search protocol. Apply relevant filters and restrictions, such as publication year or specific publication type. The identification results found the keywords i.e. : (Fatwa OR Akad) AND (MUI OR DSN) AND Literacy AND "Sharia Finance"

Selection and Assessment

At this stage using the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) method is a guide used to report systematic literature reviews, including Systematic Literature Reviews (SLR). PRISMA provides guidelines on how to report the stages of article search, selection, and evaluation. The results of the PRISMA method are described in the Table 3.

This research involved several stages in identifying and including relevant studies or scientific documents. In the Identification stage, researchers conducted a search for scientific journals/articles using the Google Scholar database with a time limit from 2016 to 2023 and in Indonesian. The initial search results produced 50 documents which were then screened using titles, abstracts, and keywords. From the screening process, 18 documents met the inclusion criteria, while 29 documents were excluded from the study. In addition, there were 3 articles that could not be accessed thoroughly.

Table 3 PRISMA Research Results

PRISMA Indicator	Information
IDENTIFICATION	Journal/scientific article search (IC1) Database: Google Scholar (IC4) Deadline: Indonesian language (IC3) and published from 2016-2023 (IC2)
SCREENING	Search Result: n = 50 documents Documents are screened using Title, Abstract, and Keywords Inclusion: n = 18 Exclusion: n = 29 Articles that could not be accessed thoroughly: n = 3
ELIGIBILITY	Full text based filtered documents Inclusion search results: n = 13 Exclusion: n = 5 Filtering the reference list for those that meet the inclusion criteria of the documents to be processed Search result: n = 0
INCLUDED	Previous studies or documents relevant to the research: (n = 13)

Then, at the Eligibility stage, documents that met the inclusion criteria were filtered based on full text. As a result, 13 documents were selected for inclusion in this study, while 5 others did not meet the inclusion criteria and were excluded from the analysis. Next, the reference list of the processed documents was filtered to find articles that met the inclusion criteria. However, no additional articles that met the inclusion criteria were found at this stage. These PRISMA results ensure that this research has gone through a structured and transparent process in identifying and including documents relevant to the research topic. Thus, this research can provide a comprehensive and reliable understanding of the topic under study based on the documents that have been systematically selected using the PRISMA framework.

Data Extraction

The results of the PRISMA stage method are then analyzed with a meta-synthesis approach as an output of data extraction. The document data used were 13, which were described in the form of data extraction. This extraction consists of several indicators, namely the number of citations in Google Scholar, author, scientific article title, research year, research location (country), research method, research object, research results and research suggestions. The following researchers show 13 descriptions of previous research (documents) which are the results of the data extraction stage:

The study conducted by Siti Homisyah Ruwaidah in 2020 in Indonesia aimed to examine the effect of Sharia financial literacy and Sharia governance on students' decisions to use Islamic banking services. The research utilized a convenience sampling method, and the data was analyzed using multiple linear regression analysis with the SPSS analysis tool. The object of this research was the behavior of students, specifically Islamic banking customers, with a focus on the influence of Islamic financial literacy and Sharia governance. The findings indicated that Islamic financial literacy had a significant effect on students' decisions in using Islamic banking services. Additionally, the R-Square value revealed that the influence was predominantly driven by the Islamic financial literacy variable. The study recommended increasing Islamic financial literacy among students and the general public. Furthermore, it emphasized the importance for Islamic banks to

pay attention to the application of Sharia principles in their services. The study has a citation count of 70 (Ruwaidah, 2020a).

The research conducted by Teuku Syifa Fadrizha Nanda, Ayumiati Ayumiati, and Rahmaton Wahyu in 2019 in Indonesia aimed to assess the level of Islamic financial literacy among the people of Banda Aceh City. The study employed a quantitative approach using a survey method and distributed questionnaires. Data analysis was conducted using descriptive statistics. The participants of the study were individuals between the ages of 20 and 39 residing in Banda Aceh City. The findings of the research classified the level of financial literacy of the people of Banda Aceh City using a financial literacy level model, which categorized the level of financial literacy as high, medium, or low. Unfortunately, the specific results regarding the distribution of financial literacy levels were not provided in the given information. This study holds valuable significance as it can serve as a foundation for the development of Islamic financial literacy programs within the community. It provides insights into the current state of financial literacy in Banda Aceh City, allowing policymakers and relevant stakeholders to devise targeted strategies to enhance financial literacy levels among the population (Nanda et al., 2019a).

The research conducted by Ahmad Badrut Tamam in 2021 in Indonesia explored the position of fatwas (religious rulings) issued by the Indonesian Ulama Council (MUI) and the National Sharia Council (DSN) within the Indonesian legal system. The study adopted an analytical descriptive approach, gathering data from various sources, including official documents, literature, and interviews with relevant experts. The main focus of the research was to examine the role and impact of MUI and DSN-MUI fatwas on sharia economic actors in Indonesia. The findings highlighted that these fatwas play a significant role in establishing sharia values in economic activities within the country. Moreover, the fatwas exert a strong influence on Islamic economic actors, shaping their practices and decisions. Based on the study's outcomes, it is recommended to further strengthen the role and authority of MUI fatwas and DSN-MUI in the development of Islamic economics in Indonesia. This entails recognizing and promoting the importance of fatwas in guiding and regulating economic practices in accordance with sharia principles. Additionally, close cooperation between Islamic financial institutions and fatwa authorities is encouraged to ensure rigorous adherence to sharia values in economic endeavors (Tamam, 2021)

The research conducted by Andrew Shandy Utama in 2020 focused on the development of Islamic banking in Indonesia. Through a literature study approach, the research identified several challenges hindering the progress of Islamic banking, including a gap in human resources, the need for more innovative and competitive products and services, and low public literacy regarding Islamic financial institutions. To address these challenges, the study recommends improving the quality of human resources, developing innovative and competitive Islamic banking offerings, and increasing public awareness and knowledge of Islamic finance. By implementing these recommendations, it is anticipated that the growth and advancement of Islamic banking in Indonesia can be fostered (Shandy Utama, 2020)

The research conducted by Parman Komarudin and Muhammad Syarif Hidayatullah in 2021 examined the flow of legislation and legal transformation of Islamic banking in Indonesia. The research employed a normative legal research approach, combining historical and statutory analysis. It focused on exploring the legislation concerning banking and Islamic banking in Indonesia, as well as the regulations supporting their establishment and operations. The study identified three stages in the development of Islamic banking in the country: introduction, recognition, and purification. The purification stage was marked by the enactment of Law No. 21 of 2008 specifically addressing Islamic Banking. The research emphasizes the importance of continuously strengthening the regulation and supervision of Islamic banking in Indonesia to ensure the sector's sustainability and success in the future (Komarudin & Hidayatullah, 2021).

The research conducted by Rachmad Nor Firman and Muhammad Alwi in 2020 aimed to accelerate the development of Islamic banking in Indonesia through the implementation of sharia governance. The study utilized an analytical descriptive approach with a normative juridical perspective, focusing on the implementation of corporate governance based on sharia principles (sharia good governance) within the Islamic banking industry. The research underscored the significance of having a comprehensive understanding of Islamic banking to facilitate its growth. To achieve this, the study recommended increasing public awareness and understanding of Islamic banking, as well as strengthening corporate governance practices based on sharia principles. By embracing sharia governance and enhancing public knowledge, the research highlights the potential for expediting the advancement of Islamic banking in Indonesia (Nor Firman & Alwi, 2020).

The research conducted by Emilia Septiani, Mulyadi Mulyadi, and Sarifudin Serip in 2021 aimed to analyze the trust of the millennial generation in Islamic financial institutions in West Nusa Tenggara Province, Indonesia. The study utilized a sample survey method with a non-probability sampling technique known as accidental sampling. The findings indicated that the millennial generation in West Nusa Tenggara Province exhibited a high level of trust in Islamic financial institutions, particularly in terms of the institutions' adherence to applicable laws and regulations. The research suggests the need for further in-depth investigation into the extent to which the trust of the millennial generation influences their interest in investing in Islamic products. Additionally, the study recommends expanding the sample size or proportion from each region to enhance the research's comprehensiveness (Septiani et al., 2021)

The research conducted by Muhammad Nasir, Safaruddin Safaruddin, Rauzana Rauzana, and Nanang Prihatin in 2022 focused on examining the influence of financial literacy, governance, and sharia compliance on preferences for choosing Islamic bank products among Micro, Small, and Medium Enterprises (MSMEs) players in Bireuen Regency, Indonesia. The study employed a quantitative research approach and utilized the multiple linear regression analysis method. The findings revealed that Islamic financial literacy, governance, and sharia compliance collectively exerted a positive influence on preferences for selecting Islamic bank products. However, when considering individual factors, only Islamic financial literacy was found to have a positive effect. The research underscores the importance of enhancing Islamic financial literacy among MSME players

to enable them to make informed choices when opting for products offered by Islamic banks (Nasir et al., 2022)

The research conducted by Nur Faizin, Abdul Basid, and Moh. Rofiq in 2021 aimed to facilitate the learning of Sharia economics by examining the classification of jurisprudence rules in the fatwas issued by DSN-MUI (National Sharia Board of the Indonesian Ulama Council). The study employed a qualitative approach through library research, focusing on the reasoning behind the jurisprudence rules. The research specifically analyzed DSN-MUI fatwas related to Sharia economy. The findings revealed that the structure of the preparation of Fiqh rules in DSN-MUI fatwas did not align with the hierarchical framework of Fiqh rules in the discipline of Fiqh. As a result, the research emphasized the necessity for a hierarchical systematization in the mention of Fiqh rules in DSN-MUI fatwas. This hierarchical approach would facilitate effective learning among the educated community in understanding and applying Sharia economics (Faizin et al., 2021)

The research conducted by N. Harrieti and A. Suwandono in 2024 aimed to enhance the understanding of Islamic banking agreements in order to promote Islamic financial literacy. The study employed a focused discussion method involving all elements of the Cileunyi Wetan village community in Bandung Regency, Indonesia. The research focused on assessing the community's understanding of the business activities of Islamic banking and the various types of contracts employed. The findings revealed a positive enthusiasm among the community members in comprehending Islamic banking, particularly regarding the contracts used. A significant majority of the targeted community had accessed Islamic banking services, particularly through opening savings accounts. The study recommends conducting comprehensive socialization activities, either through detailed explanations of each Islamic banking contract or through general introductions to other target communities. These activities should be repeated to strengthen public understanding of Islamic banking (Harrieti & Suwandono, 2024).

The research conducted by Muhammad Mush'ab Joko, Jaih Mubarak, and Hari Susanto in 2022 examined the perceptions of Islamic economics students regarding the practice of ta'dzir in Islamic banks. The study employed a qualitative method with a descriptive approach, focusing on 6th semester students at STIS Al-Wafa in Indonesia. The research revealed that there were students who still had incomplete understanding of the concept of ta'dzir and the DSN-MUI fatwa associated with it. This highlights the need to enhance Islamic financial literacy among university students, particularly in relation to contentious Islamic financial practices like ta'dzir. It is crucial to provide students with comprehensive knowledge and awareness to foster a better understanding of such practices in Islamic banking (Joko et al., 2022)

The research conducted by Azhar Alam, Linda Islam Cahyaningrum, Nabila Rahmawati Rama, and Raisa Aribatul Hamidah in 2022 involved a qualitative method with a descriptive approach to provide webinar counseling on the study of MUI (Indonesian Ulama Council) fatwa on the murabahah contract within the Sharia Economic Activist Community in Surakarta, Indonesia. The research aimed to enhance understanding of the murabahah contract, address solutions for the settlement of murabahah receivables for

customers facing difficulties in repayment, and provide comparisons with other contracts such as IMBT, mudharabah, and musyarakah mutanaqishah. The findings highlighted the importance of gaining a deeper comprehension of the fatwas issued by the National Sharia Council of the Indonesian Ulama Council. Furthermore, the research emphasized the significance of studying these fatwas as guidelines for the implementation of Islamic economics (Alam et al., 2022)

The research conducted by Hani Meilita Purnama and Indri Yuliafitri in 2019 examined the effectiveness of the Sharia Financial Literacy Movement implemented by the Financial Services Authority (OJK) and other financial institutions in Indonesia. The study utilized the literature review method to assess the impact of the movement in educating the public about Islamic financial products. The findings highlighted a low level of Islamic financial literacy in the country and explored potential solutions through a review of government reports and policies. The research emphasized the significance of enhancing financial literacy among individuals through proper education, as it is crucial for building life skills, particularly in the realm of financial literacy. Furthermore, the study recommended an increase in Islamic financial literacy education conducted by OJK and Islamic financial institutions to expedite the development of Islamic financial literacy within the community (Purnama & Yuliafitri, 2019).

Data Synthesis

The purpose of data synthesis is to organize and present significant findings from the studies that have been conducted previously. This analysis aims to identify patterns, key findings and conclusions that can be drawn from the synthesized studies.

RQ₁: *Does the fatwa of the Indonesian Ulama Council (MUI) contribute to increasing Islamic financial literacy in Indonesia?*

Table 5 Identification of Research Question 1

Indications	Literature Source	Description
The Indonesian Ulama Council (MUI) contract fatwa directly contributes to Islamic financial literacy.	3,9,12	-
The Indonesian Ulama Council (MUI) contract fatwa contributes indirectly to Islamic financial literacy.	1,2,4,5,6,7,8,10,11,13	MUI Fatwa is used as one of the main indicators in explaining Islamic financial literacy through financial institutions.
The Indonesian Ulama Council (MUI) contract fatwa does not contribute to Islamic financial literacy.	None	-

Based on the results of data synthesis, it can be concluded that the fatwa of the Indonesian Ulama Council (MUI) has a significant contribution to Islamic financial literacy. There are

three literature sources (3, 9, 12) that state that MUI fatwa directly contributes to Islamic financial literacy. In addition, there are ten literature sources (1, 2, 4, 5, 6, 7, 8, 10, 11, 13) which state that MUI fatwa also has an indirect contribution to Islamic financial literacy through financial institutions. However, there is no literature source that states that MUI fatwa does not contribute to Islamic financial literacy. Thus, the data synthesis shows that MUI's fatwa has an important role in improving people's understanding and literacy related to Islamic finance, either directly or through financial institutions.

RQ₂: *What is the relationship between the text of the Indonesian Ulama Council (MUI) contract fatwa and Islamic financial literacy in Indonesia?*

Table 6 Identification of Research Question 2

Indications	Literature Source	Description
Islamic financial literacy with the text of MUI contract fatwa	3,9,11,12	-
Islamic financial literacy with Islamic financial products	1,2,8,10,12	-

Based on the synthesis of existing data, Islamic financial literacy can be obtained through two main sources, namely the text of the fatwa contract of the Indonesian Ulama Council (MUI) and Islamic financial products. There are four literature sources (3, 9, 11, 12) that state that the text of the MUI contract fatwa has an important role in improving Islamic financial literacy. On the other hand, there are three literature sources (1, 2, 8, 10, 12) that emphasize that Islamic financial products also have a significant contribution in improving Islamic financial literacy. Thus, the data synthesis shows that Islamic financial literacy can be obtained through understanding the text of the MUI contract fatwa and through engagement with Islamic financial products. The two sources make complementary contributions in building a holistic understanding of Islamic financial literacy. Meanwhile, the scientific articles number 4,5,6,7,13 do not specifically explain the relationship between the text and the Islamic financial products, both in the context of the fatwa contract and Islamic financial products.

RQ₃: *How does the Indonesian Ulama Council (MUI) collaborate institutionally in improving Indonesia's sharia financial literacy?*

Table 7 Identification of Research Question 3

Indications	Literature Source	Description
Collaboration between MUI and Financial Institutions	1,2,3,4,5,6,7,8,10,11,13	Generally associated with Islamic banking institutions
Collaboration between MUI and other related institutions	None	

Based on the results of data synthesis, it can be concluded that there is collaboration between the Indonesian Ulama Council (MUI) and financial institutions, especially Islamic

banking institutions. Ten literature sources (1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 13) show collaboration between MUI and Islamic banking institutions in the context of financial literacy. This collaboration can cover various aspects, such as the preparation of guidelines, counseling, product development, and dissemination of information related to Islamic finance to the public. However, there is no literature source that specifically mentions the collaboration between MUI and other institutions related to Islamic financial literacy outside financial institutions. Thus, the data synthesis shows that the collaboration between MUI and financial institutions, especially Islamic banking institutions, has an important role in promoting and improving Islamic financial literacy in the community. Meanwhile, for the documents of scientific articles number 9 and 12, there is no discussion about the relationship of institutional collaboration. These two scientific articles explain the specific internal context of the DSN-MUI fatwa.

The relationship between Islamic financial literacy and the text of the contract fatwa issued by DSN-MUI is inconsistent in the use of terms and translations. This is emphasized through the document page (x) of the draft Indonesian Islamic Banking Roadmap 2015-2019. There is a quote that says, *The lack of understanding and the public towards the services offered by Islamic banking is one of the fundamental problems, so that Islamic banking also often faces public misperceptions, among others, related to the **complexity of contracts and terms**, as well as being expensive.*

The complexity of this contract then gives rise to alternative translations of the term. The translation process will only be symbolic (terms), without changing the original meaning and understanding of the term, so it requires a reference or guideline. The definition of the terms of the contracts and the determination of the terms to be used are guided by Law No.21/2008 on Islamic Banking, fatwas of DSN-MUI, and several academic textbooks.

Table 8 Terms of Islamic Banking Agreements

No.	Akad Name	Indonesian Terms	Source of Indonesian Term
1	<i>Wadi'ah</i>	Custody Agreement	Law
2	<i>Mudharabah</i>	Cooperation Agreement	Law
3	<i>Musyarakah</i>	Capital Participation Agreement	<i>Text Book</i>
4	<i>Ba'i</i>	Sale and Purchase Agreement	Fatwa
5	<i>Ijarah</i>	Lease Agreement	Fatwa
6	<i>Kafalah</i>	Guarantee Agreement	Law
7	<i>Murabahah</i>	Sale and Purchase (Profit)	Fatwa
8	<i>Istishna'</i>	Conditional Order Sale and Purchase Agreement	Fatwa
9	<i>Greetings</i>	Prepayment Agreement	<i>Text Book</i>
10	<i>Qardh</i>	Fund Loan Agreement	Law
11	<i>Rahn</i>	Collateral Agreement	<i>Text Book</i>
12	<i>Wakalah</i>	Power of Attorney Agreement	Law
13	<i>Ju'alah</i>	Profit and Loss Account	Fatwa
14	<i>Hawalah</i>	Debt Transfer Akad	Law
15	<i>Sharf</i>	Currency Sale and Purchase Agreements	Fatwa

This is then correlated with the fact that there are several contracts that have become terms or words of absorption in Indonesian.

Table 9 Terms of Islamic Banking Agreements

No.	Akad Name	Indonesian Terms
1	<i>Wadi'ah</i>	Akad Wadiah
2	<i>Mudharabah</i>	Mudarabah Agreement
3	<i>Musyarakah</i>	Musyarakah Akad
4	<i>Ijarah</i>	Akad Ijarah
5	<i>Murabahah</i>	Murabahah Agreement
6	<i>Greetings</i>	Akad Salam
7	<i>Wakalah</i>	Akad Wakalah
8	<i>Istishna'</i>	Conditional Order Sale and Purchase Agreement
9	<i>Kafalah</i>	Guarantee Agreement
10	<i>Qardh</i>	Fund Loan Agreement
11	<i>Rahn</i>	Collateral Agreement
12	<i>Ba'i</i>	Sale and Purchase Agreement
13	<i>Ju'alah</i>	Profit and Loss Account
14	<i>Hawalah</i>	Debt Transfer Akad
15	<i>Sharf</i>	Currency Sale and Purchase Agreements

The table shows that the first seven contracts are a form of conformity with the 2016 Indonesian Dictionary (KBBI), which places these contracts as terms of absorption in Indonesian. (Indonesia, 2016). Meanwhile, multiple translations are applied through the text of the DSN-MUI fatwa. The structural translation by maintaining both terms as existing knowledge in the development of Islamic economics in Indonesia, especially in the banking sector, can be found in the draft fatwas of the National Sharia Council-Majelis Ulama Indonesia (DSN-MUI). The drafts generally discuss the provisions for the application of fatwas, including aspects of the argument and how to apply it. This also includes fatwas on contracts related to Sharia Financial Institutions (LKS), especially in the context of banking. For example, Fatwa DSN-MUI No.155/DSN-MUI/IX/2017 on Mudharabah Agreement.

Figure 1 shows the process of translating and using two terms as knowledge information. The term "mudharib" is translated into Indonesian as "manager" through transliteration, as well as the term "Shahib al-mal" which is translated as "fund owner". (Soumena, 2019). Based on research conducted by the author on DSN-MUI fatwas related to contracts in accordance with the codification attachment of Circular Letter No.36/SEOJK.03/2015, all fatwas involve a translation process as shown in Figure 4.1. If we relate it to the contract terms discussed in the discourse phenomenon of the study, in the DSN-MUI fatwa the terms are not translated directly, but explained through terminology. The writing of contract terms also tends to use transliteration.

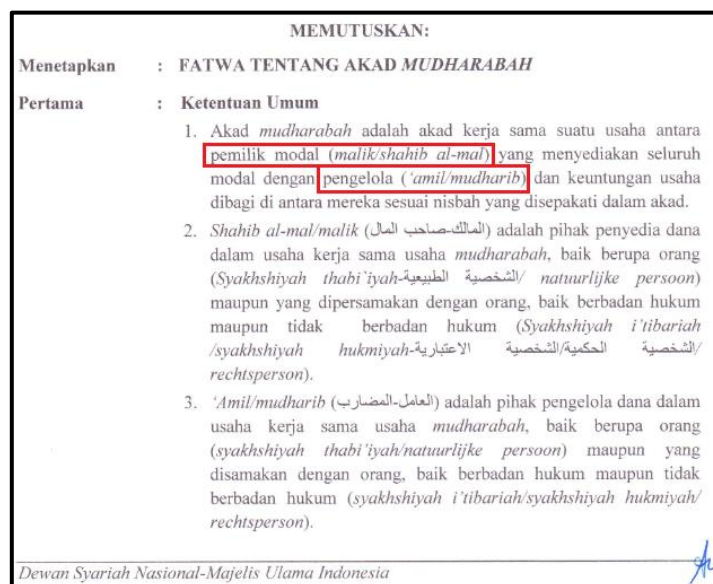


Figure 1 Translation Structure of Fatwa DSN-MUI

Source: DSN-MUI, Fatwa Akad Mudharabah (pdf file), 2018

The consistent use of contract terms in the text of DSN-MUI fatwas is very important to provide a clear understanding to the public regarding Islamic finance. With consistent use of terms, the public can better recognize and understand the concepts and mechanisms involved in Islamic finance contracts. This will indirectly contribute to the improvement of Islamic financial literacy among the public. When contract terms are used consistently, the public will be familiar with the specific terminology and be able to understand the differences between conventional and Islamic contracts. This enables them to make smarter financial decisions that are in line with Shariah principles, and engage in higher quality financial transactions that are in line with Shariah values.

In addition, the consistent use of contract terms in the text of DSN-MUI fatwas also strengthens stability and trust in the Islamic financial system. By using clear and consistent terms, the fatwas become a reliable reference for financial institutions, practitioners, and business people in implementing sharia principles in their operations. This consistency creates uniformity and cohesiveness among stakeholders, minimizing the risk of misinterpretation or disagreement that could destabilize the Islamic financial system.

Conclusion

There are indications that the fatwa of the Indonesian Ulama Council (MUI) contributes directly or indirectly to the improvement of Islamic financial literacy in Indonesia. Some literature sources state that MUI fatwa is used as the main indicator in explaining Islamic financial literacy through financial institutions. However, there is no source that states that MUI fatwa does not contribute to Islamic financial literacy.

In the context of the relationship between MUI fatwa text and Islamic financial literacy in Indonesia, the synthesis result shows that MUI fatwa text has a relationship with Islamic financial literacy. Some literature sources mention that MUI fatwa text is related to Islamic financial literacy through the explanation of Islamic financial products. Although some scientific articles do not specifically explain the relationship, there are indications that MUI fatwa text has a role in influencing Islamic financial literacy in Indonesia.

Based on the results of the data synthesis, there is not enough information to explain in detail about the form of collaboration of the Indonesian Ulama Council (MUI) based on institutions in improving Islamic financial literacy in Indonesia. Although there is collaboration between MUI and financial institutions, information on collaboration with other related institutions is still not available in the synthesized literature sources. Further research is needed to gain a more comprehensive understanding of the form of institutional-based MUI collaboration in improving Islamic financial literacy in Indonesia. Thus, the consistent use of contract terms in DSN-MUI fatwas plays an important role in building a strong foundation for the development and sustainability of Islamic finance, as well as encouraging increased public literacy and awareness of Islamic finance principles that can bring long-term benefits to the economy as a whole.

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