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Implementing Maqasid al-Shariah-Based Islamic Financial Literacy in the Muslim Community of Bengkulu City: Understanding, Practice, and Determinants

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ABSTRACT

Background: Islamic financial literacy determines whether Muslims can understand, manage, and make financial decisions in line with Islamic principles. In Indonesia, the national survey still records a wide gap between Islamic financial literacy and the actual use of Islamic financial services, while local evidence on how literacy becomes everyday behaviour remains scarce.
Research Gap: Previous studies have mostly measured Islamic financial literacy as product knowledge or intention and have rarely examined its implementation through the five objectives of maqasid al-shariah within a specific community.
Novelty: This study treats Islamic financial literacy as a lived practice and maps it onto hifz al-din, hifz al-nafs, hifz al-'aql, hifz al-nasl, and hifz al-mal among Muslims in Bengkulu City.
Method: A descriptive qualitative field study combining phenomenological and sociological approaches was conducted from February to March 2026. Informants were selected through purposive and snowball sampling and included community members, religious scholars, Islamic economics academics, and Islamic finance practitioners. Data from in-depth interviews, non-participant observation, and documentation were analysed with the Miles and Huberman interactive model.
Results: Informants understood basic principles such as the prohibition of riba, profit sharing, and the role of Islamic financial institutions, but their understanding of murabahah, mudarabah, and ijarah contracts was limited. Some still used interest-based services because of convenience and limited information. Implementation was stronger in hifz al-din, hifz al-nafs, and hifz al-nasl than in hifz al-'aql and hifz al-mal.
Conclusion: Islamic financial literacy in Bengkulu City has developed at the normative level but has not yet become consistent financial behaviour. Practical, community-based education and wider access to Islamic financial services are required.

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INTRODUCTION

Financial literacy is widely understood as the combination of knowledge, skills, attitudes, and behaviour that enables individuals to make sound financial decisions and achieve financial well-being (Atkinson & Messy, 2012; OECD, 2020). Its importance has grown as households are increasingly expected to manage savings, credit, insurance, and long-term planning on their own, and a substantial body of evidence links higher literacy to better planning, wealth accumulation, and avoidance of costly debt (Lusardi & Mitchell, 2014). Huston (2010) emphasises that literacy is not only a matter of knowing financial concepts but also of being able and confident to apply that knowledge in real decisions. For Muslims, this general notion acquires an additional normative layer. Islamic financial literacy encompasses knowledge of Islamic financial principles and contracts, an awareness of what is permitted and prohibited, and the motivation to make financial choices that are consistent with sharia (Antara et al., 2016; Rahim et al., 2016). It therefore concerns not only whether people understand financial products, but also whether their economic conduct reflects Islamic values.

Indonesia, home to the world's largest Muslim population, has made the development of the Islamic economy a national agenda through the Masterplan Ekonomi Syariah Indonesia 2019–2024 (Kementerian PPN/Bappenas, 2018) and the roadmap for strengthening Islamic banking (Otoritas Jasa Keuangan, 2023). Nevertheless, the national survey on financial literacy and inclusion shows that Islamic finance still lags behind the financial system as a whole. As presented in Table 1, the Islamic financial literacy index in 2025 was 43.42%, well below the national financial literacy index of 66.46%, while the Islamic financial inclusion index reached only 13.41% compared with 80.51% for financial inclusion overall (Otoritas Jasa Keuangan & Badan Pusat Statistik, 2025).

Table 1. Financial Literacy and Inclusion Indices in Indonesia, 2025

Indicator	Index (%)
National financial literacy	66.46
National financial inclusion	80.51
Islamic financial literacy	43.42
Islamic financial inclusion	13.41

Source: OJK & BPS (2025), National Survey of Financial Literacy and Inclusion (SNLIK)

Two features of these figures are relevant to this study. First, Islamic financial literacy remains considerably lower than general financial literacy, which indicates that many Muslims are familiar with financial services in general but not with the principles and contracts that distinguish Islamic finance. Second, the Islamic financial inclusion index is far lower than the Islamic financial literacy index. This suggests that even people who possess some knowledge of Islamic finance do not necessarily use Islamic financial products in their daily economic lives. The national data therefore point to a gap between knowledge and practice that cannot be explained by information deficits alone.

The Muslim community in Bengkulu City reflects this pattern. Members of the community still face challenges in understanding the concepts of Islamic finance comprehensively, and the use of Islamic financial products and services in daily life remains low. Many households continue to rely on conventional financial services in their economic activities. The government and Islamic financial institutions have conducted various education and socialisation programmes, but these have not reached all segments of society, and limited access to information and a low level of understanding remain the main obstacles to the effective implementation of Islamic financial literacy. Such conditions indicate that improving Islamic financial literacy requires more than increasing awareness of products; it requires understanding how Islamic values are, or are not, translated into everyday financial behaviour.

The concept of maqasid al-shariah provides a suitable lens for this purpose. Classical and contemporary scholars describe the objectives of sharia as the protection of five essentials: religion (hifz al-din), life (hifz al-nafs), intellect (hifz al-'aql), progeny (hifz al-nasl), and property (hifz al-mal) (Kamali, 2008). Auda (2008) argues that these objectives should be understood as an interrelated system rather than as separate categories, while Chapra (2008) places them at the centre of an Islamic vision of development in which economic activity is evaluated by its contribution to human well-being. In Islamic finance, Laldin and Furqani (2013) distinguish between the ends (maqasid) and the means (wasa'il), reminding that compliance with contract forms is valuable only when it serves the deeper objectives of justice and welfare. Similarly, Dusuki and Abdullah (2007) link maqasid al-shariah with the principle of

maslahah as the basis of socially responsible financial conduct. From this perspective, Islamic financial literacy should be judged not merely by what people know, but by whether their financial behaviour protects and advances the five essentials.

Previous studies have contributed important insights into Islamic financial literacy, although they have approached it from different angles. Measurement-oriented studies have developed and tested instruments to capture Islamic financial literacy and its determinants among university students (Rahim et al., 2016) and have linked Islamic financial literacy with the intention to use Islamic banking (Albaity & Rahman, 2019). Antara et al. (2016) positioned Islamic financial literacy alongside halal literacy as part of a broader halal ecosystem. In Indonesia, recent studies have examined Islamic financial literacy among Muhammadiyah scholars in Cirebon Regency (Reza & Isyanto, 2025), the understanding of a village community in Purwakarta regarding Islamic banks (Sepudin, 2025), and the effect of promotion on interest in saving in Islamic banks (Savitri & Darmawan, 2024). Together, these studies confirm that knowledge, religiosity, and institutional communication shape engagement with Islamic finance.

However, the general financial literacy literature cautions that knowledge does not automatically produce behaviour. A meta-analysis by Fernandes et al. (2014) found that financial education interventions explain only a very small share of the variance in subsequent financial behaviour and that their effects decay over time. The theory of planned behaviour likewise holds that behaviour is shaped not only by attitudes but also by social norms and perceived behavioural control, including the availability of resources and opportunities (Ajzen, 1991). Applied to Islamic finance, these insights imply that a Muslim who agrees that riba is prohibited may still use interest-based services if Islamic alternatives are perceived as inaccessible or inconvenient. Most existing studies of Islamic financial literacy, being largely quantitative and focused on knowledge or intention, are not designed to reveal how such tensions are experienced and negotiated in daily life.

Accordingly, a clear research gap can be identified. Studies that examine how Islamic financial literacy is implemented in everyday economic life and that evaluate that implementation systematically across all five dimensions of maqasid al-shariah remain limited. Existing work tends to concentrate on specific groups such as students, scholars, or bank customers, and empirical evidence from Bengkulu City is particularly scarce. As a result, it remains unclear which objectives of sharia are already reflected in the financial behaviour of ordinary Muslims and which remain weak, and what individual, institutional, and socio-cultural factors explain the difference.

This study addresses that gap by treating Islamic financial literacy as a lived practice rather than as a test score. It combines phenomenological and sociological approaches to capture both the meanings that Muslims attach to their financial decisions and the social environment in which these decisions are made. Its novelty lies in mapping the findings onto the five dimensions of maqasid al-shariah, which makes it possible to identify where literacy is already translated into practice and where the gap between knowledge and behaviour is widest.

The objectives of this study are threefold: (1) to describe the level of understanding of Islamic financial principles among the Muslim community in Bengkulu City; (2) to analyse the patterns of implementation of Islamic financial literacy in daily life from the perspective of maqasid al-shariah; and (3) to identify the factors that support and hinder that implementation. The findings are expected to enrich the conceptual discussion of Islamic financial literacy by linking it explicitly with maqasid al-shariah and to provide a practical basis for Islamic financial institutions, local government, religious leaders, and educational institutions in designing more effective and sustainable Islamic financial education strategies.

METHOD

This study employed a qualitative, descriptive-analytical field research design. Data were collected directly from the Muslim community in Bengkulu City as the research subjects, and the researcher observed how Islamic financial literacy was implemented in everyday economic activities, particularly in relation to the values of maqasid al-shariah. The descriptive-analytical character of the study means that it aimed to describe systematically the facts and characteristics of the phenomenon and to analyse the relationship between Islamic financial literacy and the implementation of maqasid al-shariah (Creswell & Poth, 2018).

Two complementary approaches were used. The phenomenological approach was applied to understand the subjective experiences of Muslims in practising Islamic financial literacy, focusing on how individuals interpret, understand, and apply Islamic financial principles in daily life (Moustakas, 1994). Through this approach, the researcher explored perceptions of financial management, including understanding of the prohibition of riba, saving practices, the use of Islamic financial products, and awareness of the importance of protecting wealth (hifz al-mal), together with the religious values derived from the Qur'an and the hadith of the Prophet Muhammad (peace be upon him) that underlie such behaviour. The sociological approach was used to analyse the implementation of Islamic financial literacy in the context of community life, emphasising the interaction between individuals and their social environment, as well as the cultural and economic factors that influence financial behaviour, such as educational level, the role of Islamic financial institutions, the influence of religious figures, and community habits in managing money. The analytical framework that guided the study is presented in Figure 1.

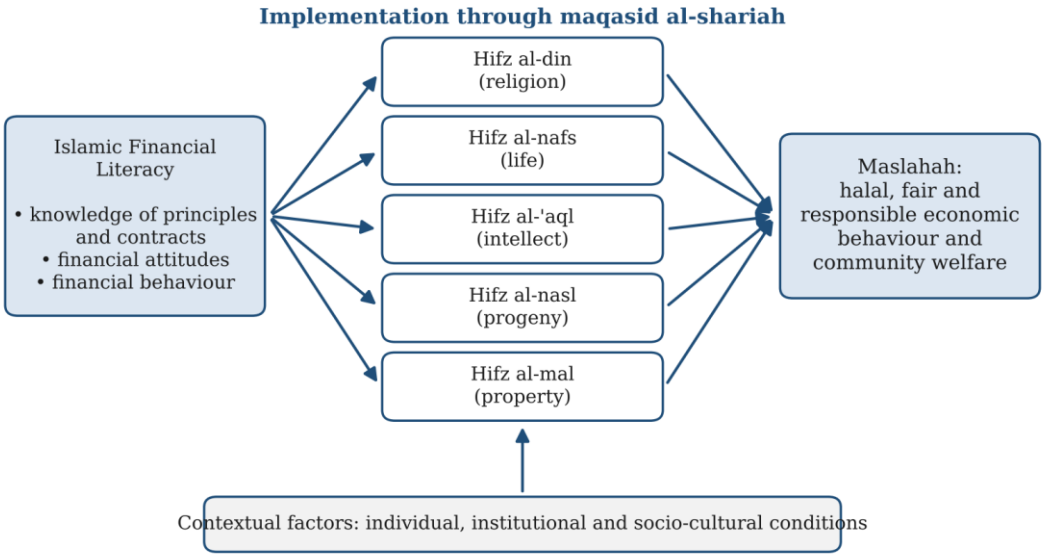


Figure 1. Analytical Framework of the Study

Source: Developed by the author based on Kamali (2008), Auda (2008), and Laldin and Furqani (2013)

The study was conducted in Bengkulu City, Indonesia, over one month, from 2 February to 2 March 2026. Informants were selected through purposive sampling, that is, deliberately on the basis of criteria relevant to the research objectives (Patton, 2015). The researcher selected informants who were considered to possess knowledge, experience, and direct involvement in practising Islamic financial literacy based on *maqasid al-shariah*. Snowball sampling was used in addition, whereby further informants were identified on the recommendation of previous informants, in order to obtain broader and deeper data. Informants were grouped into two main categories, as summarised in Table 2.

Table 2. Categories of Research Informants

Category	Description	Main contribution to data
Main informants	Muslim community members in Bengkulu City with direct experience of everyday financial management, including consumption, saving, investment, and the use of Islamic financial services	Experiences, perceptions, and practices of financial management
Key informants	Religious scholars (*ustaz/ulama*) who understand Islamic economics; academics or lecturers in Islamic economics; practitioners of Islamic financial institutions	In-depth knowledge of Islamic finance and *maqasid al-shariah*; institutional and normative perspectives

Source: Research design (2026)

Primary data were obtained through direct interaction between the researcher and the informants using three techniques. First, in-depth interviews served as the main data collection technique. They

were conducted with main and key informants using a semi-structured interview guide, so that the process remained focused while allowing flexibility. The questions covered informants' understanding of Islamic finance, everyday financial management practices, and the implementation of maqasid al-shariah values, particularly the protection of wealth. Answers were also related to the normative values of the Qur'an and hadith to obtain an understanding that was both empirical and normative. Second, non-participant observation was used to obtain direct data on financial behaviour without the researcher being involved in the activities observed. Observation focused on consumption patterns, saving and investment habits, the use of Islamic financial services, and transaction practices in daily economic life. Third, documentation was used to collect supporting data, including statistical data on Islamic financial literacy, reports of Islamic financial institutions, local government policy documents, photographs of economic activities, and relevant transaction records.

Secondary data were obtained from scientific books on Islamic economics and financial literacy, national and international journal articles, official reports of Islamic financial institutions, government data on the economic condition of the community, and regulations on Islamic finance. The Qur'an and hadith were used as normative sources for assessing the conformity of financial practices with maqasid al-shariah.

Data were analysed using the interactive model of Miles and Huberman, in which analysis proceeds continuously from data collection until conclusions are drawn (Miles et al., 2014). In the data reduction stage, the researcher selected, simplified, and focused the data from interviews, observations, and documentation, and grouped them into four themes: the level of understanding of Islamic finance, financial management practices, the implementation of maqasid al-shariah values, and supporting and inhibiting factors. In the data display stage, the reduced data were presented as narrative descriptions, summaries of field observations, key informant statements, and matrices categorised according to the five maqasid indicators. In the final stage, conclusions were drawn and verified by repeatedly checking them against the data. To strengthen credibility, information obtained from interviews was compared with field observations and documents, a form of technique and source triangulation (Lincoln & Guba, 1985).

RESULTS

The findings are organised according to the three research objectives: the level of understanding of Islamic finance, the patterns of implementation viewed through the five dimensions of maqasid al-shariah, and the factors that influence implementation.

Understanding of Islamic Financial Principles

The first finding concerns the depth of understanding. Most informants were familiar with the basic concepts of Islamic finance. They knew that riba is prohibited in Islam, understood the principle of profit and loss sharing as an alternative to interest, recognised the importance of halal transactions, and were aware of the existence of Islamic financial institutions in Bengkulu City. In this sense, Islamic financial literacy in the community has developed, particularly at the normative level of knowing what is permitted and what is forbidden.

However, this understanding was largely confined to general principles. Informants' knowledge of how Islamic financial products actually work, including the contracts of murabahah (cost-plus sale), mudarabah (profit-sharing partnership), and ijarah (leasing), was still limited. Many were able to state that Islamic products are "free from riba", but could not explain how these contracts differ in mechanism, risk, and pricing from their conventional counterparts. The level of Islamic financial literacy can therefore be described as adequate with respect to basic concepts but limited with respect to the operational understanding of contracts and products. This uneven profile across indicators is important because the choice of a financial product depends precisely on understanding its contractual mechanism.

Practices of Financial Management

The second finding concerns the translation of knowledge into practice. The community has begun to show awareness of managing finances in accordance with Islamic values. This awareness appeared in the emphasis on halal transactions, the use of Islamic financial institutions by some members of the community, and attention to meeting family needs responsibly. Observations of consumption patterns,

saving and investment habits, and transactions in daily economic life confirmed that Islamic values were part of informants' considerations when managing money.

At the same time, the principles of Islamic finance had not been applied consistently. Some informants continued to use conventional financial services, including interest-bearing loans, even though they were aware that riba is prohibited in Islam. The main reasons given were ease of access and a lack of information about Islamic alternatives. In practice, some members of the community chose financial products on the basis of convenience and immediate practical needs rather than on the basis of sharia compliance. This finding shows a clear gap between what people know and what they do in their financial lives.

Implementation from the Perspective of Maqasid al-Shariah

The third finding maps the implementation of Islamic financial literacy onto the five dimensions of maqasid al-shariah. As summarised in Table 3, the degree of implementation varied considerably across the dimensions.

Table 3. Implementation of Islamic Financial Literacy by Maqasid al-Shariah Dimension

Dimension	Main finding	Implementation
Hifz al-din (protection of religion)	Part of the community tries to avoid transactions containing *riba*; religious awareness is not yet fully supported by access to Islamic financial services	Relatively good
Hifz al-nafs (protection of life)	Financial management is beginning to be directed towards meeting basic needs adequately	Relatively good
Hifz al-'aql (protection of intellect)	Limited financial education restricts rational and sharia-compliant financial decision-making	Not yet optimal
Hifz al-nasl (protection of progeny)	Long-term financial planning, such as for children's education, has begun to receive attention	Relatively good
Hifz al-mal (protection of property)	Some people use Islamic financial products, but productive and halal wealth management is not yet optimal	Not yet optimal

Source: Field data analysis (2026)

Table 3 shows that implementation was relatively better in the dimensions of hifz al-din, hifz al-nafs, and hifz al-nasl. Part of the community tried to avoid transactions containing riba, financial management was beginning to be directed towards meeting basic needs adequately, and long-term planning, especially for children's education, had begun to receive attention. In contrast, implementation was not yet optimal in the dimensions of hifz al-'aql and hifz al-mal. Limited financial education restricted the community's ability to make rational and sharia-compliant financial decisions, and although some people had used Islamic financial products, the management of wealth in a productive and halal manner had not yet been optimised.

Factors Influencing Implementation

The fourth finding concerns the factors that shape the implementation of Islamic financial literacy. Four main factors were identified: the level of education, access to Islamic financial institutions, the role of religious figures and educational institutions, and the intensity of socialisation by the government and financial institutions. Each of these factors can act as a support when present and as an obstacle when weak. In addition, several external constraints were identified, including unequal access to information and services, limited product innovation, and insufficient transparency and promotion by Islamic financial institutions. These factors are summarised in Table 4.

Table 4. Factors Influencing the Implementation of Islamic Financial Literacy

Factor	Role in implementation
Level of education	Shapes the ability to understand contracts and to make rational, sharia-compliant financial decisions
Access to Islamic financial institutions	Determines whether Islamic alternatives are a practical choice; limited access encourages the use of conventional services
Role of religious figures and educational institutions	Builds religious awareness and can serve as a channel for practical Islamic financial education
Socialisation by government and financial institutions	Has not reached all segments of the community; unequal information remains an obstacle

Institutional constraints	Limited product innovation and insufficient transparency and promotion by Islamic financial institutions

Source: Field data analysis (2026)

DISCUSSION

The central finding of this study is that Islamic financial literacy among Muslims in Bengkulu City has developed mainly at the normative level, while its translation into consistent financial behaviour remains partial. Informants knew that riba is prohibited and that halal transactions are important, yet some continued to use interest-based services when Islamic alternatives seemed less accessible or less practical. The results therefore show that literacy in this community is closer to religious awareness than to operational financial capability. The weakness lies less in the absence of values than in the limited understanding of how Islamic contracts work and in the conditions that make acting on those values difficult.

This pattern is consistent with the national picture. The SNLIK 2025 data show that the Islamic financial inclusion index is far lower than the Islamic financial literacy index (Otoritas Jasa Keuangan & Badan Pusat Statistik, 2025), which indicates that knowing about Islamic finance does not guarantee using it. The present findings help explain this national gap at the community level: knowledge stops at general principles, and practical considerations such as convenience and access then dominate behaviour. The result also echoes the conclusion of Fernandes et al. (2014) that financial knowledge and education have only modest effects on subsequent behaviour. In the context of Islamic finance, the findings are in line with Albaity and Rahman (2019), who linked Islamic financial literacy with the intention to use Islamic banking, but they extend that work by showing that intention may still fail to materialise when knowledge of contracts is shallow and access is limited. They are also compatible with studies that found limited understanding of Islamic banking at the community level (Sepudin, 2025) and among religious scholars (Reza & Isyanto, 2025), suggesting that the problem is not unique to Bengkulu City.

The theory of planned behaviour offers a useful explanation for the gap between knowledge and practice (Ajzen, 1991). Informants' attitudes towards Islamic finance were generally positive and supported by religious norms, but their perceived behavioural control was weakened by limited access, lack of information, and uncertainty about how Islamic products function. When an individual does not understand the mechanism of a murabahah or mudarabah contract, choosing it entails more perceived risk and effort than choosing a familiar conventional product. Strengthening Islamic financial literacy therefore requires measures that increase perceived control, namely clear information on contracts, accessible service points, and simple procedures, rather than relying solely on religious exhortation.

The tendency of some informants to choose financial products on the basis of convenience and immediate needs deserves particular attention. It should not be read simply as a lack of religious commitment. Rather, it reflects a pragmatic compromise in which households weigh sharia compliance against the cost, time, and uncertainty of using a less familiar product. Such compromises are likely to persist as long as Islamic alternatives are perceived as less accessible or more complicated. This interpretation shifts part of the responsibility for low implementation from individuals to the institutional environment, which is consistent with the view that financial behaviour depends on both capability and opportunity (Ajzen, 1991; Huston, 2010).

The uneven profile of understanding, which is relatively strong on general principles but weak on contracts, also has implications for how Islamic financial literacy is measured. Surveys that ask whether respondents know that riba is prohibited may capture the normative dimension that is already well developed, but they may overlook the operational dimension that determines actual product choice. The present findings therefore support the use of literacy indicators that distinguish between knowledge of principles, understanding of contract mechanisms, and consistency of behaviour, as suggested by earlier efforts to develop multidimensional measures of Islamic financial literacy (Albaity & Rahman, 2019; Rahim et al., 2016).

Viewed through maqasid al-shariah, the findings reveal an uneven profile across the five objectives. In the dimension of hifz al-din, religious awareness was evident, as reflected in efforts to avoid riba. Yet the continued use of conventional services by some informants shows that the spiritual dimension has not been fully supported by an adequate economic infrastructure. Chapra (2008) argues that the

realisation of maqasid depends not only on individual commitment but also on an enabling environment provided by institutions and policy. The present finding illustrates this point: religious commitment alone is insufficient when the institutional environment does not make compliant choices easy.

The dimensions of hifz al-nafs and hifz al-nasl showed relatively positive implementation. Directing financial management towards meeting basic needs and planning for children's education reflect the protection of life and of future generations. These practices are consistent with Kamali's (2008) view that the maqasid encompass not only the avoidance of harm but also the positive provision of what is needed for human dignity and continuity. At the same time, such planning is often driven by family responsibility rather than by explicit knowledge of Islamic finance, which suggests that the community already holds values that Islamic financial education can build upon.

The weakest dimensions, hifz al-'aql and hifz al-mal, are closely interrelated. Limited education constrained rational and sharia-compliant financial decision-making, and this in turn limited the productive and halal management of wealth. The systems approach proposed by Auda (2008) helps explain this relationship: the objectives of sharia function as an interconnected whole, so weakness in protecting the intellect through knowledge and understanding directly undermines the protection of property. The finding also supports Laldin and Furqani's (2013) distinction between ends and means. Islamic financial products are means to protect wealth and to achieve justice; when people do not understand those means, they cannot use them to achieve the intended ends. From this perspective, hifz al-mal requires not only avoiding prohibited transactions but also understanding and using Islamic instruments that allow wealth to be preserved, developed, and circulated fairly.

The findings on influencing factors confirm that Islamic financial literacy is shaped by social structure as well as by individual knowledge. Education level, access to institutions, the role of religious figures, and socialisation intensity together determine whether knowledge becomes practice. The lack of transparency and promotion by Islamic financial institutions is particularly significant because it is within the control of the institutions themselves. Savitri and Darmawan (2024) found that promotion influences interest in saving in Islamic banks, which suggests that improved institutional communication could directly address one of the barriers identified here. The prominence of religious figures and educational institutions also indicates that community-based channels, including mosques and Islamic boarding schools (pesantren), have strong potential as vehicles for practical Islamic financial education, because they combine religious authority with close relationships to the community.

Theoretically, this study contributes to the literature in two ways. First, it shows that Islamic financial literacy should be conceptualised as a multidimensional construct that includes normative knowledge, operational understanding of contracts, and consistent behaviour, rather than as product knowledge alone. Second, it demonstrates that maqasid al-shariah can be used as an analytical framework to evaluate the implementation of literacy and to reveal which objectives of sharia are already realised and which remain weak. This framework moves the assessment of literacy from the question of "what people know" to the question of "what objectives their financial behaviour serves", in line with calls to evaluate Islamic finance by its ends rather than by its forms (Dusuki & Abdullah, 2007; Laldin & Furqani, 2013).

The findings carry several practical implications. Islamic financial institutions should explain their contracts in simple and transparent language, show concretely how products differ from conventional ones, increase product innovation that meets everyday household needs, and expand accessible service channels. The government and the financial services authority should design socialisation programmes that reach community segments that have not yet been served, in line with national strategies for developing the Islamic economy (Kementerian PPN/Bappenas, 2018; Otoritas Jasa Keuangan, 2023). Religious leaders, mosques, and pesantren can deliver Islamic financial education that links religious teaching with practical financial skills, while academics can help design and evaluate such programmes. Synergy among these stakeholders is necessary because no single actor controls all of the factors identified in this study.

This study has several limitations. It was conducted in a single city over a relatively short period of one month, so the findings cannot be generalised to all Muslim communities in Indonesia. As a qualitative study, it describes patterns of understanding and practice but does not measure the level of Islamic financial literacy with a standardised index, nor does it test the strength of relationships between

variables. The data rely partly on informants' self-reports, which may be affected by social desirability, particularly on religiously sensitive topics such as the use of interest-based services. Future research could therefore develop and validate a maqasid-based Islamic financial literacy index, combine qualitative and quantitative methods to test the relationships suggested here, compare urban and rural communities in Bengkulu Province, and evaluate the effectiveness of community-based Islamic financial education programmes delivered through mosques and pesantren.

CONCLUSION

This study concludes that Islamic financial literacy among the Muslim community in Bengkulu City has developed, but unevenly. Community members generally understand the basic principles of Islamic finance, including the prohibition of riba, profit sharing, the importance of halal transactions, and the existence of Islamic financial institutions. Their understanding of the contracts and mechanisms that underlie Islamic financial products, however, remains limited, and this limits the translation of knowledge into consistent financial behaviour. Some members of the community still use conventional, interest-based services because of convenience, practical needs, and limited information.

From the perspective of maqasid al-shariah, implementation is relatively stronger in the protection of religion, life, and progeny, as reflected in efforts to avoid riba, to meet basic needs, and to plan for children's education. It remains weaker in the protection of intellect and property, particularly in rational, sharia-compliant financial decision-making and in the productive and halal management of wealth. Implementation is shaped by education level, access to Islamic financial institutions, the role of religious figures and educational institutions, and the intensity of socialisation, and it is constrained by unequal access, limited product innovation, and insufficient transparency and promotion.

The main contribution of this study is to show that Islamic financial literacy should be evaluated not only by what people know but also by whether their financial behaviour serves the objectives of sharia. Strengthening Islamic financial literacy therefore requires practical, community-based education that explains how Islamic contracts work, together with wider and simpler access to Islamic financial services. Synergy among the government, Islamic financial institutions, academics, and religious leaders is needed so that Islamic financial literacy can support halal, fair, and responsible economic behaviour and contribute to the welfare of the Muslim community in Bengkulu City.

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AUTHOR CONTRIBUTION STATEMENT

Elman Johari was responsible for the conceptualization and design of the study, development of the research methodology, investigation, data collection, qualitative data analysis, and interpretation of the findings. The author also conducted the literature review, prepared the original manuscript, critically revised its intellectual content, and completed the final review and editing. As the sole author, Elman Johari assumes full responsibility for the accuracy, originality, integrity, and scholarly content of the research and approved the final version of the manuscript for publication.

AI DISCLOSURE STATEMENT

During the preparation of this manuscript, the author utilized artificial intelligence (AI)-assisted tools exclusively to support English language editing, grammatical refinement, academic writing improvement, manuscript restructuring, and formatting in accordance with the journal's publication guidelines. These tools were not used to generate, fabricate, or manipulate research data, interview responses, or empirical findings. The research design, data collection, qualitative analysis, interpretation

of results, and scientific conclusions remained under the author's responsibility. The author carefully reviewed and validated the AI-assisted revisions and assumes full accountability for the originality, accuracy, transparency, and integrity of the published work.

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CONFLICTS OF INTEREST

The author declares that there are no financial, professional, institutional, or personal conflicts of interest that could have influenced the design, implementation, analysis, interpretation, or reporting of this research. The study was conducted independently and objectively, without interference from Islamic financial institutions, government agencies, or other interested parties. The author confirms that the findings and conclusions presented in this article reflect an independent academic assessment of Islamic financial literacy practices based on the principles of maqasid al-shariah.

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