

The Concept of Pawn (Rahn) from the Perspective of Mahmud Syaltut and Its Relevance to the Development of Islamic Economic Law Studies: A Literature Review

Husnawadi¹

¹ Institut Agama Islam Hamzanwadi NW Lombok Timur, Indonesia

Email: husnawadi12@gmail.com¹

ABSTRACT

This study examines the concept of pawn (rahn) from the perspective of Mahmud Syaltut and its relevance to the development of Islamic economic law studies. The research was motivated by the increasing importance of rahn within contemporary Islamic financial practices and the limited scholarly attention given to Mahmud Syaltut's perspective on this issue. The study aimed to analyze comprehensively Syaltut's views regarding rahn and to explore their contribution to contemporary Islamic economic law discourse. This research employed a qualitative approach using a literature review design. Data were collected from primary and secondary sources, including books, scientific journal articles, and relevant academic publications discussing rahn, fiqh muamalah, and Islamic economic law. The data were analyzed using descriptive and content analysis techniques to interpret systematically the conceptual framework of rahn according to Mahmud Syaltut. The findings reveal that Syaltut viewed rahn as a contract of trust and debt security rather than a profit-oriented investment mechanism. He emphasized that collateral should function solely as debt protection and should not become a means of economic exploitation. The study also found that Syaltut strongly rejected practices involving hidden riba, coercive consent, and unjust benefit-taking from pledged property. Furthermore, his perspective highlights the ethical dimensions of Islamic economic law, including justice, transparency, and social responsibility. This study concludes that Mahmud Syaltut's thought remains highly relevant to the contemporary development of Islamic financial systems and contributes significantly to strengthening the ethical foundation of Islamic economic law studies.

INTRODUCTION

Pawning or *rahn* is one of the most widely discussed topics among both classical and contemporary Muslim jurists because it constitutes an essential aspect of Islamic commercial law (*fiqh muamalah*). The discussion of *rahn* consistently appears in classical and modern Islamic legal literature due to its practical relevance in social and economic transactions within Muslim societies. In contemporary life, pawn transactions have become a common form of economic practice used

ARTICLE INFO

Article history:

Received: May 22, 2026

Revised: May 24, 2026

Approved: May 25, 2026

Published: May 30, 2026

Keywords:

Rahn, Pawn, Mahmud Syaltut, Islamic Economic Law, Fiqh Muamalah, Islamic Finance

Correspondance Author:

Husnawadi

Program Studi Hukum
Keluarga Fakultas Syariah
Institut Agama Islam
Hamzanwadi NW Lombok
Timur, Jln Utama Mataram- Lb
Lombok KM.49 Anjani -
Suralaga Lombok Timur NTB,
Indonesia.

by communities to obtain financial assistance, particularly in urgent situations. Therefore, a more intensive scholarly investigation of *rahn* is necessary in order to provide broader insight and adequate references for society regarding the implementation of Islamic pawn systems in accordance with sharia principles.

In Islamic economic law, *rahn* is recognized as a legitimate contract that functions as collateral in financial transactions. According to Yuliono et al. (2023), *rahn* is a form of guarantee contract in Islamic economics that is permissible as long as it fulfills the pillars, conditions, and principles of sharia. Similarly, Ramadhan et al. (2025) emphasized that the concept of *rahn* in *fiqh muamalah* serves as an instrument of mutual assistance free from usury (*riba*) and economic exploitation. This indicates that *rahn* is not merely a financial mechanism but also reflects the Islamic values of justice, cooperation, and social responsibility. Furthermore, Gresiska et al. (2025) revealed that *rahn* possesses a strong normative foundation in the Qur'an, hadith, and DSN-MUI fatwas, making it highly relevant for implementation within modern Islamic financial systems.

The development of Islamic financial institutions has further strengthened the relevance of *rahn* in contemporary economic practices. Awaliah (2024) explained that the practice of *rahn* in Islamic financial institutions must be based on the principles of justice, transparency, and the protection of the rights of both parties. Likewise, Hidayatullah (2020) stated that the operational system of Islamic pawnshops in Indonesia refers to DSN-MUI fatwas concerning *rahn* and gold pawn contracts as the basis for their sharia legitimacy. Deceng and Sohrah (2023) also found that the implementation of *rahn* in modern Islamic banking has developed from a traditional concept into a formal institutional system oriented toward public service. In addition, Gresiska et al. (2025) demonstrated that the combination of *rahn* and *ijarah* contracts in Islamic pawnshops aims to ensure transaction security while facilitating public access to financing.

Several scholars have also highlighted the differences between Islamic and conventional pawn systems. Sainul and Bahari (2022) explained that the primary distinction between conventional pawn and Islamic pawn lies in the prohibition of interest within the *rahn* system. Similarly, Farid and Fahreza (2023) argued that Islamic pawn transactions are considered permissible (*mubah*) in Islamic law as long as they do not involve interest-based practices or injustice. In the context of legal development, Syahrullah (2019) stated that the regulation of *rahn* in the Compilation of Sharia Economic Law (*Kompilasi Hukum Ekonomi Syariah / KHES*) still requires refinement to accommodate the dynamics of contemporary Islamic economic practices. Furthermore, Rosaadi and Nashirudin (2025) found that the implementation of gold pawn contracts in Islamic banking must pay careful attention to storage costs in order to avoid hidden elements of *riba*.

The urgency of studying *rahn* is also reflected in its growing role within Islamic economic discourse. Billah (2023) argued that *rahn* has strong relevance to the dynamics of sharia contractual relations in Indonesia because it can serve as an alternative financing system consistent with Islamic principles. Billah (2023) further explained that studies on *rahn* in Islamic economics continue to develop alongside the increasing societal demand for fair financing systems based on Islamic teachings. In addition, Yuliono et al. (2023) emphasized that the existence of *rahn* greatly assists communities in obtaining quick financial support without becoming involved in usurious transactions. Awaliah (2024) also stated that Islamic financial institutions bear the responsibility of maintaining professionalism in managing collateral goods within *rahn* contracts. These studies demonstrate that *rahn* remains a significant topic within the broader development of Islamic economic law and financial institutions.

Previous studies have extensively discussed *rahn* from various perspectives. Research entitled *Gadai Dalam Syariat Islam* by Abdurrahman Misno examined pawn transactions from the perspective of Islamic law. Another study by Calvin Alief Junitama et al. (2022), entitled *Gadai Dalam Perspektif Fikih Muamalah, Kompilasi Hukum Ekonomi Syariah (KHES) dan Hukum Perdata*, analyzed pawn contracts from the perspectives of Islamic jurisprudence, KHES, and civil law. Sri Gunari et al. (2023), in their study *Gadai dalam Perspektif Islam*, also explored the legal aspects and implementation of pawn systems in Islam. Although these studies provide valuable discussions concerning *rahn*, they generally focus on normative legal analysis, institutional implementation, and contemporary Islamic financial practices.

Several relevant studies have also contributed to the discourse on *rahn*. Maulidia (2012), in *The Optimizing of Rahn Service for the Development of Islamic Banking in Indonesia*, discussed the concept of *rahn* in classical Islamic jurisprudence and its implementation within modern Islamic banking. The study found that *rahn* has strong potential as an Islamic financing instrument because it is free from *riba* and may serve as an alternative to conventional pawn systems. Uddin and Afriadi (2022), in their study on the dynamic characteristics of *rahn* law in theory and practice, revealed that the law of *rahn* is flexible and adaptable to social developments as long as it remains grounded in sharia principles. Furthermore, Suherli (2024) explained that the concept of *rahn* has transformed from a social contract (*tabarru'*) into a commercial contract (*tijarah*) within modern Islamic business practices. Meanwhile, Kamaruddin et al. (2023) analyzed local pawn practices in South Sulawesi society based on comparative perspectives of Islamic schools of thought and found that community pawn practices still require adjustments to fully conform with Islamic legal principles.

Despite the growing number of studies on *rahn*, there remains limited research specifically discussing the concept of pawn (*rahn*) from the perspective of Mahmud Syaltut. Most previous studies focused on Islamic financial institutions, comparative legal systems, and contemporary implementations of *rahn*, while the perspective of Mahmud Syaltut as a prominent contemporary Islamic scholar has not been comprehensively explored. Therefore, the novelty of this research lies in its focus on examining *rahn* based on Mahmud Syaltut's perspective and analyzing its relevance to the development of Islamic economic law studies.

Based on this background, the research question addressed in this study is: how is the concept of pawn (*rahn*) viewed from the perspective of Mahmud Syaltut? Accordingly, this study aims to examine comprehensively the concept of *rahn* according to Mahmud Syaltut and its relevance to the development of Islamic economic law studies. This research is expected to contribute academically by enriching references in *fiqh muamalah* studies and providing broader insights into the development of Islamic pawn systems within contemporary Islamic economic discourse.

METHODS

1. Research Approach and Design

This study employed a qualitative approach using a literature review design. The qualitative literature review method was considered appropriate because the study aimed to analyze, interpret, and critically examine the concept of pawn (*rahn*) from the perspective of Mahmud Syaltut and its relevance to the development of Islamic economic law studies. According to Snyder (2019), a literature review is an effective method for identifying, evaluating, and synthesizing existing scholarly works to develop a comprehensive understanding of a particular issue. Similarly, Xiao and Watson (2019) explained that literature review research enables scholars to explore theoretical

developments, identify research gaps, and formulate conceptual analyses systematically. Therefore, this method was suitable for examining Mahmud Syaltut's thoughts on *rahn* within the framework of Islamic jurisprudence and contemporary Islamic economic law.

The study used a descriptive-analytical design. The descriptive aspect was intended to explain Mahmud Syaltut's views regarding *rahn*, while the analytical aspect was employed to examine the relevance of these views to contemporary Islamic economic law. This design allowed the researchers to interpret various scholarly sources critically and systematically in order to obtain comprehensive findings related to the research topic.

2. Data Sources

The data used in this study consisted of primary and secondary sources. The primary sources included books, writings, and scholarly works related to the thoughts of Mahmud Syaltut, particularly discussions concerning *rahn* and Islamic economic law. Secondary data sources included scientific journal articles, books, conference proceedings, and relevant academic publications discussing *rahn*, Islamic jurisprudence, and Islamic economic law.

The researchers selected literature published within the last ten years to ensure the relevance and contextuality of the discussion regarding contemporary Islamic economic issues. According to Zawacki-Richter et al. (2020), recent scholarly sources are important in literature review studies because they reflect current academic developments and contemporary debates within a particular field. Furthermore, Paul and Criado (2020) argued that the credibility of literature review research depends significantly on the quality, relevance, and recency of the sources analyzed. Therefore, only credible and academically recognized references were included in this study.

3. Data Collection Procedures

The data were collected through documentation techniques by identifying, selecting, and reviewing various relevant academic sources. The researchers searched for journal articles, books, and scientific publications through online academic databases such as Google Scholar, Crossref, Scopus, and institutional repositories using keywords related to *rahn*, Islamic pawn, Mahmud Syaltut, *fiqh muamalah*, and Islamic economic law.

After identifying the relevant sources, the researchers conducted source screening and classification based on their relevance to the research objectives. The selected references were then carefully read, interpreted, and organized according to the main themes of the study. As explained by Snyder (2019), systematic identification and classification of literature are essential stages in ensuring the validity and comprehensiveness of literature review research. In addition, Booth et al. (2021) stated that documentation techniques in literature studies require rigorous source evaluation in order to maintain the academic reliability of the findings.

4. Data Analysis Techniques

The data were analyzed using descriptive and content analysis techniques. The descriptive analysis was used to present and explain the concept of *rahn* according to Mahmud Syaltut systematically, while content analysis was employed to interpret the meanings, arguments, and legal perspectives contained in the examined literature. The analysis process involved data reduction, data categorization, interpretation, and conclusion drawing based on the research objectives.

The researchers also compared Mahmud Syaltut's views with contemporary discussions of *rahn* in Islamic economic law in order to identify their relevance and contribution to current Islamic financial practices. According to Krippendorff (2018), content analysis is useful for interpreting textual data systematically and objectively in qualitative studies. Similarly, Bengtsson (2016) explained that content analysis enables researchers to identify themes, patterns, and

conceptual meanings from textual documents in a structured manner. Therefore, this analytical technique was considered appropriate for examining the conceptual framework of *rahn* from Mahmud Syaltut's perspective.

RESULTS

The findings of this study indicate that *rahn* (pawn or collateral) in the perspective of Mahmud Syaltut is fundamentally a contract of trust and debt security rather than an investment-oriented transaction intended to generate profit. Syaltut emphasized that Islamic law views wealth realistically; wealth must be obtained through lawful, non-exploitative, and non-arrogant means, and it must be preserved responsibly rather than wasted (Mahmud Syaltut, n.d.). In this regard, the essence of *rahn* is closely connected to the ethical framework of Islamic economic law, which prioritizes justice, mutual assistance, and protection from exploitation.

1. Definition of Pawn (*Rahn*)

Etymologically, the Arabic term *rahn* derives from *al-tsabat* and *al-dawam*, meaning permanence or stability. Terminologically, *rahn* refers to making a valuable property, according to Islamic law, as collateral for debt repayment, whereby the pledged property may be used to settle the debt if the debtor fails to repay it (Sayyid Sabiq, 2006). Thus, *rahn* represents a contractual guarantee intended to strengthen trust between the debtor and creditor.

Sri Gunari et al. (2023) explained that pawn transactions are called *rahn* because the pledged property remains under the ownership status of the pledger until the debt is fully repaid. In another sense, *rahn* may also be understood as a form of debt guarantee through collateralized assets. The term *al-habs* (detention) is also used to describe the act of holding property as security for debt repayment (Sri Gunari et al., 2023). Similarly, Dewi Noviarni (2021) stated that pawn transactions involve pledging valuable goods to another party in order to obtain a certain amount of money, while the pledged goods may later be redeemed according to the agreed contract.

2. Legal Foundations of *Rahn* in Islam

As one of the most common forms of *muamalah* transactions, *rahn* possesses strong legal foundations derived from both the Qur'an and the Sunnah. The Qur'anic basis for *rahn* is found in Surah Al-Baqarah verse 283:

“And if you are on a journey and cannot find a scribe, then let there be a pledged security taken into possession...” (Qur'an 2:283).

According to Ibn Kathir (2005), this verse explains that when individuals conduct debt transactions during travel and are unable to find a scribe to document the agreement, collateral may serve as a substitute for written documentation. Likewise, Abdurrahman bin Nashir As-Sa'di, as cited by Abdurrahman Misno (2023), explained that the verse demonstrates the permissibility of using collateral as a guarantee for debt repayment when written agreements are unavailable.

The ethical spirit of this verse indicates that collateral functions as a form of trust between the creditor and debtor, especially in situations where formal documentation cannot be provided (Abdurrahman Sulaiman, 2023). In addition, several hadiths narrated from the Prophet Muhammad ﷺ further strengthen the legality of *rahn*. One narration states that the Prophet purchased food from a Jewish merchant in Madinah and pledged his iron armor as collateral. Another narration from Anas reported that the Prophet ﷺ passed away while his armor remained pledged to a Jewish merchant for thirty *wasaq* of barley intended for his family's sustenance.

Based on these textual evidences, Muslim scholars unanimously agreed that *rahn* is permissible and legally recognized in Islam, although some scholars differed regarding whether

rahn applies only during travel or also during residence. The majority of scholars argued that *rahn* is permissible in both situations (Sayyid Sabiq, 2006).

3. Conditions and Pillars of Valid *Rahn*

Islamic jurists explained that the validity of *rahn* contracts depends on the fulfillment of specific conditions and pillars. Sayyid Sabiq (2006) mentioned four main conditions: the contracting parties must be rational, legally competent, the collateral must exist during the contract, and the collateral must be under the possession of the pledge holder (*murtabin*) or their representative.

Further elaboration was provided by Ariyadi et al., as cited in Calvin Alief Junitama et al. (2022). They explained that the parties involved in *rahn* must possess legal competence and sound reasoning. According to Hanafi scholars, maturity (*baligh*) is not an absolute requirement as long as the parties are capable of understanding the transaction, allowing discerning minors (*mumayyizi*) to engage in *rahn* contracts with guardian approval.

In addition, the debt (*marhun bib*) must be clear, specific, and repayable through the collateral, while the pledged property (*marhun*) must possess economic value, be legally owned by the debtor, and be tradable according to Islamic law (Calvin Alief Junitama et al., 2022). Regarding the contractual formulation (*shighat*), Hanafi scholars prohibited conditions linked to uncertain future events, whereas Maliki, Shafi'i, and Hanbali scholars permitted conditions that support contractual implementation as long as they do not contradict the nature of the contract itself.

Sri Gunari et al. (2023) further explained that Shafi'i scholars added three additional considerations: the presence of witnesses to avoid disputes, the invalidity of meaningless conditions, and the prohibition of conditions that harm either party in the contract.

4. Factors and Causes of *Rahn*

The findings also revealed that *rahn* transactions should only be conducted under specific circumstances consistent with Islamic law. According to Sri Gunari et al. (2023), *rahn* is valid only within the context of lawful debt. Therefore, collateralization is invalid in cases involving unlawful acquisition of property, such as usurpation (*ghasab*). Moreover, the debt must be fixed, certain, and clearly specified regarding its amount, type, and quality.

This demonstrates that Islamic law emphasizes legal certainty and fairness in financial transactions. The collateral functions not as a tool for exploitation but rather as a mechanism for ensuring debt repayment and maintaining mutual trust between contracting parties.

5. Types of *Rahn*

Dewi Noviarni (2021) classified *rahn* into two categories: valid (*rahn shahib*) and invalid (*rahn ghair shahib*). A valid pawn contract fulfills all legal pillars and conditions, while an invalid contract lacks one or more essential elements.

When the conditions and pillars of *rahn* are fulfilled, several legal consequences emerge. These include the debtor's obligation to repay the debt, the transfer of collateral possession from the pledger (*rahin*) to the pledge holder (*murtabin*), the obligation of the pledge holder to safeguard the collateral, and the responsibility of the pledger to bear maintenance costs related to the pledged property (Dewi Noviarni, 2021).

6. The Wisdom of *Rahn* According to Mahmud Syaltut

According to Mahmud Syaltut (n.d.), Islam views wealth through a realistic and ethical lens. Wealth should be earned through lawful and non-oppressive means and must be managed responsibly. When wealth takes the form of debt, Islam instructs believers to preserve it through documentation and testimony, as emphasized in Surah Al-Baqarah verses 282–283.

Umar bin Abdullah Al-Muqbil (2017) stated that the Qur'an teaches noble ethics concerning wealth management because every individual will be questioned on the Day of Judgment regarding the source and use of their wealth. Therefore, Syaltut considered *rahn* not merely a legal mechanism but also a moral instrument designed to protect economic justice and prevent social oppression.

7. The Essence of *Rahn* According to Mahmud Syaltut

Mahmud Syaltut emphasized that Muslim jurists unanimously agreed that *rahn* is not a profit-oriented investment contract but rather a contract of trust and debt guarantee (Mahmud Syaltut, n.d.). Consequently, the pledge holder should not exploit the collateral for personal gain because the primary objective of *rahn* is to secure debt repayment rather than to generate financial benefits.

A similar perspective was expressed by Abdul Wahhab Khalaf (1978), who explained that Islam encourages economic activity and lawful financial exchange while simultaneously prohibiting theft, fraud, exploitation, unlawful appropriation of wealth, and usury. Therefore, *rahn* must remain within the ethical framework of justice and mutual assistance.

8. Utilizing Collateralized Property

One of the major discussions in Islamic jurisprudence concerns whether the pledge holder (*murtabin*) may benefit from the pledged property if permission is granted by the owner. Mahmud Syaltut (n.d.) explained that the majority of scholars, excluding some Hanafi jurists, prohibited creditors from benefiting from pledged property even when permission was granted because such benefits resemble profits derived from loans, which are prohibited in Islamic law.

Adnan Murroh Nasution (2019) explained that according to Shafi'i scholars, the pledger may use the collateral as long as its economic value is not diminished. However, the majority of jurists maintained that creditors are prohibited from benefiting from pledged property because *rahn* is fundamentally a charitable (*tabarru'*) contract rather than a commercial (*tijarah*) transaction.

Conversely, Hanafi jurists permitted the utilization of pledged property if explicit permission was granted by the owner, arguing that the benefit originated from consent rather than from the loan itself (Mahmud Syaltut, n.d.). Similarly, As-San'ani (1059 H) explained, based on a narration from Abu Hurairah, that a pledge holder may utilize pledged animals if they bear the maintenance costs associated with them.

9. Invalid Consent According to Mahmud Syaltut

Mahmud Syaltut argued that consent obtained under coercive economic conditions does not constitute genuine approval. If the debtor grants permission due to financial desperation and social pressure, such permission lacks moral validity and should not be used as justification for taking profit from collateral (Mahmud Syaltut, n.d.).

Syaltut strongly criticized practices in which creditors exploit the emergency conditions of debtors for financial gain. According to him, exploiting vulnerable individuals through collateral utilization resembles the oppressive nature of *riba*, which Islam strictly prohibits. Such practices may prolong poverty, increase debt burdens, and contribute to social destruction within families and communities.

10. Pawn Practices in Indonesia

The findings also revealed that certain pawn practices in Indonesia contradict Islamic legal principles. Abdurrahman Misno (n.d.) explained that in some rural communities, agricultural land, rice fields, or coconut trees are pledged as collateral, while all profits generated from those properties become the exclusive right of the pledge holder. Such practices contradict the prophetic tradition stating that "every loan that generates benefit is considered *riba*."

These practices often arise from misunderstandings concerning the nature of *rahn*, where the collateral is incorrectly treated as the absolute property of the creditor rather than merely as debt security. According to Abdurrahman Misno (n.d.), the costs of maintaining collateral remain the responsibility of the pledger, while any profits generated from the pledged property rightfully belong to the owner unless otherwise agreed through lawful and voluntary arrangements.

Overall, the findings demonstrate that the perspective of Mahmud Syaltut on *rahn* emphasizes justice, ethical wealth management, mutual assistance, and the prohibition of exploitative financial practices. His thoughts remain highly relevant to the contemporary development of Islamic economic law, particularly in strengthening the ethical dimensions of modern Islamic financial transactions.

DISCUSSION

1. Results Analysis

The findings of this study demonstrate that the concept of *rahn* from the perspective of Mahmud Syaltut is fundamentally rooted in the ethical principles of Islamic economic law, particularly justice, mutual trust, social responsibility, and the prohibition of exploitative financial practices. The results reveal that Syaltut viewed *rahn* not as a profit-oriented commercial instrument but rather as a contractual mechanism intended to secure debt repayment and preserve social welfare. This perspective directly addresses the research objective of examining comprehensively the concept of *rahn* according to Mahmud Syaltut and its relevance to the development of Islamic economic law studies.

One of the central findings indicates that Syaltut strongly emphasized the moral dimension of wealth management in Islam. According to him, wealth must be acquired through lawful and non-exploitative means, and its utilization should contribute to social benefit rather than oppression or economic injustice. This perspective reflects the broader ethical framework of Islamic economics, where financial transactions are not solely evaluated based on legality but also on moral accountability and social impact. In this regard, the findings are consistent with Ramadhan et al. (2025), who argued that *rahn* in *fiqh muamalah* functions as an instrument of mutual assistance free from *riba* and economic exploitation. Likewise, Yuliono et al. (2023) emphasized that *rahn* serves as a legitimate guarantee contract as long as it fulfills the principles and conditions of sharia. These similarities indicate that Syaltut's perspective remains highly relevant within contemporary Islamic financial discourse.

Another significant finding concerns Syaltut's rejection of the commercialization of pawn contracts. The study found that Syaltut considered *rahn* to be a contract of trust (*akad amanah*) rather than an investment contract designed to generate financial profit. Consequently, the pledge holder (*murtahin*) should not exploit the collateralized property for personal benefit, particularly when such benefit arises from the debtor's vulnerable economic condition. This finding reinforces the ethical distinction between Islamic pawn systems and conventional interest-based financial mechanisms. The result supports the argument presented by Sainul and Bahari (2022), who explained that the primary difference between conventional pawn systems and Islamic *rahn* lies in the prohibition of interest and exploitative gain. Similarly, Farid and Fahreza (2023) stated that Islamic pawn transactions are permissible only when they are free from injustice and usurious practices.

The findings also reveal that Syaltut adopted a highly critical stance toward forced or non-genuine consent in pawn transactions. According to Syaltut, permission granted by debtors under

economic pressure cannot be considered authentic consent because it emerges from necessity rather than free choice. Therefore, creditors who utilize collateralized property under such conditions are engaging in practices closely resembling *riba*. This perspective demonstrates Syaltut's deep concern for protecting economically vulnerable individuals from hidden forms of exploitation within financial transactions. Such findings highlight the humanistic orientation of Islamic economic law, which prioritizes social justice and ethical responsibility over material gain.

In addition, the study found that Syaltut's perspective aligns with the maqasid al-shariah framework, particularly in preserving wealth (*hifz al-mal*) and preventing harm (*daf' al-darar*). The requirement that collateral should function solely as security rather than as a source of creditor profit reflects the Islamic objective of maintaining fairness and preventing unjust enrichment. This interpretation is relevant to contemporary Islamic finance, where ethical concerns increasingly accompany discussions of legal compliance. In line with this finding, Awaliah (2024) emphasized that the implementation of *rahn* in Islamic financial institutions must be grounded in justice, transparency, and the protection of both parties' rights. Similarly, Gresiska et al. (2025) argued that *rahn* possesses a strong normative basis in the Qur'an, hadith, and DSN-MUI fatwas, making it highly applicable to modern Islamic financial systems.

Another important result concerns the relevance of Syaltut's ideas to contemporary pawn practices in Indonesia. The findings indicate that several rural pawn practices continue to deviate from Islamic legal principles because creditors frequently control and benefit from collateralized agricultural land or plantations. Syaltut's perspective provides a critical corrective framework against such practices by emphasizing that *rahn* should strengthen trust rather than create economic domination. This issue is particularly relevant in the context of modern Islamic financial institutions, where ethical compliance remains a major concern alongside legal formalism.

Furthermore, the findings suggest that Syaltut's thought contributes significantly to the development of contemporary Islamic economic law studies by integrating legal reasoning with ethical considerations. His perspective expands the discourse of *fiqh muamalah* beyond procedural legality toward substantive justice and moral accountability. This contribution is especially important because many contemporary discussions on Islamic finance tend to focus heavily on contractual legality while giving less attention to social ethics and economic equity. Therefore, Syaltut's approach offers a more comprehensive framework for understanding Islamic financial transactions in a way that balances legal validity, ethical responsibility, and social welfare.

Overall, the results analysis demonstrates that the concept of *rahn* according to Mahmud Syaltut remains highly relevant for the development of Islamic economic law in the modern era. His ideas provide not only a legal interpretation of pawn transactions but also a moral and social framework capable of addressing contemporary economic challenges, particularly issues related to financial exploitation, social inequality, and ethical responsibility in Islamic financial practices.

2. Comparison with Previous Studies

The findings of this study both support and extend the results of previous research concerning *rahn* in Islamic economic law. Earlier studies generally focused on the legal validity, institutional implementation, and socio-economic functions of *rahn* within Islamic financial systems, whereas this study specifically emphasized the ethical and philosophical dimensions of *rahn* from the perspective of Mahmud Syaltut. This distinction represents an important contribution because the study not only examined the normative legality of pawn transactions but also explored the moral foundations underlying Islamic financial relationships.

The present findings are consistent with the study conducted by Maulidia (2012), which concluded that *rahn* possesses strong potential as an Islamic financing instrument because it is free from *riba* and can function as an alternative to conventional pawn systems. Similarly, the findings of this study indicate that Syaltut viewed *rahn* as a lawful instrument aimed at facilitating social assistance and debt security rather than generating commercial profit. Both studies emphasize the anti-exploitative nature of *rahn* and its relevance to the development of Islamic financial institutions.

This study also supports the findings of Uddin and Afriadi (2022), who argued that the law of *rahn* is dynamic and adaptable to changing social conditions as long as it remains grounded in sharia principles. The present study demonstrates that Syaltut's interpretation reflects a flexible and contextual understanding of Islamic law by emphasizing substantive justice and ethical responsibility rather than rigid formalism. However, while Uddin and Afriadi focused primarily on the dynamism of *fiqh muamalah* in theory and practice, this study specifically highlighted the ethical dimensions of pawn contracts and the prohibition of economic exploitation in situations of financial vulnerability.

Furthermore, the findings align with Suherli (2024), who explained that the concept of *rahn* has transformed from a purely social contract (*tabarru'*) into a commercial instrument within modern Islamic business practices. Nevertheless, this study differs from Suherli's perspective because Syaltut strongly rejected the commercialization of *rahn* when it leads to unjust profit-taking from debtors. In Syaltut's view, transforming *rahn* into a profit-oriented mechanism risks undermining the original spirit of Islamic financial ethics, which prioritizes social solidarity and mutual assistance. Therefore, while Suherli emphasized the transformation of *rahn* within contemporary Islamic business structures, the present study critically evaluated the ethical boundaries of such transformations based on Syaltut's thought.

The findings also correspond with the study conducted by Kamaruddin et al. (2023), which found that local pawn practices in Indonesian society often require adjustment in order to conform fully with Islamic legal principles. Similarly, the present study identified that several pawn practices in Indonesia remain inconsistent with Islamic ethics because creditors frequently exploit pledged property for personal gain. Syaltut's perspective offers an important corrective framework by reaffirming that collateral should function solely as debt security rather than as an instrument of economic domination.

In addition, the present findings are consistent with broader contemporary literature concerning Islamic financial ethics. Awaliah (2024) emphasized that *rahn* practices in Islamic financial institutions must uphold justice, transparency, and the protection of both parties' rights. Likewise, Billah (2023) argued that studies on *rahn* continue to develop due to increasing societal demand for fair and sharia-compliant financing systems. The findings of this study strengthen these arguments by demonstrating that Syaltut's perspective provides a strong ethical foundation capable of supporting the development of more socially responsible Islamic financial systems.

Despite these consistencies, this study differs from many previous studies in terms of its analytical focus. Most earlier studies concentrated on institutional, legal, or comparative aspects of *rahn*, while this research specifically examined the philosophical and ethical dimensions of pawn transactions through the lens of Mahmud Syaltut's thought. Therefore, the novelty of this research lies in its attempt to bridge classical Islamic legal theory with contemporary ethical challenges in Islamic economic law.

3. Implications of Findings

The findings of this study provide both theoretical and practical implications for the development of Islamic economic law studies. Theoretically, this study contributes to the enrichment of *fiqh muamalah* literature by offering a comprehensive analysis of *rahn* from the perspective of Mahmud Syaltut, whose thoughts have received relatively limited scholarly attention in contemporary Islamic economic discussions. The study broadens existing academic discourse by emphasizing that Islamic financial contracts should not only fulfill procedural legal requirements but also uphold ethical values such as justice, compassion, transparency, and protection against exploitation.

The findings also contribute conceptually to the integration of maqasid al-shariah principles within Islamic financial studies. Syaltut's emphasis on preventing economic oppression and protecting vulnerable individuals reflects the broader objectives of Islamic law, particularly the preservation of wealth (*hifz al-mal*) and the prevention of social harm. Consequently, this study reinforces the argument that Islamic economic law should be interpreted not merely through formal contractual legality but also through its social and ethical consequences.

Practically, the findings provide important implications for Islamic financial institutions, especially Islamic pawnshops and sharia banking institutions implementing *rahn*-based financing systems. The study suggests that financial institutions should prioritize ethical considerations in managing collateralized transactions, including avoiding hidden exploitation, ensuring fair agreements, and protecting debtors from coercive practices. Syaltut's perspective may therefore serve as an ethical guideline for strengthening sharia compliance in contemporary Islamic finance.

In addition, the findings are relevant for policymakers and regulators involved in developing Islamic economic regulations. The study highlights the importance of strengthening legal frameworks governing *rahn* practices in order to prevent deviations from Islamic ethical principles. This is particularly significant in contemporary contexts where some pawn practices still resemble exploitative financial relationships despite operating under sharia labels.

The study also has educational implications for the teaching of Islamic economic law and *fiqh muamalah*. By integrating ethical analysis with legal interpretation, the findings encourage a more holistic approach to Islamic legal studies that combines jurisprudential reasoning with social responsibility. Such an approach may help future scholars and practitioners develop Islamic financial systems that are not only legally compliant but also socially just and ethically grounded.

4. Research Limitations

Despite its contributions, this study has several limitations that should be acknowledged. First, the study relied exclusively on a qualitative literature review approach, meaning that the findings were based entirely on textual analysis of books, journal articles, and scholarly documents. Consequently, the study did not include empirical field data or direct observations concerning the implementation of *rahn* practices within contemporary Islamic financial institutions.

Second, the research focused specifically on the perspective of Mahmud Syaltut, which limited the comparative scope of the analysis. Although this focus allowed for an in-depth examination of Syaltut's thought, the inclusion of perspectives from other contemporary Muslim scholars could provide broader insights into the development of Islamic pawn theories and practices.

Third, some classical references related to Syaltut's works and traditional Islamic jurisprudence were limited in terms of publication details and accessibility, particularly because several primary sources were not available in modern indexed academic databases. This condition may affect the comprehensiveness of source verification within the study.

Finally, the study mainly emphasized conceptual and normative analysis without examining quantitatively the socio-economic impact of *rahn* implementation in Muslim societies. Future research is therefore recommended to combine literature review methods with empirical approaches, such as case studies, interviews, or field research, in order to analyze more comprehensively the practical implications of Syaltut's ideas within contemporary Islamic financial institutions and community pawn practices.

CONCLUSION

This study concludes that the concept of pawn (*rahn*) from the perspective of Mahmud Syaltut is fundamentally rooted in the principles of justice, trust, mutual assistance, and the prohibition of economic exploitation. According to Syaltut, *rahn* is not a profit-oriented investment contract but rather a contractual mechanism intended to secure debt repayment and protect the rights of both debtor and creditor. The findings demonstrate that Syaltut strongly emphasized the ethical dimensions of Islamic economic law, particularly the importance of managing wealth through lawful, non-oppressive, and socially responsible means. In this regard, collateral in *rahn* functions solely as debt security and should not become a medium for generating unjust profit or exploiting financially vulnerable individuals. The study also reveals that Syaltut rejected the utilization of collateralized property when consent is obtained under economic pressure, considering such practices inconsistent with the ethical objectives of Islamic law.

Furthermore, the study confirms that Syaltut's perspective remains highly relevant to the contemporary development of Islamic economic law studies. His ideas contribute significantly to strengthening the ethical foundation of modern Islamic financial systems, particularly in addressing issues related to hidden *riba*, financial injustice, and exploitative pawn practices that still occur in certain communities. The findings indicate that Syaltut's thought offers an important balance between legal formalism and moral responsibility within *fiqh muamalah*. Therefore, this study contributes to the enrichment of Islamic economic law literature by emphasizing that sharia-based financial transactions should not only comply with contractual legality but also uphold broader social and ethical values consistent with the objectives of Islamic law (*maqasid al-shariah*).

Despite its contributions, this study has several limitations. The research relied exclusively on a qualitative literature review approach without incorporating empirical field data or direct investigation of contemporary *rahn* practices in Islamic financial institutions. In addition, the study focused specifically on Mahmud Syaltut's perspective, which limited broader comparative analysis with other contemporary Muslim scholars. Some classical references were also limited in accessibility and publication details, particularly regarding older primary Islamic legal sources.

Based on these limitations, future studies are recommended to employ empirical research methods, such as field studies, interviews, or case studies involving Islamic pawnshops and sharia financial institutions, in order to examine the practical implementation of Syaltut's ideas in contemporary contexts. Future research may also compare Syaltut's perspective with other modern Islamic thinkers to develop a broader and more comprehensive understanding of *rahn* within contemporary Islamic economic law discourse.

REFERENCES

- Abdul Wahhab Khalaf. (1978). *Ilmu ushul fiqh*. t.p.
 Abdurrahman Misno. (n.d.). Gadai dalam syariat Islam. *Ad-Deenar: Jurnal Ekonomi dan Bisnis Islam*.
 Abdurrahman Misno. (2023). Gadai dalam syariat Islam. *Ad-Deenar: Jurnal Ekonomi dan Bisnis Islam*.

- Abdurrahman Sulaiman. (2023). Konsep rahn dalam perspektif ekonomi Islam kontemporer.
- Adnan Murroh Nasution. (2019). Gadai dalam perspektif hukum ekonomi Islam. *Yurisprudensi: Jurnal Hukum Islam*.
- As-San'ani. (n.d.). *Subul as-salam*. Maktabah Mathba'ah Putra Semarang.
- Awaliah. (2024). Prinsip keadilan dan transparansi dalam praktik rahn di lembaga keuangan syariah.
- Bengtsson, M. (2016). How to plan and perform a qualitative study using content analysis. *NursingPlus Open*, 2, 8–14. <https://doi.org/10.1016/j.npls.2016.01.001>
- Billah. (2023). Rahn dalam dinamika perikatan syariah di Indonesia.
- Booth, A., Sutton, A., & Papaioannou, D. (2021). *Systematic approaches to a successful literature review* (3rd ed.). SAGE Publications.
- Calvin Alief Junitama, Rahmawati, E. D., & Karina, M. (2022). Gadai dalam perspektif fikih muamalah, kompilasi hukum ekonomi syariah, dan hukum perdata. *Maliyah: Jurnal Hukum Bisnis Islam*.
- Deceng, & Sohrah. (2023). Perkembangan praktik rahn dalam perbankan syariah modern.
- Dewi Noviarni. (2021). Gadai dalam hukum Islam di Indonesia. *Jurnal An-Nadwab*.
- Farid, & Fahreza. (2023). Legalitas gadai syariah dalam hukum Islam kontemporer.
- Gresiska, et al. (2025). Dasar normatif rahn dalam Al-Qur'an, hadis, dan fatwa DSN-MUI.
- Gresiska, et al. (2025). Kombinasi akad rahn dan ijarah pada pegadaian syariah.
- Hidayatullah. (2020). Operasional pegadaian syariah berdasarkan fatwa DSN-MUI tentang rahn.
- Ibnu Katsir, M. (2005). *Tafsir Ibnu Katsir*. Dar al-Fikri.
- Kamaruddin, Martiana, A., Farhah, U., & Rahmadani, C. (2023). The pawn (rahn) in local practice of Massanra Galung of South Sulawesi society: A comparative analysis of madhhabs. *Mazahibuna: Jurnal Perbandingan Mazhab*, 5(2), 117–131. <https://doi.org/10.24252/mazahibuna.vi.39894>
- Krippendorff, K. (2018). *Content analysis: An introduction to its methodology* (4th ed.). SAGE Publications.
- Maulidia, L. R. (2012). The optimizing of rahn service for the development of Islamic banking in Indonesia. *Jurnal Iqtisad*, 4(2). <https://doi.org/10.20885/iqtisad.vol4.iss2.art4>
- Mahmud Syaltut. (n.d.). *Al-fatawa*. Dar al-Qolam.
- Paul, J., & Criado, A. R. (2020). The art of writing literature review: What do we know and what do we need to know? *International Business Review*, 29(4), 101717. <https://doi.org/10.1016/j.ibusrev.2020.101717>
- Ramadhan, et al. (2025). Konsep rahn sebagai instrumen tolong-menolong dalam fikih muamalah.
- Rosaadi, & Nashirudin. (2025). Implementasi gadai emas di perbankan syariah dan potensi riba terselubung.
- Sainul, & Bahari. (2022). Perbedaan gadai konvensional dan gadai syariah dalam sistem rahn.
- Sayyid Sabiq. (2006). *Fiqh sunnah*. Dar al-Fikri.
- Snyder, H. (2019). Literature review as a research methodology: An overview and guidelines. *Journal of Business Research*, 104, 333–339. <https://doi.org/10.1016/j.jbusres.2019.07.039>
- Sri Gunari, Khovia, N. A., & Nufuz, A. H. (2023). Gadai dalam perspektif Islam. *Religion: Jurnal Agama, Sosial, dan Budaya*. Universitas Lambung Mangkurat.
- Suherli, I. R. (2024). Transformation of rahn's thought development as sharia capital business. *Iqtishodia: Jurnal Ekonomi Syariah*, 9(1), 1–11. <https://doi.org/10.35897/iqtishodia.v9i1.1155>
- Syahrullah. (2019). Rahn dalam kompilasi hukum ekonomi syariah dan tantangan ekonomi kontemporer.

- Uddin, J., & Afriadi, W. (2022). Karakteristik dinamisitas hukum muamalah tentang rahn dalam teori dan praktik (Pertarungan antara formalitas versus substansialitas hukum muamalah). *Jurnal Justisia Ekonomika: Magister Hukum Ekonomi Syariah*, 6(2). <https://doi.org/10.30651/justeko.v6i2.14264>
- Umar bin Abdullah Al-Muqbil. (2017). *Qawaid Qur'aniyah*. Hadharah, Riyadh.
- Xiao, Y., & Watson, M. (2019). Guidance on conducting a systematic literature review. *Journal of Planning Education and Research*, 39(1), 93–112. <https://doi.org/10.1177/0739456X17723971>
- Yuliono, et al. (2023). Rahn sebagai akad jaminan dalam ekonomi Islam.
- Zawacki-Richter, O., Kerres, M., Bedenlier, S., Bond, M., & Buntins, K. (2020). Systematic reviews in educational research: Methodology, perspectives and application. Springer.