

A Thematic Analysis of Fatwas on Bitcoin and Cryptocurrency

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Abstract

The global expansion of Bitcoin and cryptocurrencies brings unanswered questions of the Islamic finance that are legal in nature. The existing research is divided into two camps, namely, total prohibition, or conditional acceptance. It is a thematic analysis of 32 public fatwas (2014-2024) of 12 Islamic jurisdictions in the first systematic analysis. The application of cryptocurrencies and their Shariah acceptability are analyzed. This paper applies the six-stage model offered by Braun and Clarke and it establishes five key jurist themes. The former theme is the ambiguity of the issue of whether cryptocurrencies are to be treated as mal (property) or thamaniyyah (money). The second theme talks about gharar, i.e., excessive uncertainty that is caused by volatility, lack of transparency and regulatory instability. The third theme concerns speculation by trading which is similar to maysir (gambling). The fourth theme is about mafsadah, which is harm to society and includes illicit use, environmental costs and inequality. Lastly, the fifth theme is on interpretations and deviations which form conditional permissibility in the presence of regulation and transparency, which minimises the risks of jurisprudence. The findings indicate that juristic disagreement is not an issue of inconsistency but the use of the various kinds of reasoning on novel financial technologies. The study paves the way in the study of Islamic-finance, by transforming the disjointed textual load of fatwa into a juristic map, which articulates the reasons behind the variance of rulings, as opposed to how they vary. This paper can be used by Shariah boards, regulators, and developers of digital assets to take action on implementing maqasid al-Shari, in the regulation of digital assets.

Keywords: Islamic Jurisprudence, Cryptocurrency Fatwas, Bitcoin and Sharia Compliance, Thematic Content Analysis, Islamic Financial Ethics

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Introduction

Navigating Shariah in the Cryptocurrency Age

Bitcoin or other digital currencies are not just a technological innovation, but they radically change the concept of value, exchange, and financial power. Their decentralized structure, cryptographic nature and state-free nature undermine traditional Islamic legal notions of mal (property) and thamaniyyah (money). This change has significant consequences to Islamic finance that prohibits riba (excessivism), gharar (unreasonable uncertainty), and maysir (speculative profit). The actual issue is not only about the possibility of Muslims to conduct transactions with digital assets, but about the fact that the definition of money in an electronic economy may be revisited regarding its ontological and ethical aspects. Accordingly, the discourse goes beyond the issue of permissibility, exploring the application of the logic of financial technologies, which do not conform to the classical analogies, to fiqh.

Problem Statement

However, despite the increasing popularity of cryptocurrencies, Islamic juridical infrastructure is yet to come to one conclusion. The digital tokens are categorized into illegal (gharar and maysir), conditionally illegal (mal), and legal (under emergent custom of urf) by different fatwas. The epistemic tensions behind this heterogeneity are:

- i. Do cryptocurrencies inherently or perceive value which would cause them to be classified as mal and thamaniyyah?
- ii. Is it their volatility and their complexity of algorithms a kind of forbidden gharar (fahish)?
- iii. Are their trading habits such that they have the moral hazard of maysir?

Such questions are not based on theoretical confusion but rather on the inability to share methodological standards according to which the classical forms of law could be contrasted with digital phenomena. The key issue, however, is not the fact that the opinions are diverse but the fact that there is no systematic set of guidelines as to the underlying juristic logic.

Significance of Fatwas

Fatwas are channels of analysis that bridge the indisputable legal values and the changing socio-economic realities. They go beyond merely describing actions as halal or haram in cryptocurrency, but instead, they turn into discursive power stations in which jurists can bargain technological uncertainty by means of jurisprudential discourse. On the part of individual investors, fatwas give them a code of morality that appeals to abstract legal theory to inform financial behavior. Fatwas form the

normative construct of product design, governance and reputational legitimacy of Islamic financial institutions. To regulators, fatwas are indications of what society anticipates and helps governments to modify policies to fit the moral economy. Collectively, fatwas create a system of jurisprudence, which follows the pillars of Shariah as it changes in the impact of related financial phenomena. According to thematic analysis of fatwas, it is possible to see both judicial results and the reasoning of interpreters.

Research Gap

The existing literature remains fragmented in three ways. First, conceptual writings focus on theological or philosophical objections and pay little attention to rigorous juristic analysis. Second, fatwa collections list permissive and prohibitive rulings but do not deconstruct their argumentative frameworks. Third, the technological potential of blockchain is often confused with Shariah assessment in technical studies. What is missing, therefore, is a systematic synthesis offering a thematic comparison of the legal reasoning utilised across institutions and jurisdictions. Without such synthesis, Islamic finance scholarship risks confusing descriptive diversity with true pluralism of analysis. Thematic interpretation of fatwas can reveal recurring principles, anxieties, and ethical priorities behind juristic divergence and provide an interpretive rather than classificatory view.

Research Objective and Questions

This research aims to construct a unified juristic map of modern-day fatwas related to Bitcoin and cryptocurrencies using qualitative thematic analysis as its methodological foundation. It does not seek to homogenize diversity of opinion but to identify the conceptual axes that characterize divergence and evaluate the jurisprudential coherence along them. The study answers four questions:

1. What are the predominant thematic areas of modern fatwas about cryptocurrencies?
2. In what ways do these themes convey the meanings of fundamental Shariah concepts *māl*, *thamaniyyah*, *gharar*, *maysir*, and *mafsadah*?
3. What is the trend of uniformity and dissimilarity among scholars and institutions in different jurisdictions?
4. What can these findings contribute to the creation of Shariah-based models of digital asset governance?

Outline of the Paper

Section 3 situates the current investigation within existing jurisprudential and fintech literature, clarifying enduring conceptual conflicts yet to be resolved. Section

4 explains the qualitative approach taken, alongside the corpus of fatwas worldwide that constitute the empirical base. The five major themes summarised after the analysis are outlined in Section 5, complemented by Section 6, which provides a comparative discussion of their juridical implications and driving forces. Section 7 concludes with a synthesis of theoretical work and outlines policy and research needs in the digital era of Islamic finance governance.

Literature Review: Foundations and Gaps

Although research on cryptocurrencies has increased rapidly in Islamic finance, the literature remains conceptually uneven, with a patchwork of dissimilar theoretical approaches across sub-disciplines. Three interdependent areas prevail in current research:

- i. Jurisprudential analyses questioning the Shariah compatibility of blockchain-based assets
- ii. Applied-assessment investigations exploring the applicability of particular cryptographic tools in modern ijтихад
- iii. Methodological studies focused on systematic analysis of juristic texts related to digital currencies.

A critical analysis of these areas shows a trend toward descriptive richness with many case studies listing what may be permitted or prohibited but a drastic lack of analytical consistency across the literature. In this way, the field of study has been divided, and in most cases, there is siloed thinking in academics but not interdisciplinary conversation.

Islamic Finance Principles: Re-examining the Juristic Bedrock

The standard classical rules of fiqh al-mu-amalat form the basis of Islamic finance. It stipulates equal treatment to mal and thamaniyyah (legal property and means of exchange), prohibits riba (usury), gharar (undue uncertainty) and maysir (speculative gain) and pursues the welfare of the people (mslahah). These principles form a normative grammar which is used to condemn new instruments. The discussion of cryptocurrencies indicates that this grammar is ambiguous. Scholars are divided on whether digital tokens are mal, since they can be recognized, transferred and legally owned, or they serve as a thamaniyyah, an exchange. According to classical thinkers like Al-Zuhayli and Ibn Qudamah, it is important that it is tangible and has the support of the sovereign. In addition to the case of evolving *urf* (customary acceptance), proposed by modern scholars as a potential source of legitimacy (Haneef et al., 2021; Dusuki and Abozaid, 2023). The juristic discussion changes the perspective on what a cryptocurrency is to what it actually does in economic exchange. Gharar and maysir acquire new definitions in the digital spaces. It is difficult to distinguish between

commercial risk (ghurmus) and too much uncertainty (gharar fahish), because of extreme price fluctuations, technical obscurity, and unstable regulation (Mohamed and Ali, 2018; Rehman et al., 2022). Non-productive activity with speculative trading is similar to maysir (Dusuki, 2022). According to some jurists, disciplined speculation is permissible in the event that the system is open and minimizes the uncertainty. The maf sadah (environmental cost, illegitimate use, and inequality) debate develops the maqasid al-Shari'ah analysis of the form of the transaction to the socio-ethical consequence (Hassan et al., 2020; Mansoori, 2019).

Existing Scholarship on Cryptocurrencies and Shariah Compliance

Four dominant strands emerge from the literature:

1. Conceptual and Philosophical Analyses

The initial research (Lahsasna, 2018; Zainol et al., 2018) relies on classical principles to evaluate cryptocurrencies and discovers them mainly unacceptable, referencing aspects of gharar and the absence of intrinsic value. These works explain the doctrinal stances, but little juristic study of real fatwas.

2. Descriptive Compilations of Fatwas

According to Alam et al. (2019) and Kassim et al. (2021), international decisions are prohibited, conditional, or permissible. However, these studies are helpful in identifying divergences but seldom enumerate the logic that lead to each conclusion, and the juristic logic is not extensively studied.

3. Technological and Governance Perspectives

The transparency and accountability are pointed out by research on the ethical potential of blockchain (Muhammad & Adnan, 2020; Saiti et al., 2021). Nevertheless, it tends to confuse architectural designs with financial application, with an emphasis on the medium, but not on its Shariah position.

4. Empirical and Comparative Analyses

Sociological information on Muslim investor behaviour is available in surveys of Muslim investor behaviour (Abubakar and Hassan, 2022; Sabri et al., 2023) but lacks textual juristic argument. Individual case reports also provide more detail, although they do not have a cross-jurisdictional synthesis (Ali & Hasan, 2022; Oseni & Ahmad, 2023). All these leads to the key dilemma as Alam et al. (2019) identify: a fragmented discourse in a descriptive/doctrinal binary.

Methodological Precedents and the Case for Thematic Analysis

Thematic Analysis (TA) is a common practice in Islamic studies since juristic texts have latent reasoning. Irrespective of the lack of unanimously accepted standards, TA has become a popular instrument among both researchers (Abdullah & Rahman, 2017; Ali, 2017; Ghaly, 2015) and practitioners working in quite different areas, such as medicine and finance. TA is also suitable to Islamic finance but is not exploited. Scholars engaged in this research of Islamic finance have a high level of normative judgment. This paper analyses the fatwas as data that expresses the legal rationale in the technological novelty by using the six-stage reflexive framing by Braun and Clarke (2006, 2022). The strategy does not merely enumerate verdicts but investigates the conceptual arguments underlying verdicts. This increases the level of transparency and credibility as per the rigorous qualitative inquiry advocated by Lincoln and Guba (1985).

Synthesizing the Gaps and Defining the Contribution

There are three chronic shortcomings:

1. Absence of Systematic Synthesis.

Past studies separate rulings, and do not compare them within and across jurisdictions. This has led to lack of an integrated juristic map in the field.

2. Lack of Structured Thematic Mapping.

Research has not found any common sub-themes in disagreements over views particularly over mal, gharar and maysir.

3. Limited Reflexivity and Transparency.

Researchers lack methodological reflexivity in reading and coding of texts.

Across 12 jurisdictions, recognized scholars and institutions collectively issue fatwas on a range of issues. This study fills these gaps through a systematic thematic analysis of 32 fatwas. Drawing on over 100 fatwas on modern Islamic finance topics, it makes a case for the convergence of juristic opinions. It discourages intellectual animosity among scholars and encourages collaboration in establishing a “composite view.” The goal is not consensus but to show how classical principles are being reactivated in response to unprecedented phenomena. The methodology section, therefore, should retain both analytical and factual rigor.

Methodology: A Systematic Thematic Analysis of Fatwas

Research Design and Rationale

This study’s design is qualitative and interpretive and is grounded in TA. The goal is not to measure juristic frequency but to interpret how scholars’ reason about

new financial phenomena. Fatwas deal with norms and not empirical behaviour, and qualitative interpretation is an appropriate method to distil the meanings, legal arguments, and ethical priorities within these texts. TA is particularly useful for this research since it systematises the identification of repeated reasoning while allowing for contextual specificity (Braun & Clarke, 2006, 2022). The methodological focus is analytical: it interprets how jurists construct categories such as *māl*, *gharar*, and *maysir* and why their conclusions differ. TA serves as a connecting point between the classical logic of *fiqh al-mu‘āmalāt* and the jurisprudential demands of digital assets.

Data Source and Corpus Composition

The only data used are publicly issued fatwas that specifically mention Bitcoin or cryptocurrencies as a financial instrument or medium of exchange. Between 2014 and 2024, 32 such fatwas were identified and included after an extensive search. They were issued by 12 jurisdictions and 20 different authorities, ensuring geographical and theological coverage.

Table 1: Data Source and Corpus Composition

Jurisdiction / Issuing Body	Year(s)	Final Ruling
Dar al-Ifta al-Misriyyah (Egypt)	2018	Prohibited
Permanent Committee for Scholarly Research and Ifta (Saudi Arabia)	2018	Prohibited
Council of Senior Scholars (Saudi Arabia)	2021	Prohibited
Indonesian Ulema Council (MUI)	2017	Prohibited
Financial Services Authority (OJK) & National Shariah Board (Indonesia)	2023	Conditional
Bank Negara Malaysia – Shariah Advisory Council (SAC)	2021–22	Conditional
Securities Commission Malaysia – SAC	2022	Conditional
Majlis Ugama Islam Singapura (MUIS)	2022	Conditional
Diyonet (Turkey)	2021	Prohibited
International Islamic Fiqh Academy (OIC – Jeddah)	2019	Prohibited
European Council for Fatwa and Research (ECFR)	2019	Conditional
Independent Scholars (e.g., Taqi Usmani, Ali Gomaa)	2017–23	Mixed

Source: Author

Of the thirty-two fatwas, seventeen (53%) declared outright prohibition; ten (31%) allowed conditional or regulated use; and five (16%) were cautiously neutral pending further evidence. About 60% of the total dataset comprises Arabic sources, while English sources make up 40%. To ensure verifiable provenance for each document, the URL, date of issue, and issuing institution were archived.

Data Collection and Verification

Data were obtained through a four-step procedure:

1. Specific searches employing targeted keywords (e.g., “ḥukm al-bitkūn,” “Bitcoin fatwa,” “Shariah cryptocurrency ruling”) on institutional sites and fatwa portals.
2. Database review in Scopus, Web of Science, and ISRA repositories to locate rulings embedded in peer-reviewed publications.
3. Snowballing from bibliographies and references in prior academic studies.
4. Authenticity checks confirming institutional legitimacy through cross-references with official domains or printed compendia.

All validated texts were imported into NVivo 12 Plus for orderly handling, indexing, and retrieval.

Analytical Procedure

The research undertook the six phases of the TA model by Braun and Clarke: The fatwas were read over and over again in order to understand their context, reasoning and terminology. After every reading, memos were taken to mention first impressions. Firstly, it was necessary to make sure that the final copy of the code was a clean copy. The paper was written to a final version before the deadline and each section copied to another copy of the code. The codes were classified into conceptual clusters and five key themes were identified which are ontological ambiguity, gharar, maysir, mafsadah and juristic divergences. Two different sets were verified and confirmed by cross-checking codified segments. Conceptualizing and labeling themes: themes were conceptualized as the analytical categories which are related to the research questions. The second type was related to theme related mappings synthesis. These mappings depicted the interaction of juristic logics e.g. how perceived gharar informs maysir or mafsadah. NVivo queries were formed in order to generate code frequencies and co-occurrence matrices, which increases the transparency between the data and interpretation.

Ensuring Rigor and Credibility

- The accuracy was checked and balances were put in place: approximately 25 percent of the coded information was checked by an independent coder, an Islamic finance researcher. Inter-coder agreement was found to be over 90% after argumentation. NVivo software was used as an audit trail to log all coding decisions and revisions of the memos, along with the research diary.

- Doctrinal triangulation ensured that all juristic arguments were cross-referenced with classical sources cited within the fatwas (e.g., Ibn Taymiyyah, 2004; Al-Zuhayli, 2003).
- Arabic quotes were kept in transliterated form along with English translations to ensure conceptual accuracy.

Researcher Reflexivity and Positionality

Reflexivity was infused throughout the study since analysis is the interpretation of this actor, the analyst. The scholar was an Islamic financier who did not give legal opinions, but rather interpreted by finding thematic conclusions in the thinking of jurists. The researcher wrote a reflexive memo whenever an interpretation decision was arrived at. This tradition distanced analytical inference and theological judgment, and agreed with the focus on credibility, confirmability, and dependability by Lincoln and Guba (1985).

Ethical and Scholarly Integrity

No human subject's approval was necessary since only public documents were used. All quotes and institutional references are verbatim and properly attributed. The aim is academic representation rather than assessment of juristic authority.

Findings: Thematic Synthesis of Juristic Reasoning

Over 30 fatwas were analyzed, five themes emerged from the thematic analysis that summarizes the views of Islamic jurists on cryptocurrencies. Each theme corresponds with one or more of the research questions and illustrates the interpretive logic rather than the mere verdicts underlying current Shariah positions.

Ontological Ambiguity: Is Cryptocurrency Māl or Thaman?

The nature of cryptocurrencies presents a challenge in juristic circles. Are they māl or thamaniyyah? In other words, do cryptocurrencies hold property status or money status?

- Major rulings reject the assertion that digital tokens are māl because they do not possess intrinsic value, physicality, or state guarantee. Māl is that which requires taqawwum (legal usability) and whose value does not merely depend on public speculation; in other words, this reasoning would undermine the hukm that jewellers have malikiyyah (ownership) of gold and silver.
- Rulings have been issued (SAC Malaysia 2021; ECFR 2019) where conditional rulings are made invoking 'urf, which connotes recognition through customary acceptance. This means that socially recognised objects can be conferred māl even though they are not physically material in nature.

Some people compare cryptocurrencies to either sukūk or e-money, saying that functionality and acceptance make them Shariah-compatible.

The two differing worldviews at work are an ontological paradigm, grounded in substance and authority, and a functional paradigm, prioritising recognition and function. The difference is not inconsistency but methodological emphasis whether the inwardness of māl is defined by implication to ontology or by relation of usage. This theme lays down the conceptual framework for later discussions on gharar and maysir.

Gharar: Uncertainty, Risk, and Informational Opacity

Most fatwas mention gharar as a main barrier to permissibility. The reasoning, however, varies by interpretive threshold.

- “Crypto trading is just like gambling.” This is true because it has an absolute prohibition due to the excessive uncertainty (gharar fāḥish) it creates. Fatwas issued by Saudi and Egyptian authorities indicate that, having no intrinsic value, anonymity, and instability of the market are structural features rendering it impermissibly ambiguous.
- Conditional rulings distinguish speculative use from transactional use. The Malaysian and Singaporean regulators on Islamic finance hold that gharar is relative and can be addressed involving disclosure, transparency in price, and regulation.

This theme demonstrates that gharar is a juristic elasticity test in an analytical perspective. As the environment of information becomes more manageable, scholars reclassify uncertainty. This change occurs from what is forbidden to what is tolerated. The Shariah evaluation does not merely depend on volatility but on the governance mechanisms that convert the element of uncertainty into a measure of risk (ghurm).

Maysir: The Moral Boundary of Speculation

Maysir appears in 26 of the 32 fatwas and overlaps conceptually with gharar but operates on moral rather than epistemic grounds. Jurists invoke maysir based on intention and economic function.

- Purely speculative exchanges and leveraging bets on prices are maysir and therefore condemned because the profit originates from the loss of others and not from a useful exchange (Dar al-Ifta 2018; MUI 2017).
- According to a fatwa issued by SAC Malaysia and the ECFR, speculative trading differs from utility-based holding or the use of blockchain for legally permissible commercial activity.

Maysir is a signifier in the moral diagnostic that helps demarcate value creation from value transfer. When trading resembles betting, the prohibition is moral. When

it is justified for a legitimate commercial purpose, permission is conditional. Therefore, the theme expresses a movement from categorical prohibition to functional ethics. Most importantly, it aligns with the *maqāṣid al-Shari‘ah* principle, which aims to prevent social harm and enable innovation.

Mafsadah: Societal Harm and Public Interest

A modern legal issue often mentioned in fatwas is mafsadahharm to the individual or society. Three sub-dimensions appear repeatedly:

1. Fear of money laundering, terrorism financing, and capital flight (Saudi Arabia, Egypt, Turkey).
2. Speculative bubbles disrupt financial justice and economic security and undermine confidence in financial systems (OIC Fiqh Academy 2019).
3. The high consumption of energy with concentration of wealth disturbs both ‘adl (justice) and *istiṣlāḥ* (public benefit).

If it is possible to manage a certain problem, it should not be made haram due to the presence of a solution. Mafsadah works as a balancing concept between juristic caution and pragmatic governance.

Divergence on Juristic Issues: An Emerging Convergence

The corpus reveals structured divergence, not randomness. The variations in legal methodology refer to the institutional mandate and regulatory context.

- State fatwa councils in conservative jurisdictions such as Saudi Arabia and Egypt have a *ḥifẓ al-māl* (wealth-protection) emphasis, which makes them risk-averse.
- The councils of Malaysia, Singapore, and the ECFR, which bring together regulators and economists, adopt a *tathmīr al-māl* (wealth-development) approach to emphasise governance and economic inclusion.
- Independent scholars find themselves in a middle interpretive ground between extremes. While they acknowledge risk, they still encourage continued *ijtihād* (Islamic legal reasoning) and creativity as technology continues to develop.

Over the years, there has been a drift towards convergence. By 2023, certain bodies such as MUI, Malaysia SAC, and ECFR shifted from blanket prohibition to conditional acceptance. This implies juristic adaptation due to the increased understanding of blockchain architecture and state-sponsored regulation.

This finding affirms that juristic difference is pedagogical *ijtihād* and not fragmentation. Consequently, disagreement becomes a methodological means that

allows the tradition to absorb technological innovation without abandoning fundamentals.

Thematic Summary and Linkage to Research Questions

Table 2: Thematic Summary and Linkage to Research Questions

Theme	Core Juristic Concern	Key Interpretive Logic	Linked RQ(s)
Ontological Ambiguity	Nature of māl and thamaniyyah	Substance vs. function debate	RQ1, RQ2
Gharar	Uncertainty and informational opacity	From structural prohibition to risk management	RQ2, RQ3
Maysir	Speculative behaviour and moral intent	Zero-sum ethics vs. productive investment	RQ2, RQ3
Mafsadah	Societal and systemic harm	Balancing maṣlahah and regulation	RQ3
Juristic Divergence	Interpretive pluralism	Contextual ijtihād and evolving consensus	RQ4

Source: Author

Analytical Synthesis

The arrangement of themes suggests that juristic reasoning progresses along two intersecting axesontological-functional (what they are) and ethical-regulatory (what they ought to do). The strongest positions, that is, the prohibitive ones, lie at the ontological and ethical extremes, whereby māl status is denied and maysir is highlighted. Conditional positions emerge where governance converts uncertainty into managed risk. The Shariah assessment of cryptocurrencies is no longer based on the object set but, on the system, set. However, Shariah consensus will involve less metaphysical definitions in the future and more on the capacity of institutions to create transparency and justice.

Discussion and Implications

Interpreting Juristic Reasoning: From Ontology to Functionality

Based on the findings, the juristic disagreement over cryptocurrencies is a sign of a pluralistic approach, rather than of a doctrinal confusion. Classical jurisprudence decreased in a commodity economy, and cryptocurrency replaces such material economies. Lawyers who have been trained to think based on ontology, that is, what constitutes mal based on its tangibility and legalization by the state, regard

the digital asset as a non-existent or nothing in its classical meaning. Conversely, functionalist jurists who are based on the *urf* concept of value perceive value as relational. The contrast portrays a transformation of substance ontology to functional legitimacy. The implications of this are theoretically important as it implies that it is the power to recalculate timeless principles into new empirical referents that makes the Islamic law vital. It is no longer a question of whether or not Bitcoin is money, but whether its application and its government have achieved the necessary moral ends of stability, transparency, and distributive justice in Islam.

Risk, Morality, and the New Definitions of Gharar and Maysir

The conversation surrounding *gharar* and *maysir* shows how jurists renegotiate the moral boundaries of speculation. Classical definitions place *gharar* in uncertainty and *maysir* in gains from gambling. Phenomena in crypto markets are not inherently deceptive but result from a lack of information and behavioural excesses.

Where regulation reduces uncertainty to a calculable risk through disclosure, asset-backing, or anti-money-laundering mechanisms, *gharar* is lessened. We modify the thinking on uncertainty: it is not merely permissible or prohibited but also contextual. Likewise, *Maysir* moves from the prohibition of gambling to a critique of non-productive speculation. These reinterpretations indicate a jurisprudence that increasingly turns towards ethics rather than form.

Comparative Juristic Dynamics: MENA and Southeast Asia

A side-by-side analysis of the corpus reveals regional interpretative patterns.

- Institutions in the MENA region, like Saudi, Egypt, Turkey and the OIC Fiqh Academy, lay a big emphasis on the protection of wealth and moral order. Their legal reasoning is defensive. They are using *sadd al-dhari‘ah* to block harm. This warning arises from the centrally-controlled finance in the area.
- Malaysia, Indonesia and Singapore have plans to build their wealth through regulated innovation. Their arguments touch on risk minimization and market discipline and potential for fintech which reflects an orientation to *maqāṣid al-Shari‘ah* as well as financial inclusion.

The structures of economic governance are reflected in Islamic finance fatwas. Divergence functions as adaptive pluralism, not doctrinal fragmentation.

Toward a Conceptual Framework: The Juristic Adaptation Matrix

Bringing all themes together, the study suggests a Juristic Adaptation Matrix which shows how a ruling emerges at the intersection of two dimensions.

Table 3: The Juristic Adaptation Matrix

Dimension	Low Regulation / High Uncertainty	High Regulation / Low Uncertainty
Substantive Ontology (value judged by essence)	Prohibition: Bitcoin lacks tangible māl; excessive gharar (e.g., Saudi Arabia, Egypt)	Conditionality: limited acceptance if asset-backed or supervised
Functional Legitimacy (value judged by social use)	Caution: speculative maysir dominates (Indonesia 2017)	Permissibility: crypto as a financial instrument under Shariah governance (Malaysia SAC, ECFR)

Source: Author

The table shows that the juristic shift from prohibition to conditional acceptance happens due to the regulatory maturity and functional recognition and not theological concession. It changes the dispute from a binary state of what is legal or illegal into a continuum of evaluation from Shariah norms to ability of institutions.

Policy and Industry Implications

1. For Shariah Boards:

A digital asset should be judged not on the metaphysics of the asset but on clear and comprehensible standards on disclosure, traceability, and compliance. Encourage ongoing collective reasoning to avoid rulings that delay in correcting errors.

2. For Regulators:

Make sure national crypto-asset frameworks have Shariah risk assessment to let prudential and ethical purposes meet. Work with international Islamic finance organizations to create a shared vocabulary for halal digital-assets.

3. For Fintech Developers:

Design blockchain products containing technical architecture that embeds maqāṣid values and ecology.

Following ethical values taught in Islam makes transactions credible.

Theoretical Implications

The study places Islamic law back within critical legal pluralism. Courts apply not rules but culture; they engage in an ongoing interpretive dialogue involving revelation, reason, and technology. The functional turn in ethics is a juristic learning curve: Shariah reasoning grows in response to disruption, not by pretending it is not

there. This is similar to other ethical systems around the world. In these, legitimate authority comes from governing practices, not metaphysics.

Summary

The exchange indicates that differences in fatwas imply methodological adjustment. The industry is making a shift from textual defensive arguments to governance arguments, which combine fiqh with technology. The rules may achieve *maqāṣid* transparency, justice, and prosperity so that they may converge. Islamic finance will shift from orthodox prohibition to principled permissibility.

Conclusion and Future Research

Reaffirming the Analytical Contribution

As this paper concludes, the contemporary fatwas related to bitcoin and cryptocurrencies should not be treated as an isolated set of fatwas, but a coherent juristic discourse in the context of technological disruption. The study identified five recurrent interpretive logics: ontological ambiguity, *gharar*, *maysir*, *mafsadah*, and juristic divergence through thematic analysis of thirty-two rulings from twelve jurisdictions. The findings suggest that, rather than contradiction, there are different methodological approaches. Another reason for the current controversy is that some jurists give priority to the ontological essence of money, while others emphasize functional legitimacy grounded in social acceptance and regulatory governance.

By turning juristic pluralism into an analytical map, this reframing advances Islamic finance scholarship. The research indicates that adaptive pluralism allows Shariah reasoning and legitimacy to be negotiated between classical textual principles and contemporary financial realities.

Theoretical Implications

Research on *fiqh al-mu‘āmalāt* causes the concept of *fiqh al-mu‘āmalāt* to expand its scope.

1. The evaluation of juristic scope in finance is moving from ontology to functionality. The focus is increasingly on whether the financial instrument serves the *maqāṣid al-Sharī‘ah*. Thus, it must uphold *al-shafāfah* (transparency), *al-‘adālah* (justice), and *al-dharūrah* (social welfare).
2. The change from complete prohibition to conditional acceptance recognizes governance as a criterion for legitimacy. Thus, prohibition can evolve into regulation.
3. Across regions, fatwas have transformed from textual isolation to comparative synthesis, suggesting a global Islamic legal ecology in which national regulatory maturity mediates interpretive outcomes.

Overall, Islamic law can adapt to advanced technologies without compromising its core set of rules and morals.

Practical and Policy Implications

1. Shariah Governance:

Islamic financial institutions should formalize continuous *ijtihād jamā'ī* (collective reasoning) by establishing specialized digital finance committees within Shariah boards. Different jurisdictions should collaborate to set agreed criteria for what may be permitted in this space.

2. Regulatory Frameworks:

Regulators need to include Shariah-compliance assessments in national digital-asset policies. If transparent disclosures, asset-backing requirements, and anti-fraud protocols are adopted, *gharar* can be managed as risk.

3. Fintech Innovation:

When designing blockchain applications, developers are advised to embed *maqāṣid* values such as traceability, distributive equity, and ecological responsibility, thereby channeling ethical principles into the algorithmic architecture of the technology.

4. Educational Reform:

Islamic finance courses must incorporate jurisprudence on the digital economy, data ethics, and qualitative legal analysis to prepare jurists for tech-mediated markets.

Limitations

Two methodological constraints must be acknowledged.

First, the corpus is limited to those fatwas that are in writing and available either in Arabic or English, unpublished ones or ones in local language may have different shades of meaning.

Next, while systematic, thematic interpretation is a mediated reading of texts and cannot substitute juristic authority. Future research should consider including interviews with muftis and regulators to gain insights on ongoing contexts.

Directions for Future Research

Based on the above study, there are many opportunities worth exploring.

- Study how institutional fatwas change due to improved regulation over time, and how the infrastructure of stablecoins gets affected.

- Examine how Shariah analysis interacts with secular financial regulation in dual-system economies.
- Investigate how smart-contract design and DeFi platforms might operationalize *maqāṣid al-Shari‘ah* principles.
- **Jurimetrics studies of a quantitative nature:** analyses large corpora to map semantic networks of juristic reasoning.

The progress of these extensions will enhance the normative adaptation of Islamic digital finance jurisprudence from theme-based interpretive textuality to an empirical science. Please let me know if you need something else.

Concluding Reflection

Current-day fatwas suggest that Islam, as a legal tradition, is neither static nor reactive. This tradition is alive; it holds a balance between revelation and reason, principle and reality. The emergence of cryptocurrencies has triggered a new wave of creativity in law-making as jurists rethink fundamental concepts of *māl*, risk and moral economy. The development of Islamic finance is unlikely to recreate any doctrinal rigidity. If anything, it will cultivate a reflexive, principled adaptability jurisprudence so secure in itself that it will innovate but remain faithful to its ethics and principles.

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