



International Trade Dynamics of Islamic Countries: An Analysis of Challenges and Opportunities Amid Global Economic Flows

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ABSTRACT

This study aims to analyze the challenges and opportunities of international trade of Islamic countries in the midst of global economic flows using a descriptive qualitative approach based on literature studies. Data was obtained from reports from international institutions such as the World Bank, IMF, OECD, and IsDB, as well as academic literature related to Islamic economics and international trade. The analysis was carried out through the integration of conventional trade theory, competitive advantage theory, and Islamic value approach based on the concepts of Maqāṣid al-Sharī'ah and Value-Based Intermediation (VBI). The results of the study show that the main challenges of international trade of Islamic countries include economic structural inequality, non-tariff barriers, fragmentation of halal standards, technological gaps, as well as delays in facing digitalization and green economy. However, great opportunities also open up through strengthening the digital economy, transitioning to green trade, Islamic finance innovation, and collaboration between OIC countries in building value-based trading systems. The integration of Maqāṣid al-Sharī'ah and VBI can be a strategic basis for Islamic countries to create a competitive, fair, and sustainable trading system. This research confirms that the success of the Islamic world in dealing with economic globalization is determined not only by structural reforms, but also by the ability to internalize Islamic values in international trade policies and practices. Thus, international trade between Islamic countries has the potential to become a new moral and economic force that is able to encourage the creation of a more balanced, inclusive, and civilized global economic order.

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INTRODUCTION

International trade is one of the main pillars that supports global economic growth as well as a strategic instrument for improving welfare between countries. In the context of the Islamic world, trade has a very important role, not only as an economic activity, but also as a means to realize social justice and the prosperity of the ummah. Countries that are members of the Organization of Islamic Cooperation (OIC) have great potential because they control more than 25% of the world's population and around 12% global trade share (*OECD Economic Outlook, Volume 2023 Issue 1* | OECD, t.t.). However, the trade contribution of Islamic countries to the global economy still does not reflect its potential optimally. During the period 2015–2025, the dynamics of international trade in Islamic countries experienced various pressures due to the Economic structural inequality, dependence on primary commodity exports, as well as weak product diversification. This makes the economies of Islamic countries particularly vulnerable to fluctuations in energy prices, geopolitical instability, and changes in global protectionist policies (Black et al., 2023). In addition, non-tariff challenges such as High logistics costs, Differences in Halal Standards between Countries and limitations of digital and financial infrastructure also hinder the economic integration of the Islamic world (Citaristi, 2022).

On the other hand, the flow of globalization followed by Digital Transformation and Green Economy Transition opens up great opportunities for Islamic countries to develop new trade models that are more inclusive and sustainable. The Importance of Financial Technology (*Fintech*), *E-commerce*, as well as cross-border payment systems are important momentum to strengthen the position of the Islamic world in the global supply chain (Apriyanto et al., t.t.). Value-based and sustainable international trade can be a new strategy to increase competitiveness while strengthening the economic integrity of Muslims in the midst of increasingly dynamic global competition .

In perspective Islamic economy, trade is not only an activity of exchanging goods and services, but also part of the moral mission to achieve *Maslaha* (benefits) and economic justice. Concept *Maqāṣid al-Sharī'ah* emphasizing the importance of maintaining a balance between economic efficiency and human values in every business activity (Chapra dkk., 2000). In the modern context, this approach is reinforced by the paradigm Value-Based Intermediation (VBI) introduced by Bank Negara Malaysia (2018), namely the integration between economic value creation with social and environmental responsibility. This ethical approach is very relevant to direct the international trade of Islamic countries to be not only profit-oriented, but also to global sustainability and justice. Although there are various studies on International trade of OIC countries (Yeisa & Rani, 2020), still available Research Gap significant. First, most previous studies have focused on macroeconomic analysis and trade statistics without integrating Islamic values in policy analysis. Second, research on The Implications of Digital Transformation and Green Economic Transition on Trade of Islamic Countries is still limited, even though these two aspects are now key factors in the global trading system. Third, there have not been many studies that combine the normative approach of Maqāṣid al-Sharī'ah and the framework of VBI as an ethical basis in increasing the competitiveness of international trade in the Islamic world (Iskamto dkk., 2020; Jaenudin & Fauziana, 2022; Supriadi dkk., 2022).

Therefore, this study aims to analyze the dynamics of international trade of Islamic countries by highlighting challenges and opportunities in the midst of changing global economic trends. The approach used in this study seeks to integrate empirical analysis and normative reflection in order to provide a more comprehensive picture of the strategic position of the Islamic world in the contemporary international trading system. The results of this study are expected to make a theoretical and practical contribution to the development of international trade policies based on Islamic values that are fair, inclusive, and sustainable.

LITERATURE REVIEW

Conventional International Trade Theory

Classical international trade theory is rooted in the views of Adam Smith (1776) and David Ricardo (1817), who emphasized the importance of absolute and comparative advantage. Smith stated that a country should focus production on goods that it can produce more efficiently than other countries. Meanwhile, Ricardo emphasized that trade will remain beneficial to both parties if each country specializes in products with lower *opportunity costs* (Salvatore, 2019) .

In a subsequent development, Heckscher and Ohlin (1933) expanded this theory through the *factor endowment model* , which states that trade patterns between countries are determined by differences in ownership of factors of production such as labor, capital, and natural resources. Countries with abundant production factors will export goods that intensively use those factors.

In the context of Islamic countries, this theory is relevant for explaining export patterns still dominated by raw commodities and fossil fuels. However, this dependence creates economic vulnerability due to high price fluctuations and low added value of export products. Therefore, classical trade theory needs to be reexamined by considering institutional factors, innovation, and ethical values that influence the direction of modern global trade (Krugman et al., 2022) .

Competitive Advantage Theory and the Challenges of Globalization

Competitive Advantage Theory proposed by Michael Porter (1990) emphasizes that a country's competitiveness is determined not only by natural resources, but also by its innovation capacity, efficiency, and industrial strategy. Porter introduced *the Diamond Model* , which encompasses four main determinants: factor conditions, demand conditions, related industries, and corporate strategy and structure. These four factors form a productive ecosystem that supports increased export value and global competitiveness.

In the context of globalization, this theory has transformed into a "knowledge-based economy" paradigm that positions technology, innovation, and digitalization as the primary sources of competitiveness (*World Economic Forum Annual Meeting 2024* , n.d.) . Countries with rapid technological adaptation capabilities tend to have a stronger position in global trade. However, for many Islamic countries, challenges arise due to limited digital infrastructure, high logistics costs, and policy fragmentation among OIC countries (Agaba dkk., 2023).

Therefore, modern competitive advantage theory calls for structural reform and collaboration across Islamic countries to strengthen supply chains, improve logistics efficiency, and utilize digital technology as a trade catalyst. This concept becomes relevant when integrated with Islamic ethical principles that emphasize the balance between economic growth and social justice.

Maqā ṣid al-Sharī'ah Theory and Value-Based Intermediation (VBI) in Islamic Economics

In the perspective of Islamic economics, trade is an activity that has spiritual and social values, not just an economic activity oriented towards profit. The theory of *Maqasid al-Shari'ah*, as explained by al-Ghazali (1937) and developed by al-Shatibi (1997), emphasizes five main objectives of sharia: safeguarding religion (*hifz al-din*), life (*hifz al-nafs*), reason (*hifz al-aql*), descendants (*hifz al-nasl*), and property (*hifz al-mal*). In the context of trade, maqasid directs economic activities to avoid the practices of usury, gharar, and exploitation, and is oriented towards collective welfare (Chapra et al., 2000) .

Meanwhile, the *Value-Based Intermediation (VBI) concept* introduced by Bank Negara Malaysia (2018) represents a modernization of the maqā ṣid principle in the contemporary economic system. VBI emphasizes the creation of economic value alongside social and environmental values. In the context of international trade, implementing VBI ensures that export-import processes, trade financing, and cross-border investment are conducted with sustainability, fairness, and social responsibility in mind.

Maqā ṣid al-Sharī'ah and VBI theories in the analysis of international trade enables Islamic countries to build a competitive and equitable economic system. This paradigm bridges the gap between the goal of economic efficiency (as in conventional theory) and the moral values of humanity (as taught in Islam). Thus, the success of international trade in Islamic countries is measured not only by export surpluses but also by the extent to which such trade realizes mutual benefit, sustainability, and prosperity

METHOD

This research uses a descriptive qualitative approach with a library research method. which aims to explore in depth the phenomenon of international trade in Islamic countries in the context of global economic flows. This approach was chosen because the focus of the research is not only on statistical measurements, but also on conceptual and interpretative understanding of the challenges and opportunities of international trade from an Islamic economic perspective. The data in this study are entirely sourced from secondary data obtained through literature reviews, both from scientific publications, reports of international institutions, and global economic policy documents. The main sources analyzed include reports from *the World Bank* , *the International Monetary Fund (IMF)* , *the Organization for Economic Co-operation and Development (OECD)* , and *the Islamic Development Bank (IsDB)* which contain empirical data on the trade performance of the Organization of Islamic Cooperation (OIC) countries during the period 2015–2025.

Furthermore, this study also examines academic literature and Islamic economics journals relevant to the concepts of international trade, the integration of the Islamic world economy, and sustainable development policies. Furthermore, normative references such as Chapra's (2000) work on *Maqā ṣid al-Sharī'ah* and the official document of Bank Negara Malaysia (2018) on *Value-Based Intermediation (VBI)* were used in constructing the ethical and conceptual analytical framework of this study.

Conceptually, this research is based on the integration of conventional economic theory and Islamic economics. The framework places three main dimensions as the basis of analysis. First, the structural dimension, which includes economic inequality, low diversification of export products, and logistical inefficiencies that are the main obstacles to trade in the Islamic world. Second, the dimension of globalization, which includes the impact of digitalization, the green economy transition, and changes in

global trade policies that increasingly emphasize aspects of sustainability. Third, the dimension of Islamic values, which serves as the moral foundation and policy direction, is realized through the principles of *Maqāṣid al-Sharī'ah* and *Value-Based Intermediation (VBI)* as an effort to balance economic efficiency, social justice, and environmental responsibility.

Through this framework, this study emphasizes that the dynamics of international trade in Islamic countries cannot be understood solely from a macroeconomic perspective but must also be viewed from a moral and value perspective. The *maqāṣid* and VBI-based approaches provide a new direction for the Islamic world to strengthen global competitiveness without neglecting the principles of justice and universal welfare. Thus, this study not only contributes to the development of Islamic values-based international trade theory but also offers a strategic analytical framework for economic policymakers in Islamic countries in addressing the complexities of the contemporary global economy.

RESULT

International trade for Islamic countries plays a very strategic role in strengthening the global economic position, increasing growth, and encouraging the distribution of prosperity among member countries. From an Islamic economic perspective, trade activities are not only seen as an instrument for the exchange of goods and services, but also as a manifestation of the implementation of the values of justice (*al-adl*), balance (*tawāzun*), and welfare (*maṣ laḥ ah*) which are the main objectives of *maqāṣid al-sharī'ah*. Therefore, an analysis of the dynamics of international trade in Islamic countries needs to encompass two main dimensions: the structural and technological economic dimensions that reflect objective conditions, and the normative and ethical dimensions that reflect the ideals of the Islamic economic system in responding to global challenges.

Based on literature reviews from various sources, including the World Bank (2024), the OECD, and the Islamic Development Bank (IsDB), international trade in Islamic countries still faces a number of fundamental obstacles, but also shows significant potential to grow into a more independent and equitable economic power. In general, intra-OIC trade performance remains at around 20–22% of total global trade, indicating limited economic integration in the Islamic world. Meanwhile, the dominance of raw commodity exports and low industrialization have led to economic dependence on external markets, which has resulted in price fluctuations and trade balance instability. However, globalization and digital transformation have opened up opportunities for Islamic countries to strengthen their bargaining position through technological innovation, strengthening the halal sector, and establishing closer economic cooperation among OIC members.

From the data analysis and theories used, it is clear that the dynamics of international trade in the Islamic world are not only purely economic issues, but are also closely related to governance, public policy, and moral values that shape the character of Islamic economics. The link between economic efficiency and spiritual values is a distinguishing element in the trade development strategies of Islamic countries compared to pure capitalist economic models. Therefore, the discussion in this study is divided into two main focuses: first, Challenges to International Trade in Islamic Countries, which reviews various structural, technological, and policy obstacles still faced; and second, Opportunities and Strategies for Strengthening Trade in Islamic Countries in the Era of Economic Globalization, which highlights the potential and strategic steps to build a competitive, equitable, and sustainable trade system in accordance with the principles of *maqāṣid al-sharī'ah*.

Challenge trading international Islamic countries

Trading international for Islamic countries is an important pillar in support development economy and welfare society. However, even though own source Power abundant nature, position strategic geography, and large population, performance trading international Islamic world has not show commensurate contribution compared to with its potential. Data released by the *Organisation for Economic Co-operation and Development (OECD Economic Outlook, Volume 2023 Issue 1 | OECD , tt)* show that member countries Organization Islamic Cooperation or (OIC) only donate around 11–12% of the total volume of world trade, relative numbers stagnan in One decade last . Condition This signify existence problem structural and institutional which are still hinder optimization role Islamic

world economy on the global stage. One of challenge The main problem faced by Islamic countries is dependence to export primary commodities, especially oil earth, natural gas, and products mining. Export patterns like This make the economies of Islamic countries are vulnerable to fluctuations global prices , especially when request world energy is experiencing decline . For example , decline price oil in 2020–2021 due to the COVID-19 pandemic has caused deficit balance sheet trade in several Middle Eastern and North African (MENA) countries, most of which big depend on export energy fossil as source income main (IMF, 2023). Dependence to commodities raw also inhibits diversification economy and weaken Power competition sector industry manufacturing as well as service worth plus tall. In addiion, the obstacles structural and non- tariff Still become problem fundamental that lowers efficiency trading between Islamic countries. Report *Islamic Development Bank* (Citaristi , 2022) mention that cost logistics in the OIC region is still around 35% more tall compared to the global average. This is caused by infrastructure transportation and ports that have not been adequate, weak coordination policy between countries, as well as difference regulations slowing down of exports and imports current goods and services. As a result, the volume of intra- OIC trade is only reach around 20% of total exports they, far below level integration economy area like the European Union which achieved more from 60%.

next factor that is not lost significant is fragmentation policy trade and differences halal standards between Islamic countries. Although majority the population in OIC countries is Muslim, so now Still Not yet There is system agreed global halal certification together . As a result , the export process halal products between Islamic countries become hampered by overlapping overlap regulations and bureaucracy that are not efficient . In fact , the potential of the global halal market is estimated reach US\$ 3 trillion by 2025, covers sector food , pharmaceuticals , cosmetics , and halal tourism (Al-Shami & Abdullah, 2023) . Delays in harmonize this halal standard causing Islamic countries to lose opportunity economy as big as it should be become superiority comparative experience.

Another challenge that is increasing real is digital disruption and transformation global economy. World trade now has shift going to digital system based technology information and communication , where transactions cross limit the more relies on *e-commerce* platforms and systems digital payments . However , some large Islamic countries still left behind in matter digitalization economy . Based on *World Bank* data (*World Bank's Fall 2023 Regional Economic Updates* , tt) , internet penetration in several OIC member countries is still below 60%, while capacity adoption technology Industry 4.0 is still limited to sectors certain conditions This weaken Power competition export product industry and limit participation perpetrator business small and medium enterprises (SMEs) in digital global trade. In addition, there is also a shift direction global economy towards sustainability present challenge new for the Islamic world. Policy environment like *The Carbon Border Adjustment Mechanism (CBAM)* implemented by the European Union demanding other countries, including Islamic countries, to adapt production they with standard low emission carbon. This is become challenge heavy for countries that are still energy dependent fossils and not yet own policy integrated environment. Without adaptation to trend economy green, Islamic countries have potential lost access to export markets major in Europe and America.

Challenges it also has dimensions social and institutional. Quality of governance and stability politics that has not been consistent in some OIC member countries weaken certainty investment and trade cross- country. Uncertainty law, corruption, and long bureaucracy often hinders entry investment foreigners needed for push industrialization and diversification economy. In the context of this, *World Governance Indicators (2023)* put part large number of Islamic countries is below the global average in indicator effectiveness government and quality regulations trade.

In perspective Islamic economics also shows existence a number of challenge among them, imbalance between growth economics and values justice social (*al- adl*) which becomes base *maqa ş id al- Syari'ah*. Trading international should No only interpreted as activity look for profit , but also as means For create welfare together (*maslaha āmmah*) and avoid exploitation source power . When the system global trade tends to cause inequality, exploitation source power, and damage environment, things the contradictory with Islamic principles that emphasize balance (*tawāzun*) and responsibility answer social (*mas'ūliyyah ijtīmā' iyyah*).

Therefore that, challenge trading international Islamic countries do not only nature economic, but also moral and structural. Weaknesses in diversification economy, low integration between Islamic countries, and delays adaptation to digitalization as well as sustainability is factor main obstacle Power global competitiveness for face complexity that, Islamic countries need build synergy more policies comprehensive with put Islamic values as base ethics economy. With Thus, trade international can develop in a way sustainable without sacrifice justice social and balance environment that becomes objective main sharia.

Strengthening Opportunities and Strategies Trade between Islamic Countries in the Era of Globalization Economy

Although face diverse challenge structural, digital, and institutional, Islamic countries have potential a very large economy for play a role more significant in system global trade. Population Muslims who have achieved more from 1.9 billion soul or around 25% of the world's total population makes the Islamic world a potential market for products , services and innovations economy (“World Population Facts,” tt) . With a vast geographical area, the wealth of source Power abundant nature, as well as position strategic among track trade in Asia, Africa, and Europe, Islamic countries have opportunity big for build strength economy empowered collective competition high in the era of globalization.

One of the most real opportunity lies in the development digital economy and technology information. Digitalization trading has change paradigm global business with shorten chain supply, lower cost transactions, as well as expand cross-market access limit. Islamic countries today start utilise technology *e-commerce* and *fintech* For strengthen sector trade and finance . For example, the United Emirates Arab and Malaysia have succeed develop digital ecosystem based sharia through initiative *Halal Digital Economy* and *Islamic Fintech Hub*. Implementation system digital commerce enables perpetrator business small and medium enterprises (SMEs) in Islamic countries for participate in the global market without must have large capital or infrastructure complex physics (Agusiady dkk., 2024; Hasan & Liana, 2022; Iskanto & Yapentra, 2018).

In context this, digitalization No only become opportunity economy, but also a tool transformation Islamic values. Principles *al-shafafiyyah* (transparency) and *al-amanah* (honesty) can realized through digital system that prioritizes openness information and data security. In addition, the use of blockchain technology in transaction trading sharia can ensure authenticity product, strengthening trust consumers, and minimize practice fraud (*gharar*). Therefore that, strengthening digital literacy and investment in infrastructure technology become step strategic needs given priority by Islamic countries.

Opportunity next come from transition going to economy green (green economy) and trade sustainable trade. The Islamic *world* has riches source Power abundant nature and position ideal geographic location for develop energy renewable , such as power solar in the Middle East and North Africa region , power winds in Central Asia, as well as potential bioenergy in Southeast Asia. Islamic countries can make sector energy green as source growth economy new that is not only profit - oriented term short , but also on sustainability term long . Implementation principle *hifz al-bi'ah* (preservation environment) as part from maqasid al- shariah make transition green No only economic agenda, but also social worship for guard trust earth.

Along with that, strengthening finance sharia and innovation financing trade also becomes key in support growth trading international Islamic countries. System finance based Value-Based Intermediation (VBI) developed by Bank Negara Malaysia (2018) emphasizes integration mark economic, social, and environmental instruments like *green sukuk*, *sharia trade finance*, and *productive zakat* can used For finance project export, development halal industry, as well as empowerment of MSMEs in the sector trade . With Thus, the system finance sharia play a role No only as source of capital, but also as means distribution justice economy.

Apart from the aspect financial, strengthening trading international Islamic countries also need synergy institutional and market integration between OIC countries. So far, the low volume of trade *intra-OIC* due to the lack of coordination and harmonization policy between countries. Formation area trading free based sharia (*Islamic Free Trade Zone*), harmonization rates and regulations export-import , as well as unification standard global halal certification can become step strategic For increase efficiency

and power competitiveness. Initiative like *Trade Preferential System among OIC Member States (TPS-OIC)* and *OIC Halal Economy Platform* need strengthened to be more functional and impactful direct to improvement trading between Islamic countries.

More Far again, Islamic countries have opportunity for build diplomacy economy collective that strengthens position bid they are in global forums such as *World Trade Organization (WTO)* or *G20*. With speak in One voice and carry mark justice Islamic economy, OIC countries can push for system reform global trade to be more inclusive and fair for developing countries. Diplomacy economy based mark maqasid al-shariah can become moral instruments for reject practice exploitation, discrimination trade and protectionism often hidden detrimental to southern countries.

From the side social and educational, other opportunities that are not lost important is strengthening capacity source Power human resources and research Islamic economics. Islamic countries need invest in research, innovation technology and development digital skills to be able to compete in economy based knowledge (*knowledge-based economy*). Universities, institutions research and institutions finance sharia need collaborate create *Islamic Economic Innovation Hubs* as receptacle integration between theory, research, and practice trading based value. Increase the quality of human resources become reflection maqasid *hifz al-aql* (guard reason) which demands development knowledge knowledge as road reach welfare.

With optimize all over potential that, Islamic countries can switch from position reactive become proactive in system global trade. Success This No only measured from improvement export or investment, but also from the ability of the Islamic world to build a trade model based on justice spiritual and humanitarian values. Principles *Maqāṣ id al- Shari' ah* and *Value-Based Intermediation (VBI)* become guide ethics that ensure every activity trading create mark economy at a time mark social. With Thus, trade international Islamic countries can develop as global moral force, not only market competitors, but also pioneers in realize system a fair, sustainable and civilized world economy.

CONCLUSIONS

This research conclude that dynamics trading international Islamic countries during the 2015–2025 period still colored by various challenge structural and institutional constraints Power competition economy them in the global market. Dependence to export commodities raw, low diversification sector industry, as well as height non- tariff and cost barriers logistics show Not yet efficiency structure Islamic world trade. Fragmentation policy between countries OIC members and their weaknesses coordination in implementation halal standards also make things worse condition integration intra-OIC economy. On the other hand, the gap technology, limitations source Power human beings, and unpreparedness in face digitalization as well as economy green become challenge new demands transformation fundamental. Phenomenon This show that trade of Islamic countries yet fully based on principle independence, justice, and welfare as emphasized values in *maqasid syariah*.

However thus, in the middle challenge said, research this also found existence opportunity big for the Islamic world to strengthen position strategic in system global trade. Growth digital economy, innovation technology finance sharia, and transition going to economy green open room for Islamic countries to increase efficiency, expanding market access and building industry based mark plus high. Strengthening system financing sharia through approach *Value-Based Intermediation (VBI)* can become instrument effective in support inclusive, ethical and sustainable trade. In addition, harmonization policies, market integration between OIC countries, and collaboration in research as well as development technology become an important strategy For strengthen diplomacy Islamic economics on the scene international.

With Thus, the success of Islamic countries in increase performance trading international depends on ability they integrate efficiency economy with Islamic moral values. Principles *maqasid al- shariah* which emphasizes balance, justice, and responsibility answer social must made into guidelines in every policy trade to create system an economy oriented towards global welfare. Transformation integrated structure with Islamic ethics will make trading international Islamic world is not only competitive, but also civilized, placing Muslims as perpetrator active in realize order a fair, inclusive and sustainable world economy.

RECOMMENDATIONS

Based on research findings, Islamic countries need to strengthen economic integration through trade policy harmonization, unification of halal standards, and increased logistics efficiency to enhance competitiveness in the global market. Furthermore, accelerating digitalization through investment in technological infrastructure, digital literacy, and strengthening the Islamic e-commerce ecosystem are key to expanding market access and increasing MSME participation. The development of Islamic finance based on Value-Based Intermediation (VBI) is also recommended to support more inclusive, ethical, and sustainable trade financing. Furthermore, Islamic countries need to optimize the potential of the green economy through renewable energy investments and environmental policy adjustments to respond to the global trend toward sustainable trade. Collaborative research and economic diplomacy among OIC countries serve as a strategic foundation for realizing strong, fair, and equitable international trade based on the *maqāṣid al-sharī'ah* (the principles of Islamic law).

RESEARCH LIMITATION

This research has limitations because it uses a desk study method that relies entirely on secondary data from international institutions and academic publications. This approach does not include field observations, in-depth interviews, or empirical analysis based on primary quantitative data, and therefore cannot directly depict the actual trade conditions of OIC countries. Furthermore, the 2015–2025 study period may introduce temporal bias due to the rapid development of global economic dynamics, particularly related to digitalization and the green economy. An analytical framework integrating conventional theory and Islamic values may also not fully capture the variations in trade policies in each OIC country, which have different political, economic, and social conditions.

FUTURE RESEARCH

Further research should develop methods with an empirical approach, for example through panel data analysis or comparative studies across OIC countries to more accurately measure the impact of digitalization, halal innovation, and the green economy transition on international trade performance. Future research could also explore models for integrating global halal standards and the effectiveness of implementing Value-Based Intermediation (VBI) in financing trade between Islamic countries. Furthermore, field studies through interviews with business actors, regulators, and financial institutions in OIC countries would provide a more detailed picture of technical barriers and real opportunities at the operational level. Research also needs to expand its focus on new sectors such as the circular economy, smart logistics, and halal industry 4.0 to support the sustainable transformation of international trade in the Islamic world.

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