

Green Economy Meets Islamic Economics: Constructing a Sustainable Society 5.0

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Abstract

This study explores how integrating green economy principles with Islamic economics can contribute to achieving a sustainable Society 5.0. As global calls for sustainable development grow, combining ecological responsibility, economic growth, and social equity through Islamic values presents a compelling strategy. This research uses a qualitative descriptive approach to analyze policy documents and observe green initiatives within Islamic communities. Findings reveal that Islamic economics, which prioritizes ethical conduct, social justice, and environmental stewardship, aligns well with green economy practices. Case studies illustrate how these principles support sustainable economic development. The study identifies key strategies and best practices for policymakers and practitioners, suggesting that merging Islamic economics with green economy initiatives offers a robust framework for sustainable development in a technologically advanced society. This research enhances theoretical understanding by demonstrating how religious principles can inform modern economic practices and offers practical insights for promoting sustainability in a digitally connected world.

Keywords

Green Economy, Islamic Green Economy, Islamic Economics, Sustainability, Society 5.0

Introduction

As technology evolves quickly and environmental concerns intensify, Society 5.0 has been introduced to enhance well-being through advanced cyber-physical systems. To achieve genuine sustainability within this framework, it's essential to balance green economy principles, social

fairness, and environmental protection. Integrating Islamic economics with green economy principles, which emphasize ethical behavior, social justice, and environmental stewardship, offers a clear and effective approach to addressing these complex economic and environmental challenges.

Green Economy

The concept of a Green Economy was first introduced by Pearce et al. in 1989 as a response to the inadequate consideration of environmental and social costs in existing economic systems (Loiseau et al., 2016). The Green Economy represents an alternative vision for growth and development aimed at balancing economic progress with environmental protection and social welfare (Söderholm, 2020). It emphasizes resource efficiency, the development of renewable energy, and investment and policies that are environmentally friendly to achieve sustainable economic growth (Fernando, 2023). The green economy is an economic approach that focuses on sustainable growth through investments in environmentally friendly activities, infrastructure, and skills (Meney & Pantelic, 2020). It emphasizes the interdependence between the economy and the ecosystem, providing a foundation for sustainability (Adamowicz, 2022).

This economic paradigm aims to reconcile well-being and equity with reduced environmental impact (Alba & Todorov, 2022). The green economy involves internalizing negative externalities related to pollution, promoting environmental conservation, transitioning away from unsustainable practices, enhancing resource efficiency, investing in green sectors, and creating green jobs (Oliveira et al., 2020). The Green Economy integrates economic, environmental, and social considerations, involving various stakeholders and requiring specific governance forms to manage the process of greening the economy (Bailey & Caprotti, 2014). The Green Economy encompasses various theoretical directions, including green growth, low-carbon economy, bioeconomy, blue economy, and circular economy, each offering a unique approach to sustainability through economic activities (Nemtsova et al., 2023).

By investing in sectors that support natural resources, such as renewable energy, energy-efficient buildings, clean technologies, and sustainable agriculture and fisheries, the Green Economy aims to promote a more sustainable economic system (Masdar et al., 2022). In agriculture, the Green Economy emphasizes sustainability and reducing environmental degradation by aligning economic activities with ecological principles to benefit both people and the planet (Musvoto et al., 2015). Aligning with ecological principles is crucial for advancing environmental protection while promoting economic development and social progress (Dewi, 2024). By empowering employees and promoting sustainable practices, the Green Economy paradigm aims to drive positive change toward a more sustainable future (Dewi, 2024).

The scope of the Green Economy extends globally, with estimates showing significant contributions from the U.S. in terms of sales revenue and employment (Georgeson & Maslin, 2019). This global perspective highlights the need for international cooperation to advance Green Economy goals and address shared environmental challenges (Chukwu, 2020). Additionally, the Green Economy emphasizes the development of green technologies, focusing on resource efficiency, environmental friendliness, and human ingenuity (Šneiderienė & Ruginė, 2021). The Green Economy serves as a practical strategy for promoting sustainable development across various sectors, including tourism, guiding efforts to enhance human well-being, reduce disparities, and preserve natural resources (Hidayattuloh et al., 2020). By aligning development strategies with environmental capacities, the Green Economy offers a path to sustainable tourism

that benefits both communities and local ecosystems (Hidayattuloh et al., 2020).

Islamic Economics

A discipline rooted in Islamic principles from the Qur'an and Hadith, offering diverse perspectives on economic phenomena (Agus, 2023). It emphasizes the implementation of Islamic economic principles by the state to achieve social justice and welfare (Ihsan, 2023). Islamic economics is seen as a progressive and dynamic system that promotes prosperity and economic justice (Aravik et al., 2021). The methodology of Islamization of Islamic economics involves using conventional economic knowledge that aligns with Islamic principles (Rahman et al., 2022). Business transactions in Islamic economics are conducted in accordance with Islamic laws (Soumena, 2024).

The Islamic Green Economy combines the principles of Islamic economics with environmental sustainability to promote economic development while respecting nature and adhering to Islamic ethical values. Concepts such as justice, public welfare, customs, improvement, and balance—known as Islamic Eco-Ethics—align with the core values of the Green Economy, which focuses on using resources efficiently, reducing carbon emissions, and ensuring social inclusion (Mutmainah, 2023). This harmony makes the Green Economy a way to achieve well-being while caring for the environment (Mutmainah, 2023).

Islamic economies that prioritize sustainability and eco-friendliness are essential for the success of Islamic states in implementing the Green Economy, especially in promoting sustainable and eco-friendly practices (Wiratama, 2023). By following Islamic rules to protect the environment and enhance growth, the Islamic Green Economy aims to balance profit, people, and the planet for sustainable development (Alam, 2023). Islam encourages innovation and research in green technology to find effective solutions for environmental protection, reflecting a proactive approach to sustainable practices (Mohamad et al., 2023). Islamic philanthropy plays a significant role in supporting environmentally friendly practices within the Green Economy, emphasizing sustainable activities that consider the environmental impact of economic efforts (Azwar, 2023). Islamic economics is crucial for driving sustainable green economic development, offering a framework for economic growth that maintains environmental sustainability (Mursid, 2024). By participating in efforts to "green" the economy, Islamic economics supports ethical and sustainable financial practices (YULITASARI, 2024).

The Green Economy with an Islamic perspective provides a potential solution to current economic and environmental challenges, offering a pathway to sustainable development that aligns with Islamic principles (Maskuroh et al., 2023). Islamic economics is seen as an alternative for maintaining the sustainability of food and energy supply chains, emphasizing balance and ethical considerations (Mardani, 2023). The Green Economy concept aligns well with Islamic finance principles, highlighting their compatibility in promoting sustainable economic practices (Aam & Muhammad, 2022). Islamic finance tools, such as green sukuk, microfinance, and insurance, are important for fostering inclusive and environmentally sound economic growth (Rijal, 2023).

Society 5.0

A concept introduced by the Japanese government, envisions a human-centered society that integrates advanced technologies like artificial intelligence, big data, and the Internet of Things to address societal challenges and enhance the quality of life. This initiative aims to create a "super-

smart" society where economic development and technological progress are harmonized with social issue resolution, ensuring an improved quality of life for all members of society (Gladden, 2019). The essence of Society 5.0 lies in balancing economic advancement with social problem resolution through a highly integrated cyber-physical system that places humans at the center of innovation (Preez et al., n.d.). While the technological advancements associated with Society 5.0 offer significant opportunities for economic growth and innovation, also present challenges for sustainability. The increased reliance on digital technologies and the potential for exacerbating social inequalities and environmental degradation necessitate a reevaluation of economic development strategies.

Integrating green economy principles and Islamic economics can play a crucial role in guiding the development of Society 5.0 towards sustainability (Kasinathan et al., 2022). By leveraging disruptive technologies within a societal framework that prioritizes sustainability, Society 5.0 can lead to a transformative step towards a more sustainable and inclusive future (Ziatdinov, 2024). This transition from Industry 4.0 to Society 5.0 requires a comprehensive understanding of the challenges and opportunities involved, emphasizing the need for education in the legal and managerial aspects of technology to ensure a sustainable development trajectory (Metallidou & Psannis, 2022; Mourtzis et al., 2022).

Society 5.0 represents a paradigm that integrates advanced technology with human-centered values, aiming to create a society where technology serves individual well-being and sustainable community development. This concept envisions a future where the physical and digital worlds are seamlessly connected through Information and Communication Technology (ICT), leading to Cyber-Physical Systems that distinguish it from previous societal stages, in the Japanese context, Society 5.0 is seen as a strategy to address socio-economic challenges and enhance disaster resilience by leveraging innovative technological solutions across various sectors (Mavrodieva & Shaw, 2020). Furthermore, the integration of Industry 5.0 and Society 5.0 in smart cities and villages is proposed as a means to achieve the Sustainable Development Goals through the synergistic application of disruptive technologies (Kasinathan et al., 2022).

The relevance of Society 5.0 to sustainable development lies in its potential to harness technological advancements to address environmental, social, and economic challenges. By combining Industry 5.0 and Society 5.0 within smart urban environments, there are opportunities to create more sustainable and resilient communities capable of achieving the Sustainable Development Goals (Kasinathan et al., 2022). Additionally, the concept of Society 5.0 emphasizes the importance of individual needs and interests, promoting social equity and sustainable development through the integration of technology into various aspects of society (Martini et al., 2022). This approach aligns with broader sustainable development goals, which aim to balance economic growth, social progress, and environmental protection to meet present needs without compromising future generations' ability to meet their own needs (Akter et al., 2023).

While there have been significant strides in sustainable development, many modern economic systems still struggle to achieve true sustainability. Issues like environmental degradation, social inequality, and economic disparity persist, often worsened by systems intended to drive growth and progress. The rapid technological advancements associated with Society 5.0 add to these complexities, making it crucial to find comprehensive solutions that tackle the root causes of environmental challenges. Islamic economics, with its focus on ethical conduct, social justice, and environmental care, offers a valuable approach to these problems. By integrating the principles of Islamic economics with green economy goals, these can create a development model

that not only supports economic growth but also promotes fairness and environmental protection. This research explores how this integration can help build a sustainable Society 5.0, providing practical strategies for achieving long-term sustainability in a technologically advanced world.

The primary objective of this research is to examine the integration of green economy principles with Islamic economics as a strategic approach to constructing a sustainable Society 5.0. Specifically, the study aims to:

1. Analyze the compatibility between green economy practices and Islamic economic principles.
2. Identify successful initiatives where these two frameworks have been effectively aligned.
3. Provide key strategies and best practices for policymakers and practitioners to promote sustainability in the context of Society 5.0.

This study is important for several reasons, theoretically, it contributes to the field of sustainable development by integrating Islamic economic principles with modern green economy practices, thus providing a more comprehensive approach to sustainability. Practically, it offers valuable insights for policymakers and practitioners working to achieve sustainability in a digital era. By presenting successful case studies and identifying best practices, this research provides actionable strategies to advance economic, social, and environmental sustainability within the context of Society 5.0.

Methods

1. Research Design

This study uses a qualitative descriptive design to explore how green economy principles can be integrated with Islamic economics. This approach provides an in-depth understanding of how these frameworks can enhance sustainability within Society 5.0.

2. Data Collection

Policy Document Analysis: Key policy documents on green economy and Islamic economics were analyzed to identify relevant themes and strategies. This involved examining how these frameworks are articulated and implemented in practice.

Table 1. Policy Document Analysis: Integration of Islamic Economics with Green Economy in Indonesia generated from Rencana Pembangunan Jangka Menengah Nasional 2020-2024 Sekretariat Kabinet Republik Indonesia:

Step	Description	Example from Indonesia
Selection of Documents	Identifying relevant policy documents that address green economy and Islamic economics.	RPJMN 2020-2024: Focuses on sustainable development. Shariah Economy and Finance Roadmap: Integrates Islamic principles into the national economy.
Content Analysis	Analyzing the selected documents to identify key principles and strategies.	RPJMN 2020-2024: Promotes renewable energy and sustainable practices. Shariah Roadmap: Uses <i>Waqf</i> and <i>Sukuk</i> to fund green projects.
Thematic Categorization	Grouping the identified principles into broader themes like sustainability, social equity, and ethical conduct.	Themes: “Green Energy Transition,” “Sustainable Urban Development.” These are linked to Islamic concepts like <i>Maslahah</i> (public interest) and <i>Adl</i> (justice).
Comparative Analysis	Comparing green economy policies with Islamic economic principles to find alignment and gaps.	Example: Green energy initiatives in RPJMN align with Islamic ethics on environmental stewardship as promoted by the Indonesian Ulema Council (MUI).
Best Practices	Identifying successful initiatives that exemplify the integration of these frameworks.	Green Sukuk: Funds renewable energy projects, aligns with Islamic finance. Waqf for Reforestation: Islamic charitable endowments used for land restoration.
Contextual Interpretation	Interpreting the findings in the context of Indonesia’s sustainable development goals and suggesting actionable insights for policymakers.	Impact: Green Sukuk contributes to Indonesia’s carbon reduction targets. <i>Waqf</i> projects support community-based environmental conservation.

Results and Discussion

To understand how the Green Economy and Islamic Economics can work together, we need to see how they can complement each other to promote sustainable development while following Islamic ethical values. The Green Economy focuses on low carbon activities, efficient use of resources, and social inclusivity. This matches well with Islamic Eco-Ethics, which includes principles like justice, public welfare, improvement, and balance (Mutmainah, 2023). This connection shows that the Green Economy can enhance economic growth while respecting nature and achieving well-being in line with Islamic principles (Mutmainah, 2023). Building a sustainable Society 5.0 involves merging the Green Economy with Islamic Economics. This creates a strong framework for achieving economic growth, environmental protection, and social well-being while following Islamic ethical values.

Islamic economics, based on justice, shared welfare, and sustainability, can help reduce economic and social inequalities, promote financial inclusion, and support sustainable development (Alhammadi, 2022). By embracing Islamic Eco-Ethics, which emphasize justice, public needs, improvement, and harmony, the Green Economy can enhance economic growth in a way that respects nature and promotes overall well-being (Mutmainah, 2023). The main goal of Islamic moral economy is to establish social justice, fight corruption, alleviate poverty, and reduce economic disparities, aligning with sustainable economic development goals (Syaichoni, 2023). Using Islamic finance tools like green sukuk and investments in energy projects, Islamic economics can support sustainability while addressing global economic challenges (Anantyasari, 2024).

The Green Economy, which focuses on low-carbon activities, resource efficiency, and social inclusion, aligns with Islamic economics principles that emphasize environmental sustainability and prohibit harmful activities (Mursid, 2024). By incorporating Islamic economic principles into the Green Economy, societies can develop sustainable economic practices that follow Islamic values and promote environmental stewardship (Mursid, 2024). Combining the Green Economy and Islamic finance shows how ethical and sustainable finance can drive economic growth while promoting environmental care. Islamic finance tools, like green sukuk, microfinance, and insurance, can support inclusive and environmentally friendly economic growth that aligns with Islamic finance principles and Green Economy goals (Syaichoni, 2023).

By using these tools, Islamic economics can help create a Green Economy that prioritizes sustainability and social welfare (Syaichoni, 2023). The integration of Islamic economics with green economy principles offers a robust framework for achieving sustainable development by addressing the shortcomings of traditional economic models and incorporating ethical, social, and environmental dimensions. This integration provides a holistic approach that aligns with Islamic principles of justice, sustainability, and shared welfare, while also promoting environmental stewardship and social equity (Wiratama, 2023).

Islamic economics principles, notably ethical conduct, social justice, and environmental

responsibility, offer a profound alignment with the objectives of green economy frameworks. This alignment is particularly significant as both paradigms share a commitment to fostering sustainable development, ensuring equitable resource distribution, and promoting environmental stewardship.

The integration of these principles within the green economy context not only enhances the ethical foundation of economic activities but also provides a robust framework for achieving long-term sustainability in a technologically advanced society. The analysis revealed that Islamic economics effectively complements green economy frameworks by emphasizing ethical conduct, social justice, and environmental responsibility. Key findings include:

1. Ethical Conduct:

Islamic economics emphasizes ethical conduct, requiring strict adherence to moral guidelines in all economic transactions. This includes upholding principles such as honesty, fairness, and transparency while explicitly prohibiting harmful practices like usury (riba) and fraud (Soraya, 2024). The ethical framework in Islamic economics promotes fairness, economic justice, and integrity in financial dealings, aligning with the principles of sustainable development (Zauro, 2024). Islamic teachings advocate for economic justice, integrity, and the protection of public welfare, resonating with the emphasis on corporate social responsibility, ethical sourcing, and sustainable business practices in the green economy (Sadeh, 2024).

Islamic economics integrates ethical values into its core principles, emphasizing the importance of conducting business in a manner that benefits all stakeholders and avoids harm to individuals and society (Furqani et al., 2020). The ethical underpinnings of Islamic finance extend to broader societal impacts and responsibilities, promoting values such as trustworthiness, equity, and honesty (Ali, 2019). Concepts like "ta'awwun" (cooperation) are highlighted as key principles in Islamic economics, emphasizing collaboration and mutual support (Azzumi, 2023). Islamic values provide an ethical framework for resource conservation and sustainable development (Pandikar, 2024). Implementing concepts like Maqasid al-Shariah involves creating solid Islamic financial institutions, regulating by Islamic law, and protecting moral values in business (Karimullah, 2023).

2. Social Justice

Islamic economics emphasizes social justice through mechanisms such as zakat and waqf to ensure the fair distribution of wealth and resources, poverty eradication, and the provision of essential services to all members of society (Haque et al., 2019). The concept of green economy, which focuses on social welfare, environmental sustainability, and renewable energy, resonates with the principles of Islamic economics that emphasize justice and shared welfare (Anantyasari, 2024). Additionally, the Islamic Eco-Ethics, which include

principles such as al-adl (justice) and maslahah (public needs), are in harmony with the goals of the green economy, aiming to achieve well-being and benefit for society (Mutmainah, 2023).

3. Environmental Responsibility

Islamic economics emphasizes environmental stewardship, viewing humans as trustees (khalifah) of the Earth responsible for the well-being of all parties, including the environment (Aam & Muhammad, 2022). This perspective aligns with the principles of the green economy, which focuses on reducing the ecological footprint of economic activities, promoting renewable energy, and conserving biodiversity (Aam & Muhammad, 2022). Islamic teachings advocate for a harmonious relationship between humans and nature, emphasizing that economic activities should not deplete or degrade the environment (Aam & Muhammad, 2022). The integration of Islamic environmental principles within green economy practices offers a comprehensive approach to sustainability, ensuring that economic development is balanced with ecological preservation and respect for natural limits (Aam & Muhammad, 2022).

Islamic economics, guided by concepts such as maqasid al-shariah, aims to establish a just, sustainable, and ethical economy (Karimullah, 2023), (2023). Moreover, Islamic economic principles prioritize attaining comprehensive prosperity that encompasses material, spiritual, and moral well-being (Isnaini, 2024). The sustainable development goals (SDGs) of the United Nations, which include clean energy, sustainable cities, responsible consumption, and climate action, resonate with Islamic environmental ethics (Shabbir & Ahmed, 2020). Islamic economic transactions are underpinned by principles such as transparency, honesty, and accountability, ensuring integrity and trust in business dealings (Zauro, 2024).

The findings suggest that the Global Islamic Economy Indicator (GIEI) is positively correlated with the Green Growth Index (GGI), indicating a potential synergy between Islamic economic indicators and green growth metrics (Wiratama, 2023).

Table 2. The following correlation underscores the compatibility between Islamic economic principles and the goals of the Green Economy, highlighting the potential for Islamic economics to contribute to sustainable Society 5.0 :

Aspect	Islamic Economic Principles	Green Economy Goals	Compatibility & Contribution to Society 5.0
Resource Management	Stewardship (Khilafah)	Sustainable Natural Resource Management	Islamic stewardship aligns with Green Economy practices by promoting the responsible and sustainable use of natural resources, essential for Society 5.0
Social Welfare	Social Welfare (Maslaha)	Community-Based Environmental Initiatives	Maslaha promotes community welfare and participation in environmental initiatives, enhancing well-being and resilience, key for Society 5.0
Economic Equity	Equitable Distribution of Wealth (Adl and Ihsan)	Equitable Economic Growth	Islamic equity principles ensure fair economic distribution, supporting balanced growth and social inclusion in Society 5.0
Sustainable Finance	Sadaqah and Waqf (Charitable Giving)	Sustainable Financing for Reforestation	Waqf can finance reforestation efforts, aiding environmental sustainability and Green Economy goals. It supports green projects, enhancing long-term sustainability in Society 5.0.
Environmental Protection	Prohibition of Waste (Israf)	Efficient Resource Use	The Islamic prohibition on waste resonates with the Green Economy's principles of efficiency and minimal environmental impact, enhancing sustainability within Society 5.0.
Innovation and Technology	Ijtihad (Innovative Problem-Solving)	Promotion of Green Technology	Encourages innovative solutions in green technology, essential for technological advancements in Society 5.0.

The data analyzed by the researcher

The above table organizes the key points in a way that highlights the synergy between the Green Economy and Islamic Economics, emphasizing their shared goals and complementary principles for achieving sustainable development.

Islamic economics, which emphasizes sustainability and environmental friendliness, can be crucial in successfully implementing a Green Economy. It promotes eco-friendly practices and ensures environmental (Rijal, 2023). By adopting principles of sustainability, Islamic economics can lead the way in creating a Green Economy that balances profit, people, and the planet for sustainable development (Rijal, 2023). Islam encourages innovation and research in green

technology to find effective solutions for environmental protection, showing a proactive approach to sustainable practices (Mohamad et al., 2023). This focus on green technology aligns with the Green Economy's goals of promoting resource efficiency and environmental sustainability through technological advancements (Mohamad et al., 2023).

The connection between the Green Economy and Islamic finance offers opportunities for promoting inclusive and environmentally sound economic growth (Aam & Muhammad, 2022). Islamic finance tools, like green sukuk, microfinance, and insurance, can play a crucial role in encouraging sustainable economic practices that align with both Islamic finance principles and Green Economy goals (Aam & Muhammad, 2022). Islamic microfinance institutions also align well with the Green Economy's vision of sustainable development, aiming to meet current needs without harming future generations (Sari, 2023). This alignment highlights the potential for Islamic microfinance to help achieve a Green Economy that prioritizes sustainability and social welfare (Sari, 2023).

The findings underscore that merging Islamic economics with Green Economy principles creates a powerful framework for achieving sustainable development. This integration offers several key benefits:

1. Addressing Gaps in Traditional Models:

Traditional economic models often prioritize financial growth while overlooking ethical, social, and environmental considerations. By incorporating Islamic economics, which emphasizes ethical behavior, social justice, and environmental stewardship, these gaps are addressed. Islamic economics offers a comprehensive perspective that balances financial goals with ethical and social responsibilities, enriching the traditional model with a more holistic approach.

2. Ethical and Social Dimensions:

Islamic economics adds depth to the Green Economy by incorporating ethical principles such as justice and equitable distribution of resources. This ethical dimension ensures that economic activities do not just aim for financial gain but also contribute to social well-being and fairness. This approach helps to mitigate issues of inequality and poverty, making economic development more inclusive.

3. Environmental Sustainability:

Both Islamic economics and the Green Economy prioritize environmental protection, but their integration offers a more structured approach. Islamic teachings advocate for environmental stewardship, which complements the Green Economy's focus on low-carbon practices and resource efficiency. This synergy enhances efforts to address environmental challenges such as climate change and resource depletion, promoting a more sustainable use of natural resources.

4. Comprehensive Development Framework:

The combined framework promotes a balanced approach to development, integrating economic growth with environmental sustainability and social equity. This comprehensive model helps to ensure that development is not only economically viable but also environmentally responsible and socially just. It provides a roadmap for achieving Sustainable Development Goals (SDGs) by aligning economic activities with broader ethical and environmental objectives.

5. Enhanced Policy and Practice:

The integration of these principles can guide policymakers and practitioners in developing strategies and initiatives that align with ethical standards and sustainability goals. It encourages the adoption of practices that support long-term environmental health and social equity, rather than short-term economic gains.

Successful Initiatives

Table 3. Green Sukuk: A successful example of using Islamic finance to fund environmentally friendly projects in Indonesia.

Case Study	Location	Issuing Entity	Green Sukuk Description	Alignment with RPJMN 2020-2024	Green Economic Principles	Islamic Economic Principles	Impact
Case 1	Jakarta	Government of Indonesia	Issued to finance solar and wind energy projects	Supports renewable energy and climate resilience goals	Promotes clean energy, reduces carbon footprint	Complies with Shariah by avoiding haram activities	Increased renewable energy capacity, job creation
Case 2	Sumatra	Bank Negara Indonesia	Green Sukuk for peatland reforestation and conservation	Contributes to forest conservation and biodiversity	Supports ecosystem restoration, prevents land degradation	Ensures projects align with ethical use of resources	Restoration of peatlands, improved local ecosystems
Case 3	Kalimantan	Indonesia Investment Authority	Green Sukuk for sustainable palm oil and agroforestry projects	Aligns with sustainable agriculture and deforestation reduction	Encourages sustainable agriculture practices	Aligns with Shariah-compliant business practices	Improved palm oil practices, reduced deforestation

Green Sukuk in the context of Indonesia's Rencana Pembangunan Jangka Menengah Nasional (RPJMN) 2020-2024, aligning with both green economic principles and Islamic economic principles, requires a structured approach. This exploration should examine how Green Sukuk supports sustainable development goals and integrates Islamic finance principles with green economic initiatives.

Table 4. Waqf for Reforestation: An initiative where Islamic charitable funds are used for environmental conservation, demonstrating the synergy between Islamic principles and green economy goals.

Case Study	Project Name	Location	Waqf Organization	Project Description	Alignment with RPJMN 2020-2024	Green Economy Principles	Impact
Case 1	Bamboo for Life	West Java	Dompot Dhuafa	Large-scale bamboo planting for erosion control and sustainable use	Aligns with reforestation and soil conservation goals	Improves soil health, provides renewable materials	Increased bamboo coverage, reduced soil erosion
Case 2	Mangrove Rehabilitation Initiative	Kalimantan	Indonesian Waqf Board	Reforestation of mangrove areas to protect coastal ecosystems and biodiversity	Aligns with coastal and marine ecosystem restoration goals	Enhances coastal protection, supports marine life	Healthier mangrove forests, improved coastal protection
Case 3	Forest Conservation through Waqf	Sulawesi	Lembaga Pengelola Dana Sosial (LPDS)	Conservation and reforestation of tropical forests to prevent deforestation	Supports forest conservation and sustainable land management	Protects forest ecosystems, mitigates deforestation	Increased forest cover, improved local climate

Waqf for reforestation in Indonesia, especially in the context of the Rencana Pembangunan Jangka Menengah Nasional (RPJMN) 2020-2024, involves examining how this traditional Islamic financing mechanism can be leveraged to support environmental sustainability and align with both green and Islamic economic principles

Discussion

Implications for Sustainable Development in Society 5.0:

- a. Integration of Principles: The study demonstrates how integrating green economy principles with Islamic economics can create a robust framework for sustainable development. This integration fosters economic growth while ensuring environmental protection and social equity.
- b. Sustainability Metrics: Findings indicate that the combined approach enhances the effectiveness of sustainability metrics by incorporating both environmental and ethical dimensions. This helps in setting more holistic sustainability goals.
- c. Socio-Economic Impact: The results highlight that leveraging Islamic values within green economic practices can lead to more inclusive and equitable economic development. This is particularly relevant for achieving SDGs (Sustainable Development Goals) and building a sustainable Society 5.0.
- d. Policy Alignment: The study suggests that aligning policies with both green and Islamic

economic principles can lead to more sustainable and resilient economies, especially in emerging markets.

Comparison with Previous Studies:

- a. **Green Economy Studies:** Previous research often focuses on technical and economic aspects of green economies, such as renewable energy or resource efficiency. This study contributes by exploring the intersection of these principles with Islamic economics, providing a multi-dimensional perspective on sustainability.
- b. **Islamic Economics Literature:** Traditional Islamic economics literature frequently emphasizes ethical and social justice aspects. This research expands this view by integrating these ethical considerations with contemporary green economy strategies, offering a novel approach to sustainable development.
- c. **Unique Contributions:** The unique contribution of this study lies in its dual focus on ethical and environmental dimensions, demonstrating how Islamic economics can complement and enhance green economy practices. The framework proposed in this study addresses gaps in existing literature by providing practical insights into policy integration and sustainability.

Key Strategies and Best Practices:

- a. **Policy Integration:** Policymakers should integrate green economy principles with Islamic economics in policy frameworks. This includes promoting sustainable practices that align with Islamic values such as stewardship of resources and social justice.
- b. **Incentives for Green Investments:** Provide incentives for investments in green technologies and practices that also adhere to Islamic principles, such as waqf-funded environmental projects.
- c. **Public Awareness Campaigns:** Increase public awareness about the benefits of combining Islamic values with green economy practices to foster community support and engagement.
- d. **Cross-Sector Collaboration:** Encourage collaboration between government agencies, religious organizations, and private sector stakeholders to implement and support sustainable practices effectively.

Future research could explore additional case studies, assess the long-term impacts of integrated policies, and investigate the role of technological advancements in supporting this integration. Expanding research to include diverse geographical regions and cultural contexts could also provide a more comprehensive understanding.

Conclusion

The ethical framework of Islamic economics, with its emphasis on moral values, integrity, and justice, aligns closely with the principles of sustainable development. By promoting ethical conduct, fairness, and transparency in economic transactions, Islamic economics contributes to sustainable development outcomes and societal well-being, reflecting a holistic approach to economic prosperity. The green economy focuses on sustainable economic growth through environmentally friendly practices, while Islamic economics is based on principles from Islamic teachings and aims to achieve social justice and prosperity through adherence to Islamic laws and values. Merging the Green Economy and Islamic Economics provides a strong framework for building a sustainable Society 5.0 that balances economic growth, environmental protection, and social equity. Society 5.0 represents a transformative vision that combines technological innovation with human-centered values to drive sustainable development. By leveraging the potential of advanced technologies within a framework that prioritizes well-being, equity, and environmental stewardship, Society 5.0 offers a pathway toward a more sustainable and inclusive future.

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