

Sharia economy as a model for Palestinian development: An international political economy perspective

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ABSTRACT

This study investigates the pursuit of economic self-determination in Palestine by advocating economic principles that adhere to Shariah principles. This analysis critically examines the importance of economic sovereignty and the potential consequences of global political dynamics for Palestine's economic development. This research highlights the critical role played by a wide range of international stakeholders, including financial institutions, governmental entities, and non-governmental organizations (NGOs), in supporting Palestine's economic progress. Moreover, this emphasizes the critical nature of addressing the fundamental shortcomings of the Palestinian economy and cultivating sustainable economic growth. Furthermore, this study examines the capacity of economic methodologies that adhere to Sharia principles to aid in attaining Palestinian economic self-determination. It explicitly emphasizes principles, including ecological sustainability, societal accountability, and fairness.

Keywords: Economic Sovereignty, Palestinian Development, Sharia Economy, International Political Economy

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1. INTRODUCTION

Discussing the issue of Palestine is a highly complex discourse due to the multifaceted nature of the problems occurring there, which penetrate various aspects of life in Palestine. The populace resides in challenging circumstances, and even with international efforts and awareness, the governing authorities need more capacity to effect significant changes. The Israeli occupation has significantly impacted economic activity and development, leading to limitations on growth and fiscal sustainability. The Palestinian economy's inability to reach its full potential can be attributed to limited access to resources and a lack of control over a significant portion of the territory. The Palestinian economy's reliance on Israel due to its stringent occupation policies has left it vulnerable to fluctuations in the global economy, resulting in high production and transaction costs and trade barriers with other nations. There is minimal flexibility regarding monetary and fiscal measures to effectively address shocks and crises (De Donato, 2019).

In 2023, Gaza's annual Gross Domestic Product (GDP) decreased significantly. The decline amounted to \$655 million (in constant 2015 dollars), equivalent to a 24% reduction in the GDP. The contraction in GDP per capita was slightly higher at 26.1%, resulting in the current level being just over one-third of its peak value in 2005. As of the end of the third quarter of 2023, the unemployment rate in Gaza stood at a staggering 45.1%. According to the International Labour Organisation (ILO), a significant decrease in employment has been observed, with a staggering 61% reduction compared with pre-conflict levels. This issue has led to a substantial loss of 182,000 jobs in the sector. In December 2023, the unemployment rate soared to an alarming 79.3% (UNCTAD 2024). The Gross Domestic Product (GDP) in Gaza experienced a significant decline, reaching a level close to its lowest point since 1994. This decrease amounted to 11.7% of the GDP in 2019. In the Occupied Palestinian Territory, the unemployment rate is currently 24%, with 13% in the West Bank and 45% in Gaza. There has been a noticeable increase in poverty, which has impacted a significant portion of the population and requires urgent humanitarian aid. Recent developments have increased the susceptibility of the Palestinian economy to changes in an unpredictable global economic climate (UNCTAD, 2023).

In light of the current situation, there is a specific factor that could enhance Palestine's ability to withstand the challenges posed by the Israeli occupation, which has had a profound impact on various aspects of Palestinian life. The Sharia economy, also known as the Islamic economy, functions based on the principles of Islamic jurisprudence, or Sharia, to regulate economic activities following these principles. The Shariah economy is built on several fundamental principles. These include the prohibition of interest (*riba*), promotion of societal well-being, and reduction of uncertainty (*gharar*) in commercial transactions (von Allmen, 2001). The relevance of Sharia economy principles to Palestine's potential growth, especially in their efforts to sustain themselves amidst Israeli occupation, is of great significance. The principles in this context aim to promote ethical and sustainable economic methodologies based on Islamic law.

It is critical to comprehend the international political economy dimensions of Sharia law in the Palestinian context to promote economic stability and peace. This understanding helps Palestinians, Palestinian policymakers, and international stakeholders navigate the complex web of power relations, stakeholders, social unrest, and the Israeli occupation and siege, all of which have contributed to economic fragility in many sectors of society. By adopting Sharia economic principles, Palestinians may achieve economic sovereignty and create a more equitable and prosperous future for their community. This initiative will also help advance the region's primary goals of peace and stability.

2. INTERNATIONAL POLITICAL ECONOMY PERSPECTIVES ON PALESTINIAN PROSPECTIVE DEVELOPMENT

International Political Economy (IPE) is a field of study that analyzes the economic, political, and social relationships between states and how they impact global economic systems. An exhaustive examination of the Political Economy of Palestine provides a comprehensive understanding of the interconnection between politics and economics in the region. This investigation explores the complex

interplay of colonialism, exploitation, nationalism, and patriarchy, clarifying their influence on Palestine's economic situation (Tartir, Dana, & Seidel, 2021). In addition, the IPE emphasizes the necessity of implementing significant changes in the Palestinian economy that go beyond a merely technical and non-political approach to growth. It acknowledges the impact of power dynamics and colonial dominance on economic progress (Diwan & Sha'bān, 1999). IPE also has the potential to support a policy framework that emphasizes the importance of Palestinian rights, such as the right to self-determination, as a crucial requirement for development (Samhoury et al., 2022). As previously discussed, the IPE perspective is suitable for the analysis in this study.

To enhance the comprehension of growth prospects from an IPE perspective, it is crucial to thoroughly examine the participation of global actors in this context. The involvement of external stakeholders, including governmental bodies, Islamic nations, non-governmental organisations (NGOs), and global financial institutions, has significantly impacted Palestinian economic progress. These organizations play crucial roles in providing healthcare, education, agricultural support and social welfare to underprivileged households. They also support economic initiatives to bring tangible improvements to economic conditions (Diwan & Sha'bān, 1999).

Several foreign governments, including Indonesia, Ireland, and South Africa, have supported the Palestinian economy through various means. For Example, Indonesia has shown unwavering support for Palestinian rights. It has provided humanitarian assistance, while South Africa has shown strong opposition to Israeli occupation policies and offered support for Palestinian development projects (UNCTAD, 1998). Moreover, Islamic nations have substantially contributed to strengthening Palestine's economy. The Islamic Development Bank has funded numerous development initiatives in Palestinian areas, particularly in infrastructure, agriculture, and small and medium-sized enterprises (SMEs) (Deas, 2021).

NGOs have been crucial in providing humanitarian assistance and supporting economic development in Palestinian areas. An example is the United Nations Development Programme (UNDP), which has implemented projects focused on economic development, job creation, and poverty reduction in the West Bank and Gaza Strip (UNCTAD, 1998). In addition, global financial institutions, such as the World Bank and the International Monetary Fund (IMF), have offered their technical knowledge and financial support to the Palestinian economy. The World Bank has emphasized the importance of executing economic policies that promote growth and create employment opportunities. Meanwhile, the International Monetary Fund (IMF) has provided financial assistance to strengthen the fiscal framework of the Palestinian Authority (Diwan & Sha'bān, 1999). Despite the determined and coordinated efforts, the Palestinian economy faces significant hurdles, including the Israeli occupation, siege, and lack of internal institutions to strengthen Palestinian trade (UNCTAD, 1998). It is essential to implement a comprehensive development strategy that addresses the fundamental weaknesses of the Palestinian economy, promotes a broader range of economic activities, and strengthens the role of the private sector (Diwan & Sha'bān, 1999).

A wide range of global actors, including government entities, Islamic groups, NGOs, and financial institutions, significantly impact Palestine's economic development. They provide necessary services, advocate for favorable economic policies, and allocate financial support. Nevertheless, additional efforts are crucial to address fundamental weaknesses and promote long-lasting economic progress. The Israeli-Palestinian conflict has significantly affected the Palestinian economy, leading to a decrease in income due to job cuts, less trade, and increased restrictions. Consequently, consumption levels and economic activity have been negatively affected. In addition, the conflict has worsened the underlying structural weaknesses in the Palestinian economy, making it dependent on outside assistance and vulnerable to budgetary crises caused by these weaknesses. The Palestinian economy has received technical knowledge and financial aid from international financial institutions such as the World Bank and the International Monetary Fund (IMF). However, their efforts have not been sufficient to effectively address the deep-rooted structural deficiencies caused by the occupation and related limitations (World Bank, 2023). In addition, NGOs and international governments have provided humanitarian aid and supported economic development initiatives in the Palestinian territories. For example, the United Nations Development Programme

(UNDP) has promoted economic development, created employment opportunities, and reduced poverty in the West Bank and the Gaza Strip (Pace, 2012). Nonetheless, concerted action is warranted to rectify the fundamental weaknesses of the Palestinian economy and foster sustainable economic progress and development in the region.

One concept that could help Palestine achieve economic autonomy is economic sovereignty. The concept of economic sovereignty is essential for comprehending the various challenges and opportunities that arise in the pursuit of Palestinian economic self-determination. The concept explores the capacity of a nation or region to govern its own economic policies, resources, and development strategies without being influenced or dominated by external forces (Arnon & Weinblatt, 2001). Ensuring the long-term viability and resilience of the Palestinian economy is crucial in the context of Palestinian territories.

3. SHARIA ECONOMY: A FRAMEWORK FOR PALESTINIAN DEVELOPMENT

One potential approach to achieving economic independence is to promote and strengthen the adoption of Sharia-compliant economic practices in Palestine. In addition to the rich Islamic heritage in the Palestinian region, the implementation of Sharia-compliant economics strikes a chord with the local population. Sharia-compliant economic principles have the potential to make a significant contribution to Palestinian economic self-determination, especially in their pursuit of economic sovereignty. These principles, derived from the Islamic jurisprudential framework known as Sharia law, guide ethical, societal, and economic behaviour. In the Palestinian context, incorporating Sharia-compliant economic principles can align with the society's socio-cultural values and contribute to developing a more resilient and self-reliant economy.

A crucial aspect of Sharia-compliant economics is its strong focus on promoting fairness and social equality. This focus is demonstrated in the principle of "Qawā'id al-Fiqhiyyah," which promotes honesty, fairness, and transparency in commercial transactions (Mustafa, Abdulsalam, & Yusuf, 2016). This principle is fundamental in the Palestinian context, where the public sector's problems with corruption and lack of transparency have raised concerns (Grant & Tessler, 2002). By promoting Sharia-compliant economic practices, Palestinians can help create a more transparent and fair economic system. Furthermore, Sharia-compliant economic principles emphasise the importance of community and social responsibility. The notion of "al-Amanah" encourages honesty and dependability in economic transactions, asking individuals to prioritise the welfare of their communities (Mustafa, Abdulsalam, & Yusuf, 2016). This notion can promote the development of a more united and encouraging economic environment, where enterprises and individuals work together towards common goals. Furthermore, Sharia-compliant economics places great importance on adopting sustainable and environmentally friendly economic activities. These activities are demonstrated by the notion of "al-Tawamul," which promotes the responsible and sustainable use of resources (Mustafa, Abdulsalam, & Yusuf, 2016). In the Palestinian context, where there are significant problems with environmental degradation and limited resources, this principle shows potential for encouraging environmentally sustainable activities and is better suited to local needs.

Furthermore, digging deeper into the studies from (Roy, 2003), several principles derived from Islamic economics have the potential to promote economic sustainability and resilience. One such measure is the prohibition of Riba (Interest), designed to discourage exploitative lending practices and promote fair financial transactions. Within the Palestinian context, this could entail promoting interest-free loans and microfinance initiatives as a means to support small businesses and entrepreneurship. Secondly, the objective of the prohibition of Gharar (Uncertainty) is to prevent uncertain or hazardous transactions, potentially resulting in the exploitation or injury of individuals who are vulnerable. Within the Palestinian context, this may involve promoting trade practices that are transparent and equitable, protecting consumers from price manipulation and other exploitative behaviours, and guaranteeing reasonable compensation for farmers and producers. Thirdly, the prohibition of Qimar (Unfair Speculation) and Maysir (Gambling), efforts are made to prevent transactions predicated on chance or speculation, as these have the potential to cause economic instability and societal harm. Within the Palestinian context, this may

involve advocating for sustainable agricultural methodologies, including agroforestry and organic farming, to minimise reliance on capricious external variables such as market conditions and meteorological patterns. Lastly, the prohibition on unjust leases (*Musaqa'ah*) intends to prevent transactions that involve exploitative leasing practices, which can potentially sustain imbalances of wealth and power. Within the Palestinian context, this may entail promoting equitable land leasing practices, guaranteeing farmers and small landholders adequate compensation, and encouraging community-based land management models that promote a more equitable distribution of resources.

Sharia-compliant economics has been ingrained in Palestine for a long time due to the solid Islamic cultural heritage of the Palestinian society. Islamic banks and financial organisations in Palestine can provide Sharia-compliant loans free from the inclusion of interest rates. An enduring instance of this can be observed in the present age through the application of Sharia by the Palestine Islamic Bank. Alternatively, they can employ profit-sharing frameworks, such as *Mudaraba* or *Musharaka*, where the bank distributes the profits to the borrower (Palestine Islamic Bank, 2017). This technique not only circumvents the practice of charging interest on loans but also fosters economic expansion by aligning the lender's and borrower's incentives (Barden, 2010). This illustration suggests the presence of a prominent organisation with the ability to implement Sharia-compliant economics in Palestine and showcase its ability to serve the community autonomously despite the constraints imposed by ongoing conflict and oppressive forces that restrict Palestine's flexibility. Although more and more extensive endeavours are necessary for adopting a Sharia-compliant economy in Palestine, this example clearly illustrates that it may be achieved tangibly and sustainably. Implementing economic principles that adhere to Sharia law presents a significant opportunity to promote economic self-determination in the Palestinian context. By incorporating these principles into their economic strategies, Palestinians have the potential to foster the development of a sustainable, transparent, and equitable economic system that is in harmony with their unique socio-cultural context. The potential for improved resilience and sustainability of the Palestinian economy exists with the successful application of these principles, specifically in the face of obstacles like the Israeli occupation and recent conflicts. The resilience of individuals is a result of their independence in governing their economic matters, which strengthens and stabilises their economic base. Amidst the conflict that continues, both internal and external parties must support Palestinian endeavours to achieve economic self-reliance, free from dependence on oppressors.

4. INTERNATIONAL POLITICAL DYNAMICS AND THE IMPLEMENTATION OF SHARIA ECONOMY IN PALESTINE

In pursuit of economic sovereignty, the implementation of Palestinian economic self-reliance is significantly influenced by the dynamics of international politics. The potential impact of international political factors on the implementation and efficacy of Sharia-compliant economic initiatives in Palestine to attain economic sovereignty should be considered. International political economy is a volatile and interconnected system in which many interests have a considerable influence on the implementation of policies. Thus, the following impacts and influences can be exerted by international political dynamics in the context of influence towards Palestine: (1) Geopolitical influence: The feasibility of implementing and advancing Sharia economic principles is significantly impacted by the prevailing political climate in the region, which in turn affects the stability and growth of the economy (Mahamid, Hattab, & Berte, 2023). For example, persistent disputes and strains in the Middle East, exemplified by the Israeli-Palestinian conflict, can impede economic operations and obstruct the implementation of Sharia-compliant methodologies due to increased unpredictability and instability. (2) External economic factors: The ability to attract foreign investments, the accessibility of international markets, and favourable trade agreements have a significant impact on the development and maturation of the Sharia economy (Menne et al., 2023). For example, the expansion of Sharia-compliant enterprises and prospects for economic development may be hindered by trade restrictions and border closures imposed by neighbouring countries, which restrict Palestinian access to international markets. (3) Collaboration and partnerships: International collaborative efforts and partnerships have the potential to facilitate the progress of Sharia economy initiatives in

Palestine. These alliances provide opportunities to access the necessary knowledge, resources, and networks to enhance these endeavours' effectiveness and growth (Menne et al., 2023). For instance, establishing alliances with international organisations such as the Islamic Development Bank or non-profit entities specialising in Islamic finance can serve as effective intermediaries for exchanging knowledge and providing financial assistance for Sharia-compliant initiatives in Palestine. (4) Political stability and security: Ensuring political stability and security in Palestine is critical for the effective execution and success of Sharia economy initiatives. International political dynamics may significantly impact the challenges of advocating for and implementing Sharia economic principles (Mahamid, Hattab, & Berte, 2023). For example, the disruption of economic activities and the erosion of investor confidence can result from the escalation of regional conflicts or the imposition of sanctions by foreign governments. These factors can impede economic growth and hinder the implementation of Sharia-compliant practices.

In the context of key international actors, the United States exerts a pivotal influence in creating the Israeli-Palestinian conflict, and its longstanding backing of Israel has dramatically bolstered the country's economic development. Nevertheless, this assistance also sustains the ongoing conflict and constrains the potential for growth in the Palestinian economy (Adam et al., 2015). Establishing sustainable Sharia economics in Palestine faces a significant obstacle to implementing sustainable economics in the region. In addition to the United States and Western countries implementing policies that impede Palestine, there are also significant entities providing support to Palestine. Unlike the US, the primary motivation behind Iran's participation in the Palestinian issue stems from its ideological dedication to backing the Palestinian cause, which is firmly grounded in its revolutionary philosophy and commitment to a broader Islamic agenda. This dedication has resulted in substantial financial and military assistance to organisations such as Hamas, which has played a vital role in the Palestinian resistance against Israel (Brandenburg, 2010). Given the prosperous implementation of sustainable Sharia economics in Palestine, Iran must find a harmonious equilibrium between its theological tenets and a pragmatic strategy that promotes economic expansion and stability. It would be more effective to prioritise programmes that directly help the Palestinian populace, such as building development, education, and healthcare, rather than exclusively supporting violent groups like Hamas. Implementing this strategy has the potential to bring about concrete enhancements in the well-being of Palestinians and foster enduring economic stability in the region. On the other hand, Saudi Arabia plays a diverse role in assisting Palestine's economic sovereignty through a range of programmes designed to bolster the Palestinian economy and strengthen its economic autonomy. Saudi Arabia has played a crucial role as a donor to the Palestinian Authority, offering significant financial assistance to bolster the Palestinian economy. This support encompasses financial resources for developing infrastructure, education, healthcare, and other crucial sectors (Sons, 2024).

To achieve economic self-determination, Palestinians must work towards increasing their economic sovereignty. Palestinians must prioritise the development of a robust domestic economy, reducing their reliance on Israel. One way to accomplish this is by encouraging entrepreneurship and assisting small and medium-sized businesses. Additionally, it is essential to allocate resources to critical sectors like agriculture, manufacturing, and services (Khalidi, 2023). Regional economic cooperation with neighbouring countries, such as Egypt, Jordan, and Lebanon, can benefit Palestinians significantly. These efforts can contribute to expanding trade and investment options and decreasing reliance on Israel (UNCTAD, 1998). To ensure support for their economic development aspirations, Palestinians must actively interact with international actors such as governments, non-governmental organisations (NGOs), and international financial institutions. Within this particular framework, the significance of significant global players seems less prominent. Initiatives and multinational non-governmental organisations have a more substantial influence by actively executing their impact on the ground. This includes promoting advantageous trade policies, obtaining foreign investments, and utilising international funding systems (UNCTAD, 1998). Palestinians must also enhance their institutions, such as the Palestinian Authority (PA), to guarantee efficient governance and administration of economic resources. Establishing a stable and predictable economic environment is crucial for attracting investment and fostering economic growth (UNCTAD, 1998).

Notwithstanding the impact of global political dynamics on the execution of Palestine's Sharia-compliant economic self-sufficiency, numerous actors have endeavoured to assist the country. Palestine has received assistance from numerous international organisations to implement Sharia-compliant economic strategies to strengthen its economic autonomy. The following are some examples:

First, The Team Europe Initiative (TEI) is an all-encompassing endeavour led by various European Development Partners (EDPs). Each EDP assumes a leadership role in a specific thematic domain, which includes trade, the digital economy, the green economy, entrepreneurship, and resilience. The initiative's primary objective is to enhance collaboration among relevant Palestinian institutions and facilitate smoother coordination and dialogue with counterparts from the Palestinian Authority (European Union, 2022). The policy strategy employed by the Team Europe Initiative (TEI) in relation to Palestine's economic sovereignty has resulted in various positive outcomes, which are crucial for enhancing the nation's economic independence and strength. Significant progress has been achieved through various initiatives such as Green Economy Support, strengthening the Palestinian private sector by enhancing competitiveness and improving conditions for smallholder farmers and rural enterprises, implementing Circular Business Models, promoting Energy Efficiency, Water Conservation, and enhancing the Regulatory Framework (UNRWA, 2023). These efforts have significantly helped to promoting Palestinian self-sufficiency, especially in the economic domain.

Second, Non-Governmental Organisations (NGOs): The support of NGOs for Palestinian development initiatives, such as the implementation of Sharia economic principles, has been instrumental. As an illustration, the Norwegian Refugee Council has implemented measures to aid in the restoration of the rule of law in Palestine, including improving regulatory and legal structures pertaining to Sharia tribunals and personal status legislation (Adamczyk, 2011). The Norwegian Refugee Council (NRC) has actively engaged in diverse programmes to foster economic development and statehood in Palestine. Although the NRC primarily prioritises humanitarian aid and protection, its efforts have also positively impacted the economic prosperity of Palestinians. The NRC has offered substantial economic aid to Palestinians through many programmes, encompassing financial aid, vocational training, and microfinance efforts. They have also been a staunch supporter of safeguarding economic rights in Palestine, particularly in the context of the Israeli occupation. The organisation's advocacy endeavours have concentrated on guaranteeing Palestinians' access to their economic assets, including land, water, and other natural resources, while also striving to eliminate discriminatory practices that impede their economic progress.

Third, The Islamic Development Bank (IsDB) has been advancing Palestine's economic development. A loan of \$500 million was authorised by the bank in 2019 to support development initiatives led by the Palestinian Authority. These initiatives included the construction of a new hospital and expanding a water treatment facility (ESCWA, 2022). They significantly promoted Palestine's economic growth and independence through various initiatives and projects, such as Economic Empowerment, Infrastructure Development, and Agricultural Development. They also made substantial investments in infrastructure development projects in Palestine, encompassing the construction of roads, irrigation systems, and agricultural storage facilities. These developments have enhanced the overall economic environment and bolstered the capacity for economic expansion. The IsDB prioritised agricultural development in Palestine, offering assistance for crop cultivation, livestock rearing, and expanding agricultural storage capabilities. This has contributed to the enhancement of agricultural productivity and the betterment of farmers' livelihoods. The IsDB has again engaged in capacity-building endeavours for Palestinian institutions, boosting their proficiency in project management and efficient service delivery. This also has significantly contributed to the holistic and enduring development of the Palestinian economy (IsDB, 2023).

Fourth, despite all the ups and downs, the international community has made significant contributions to the development of Palestine by providing financial aid, technical expertise, and support for adopting economic principles that adhere to Sharia law. Most of their efforts have been focused on promoting Palestinian economic progress and self-governance while simultaneously adhering to the principles of Islamic finance and economic progress. In pursuing economic sovereignty, the successful implementation and effectiveness of Sharia economy initiatives in Palestine are ultimately impacted

substantially by international political factors. Hence, it is critical to understand these elements and confront the obstacles they present to guarantee the achievement of such undertakings. The ultimate trajectory of Palestine's economic development towards attaining economic sovereignty will be impacted by many factors, including those of an international political nature. As a result, Palestine is compelled to identify potential prospects and initiate internal initiatives to pursue economic autonomy successfully. A multitude of global initiatives have been launched in an effort to aid Palestine in its national development. Palestine can achieve greater autonomy with the assistance of international actors, especially concerning the effective implementation of economic sovereignty.

5. Policy Implications and Recommendations

Prior to prioritising the consolidation of Sharia-compliant economic principles in Palestine, unity must be established. Policymakers and the general public should strive to assemble and deliberate on critical issues pertaining to the future of Palestine. Despite the presence of diverse ethnic groups and a turbulent past, this endeavour serves as a fundamental determinant in Palestine's progression.

Several endeavours are available to Palestinian policymakers once a consensus on a common objective and a joint pledge to progress is established. In legislative and regulatory frameworks, Policymakers in Palestine possess the capacity to develop and implement regulatory and legal structures that promote the growth of Sharia-compliant economic enterprises. This undertaking requires the establishment of dedicated Sharia economic tribunals responsible for resolving conflicts and developing a Sharia economic code of ethics to regulate commercial activities (Khalidi & Taghdisi-Rad, 2009). Legislative actions might be taken, for instance, to ensure that financial transactions and commercial dealings adhere to Sharia principles; this would imbue legitimacy and confidence in Sharia-compliant businesses. On the other hand, in terms of education and capacity building, Palestinian policymakers can allocate resources towards capacity-building programmes and educational initiatives that seek to increase public and corporate awareness and proficiency in Sharia economic principles. Adopting this proactive approach fosters an atmosphere favourable for expanding economic activities that adhere to Sharia principles (Khalidi & Taghdisi-Rad, 2009). Utilising vocational training and academic curricula customised to Sharia economics, individuals can be furnished with the necessary competencies and understanding to participate proficiently in business ventures that adhere to Sharia principles. This, in turn, can promote economic empowerment and resilience. Lastly, concerning infrastructure enhancement, Palestinian policymakers are in a favourable position to support the progress of Sharia-compliant economic initiatives by facilitating critical infrastructure development. In order to satisfy market demand, this strategic imperative entails the creation of Sharia-compliant financial institutions and expanding Sharia-compliant products and services (Diwan & Sha'bān, 1999). For example, endeavours may be focused on promoting the establishment of Islamic banks and financial intermediaries that conduct business following Sharia principles. This would facilitate greater availability of Sharia-compliant financial services and enhance financial inclusion among the Palestinian populace.

Upon successfully implementing these initiatives, Palestinian officials, international organisations, and donor agencies can engage in the following endeavours to maintain Palestine's economic independence:

- a. **Continuous Monitoring and Evaluation:** Ensuring the continuous surveillance and evaluation of economic initiatives that adhere to Sharia principles is paramount. This involves evaluating the implementation process methodically and determining whether these initiatives effectively attain their intended goals (Diwan & Sha'bān, 1999). Policymakers can promote the ongoing enhancement and optimisation of Sharia-compliant economic endeavours by conducting periodic evaluations that enable them to identify specific areas that necessitate adjustment or reevaluation. For example, implementing regular audits and performance evaluations can provide valuable insights regarding the efficacy of legal and regulatory frameworks. This enables opportune modifications to improve performance and ensure adherence to Sharia principles.

- b. **Provision of Policy Counsel and Advisory Services:** Donor agencies and international organisations are in an ideal position to provide Palestinian policymakers with advisory support and invaluable policy counsel. These entities can assist in overcoming legal and regulatory obstacles related to applying Sharia economic principles by disseminating expert guidance and insights (Khalidi & Taghdisi-Rad, 2009). In this regard, providing policymakers with technical support in formulating legislative and regulatory frameworks specifically designed to accommodate Sharia-compliant practices can furnish them with the essential resources to tackle intricate legal obstacles and streamline the incorporation of Sharia principles into the economic sphere.
- c. **Foster Collaboration and Partnerships:** By working with international organisations and donor agencies, Palestinian policymakers can facilitate the formation of strategic alliances and partnerships between their Sharia-compliant economic initiatives and similar undertakings in other nations. Promoting cross-border collaborations strengthens the development and efficacy of Sharia-compliant economic initiatives through the exchange of best practices, knowledge, and expertise (Diwan & Sha'bafn, 1999). An example of how this can be implemented is by facilitating twinning agreements between Palestinian Sharia-compliant financial institutions and their international counterparts. This initiative can promote capacity-building and mutual learning, enhancing innovation and resilience in the Palestinian Sharia economy.

6. CONCLUSION

In conclusion, pursuing economic autonomy and self-governance in Palestine represents a complex endeavour that necessitates implementing a comprehensive approach. Critical components of this endeavour involve cultivating a robust domestic economy, reducing reliance on external factors that may disrupt operations, and promoting entrepreneurialism and the development of small to medium-sized businesses. Emphasising critical sectors such as agriculture, manufacturing, and services and promoting economic cooperation with neighbouring countries can substantially enhance Palestine's economic independence. It is crucial to actively participate in discussions with international stakeholders, including non-governmental organisations, governments, and financial institutions, to gain support, promote beneficial trade policies, and attract foreign investment. Furthermore, it is crucial to strengthen institutions like the Palestinian Authority in order to guarantee effective governance and administration of economic resources. This is essential for creating a stable and predictable economic environment favourable for investment and growth.

The support of various international organisations, such as the Islamic Development Bank, the Team Europe Initiative, and NGOs, has been instrumental in advancing Palestine's economy and incorporating Sharia-compliant economic strategies. However, it is crucial to resolve fundamental deficiencies and promote sustainable economic progress, especially considering the consequences of the Israeli-Palestinian conflict on the Palestinian economy. Economic sovereignty, which represents a region's independent ability to determine its own economic policies, resources, and development paths, is crucial to comprehend the complexities and possibilities associated with Palestinian economic self-determination.

Facilitating and strengthening the implementation of Sharia-compliant economic principles in Palestine presents a viable pathway to attaining economic autonomy. Drawing inspiration from the Islamic legal system known as Sharia law, these principles align harmoniously with the socio-cultural values of the local community. They can cultivate an economic framework that is more robust and self-sufficient. By prioritising the sustainable economic pursuits, social responsibility, equity, and communal cohesion intrinsic to Sharia-compliant economics, it is possible to overcome existing obstacles in the Palestinian economic landscape and promote the development of an environmentally sustainable, transparent, equitable, and cohesive economic environment.

After careful consideration, it is evident that achieving economic sovereignty in Palestine requires a comprehensive and all-encompassing approach that takes into account the local, regional, and global levels. By capitalising on the backing of global stakeholders, advocating for economic practices that adhere to Sharia principles, and addressing underlying deficiencies, Palestine can strategically position itself to

pursue increased economic independence and resilience. Nevertheless, understanding the impact of international political forces on achieving economic self-sufficiency and overcoming barriers presented by such forces is crucial for guaranteeing the successful execution of economic sovereignty initiatives. Palestine's achievement of economic sovereignty is contingent upon many factors, including international political dynamics. This emphasises the criticality of identifying potential pathways and commencing internal initiatives to pursue economic autonomy effectively.

Ethical Approval

This study did not require ethical approval because it did not involve human participants, personal data, or animal subjects. It complies with the established ethical standards for research in the social sciences.

Informed Consent Statement

This study did not involve human participants; therefore, informed consent was not required.

Disclosure Statement

No potential conflict of interest was reported by the author(s).

Data Availability Statement

The data presented in this study are available on request from the corresponding author due to privacy reasons.

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Notes on Contributors

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