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Best Practices in Interconnecting Sharia Arbitration Norms: A Comparative Analysis of Indonesia and Europe

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Abstract. This paper explores the intricate process of interconnecting Sharia law with the legal systems of Europe, with a focus on the theoretical perspectives presented by Robert Alexy and H.L.A. Hart. It delves into the complexity and challenges associated with this integration and identifies key points of contention and opportunities. Notable challenges include overcoming the negative perceptions of Sharia law within Western legal circles, recognizing the diverse interpretations of Sharia, and harmonizing capitalist and Sharia-compliant economic principles. The paper emphasizes the significance of interconnecting Sharia law with European legal systems, particularly within the realm of economic law, where concepts of justice, ethics, and Sharia's intricate provisions come into play. Using the theoretical frameworks of Alexy and Hart, the paper operationalizes the variables of "cause" and "effect" through comparative analysis to facilitate an effective and fair interconnection. It concludes by highlighting the importance of embracing an approach that balances the relevant aspects while minimizing legal uncertainties. In achieving this balance, the paper suggests strategies such as defining clear Sharia arbitration rules and ensuring the coexistence of Islamic banking practices with public interests. The evolving interaction between the two legal systems driven by the growing relevance of Islamic law necessitates a diverse legal landscape with various implications for Europe's ever-evolving legal framework.

Keywords: Interconnection of Legal Systems; Sharia Norms; European Legal System.

1 Introduction

The interconnection of legal and religious norms has always been a challenge in a secular state. The recognition of sharia law in European countries is recognized as having an important role due to the increasing number of adherents of Islam in Europe and the development of Islamic Banking in European countries. Thus ensuring that the dispute resolution is based on Sharia norms [1].

Islamic Banking and Finance in Europe has grown significantly outside Muslim countries, with estimates reaching more than US$2 trillion by 2015. The UK has even had a long experience with establishing Islamic Banking since the early 1980s. Germany welcomed Islamic bonds (sukuk) in 2005, while France has prepared the legal reforms needed to become an important Islamic finance centre in Europe [2].

That is, Sharia has become a common framework in financial business processes in Europe so its compatibility becomes relevant to be examined within a broader legal framework, namely the interconnection between conventional European law and Sharia economic law. The balance between the accommodation of Sharia economic practices, such as adherence to Sharia business ethics and sharia dispute resolution with the supremacy of the secular legal system became a fundamental aspect of this study.

Discussing Indonesia's experience of Islamizing sharia economic practices in the Southeast Asian region is important to explore to bridge the critical point of the paradox between transcendent sharia law and the secular European legal system. The aim is to find a replication model with the legal framework of the European Union to love the hybrid legal character between secular legal systems and sharia legal norms. Observing the breadth of study topics on the interconnection of sharia law with legal structures in European countries, this study focuses on the interconnection between conventional banking regulations in European countries and sharia banking regulations through Indonesia's experience in strengthening sharia economic law in its economic legal system.

The existence of Islamic Banking and Finance in Europe encourages serious efforts to accommodate Sharia legal provisions into business law systems at multinational or international levels. This study aims to unravel the complexity of adjusting Sharia Arbitration to the framework of the European legal system by adopting Indonesia's success in accommodating Islamic law as post-colonialism state law [3].

Today European countries are adopting various approaches in dealing with Sharia-based laws. While some countries, such as the Netherlands, do not officially recognize legal entities based on Sharia, others, such as the United Kingdom, provide provisions in their Arbitration Laws that recognize non-legal decisions as legally valid. Understanding these differences is important in assessing the interrelationship between Sharia arbitration and the European legal system [4].

The historical interaction between Western law and Islamic law has been a topic of discussion for some time, influencing the recognition and application of Sharia in the context of European law. The unification of Islamic law, especially in the settlement of sharia arbitration disputes is necessary to explore the historical roots and debate that continue and influence the understanding of Sharia law in Western legal systems [6].

The accommodation of Sharia arbitration and the international legal system is a complex and constantly changing phenomenon [7]. This study seeks to explore the depth of this interaction by considering the relationship between legal and religious norms, challenges in harmonization, as well as diverse approaches in Indonesia that enable historical interaction, and the growth of compliant arbitration practices in European countries. Thus, the coexistence between these two legal systems and potential pathways for their integration is the main focus of this study to present a deeper understanding of the interconnection of two different legal systems.

2 Research Method

This research will use diverse research methods to explore the interconnections between Sharia arbitration and private international legal systems in the European context. First, the study of literature will be a major cornerstone in understanding the relationship between the Islamization of conventional law. This study will analyze the legal literature relating to sharia arbitration issues in the European legal system, as well as obtain the views of various experts and relevant historical views.

The method of comparative law analysis will be used to compare international and national legal norms related to sharia arbitration in different European and Indonesian countries. This research will reveal different approaches in European and Indonesian legal systems, especially efforts to accommodate Sharia arbitration in resolving sharia business disputes in two different legal jurisdictions.

3 Result and Discussion

The interconnection of Sharia norms in secular countries, and the emphasis on a deeper understanding of its nuances and contexts is a very important understanding. This research invites us to challenge the stereotypes and simplifications that often surround sharia law. With a more accurate understanding, we can see that sharia is a complex system, constantly adapting to the times, and not limited by certain stereotypes.

3.1 Interconnection of Sharia Norms in Secular States

The tipping point of interconnection of Sharia norms in secular countries is mainly due to the failure of Western jurists to see Sharia as a complex but unified legal system and have a responsive set of rules to adapt to the times, and not limited by certain stereotypes. The contextualization of sharia considers historical and cultural influences in its development. It helps us acknowledge the diversity in sharia and understand its relevance in today's multicultural society. In this way, we can understand that Islamic law is not only stuck in the past but is also relevant in a constantly changing contemporary context [8].

The practical implication of this is to foster better dialogue and understanding between different communities in a multicultural society. In addition, this deeper understanding can provide valuable guidance for policymakers and legal professionals in developing policy frameworks that respect individual rights and the needs of diverse communities. Thus, we can strike a better balance between secularism and Sharia norms in an increasingly pluralistic society [9].

The recognition of the importance of sharia is due to several motivating factors. *First*, the increasing number of adherents of Islam in Europe has increased recognition of the importance of Islamic law. This recognition is evidenced through various legal mechanisms, such as the establishment of Islamic courts in European countries designed to oversee personal status issues such as marriage, divorce, inheritance, and guardianship.

Another driving force behind the recognition of Islamic law is the growth of Islamic Banking and Finance in Europe. This financial sector, rooted in ethical principles consistent with sharia, is gaining prominence. This has resulted in a deeper understanding and integration of sharia law into the European legal framework, particularly impacting areas such as contract law, banking, and finance [10].

Moreover, the influence of European-style legal systems in some Muslim-majority countries cannot be ignored. Even countries that predominantly adhere to Islamic law have incorporated elements of the European legal system, thus contributing to greater recognition of religious law, including Islamic law, within the European legal framework.

Ethical considerations play an important role in this recognition, as Islamic law's emphasis on justice and ethical banking practices are considered valuable additions to the European legal system. The principles of fairness and ethical conduct in Islamic finance are seen as a positive contribution to the development of the European financial sector as a whole.

The crucial topics for achieving the interconnection of Sharia arbitration in the European legal system can be explained as follows: *First*, the coexistence of the Capitalist economy and the Sharia economy. It involves an in-depth analysis of the principles of Islamic economics, which includes a ban on riba (interest), a ban on speculative transactions, and the necessity of risk-sharing. A deep understanding of these differences is important in the process of achieving an interconnection between Shariah arbitration and the European legal system. *Second*, it seeks operational common ground to prevent legal uncertainty that may arise in arbitration proceedings, so the determination of sharia arbitration rules and practices is crucial. *Third*, customer satisfaction orientation, and recognition of Islamic Banking in Europe has consequences on the question of the extent to which Sharia law can be applied and the extent to which the public interest should be safeguarded is an important part of this process. Fourth, the growth of the Islamic finance industry in Europe reinforces the importance of finding ways to achieve interconnection between Shariah arbitration and the European legal system. Fifth, sharia agents in commercial arbitration, namely the requirement that arbitrators must be Muslim and transactions must pass review by an internal Sharia committee. This involves drafting rules and guidelines that facilitate the use of Sharia law in arbitrations without compromising compliance standards [11].

This approach attempts to achieve interconnection between Sharia arbitration and the European legal system by considering relevant aspects, accommodating Sharia legal principles within the European legal framework, and minimizing legal uncertainty. This is an important step in bridging between Sharia norms and secular legal systems in a multicultural environment. Along with the increasing relevance of Islamic law in European legal systems, there are also challenges and opportunities. These challenges are particularly evident in the areas of private international law and cross-border dispute resolution. Nonetheless, it also creates opportunities to improve coordination and understanding between sharia arbitration and the rules of private international law. This ever-evolving interconnection of legal systems, driven by the growing importance of Islamic law, presents a diverse landscape with multiple implications for Europe's evolving legal landscape [12].

3.2 Recognition of Sharia Norms: Islamic Banking and Finance in Europe

The recognition of the importance of sharia law in the European legal system is due to several main factors. *First*, this recognition is reflected in the establishment of Islamic courts in some countries, which deal with matters of personal status such as marriage, divorce, inheritance, and guardianship. This growth in the Muslim population has created a need for a legal framework that accommodates their religious beliefs, thus influencing the integration of Islamic law into the European legal system [13].

Second, the development of banking is rooted in ethical principles that are in harmony with sharia law. This evolution has contributed to a deeper understanding and incorporation of sharia into the European legal framework, particularly in areas such as contract law, banking, and finance. Ethical considerations in sharia law emphasise fairness and ethical banking practices, seen as valuable additions to the European legal landscape, thus positively impacting the development of the financial sector [14].

In addition, the influence of European-style law in some Muslim-majority countries has exerted a reciprocal influence on the legal framework of both. Such mutual relations have prompted greater recognition of the importance of sharia law in the European legal system. Despite challenges in areas such as private international law and cross-border dispute resolution, the increasing relevance of sharia law offers opportunities for greater coordination and understanding between sharia economic arbitration and state-defined rules of private international law. In summary, the recognition of sharia norms in the European legal system represents a complex interplay between demographic shifts, economic development, cultural exchange, ethical considerations, and an ever-evolving international legal landscape, thus forming a dynamic environment for legal harmonization and cross-cultural dialogue [15].

3.3 Interconnection and Compatibility Approaches

The interconnection of Sharia law in the European legal system is an increasingly important and complex topic in contemporary legal debates. In the study of these interconnections, the thoughts of Robert Alexy and Hart became the centre of attention. Both theories provide an in-depth understanding of how legal systems can be integrated in the context of European secular law and how Sharia law can interact with them [16].

First, the variable "causa" appears in Alexy's understanding of law as a system. Alexy sees constitutional rights as principles that are at the core of legal reasoning. This creates a platform for discussion of how these principles can contribute to harmonization between secular law and Sharia law in Europe. The first effect of Alexy's view is a deeper understanding of legal reasoning. With the concepts introduced by Alexy, legal practitioners, both within secular law and Sharia law, can better understand how the law functions. This creates opportunities to facilitate better interconnection between these two legal systems [17].

Second, Alexy's theory seeks to refer to the reconciliation between the ideal idea in law with the reality of implementation in everyday life. In the context of Sharia law and the diverse European legal system, this can be interpreted as an attempt to bridge the gap between ideal legal principles and practical application in society. This creates a

basis for thinking about how Sharia law can be applied taking into account European secular law [18].

Third, it also explores the concept of institutionalized "reason." In the context of European law, this can be at the core of the approach to achieving an interconnection between secular law and Sharia law. By understanding this concept, there may be a systematic way to integrate the principles of Sharia law within the framework of European law without compromising secular legal principles [19].

Alexy's thinking provides a solid foundation and creates opportunities to refer to the fundamental principles and compatibility strategies that enable harmonious interaction between two different legal systems. With a deep understanding of law as a system, the debate on the interconnection of Sharia law and the European legal system can become more focused and informative.

According to Sifuentes in his research entitled "Coercion's Place like Law: Hart and Alexy," there is a significant contribution to the understanding of the interconnection of Sharia law into the European legal system through H.L.A. Hart and Robert Alexy's perspective analysis of the role of coercive like law. The independent variable in this context is Hart and Alexy's view of coercive law, while the dependent variable is a better understanding of the relationship between Sharia law and European law [20].

Hart's view of law as consisting of primary rules and secondary rules provides a significant framework. Primary rules impose obligations and create rights, while secondary rules provide a framework for the creation, modification, and enforcement of primary rules. Hart's view of coercive is closely related to primary rule enforcement, indicating that coercive in law is primarily concerned with aspects of law enforcement. The independent variable here is Hart's view of the primary and secondary and coercive rules relating to them [21].

On the other hand, Alexy's view of law is focused on the concept of principles, which according to him are the core of legal reasoning. Sifuentes notes that Alexy's view of coercive is more nuanced, as Alexy recognizes that principles can also be coercive, albeit in a different context compared to rules. In Alexy's view, coercion is not limited to the enforcement of primary rules but can be applied in the context of principles. The independent variable here is Alexy's view of principles and the broader role of coercion in his thinking [22].

By analyzing Hart and Alexy's perspective, Sifuentes' article provides a deeper understanding of the role of coercive in law, and this has implications in the context of the interconnection between Sharia law and European law. That is, a better understanding of how the law can apply coercive in different contexts could provide a theoretical foundation for better integration of Sharia law into the European legal system. This article thus provides a more comprehensive look at how coercive can play a role in the increasingly complex relationship between Sharia law and European law.

3.4 Historical Interaction between Western and Sharia Law in Indonesia

The historical interaction between Western and Islamic law in Indonesia can be understood through the following key points. First, Islamic law has been present in Indonesia since the arrival of Islam in the region. Islamic law, along with customary law and

Western law, was recognized in colonial times under the Dutch East Indies law known as Indische staatregeling S 1855-2, which accommodated all three legal systems [23].

However, the development of Islamic law in Indonesia was limited during the colonial and post-independence periods. The government had limitations in accommodating Islamic law, and the development of Islamic law was restricted during the Old and New Order periods. Then, the rise of the Islamic economic movement in Indonesia was closely related to the struggle of Muslims to implement Sharia in the country. The debate about Sharia Islam began during the process of establishing Indonesia's state form, and the current ideology of Pancasila is a compromise that does not fully implement the principles of Sharia Islam [24].

Sharia law plays a dynamic and multifaceted role in the development process of the Indonesian state. The official adoption of Islamic law and its impact on Indonesian society can be traced back to its roots in the pre-colonial period and to its development to the present [25].

The complicated relationship between law and religion in Indonesia has been the subject of increasing debate. As the world's largest Muslim democracy, Indonesia prides itself on being a model of pluralism, coexistence, and tolerance. However, an understanding of law and religion in Indonesia also raises questions about the role of state regulations and legal processes in managing and resolving interreligious conflicts. In essence, the historical interaction between Western and Islamic law in Indonesia reflects the country's rich Islamic heritage as well as the complexity of the harmonization of religious principles in a diverse and democratic society.

Hart's approach, which divides the law into primary and secondary rules, can also be applied. The recognition and implementation of Sharia law as a secondary law governing certain aspects of life, such as matters of marriage and inheritance, can allow coexistence with secular law. State law can play a role in regulating these secondary rules to ensure consistency with Pancasila values and national law [26].

In addition, Indonesia's strategy also includes the recognition that the application of Sharia law in diverse societies requires a contextual approach. States need to consider cultural differences and views in society, in line with democratic values and tolerance. This reflects Hart's perspective on the application of rules that accommodate concrete situations [27].

A historical approach is important, as understanding the origins of Islamic law in Indonesia and official recognition of it can help achieve continuity in interconnection. History allows us to find the meeting point between Sharia law and state law while understanding how the role of Islam has evolved in Indonesian history [28].

Indonesia's approach to interconnecting Sharia law with state law is to understand the basic values of Islam, the values of Pancasila, and the diverse cultural context of society. It creates a framework that allows Sharia law and state law to coexist, respects individual rights, and safeguards the principles of Indonesia's democratic state. This approach reflects efforts to achieve harmonization between religious law and secular law in a complex and multicultural environment.

3.5 Interconnection of Legal and Sharia Norms: Hart and Alexy's Perspective

Robert Alexy and Hart's theory has relevance in formulating a historical approach as an interconnection strategy in the context of historical interaction between Western law and Islamic law in Indonesia. Here is how the contribution of this theory translates to Indonesia's experience in Islamizing its economic system.

Robert Alexy emphasizes the importance of constitutional rights as the principles at the core of legal reasoning. In the Indonesian context, an understanding of constitutional rights is the basis for the recognition of the rights of individuals and Muslim communities in developing an economic system following Islamic principles. This recognition is reflected in the history of Islamic economic development in Indonesia [29].

H.L.A. Hart discusses a legal framework that includes primary rules and secondary rules. In the history of law in Indonesia, the Dutch colonial legal framework (Indische staatregeling S 1855-2) accommodated three existing legal systems: Islamic law, customary law, and Western law. This created the historical foundation for the development of the Islamic economic system in Indonesia [30].

Compromise and Development (Alexy & Hart): Indonesia has, historically, faced challenges in deciding the extent to which Sharia law should be applied in its economic system. Compromises such as the ideology of Pancasila become the foundation that accommodates the diversity of society. The historical approach allows us to see the development of Islamic law in Indonesia, reflecting the debates about the law and the compromises made.

Interaction between Law and Religion (Alexy & Hart): The history of the interaction between law and religion in Indonesia, especially in the Islamic context, illustrates the debate regarding the adoption of Islamic law in the legal system. In the case of Indonesia, a country known for religious pluralism, consideration of the relationship between state regulation and legal processes in managing inter-religious conflicts becomes relevant. Alexy and Hart's theories help outline these debates and the role of law in resolving conflicts.

Overall, Robert Alexy and Hart's theories provide a basic understanding and conceptual framework that allows us to analyze the historical interaction between Western law and Islamic law in Indonesia, especially in the context of the Islamization of the economic system. It provides insight into how laws, constitutional rights, and compromises have influenced the development of Islamic economics in Indonesia throughout its history.

3.6 Interconnection of Legal and Sharia Norms: Hart and Alexy's Perspective

To formulate an approach to the interconnection of Sharia law with state law in the European context, especially using the views of theories such as those proposed by Robert Alexy and H.L.A. Hart, we must understand the complexities and challenges that arise in dealing with them. There are several tipping points, opportunities, and challenges that must be considered in this process.

The biggest challenge in efforts to interconnect Sharia law into the European legal system is the negative perception of Sharia law. This is due to the failure of some Western jurists to understand that Sharia is not a single, static legal system, but rather a complex, evolving, and responsive legal system. Contextualizing Sharia by considering historical and cultural influences in its development can help overcome this perception.

Furthermore, the diversity of Sharia law follows with many interpretations, so it becomes a challenge in itself. However, it also creates an opportunity to show that Islamic law is not only stuck in the past but is also relevant in a constantly changing contemporary context. The coexistence of the Capitalist Economy and the Sharia Economy is also another major challenge as it involves an in-depth analysis of the principles of Islamic economics that include the prohibition of riba (interest), the prohibition of speculative transactions, and the necessity of risk-sharing [31].

Private International Law and Cross-border Dispute Settlement: Challenges arise in the field of private international law and cross-border dispute resolution. The increasing relevance of Islamic law offers opportunities to improve coordination and understanding between Sharia arbitration and the rules of private international law established by states.

Facing challenges and seizing opportunities in the interconnection of Sharia norms in the European legal system, it is important to adopt an approach that considers the relevant aspects and minimizes legal uncertainty. Some crucial points to achieve the interconnection of Sharia arbitration in the European legal system are: First, the coexistence between the capitalist economy and the Sharia economy. In the face of differing principles of Islamic economics, such as the prohibition of usury, it is necessary to find operational common ground to prevent legal uncertainty. This involves drafting Sharia arbitration rules and practices that are clear and acceptable to all parties [32].

Second, customer service orientation and recognition of Islamic banking in Europe. This raises questions about the extent to which Sharia law can be applied and to what extent the public interest should be safeguarded. Creating a balance between the principles of Islamic finance and the public interest is an integral part of this process.

As the relevance of Islamic law increases in European legal systems, some challenges need to be addressed. These challenges are particularly evident in the areas of private international law and cross-border dispute resolution. However, these challenges also create opportunities to improve coordination and understanding between Sharia arbitration and the rules of private international law. This ever-evolving interconnection of legal systems, driven by the growing importance of Islamic law, presents a diverse landscape with multiple implications for Europe's evolving legal landscape.

The recognition of Sharia norms in the European legal system represents a complex interplay between demographic change, economic development, cultural exchange, ethical considerations, and the ever-evolving international legal landscape. With an interconnected approach, the European legal system can provide legal space that is more inclusive, fair, and in line with the demographic development of Muslims in Europe.

The theories of Robert Alexy and H.L.A. Hart can provide an analytical foundation to understand how historical data such as the Historical Context of the Islamization of Sharia Economic Law in Indonesia can contribute to bridging or resolving critical

points in the interconnection of Sharia economic dispute resolution in the European legal system.

First of all, Robert Alexy discusses the theory of legal formulation that prioritizes the concept of "justice" in making legal decisions. In the context of the interconnection between Islamic law and European secular law, the concept of justice is particularly relevant. Historical data on the Islamization of Sharia Economic Law in Indonesia shows how Islamic teachings have developed within a legal framework that follows the values and principles of Islamic law. This history provides a view of how Islamic law has been implemented in an economic and financial context. Through this historical data, we can see how the principles of justice, sustainability, and ethics in Sharia economic law have been applied in practice in Indonesia. Alexy's theory can help us understand how these principles can be integrated into the European legal system in a way that preserves the principles of fairness and balance.

Second, H.L.A. Hart discusses the role of the rule of law in a society. In the context of the interconnection of Sharia law and European law, historical data on the Islamization of Sharia Economic Law in Indonesia can be used to understand how the rules of Islamic law have been adopted and applied in the context of European law. This history provides an example of how two different legal systems can coexist and interact. This historical data also reflects the evolution of laws and adaptation to changing times. Hart's theory of the role of the rule of law in society can help evaluate how the rule of Sharia law can be integrated with European law without disturbing legal stability and cohesion.

Thus, historical data on the Islamization of Sharia Economic Law in Indonesia becomes relevant because it provides views on how the principles of Islamic law, especially in the economic context, can be applied and integrated into the European legal system by considering aspects of justice, ethics, and adaptation to the times. The theories of Robert Alexy and H.L.A. Hart can help in understanding and formulating appropriate approaches to achieve effective and fair interconnection between these two legal systems in resolving the critical point of Sharia economic dispute resolution interconnection in the European legal system.

Fig. 1. Graph of Interconnection Sharia Norms in the European Legal System.

The operationalization of the variables "cause" and "effect" in projections from the theories of Robert Alexy and H.L.A. Hart in the context of the interconnection of Sharia

arbitration in the European legal system involves in-depth comparative analysis. Based on the graph above, the translation of the concepts of these two theories into the context of the development of the interconnection of Sharia arbitration and European law can be explained as follows:

Sharia law is increasingly relevant in the European context due to the growth of the Muslim population and the growth of Islamic banking and finance in Europe. This reality has implications for the emerging conceptual and practical need to understand the challenges faced in integrating two different legal systems. Abstract concepts such as fairness, ethics, and complex provisions of Sharia law must be explored to understand their differences and similarities with European law. Including how to formulate views of ethos and sharia ethics in secular countries. These include the prohibition of usury, the prohibition of speculative transactions, and the principles of fairness that must be accommodated in the interconnection process.

Based on the description above, the projection of the interconnection of sharia law and sharia dispute resolution tools is recognized in aspects of economic law in Europe, such as contract law, banking, and finance. The main approach that can be taken is to provide relevant legal options for resolving disputes among sharia economists in an increasingly multicultural environment. It is also known that the implementation of Sharia law also affects European law. This impact has led to the integration of elements of Sharia law in European law, especially in terms of ethical principles and fairness within the financial sector.

The operationalization of the variables "cause" and "effect" through comparative analysis will allow us to compare the development of Sharia law and European law and their impact. It involves data collection, comparative analysis, and measurement of the impact of the interconnection of Sharia arbitration on the European legal system. The results can be used to formulate a more effective and equitable approach to integrating Sharia law in the context of European law, following the theories of Alexy and Hart.

Robert Alexy and H.L.A. Hart are two legal philosophers who have different approaches to understanding law and legal interconnection. They discuss legal concepts in different ways and have different views on how the law functions. In the context of the typology of the legal interconnection approach, we can understand it by detailing the approaches of both. First, Alexy's approach: Alexy's approach is famous for concepts such as "practical principles," "practical reasoning," and "actionability" in legal understanding. For Alexy, law is a system that has practical principles that can be identified through practical reasoning. These principles form the basis of legal action. In the context of legal interconnection, Alexy's typology of approach is to view law as a set of practical principles that law enforcement can identify and apply in concrete situations. This means that when two legal systems meet, they must seek shared practical principles that are relevant and applicable in a particular context [33].

Practical Reasoning is the construction of legal reasoning applied to decide concrete cases. In the context of legal interconnection, this means that law enforcers must conduct practical reasoning to identify the relevant legal principles of each interacting legal system. They must seek conformity between these principles [34].

Legal actionability, that is, the application of practical principles in a concrete case creates "legal action." This means that two interacting legal systems must be able to

achieve meaningful legal enforceability in a given situation. This may involve compromising or adjusting the legal principles of each system

Meanwhile, H.L.A. Hart, on the other hand, is known for his concepts of "rules of recognition" and "rules of change." For Hart, law is a system consisting of rules recognized and changed by competent authorities. In the context of legal interconnection, Hart's typology of approach is as follows: first, rules of recognition: In legal interconnection, rules of recognition are rules used to determine the validity of legal norms in the legal system. When two legal systems interact, there needs to be rules governing how the legal norms of each system are recognized and considered valid [35].

Rules of Change: Rules of change are also important in the context of interconnection. When two legal systems interact, it is necessary to decide how changes in the laws of each system are recognized and applied in a given situation.

Concept of Dualism: Hart advocated the concept of dualism in the interconnection of laws. This means that each legal system remains separate and has its own rules of recognition and change. Interconnection occurs in the context of mutual recognition of legal norms.

In conclusion, Robert Alexy's typology of the Sharia law interconnection approach focuses on practical principles and practical reasoning, while Hart's second approach emphasizes rules of recognition and rules of change. These two approaches have different implications in dealing with legal interconnections and how two legal systems can interact in a given situation.

The conceptual and practical implications of the operationalization of the variables "cause" and "effect" on the interconnection of Sharia law and European law can be examined. First, the conceptual implication that emerges is that a deeper understanding of the differences and similarities between Sharia law and European law helps us identify the relevant legal principles of each system, enabling appropriate comparisons and adjustments. In the context of legal interconnection, there is a need to understand how two legal systems can interact effectively. This conceptualization helps in determining the principles that can be used as a guide in the process of interconnection and identifying differences that may arise in concrete situations.

The dynamics of banking and financial business often require complex dispute resolution processes, so it is necessary to identify areas that require adjustments in practical reasoning, recognition of legal norms, and rules of legal change. This will ensure that the resulting dispute resolution is fair and efficient.

In addition, a deeper understanding of "cause" and "effect" will enable the provision of relevant legal options in dispute resolution. In interconnection situations, it is important for the parties involved to have flexibility in choosing the law that suits their case. This concept will ensure that dispute resolution can reach an adequate agreement for all parties involved.

The operationalization of the concepts of "cause" and "effect" helps in the development of a clear and structured framework for legal interconnection. The framework will guide law enforcement, arbitrators, and parties involved in interconnection situations. Thus, it can result in dispute resolution that follows the legal principles of both systems and meets the required standards of fairness.

To realize the interconnection of Sharia law into the European legal system, a conceptual and practical understanding of "cause" and "effect" based on Alexy and Hart's theory is an important step towards addressing the challenges and opportunities that arise in an increasingly multicultural legal context. This will enable the development of balanced and fair solutions and ensure that the interaction between the two legal systems runs well.

4 Conclusion

Integrating Sharia law into the European legal system presents complex challenges and opportunities, guided by the perspectives of legal theorists like Robert Alexy and H.L.A. Hart. To navigate this interconnection, it's vital to acknowledge critical points, prospects, and challenges. A significant challenge lies in the negative perception of Sharia law in Western jurisprudence, arising from a lack of understanding about its dynamic, complex, and adaptable nature. Contextualizing Sharia by considering its historical and cultural influences is crucial to overcome this misperception. The diversity within Sharia, coupled with multiple interpretations, is another challenge. Nevertheless, it also provides the chance to demonstrate that Islamic law is not confined to the past but remains relevant in a constantly evolving contemporary context.

The coexistence of capitalist and Sharia economies is another major challenge. This necessitates a deep analysis of Islamic economic principles, including prohibitions on interest (usury), speculative transactions, and the obligation to share risks. In international private law and cross-border dispute resolution, challenges arise but also opportunities to enhance coordination and understanding between Sharia arbitration and international private law standards established by states.

Addressing these challenges and leveraging opportunities in the integration of Sharia norms into the European legal system requires an approach that considers relevant aspects and minimizes legal uncertainty. This involves finding operational common ground between capitalist and Sharia economic principles, crafting clear and universally acceptable Sharia arbitration rules, and maintaining a balance between Islamic financial principles and the public interest.

As Sharia law's relevance increases in the European legal system, challenges surface, primarily in the fields of international private law and cross-border dispute resolution. However, these challenges also present opportunities for improved coordination and understanding between Sharia arbitration and international private law. This evolving legal landscape, driven by the growing importance of Islamic law, offers a diverse landscape with implications for the ever-evolving European legal framework.

The data on the Islamization of Sharia in the context of economic law in Indonesia, grounded in the theories of Robert Alexy and H.L.A. Hart, offer an analytical foundation to bridge critical points in Sharia economic dispute resolution interconnection within the European legal system. First, Robert Alexy emphasizes the theory of "justice" in legal formulation. In the context of interconnecting Islamic and European secular law, the concept of justice is highly relevant. The historical context of the Islamization of Sharia in economic law in Indonesia shows how Islamic law has

evolved within a legal framework that aligns with Islamic values and principles. This historical context provides insight into how justice, sustainability, and ethical principles in Sharia economic law can be integrated into the European legal system while preserving justice and equilibrium.

Second, H.L.A. Hart discusses the role of legal rules in society. In the context of interconnecting Sharia law and European law, the historical data regarding the Islamization of Sharia in Indonesia can be used to understand how Islamic legal rules have been adopted and applied within the European legal system. This history offers examples of how two different legal systems can coexist and interact. The historical data also reflects the evolution of law and adaptation to changing times. Hart's theory of the role of legal rules in society can help evaluate how Sharia legal rules can be integrated into European law without disrupting legal stability and cohesion.

In conclusion, the historical data on the Islamization of Sharia in economic law in Indonesia becomes relevant because it provides insight into how Islamic legal principles, particularly in the economic context, can be applied and integrated into the European legal system while considering aspects of justice, ethics, and adaptation to changing times. The theories of Robert Alexy and H.L.A. Hart offer a framework to understand and formulate an appropriate approach to achieve effective and fair interconnection in resolving critical points in Sharia economic dispute resolution within the European legal system. The operationalization of the "cause" and "effect" variables, based on these theories, facilitates the development of a structured framework for legal interconnection, ensuring that dispute resolutions align with the legal principles of both systems and meet the required standards of justice.

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