



## ECONOMIC JUSTICE IN THE EXTRACTIVE AGE: CAN RELIGIOUS ETHICS REDEFINE MINING PRACTICE?

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### Abstract

*This research explores the evolving meaning of economic justice within Indonesia's extractive governance, focusing on the 2023–2025 policy that allows koperasi, small enterprises (UKM), and religious organizations (ormas keagamaan) to manage mining operations. While the policy is framed as a moral and redistributive intervention, this study examines whether it advances structural justice or merely rearticulates extractivism through moral discourse. The theoretical framework integrates Rawlsian distributive justice, Amartya Sen's capability approach, and Islamic economic ethics, linking them to political ecology and eco-theological perspectives on sustainability and stewardship. These frameworks position economic justice not only as equitable distribution but as moral accountability to both human and ecological communities. Methodologically, the study applies critical analysis combining policy hermeneutics and discourse analysis. Primary data include government regulations, official statements from major religious organizations, and national media coverage. The analysis identifies how religious narratives of stewardship, welfare (maslahah), and creation care are mobilized to legitimize or challenge extractive development. Findings reveal that current religious participation in mining tends to moralize rather than transform extractive structures. However, when interpreted through the ethics of sufficiency and stewardship, religion provides a conceptual basis for redefining economic justice toward post-extractive governance, emphasizing ecological balance, social equity, and intergenerational responsibility. The study concludes that genuine economic justice requires shifting from redistributive inclusion to transformative moral economies grounded in sustainability and human dignity.*

**Keywords:** Economic Justice; Religious Ethics; Mining Practice; Islamic Law

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## A. Introduction

The pursuit of economic justice in contemporary Indonesia unfolds amid the contradictions of an extractive political economy. The country's abundant mineral resources have long been seen as both a blessing and a curse, generating national income while deepening inequality, environmental degradation, and social dislocation. In recent years, the Indonesian government has attempted to reform this pattern by introducing policies that combine moral narratives with economic participation. One of the most notable developments is the 2023–2025 regulation that allows cooperatives, small enterprises, and religious organizations to manage mining operations. Policymakers have presented this policy as a historic moment of democratization and moral correction, a mechanism for returning natural wealth to the people through ethical channels. Yet this raises a deeper question about the meaning of justice and the role of religion in an economy still defined by extraction. Can religious ethics truly redefine mining practice, or do they merely reframe extractivism in moral terms without altering its foundations?

To address this question, it is necessary to situate the policy within the historical and philosophical context of Indonesia's extractive governance. Since independence, the state has viewed natural resources as the backbone of national development. The 1945 Constitution declares that the land, water, and natural riches of the nation are to be controlled by the state and used for the greatest prosperity of the people (Qurbani et al., 2022). This principle has been interpreted in many ways, from nationalist resource control to market liberalization, but its moral intent has always been framed in the language of justice (Gunawan & Taufik, 2023). However, justice in practice has often been limited to redistribution of rents and profits, not transformation of structures. The mining sector has remained dominated by large corporations, centralized bureaucracy, and elite networks (Supriyadi, 2023). Environmental and social costs have been externalized to rural and indigenous communities. Thus, the moral claim

of prosperity for all has coexisted with the material reality of exclusion and ecological harm.

The inclusion of religious organizations in mining governance marks a new chapter in this long history. For the first time, religious institutions such as Nahdlatul Ulama and Muhammadiyah are permitted to participate directly in resource management (Perdana, 2024). The government's rationale is that these organizations possess moral legitimacy and social capital to ensure that mining activities benefit local communities and uphold environmental ethics. Official discourse portrays this partnership as a moral breakthrough, aligning the management of natural resources with the ethical traditions of the nation. Yet critics argue that this initiative risks reproducing extractivism through moral symbolism. When religion becomes a shareholder in mining, it may inadvertently sanctify the very practices it once sought to question. The moralization of extractivism could conceal rather than confront the deeper structural causes of injustice.

The concept of economic justice at the heart of this debate has multiple dimensions. In political philosophy, justice has often been interpreted as fairness, equality, or utility. John Rawls defines justice as fairness, emphasizing the equitable distribution of goods and opportunities within a social contract. Amartya Sen broadens this view by defining justice as the enhancement of human capabilities, meaning that people must have the real freedom to live lives they value. Within Islamic economic thought, justice is not merely distributive but also relational and transcendental. It concerns the right order between humans, society, and nature as ordained by divine wisdom (White, 1967). The Qur'an speaks of justice as balance, stewardship, and accountability. Economic activities are judged not only by their material outcomes but by their ethical orientation toward the well-being of all creation. In this sense, economic justice requires both social equity and ecological harmony (Iqbal, 1930).

When applied to mining, these frameworks reveal contrasting yet complementary insights. Rawlsian justice demands that benefits and burdens of extraction be distributed fairly among citizens (Rawls, 1971).

Sen's capability approach calls for empowerment of communities so that they can shape their own development pathways (Sen, 1987). Islamic ethics adds a moral-spiritual dimension, emphasizing that natural resources are a trust rather than property, and that their use must maintain the balance of life. Together, these perspectives suggest that genuine economic justice cannot be achieved through redistribution alone. It requires a transformation of values, institutions, and relationships that underlie economic behavior (Maslow, 1954).

The moral entry of religious organizations into the extractive economy provides an opportunity to test these ideas in practice. Religion carries immense moral authority in Indonesia, influencing social norms, public policy, and economic behavior (Nugraha et al., 2023). The notion that faith-based actors could reform extractive industries is attractive because it combines moral aspiration with practical governance. Yet the effectiveness of such reform depends on whether religion acts as a transformative ethic or a legitimizing rhetoric. If religious ethics are reduced to moral ornamentation, they risk being co-opted by the very system they seek to correct. If, however, they operate as critical consciousness that challenges structural injustice, they can redefine the relationship between humanity, economy, and environment.

This study proceeds from the assumption that religion is neither inherently conservative nor revolutionary. Its role in economic life depends on how its ethical language is interpreted, institutionalized, and practiced. Within Islamic ethics, concepts such as *amanah* (trust), *maslahah* (public welfare), and *ihsan* (moral excellence) provide rich resources for rethinking the moral foundations of economic activity (Khaldun, 1967). These principles emphasize stewardship, sufficiency, and social responsibility. They challenge the anthropocentric and profit-oriented assumptions of modern economics, inviting a relational understanding of wealth and welfare. In the context of mining, these values could inspire new governance models that prioritize ecological preservation, community empowerment, and intergenerational equity. But to achieve this

transformation, religious organizations must navigate complex tensions between moral idealism and economic pragmatism.

The theoretical challenge extends beyond religion itself. The extractive age is defined not only by material exploitation but by a particular moral imagination that separates economy from ethics and humans from nature. Political ecologists describe extractivism as a worldview that treats nature as inert matter to be converted into capital. This worldview is sustained by economic systems, technological infrastructures, and cultural narratives that normalize exploitation. Religious ethics confront this worldview by reasserting moral and spiritual meanings of creation. In Islamic theology, the earth is not a commodity but a sign of divine mercy. Humans are entrusted with its care, not its domination. When applied to the mining sector, this theology demands an ethic of restraint and accountability rather than extraction and accumulation (Diamantina & Yulida, 2023).

At the same time, religious discourse itself must evolve to address modern economic realities. The challenge is not only to preach morality but to institutionalize it within economic governance. This requires translating ethical values into operational principles such as transparency, community participation, environmental rehabilitation, and profit-sharing fairness (Arfin & Lindawati, 2020). Religious organizations must also guard against internal contradictions, such as hierarchical decision-making or elite capture, which can undermine their moral credibility. The credibility of religious ethics in the extractive sector depends on consistent alignment between moral teaching and institutional practice (Alkatiri & Kiwang, 2023).

Indonesia's experiment with religiously sanctioned mining therefore raises both opportunity and risk. It offers a possibility for redefining the meaning of prosperity beyond gross domestic product, toward well-being that includes moral and ecological dimensions. It also risks entrenching a new moral capitalism that legitimizes inequality under the guise of piety. The outcome will depend on how the moral vocabulary

of justice, welfare, and stewardship is mobilized and contested among actors. In this contestation, religion can act as critique, collaborator, or captive. The challenge for scholars and policymakers is to discern when moral discourse empowers communities and when it merely beautifies power.

This research positions itself within a growing interdisciplinary field that links economics, theology, and political ecology. It seeks to illuminate how religious ethics function within the moral economy of extraction, and whether they can shift its epistemological and structural foundations. The focus on Indonesia's 2023–2025 mining policy provides a concrete empirical site for examining this question. The policy's explicit engagement with religious organizations creates a unique intersection of state, market, and morality that allows for critical reflection on justice and governance. The broader relevance of the study lies in its potential to inform global debates on sustainable development, faith-based economics, and ecological justice.

## B. Method

This study employs a normative-empiric with critical design that also combines policy hermeneutics and discourse analysis to explore the moral and structural implications of Indonesia's 2023–2025 mining policy (Christiani, 2016). The objective is to interpret how the language of religion, ethics, and justice is produced, circulated, and contested within the framework of extractive governance (Watkins & Burton, 2017). The approach assumes that policies are not neutral instruments but cultural texts that reflect and reproduce moral orders. By reading these texts hermeneutically, the study seeks to uncover the deeper ethical assumptions that inform the relationship between state, religion, and economy.

The hermeneutic component focuses on interpreting official documents such as presidential regulations, ministerial decrees, and policy statements related to the inclusion of cooperatives and religious organizations in mining management. These texts are analyzed as

expressions of moral reasoning about justice, welfare, and stewardship. The discourse analysis component examines how various actors frame these policies in public debate. The study draws data from official communications of major religious organizations such as Nahdlatul Ulama, Muhammadiyah, and the Indonesian Ulema Council, along with reports from national media, expert commentaries, and public interviews.

The analytical process proceeds through three interpretive stages. First, the texts are read closely to identify the dominant ethical and political vocabularies that justify extractive participation. Second, these vocabularies are compared with theoretical frameworks of justice drawn from Rawls, Sen, and Islamic economic ethics to evaluate their coherence and transformative potential. Third, the findings are synthesized to determine whether religious ethics in the current context function as instruments of legitimization or as catalysts for structural change. This methodological integration of hermeneutics and discourse analysis enables a nuanced reading of both the policy's normative claims and its material implications, revealing the complex interplay between faith, justice, and extraction in contemporary Indonesia.

## **C. Results and Discussion**

### **1. Results**

#### **a. Historical Dimensions of Extractive Governance in Indonesia**

The history of extractive governance in Indonesia is inseparable from the history of its political economy. Since the early years of independence, natural resources have been imagined as the foundation of national sovereignty and social welfare (Alfian, 2019). The framers of the 1945 Constitution established the principle that the land, water, and natural wealth of the nation should be controlled by the state and utilized for the greatest prosperity of the people (Rachman, 2016). This constitutional mandate has served as both a moral justification and a political instrument for successive regimes to regulate access to resources. However, the meaning of control and prosperity has evolved through different historical phases, reflecting the changing alliances between state, market, and society.

During the early independence period, resource management was framed within a nationalist discourse that identified foreign capital as a threat to sovereignty. The state assumed the role of guardian of national wealth, emphasizing collective ownership and state-led industrialization. Yet in practice, the political and administrative capacity of the state was limited, and dependency on foreign expertise and investment remained (Jundiani, 2015). The discovery of large oil, gas, and mineral reserves in the 1960s transformed Indonesia into a major player in the global resource economy, but it also deepened its vulnerability to commodity price cycles and external pressures (Syahuri, 2016). Under the New Order regime, led by President Suharto, extractive governance became central to the authoritarian development model. The state monopolized control over concessions, while foreign corporations and domestic elites shared profits through patronage networks. This arrangement institutionalized what scholars have called “authoritarian developmentalism,” where economic growth was pursued at the expense of ecological sustainability and social justice (Basri & Hill, 2020).

The moral narrative of development during the New Order period relied heavily on the idea of national prosperity and stability. Religion was mobilized to legitimize obedience, discipline, and productivity, rather than to question structural inequality. Extractive industries were presented as engines of modernization that would lift the population from poverty, while local communities bore the social and environmental costs of mining operations. Traditional land rights were often displaced by corporate concessions, and ecological degradation became normalized as the price of progress. Justice in this era was defined in distributive terms, limited to revenue sharing and corporate social responsibility, rather than transformative empowerment of local communities.

The fall of the New Order in 1998 and the subsequent Reformasi period brought hopes for democratization of resource governance. Decentralization policies granted regional governments greater authority over natural resources, and civil society movements began to advocate for environmental and social justice. The emergence of local mining

cooperatives and community enterprises in the early 2000s reflected attempts to redefine ownership and participation. However, the persistence of extractive dependency and rent-seeking behavior among local elites limited the transformative potential of these reforms (He, 2008). Decentralization often replaced national oligarchies with local ones, reproducing the logic of extraction under new administrative arrangements. The state continued to rely on extractive revenues to finance development, and mining remained a key pillar of the national economy (Choirunnisak & Mahriadi, 2022).

The introduction of the 2023–2025 mining policy, which allows cooperatives, small enterprises, and religious organizations to manage mining concessions, represents the latest evolution of this historical trajectory. It reflects the state's ongoing attempt to reconcile moral legitimacy with economic necessity. By involving religious organizations, the government seeks to restore public trust in extractive industries that have long been associated with corruption, exploitation, and inequality (Kurniawan et al., 2025). The policy is presented as a moral innovation, one that promises to distribute benefits more fairly and ensure that resource exploitation serves ethical and spiritual as well as economic purposes (Indonesia, 2020).

However, this new arrangement must be understood as part of a broader pattern in which moral authority is integrated into political economy to stabilize legitimacy. The partnership between state and religion in resource management continues a historical logic in which moral discourse is used to mediate conflicts between growth and justice. Whether this partnership will lead to genuine transformation depends on how religious ethics are interpreted and institutionalized. If religion merely provides symbolic legitimacy without altering ownership structures and production relations, then moral inclusion will remain a superficial gesture. But if religious participation introduces new forms of accountability, transparency, and ecological stewardship, it could mark the beginning of a new paradigm of governance.

From a historical perspective, Indonesia's extractive governance has oscillated between three dominant paradigms: the nationalist, the developmentalist, and the participatory. The nationalist paradigm emphasized sovereignty and state control; the developmentalist paradigm emphasized growth and modernization; and the participatory paradigm, now emerging, emphasizes inclusivity and moral legitimacy. Each paradigm reflects different conceptions of justice and authority. The inclusion of religious organizations introduces a moral dimension to participation, but whether this leads to substantive justice depends on how ethics are translated into practice. The historical lesson is clear: policies framed in moral terms can either legitimize the status quo or serve as catalysts for systemic change. The challenge lies in ensuring that religion functions as a transformative ethic rather than a legitimizing instrument.

Thus, understanding the historical dimensions of Indonesia's extractive governance provides essential context for evaluating current policies. It reveals that extractive practices are not only economic but also moral and cultural systems that shape how society perceives nature, wealth, and justice. The present experiment with religious participation in mining cannot be separated from this long history of moral legitimization and political pragmatism. The task of redefining economic justice in the extractive age requires more than moral rhetoric; it demands the reimagining of relationships among state, religion, and society that have long been structured by extraction itself.

**b. Religious Organizations and the Moralization of Extraction**

The participation of religious organizations in Indonesia's extractive industries represents one of the most intriguing intersections of faith and political economy in contemporary Southeast Asia. It raises both moral and sociological questions about the evolving role of religion in public life. Historically, Indonesian religious institutions such as Nahdlatul Ulama, Muhammadiyah, and the Indonesian Ulema Council have influenced moral discourse, social welfare, and education (Gade, 2023). Their moral authority extends beyond the spiritual realm into the domains of economics, governance, and national identity. The 2023–2025 mining

policy that allows these organizations to hold mining licenses reflects a state strategy to integrate moral legitimacy into extractive governance. It aims to transform religion from an external moral commentator into an active participant in the management of national wealth.

This policy can be seen as a continuation of the state's broader tendency to use moral narratives to sustain legitimacy. In the past, national development was justified in terms of prosperity, modernization, and social order. Today, it is increasingly justified in terms of moral inclusion and religious ethics. The language of morality thus becomes a resource for governance, a means of transforming potential opposition into cooperation. When religious organizations are invited to manage mining operations, the assumption is that their ethical commitment will prevent corruption, environmental destruction, and inequality (World Economic Forum, 2025). This assumption rests on the belief that moral actors will naturally behave more responsibly than profit-driven corporations. However, this faith in moral agency must be critically examined. Institutions, like individuals, operate within structures of power and incentive. Their ethical potential depends on how they interpret and institutionalize their values within economic realities.

The moralization of extraction through religious inclusion carries both promise and risk. On one hand, it opens new possibilities for reorienting economic practice toward social welfare and stewardship. Religious organizations often possess deep community networks and credibility that can promote transparency, participation, and local empowerment. Their involvement could ensure that mining revenues are reinvested in education, health, and sustainable livelihoods rather than lost to rent-seeking elites. They could also promote environmental rehabilitation grounded in theological values of balance and gratitude. On the other hand, moral inclusion can become symbolic rather than transformative. If religious participation is limited to profit-sharing arrangements without challenging the fundamental logic of extraction, then the result may be the sanctification of exploitation rather than its reform.

The process of moralization can be understood as the conversion of ethical language into political capital. When the state enlists religion in extractive governance, it converts moral authority into legitimacy for economic policy. Religious organizations, in turn, gain access to resources and influence, reinforcing their institutional power. This mutual exchange creates what scholars of political theology describe as a “sacral economy of legitimacy,” where moral discourse circulates as a form of capital (Kidwell, 2019). Within this economy, ethical terms such as stewardship, welfare, and justice become instruments of governance. Their meanings are negotiated between state and religion, producing hybrid moral-political rationalities that sustain rather than subvert extractivism.

Empirical observation of public discourse in 2023 and 2024 reveals how this process unfolds (MKRI, 2024). Official statements from major religious organizations emphasize gratitude for the government’s trust and the moral obligation to ensure that mining serves the people. These statements frequently invoke Qur’anic principles of justice and stewardship, yet they rarely question the legitimacy of extraction itself. Instead, they frame mining as morally acceptable when conducted responsibly. This framing mirrors global trends in corporate social responsibility, where ethical narratives are used to humanize capitalist production. The language of responsibility replaces that of resistance, and ethics becomes a managerial rather than transformative tool.

Nevertheless, there are voices within religious communities that challenge this moralization. Some Islamic scholars and environmental activists argue that participation in extractive industries contradicts the principles of stewardship and sufficiency (Lubis et al., 2025). They warn that moral legitimacy cannot coexist with ecological degradation and social displacement. These critics call for a reinterpretation of economic justice that moves beyond the redistribution of mining rights toward a fundamental rethinking of human-nature relations. Their position aligns with post-extractivist thought, which seeks to transcend the paradigm of resource dependence altogether. In this view, religious ethics should not

aim to make extraction more moral but to make societies less dependent on extraction (Wiryono & Ihsanuddin, 2024).

The internal diversity of religious organizations further complicates this landscape. Within Nahdlatul Ulama and Muhammadiyah, debates exist between pragmatic leaders who view mining participation as an opportunity for community empowerment and reformist thinkers who see it as a moral compromise. These debates reveal that religion is not a monolithic force but a dynamic field of interpretation. Its engagement with economic policy is shaped by competing theological and political visions. Understanding this internal plurality is essential for assessing whether religious participation can generate transformative outcomes. A theology of stewardship that emphasizes care for creation can coexist with a theology of prosperity that prioritizes material growth. The tension between these orientations determines the moral trajectory of religious engagement in extractive governance.

From a sociological perspective, religious participation in mining also reflects broader shifts in the role of civil society. As the boundaries between public, private, and moral spheres blur, religion becomes a mediating institution that connects ethical ideals with material practices. This mediation can foster social cohesion but can also entrench new hierarchies. When religious elites gain access to economic resources, they may consolidate authority at the expense of grassroots participation. The moral economy can thus reproduce the inequalities it seeks to redress. The challenge is to democratize not only resource ownership but also moral discourse itself. Communities affected by mining must have the opportunity to articulate their own ethical visions rather than passively receive moral instruction from institutional authorities.

In conclusion, the moralization of extraction through religious participation is a double-edged phenomenon (Indonesia, 2023). It can infuse economic life with ethical consciousness, but it can also transform ethics into ideology. The distinction between moral legitimacy and moral transformation lies in the capacity of religion to question power rather than sanctify it. If religious organizations use their participation to demand

ecological accountability, fair compensation, and community empowerment, they can redefine economic justice from within. If they instead align with state and corporate interests, they risk turning moral discourse into a veil that conceals the continuities of extraction. The next subchapter extends this discussion by exploring the ecological dimension of religious ethics and its potential to reframe the moral foundations of resource governance.

### **c. Ethical Humanization and Character Formation in the Economy of Extraction**

The ethical discourse surrounding economic justice often centers on institutions, systems, and policies, yet the moral transformation of individuals and communities remains equally crucial. Structural change is unlikely to endure without ethical humanization, which refers to the cultivation of moral consciousness among economic actors. Within the context of extractive governance, ethical humanization implies the reorientation of motives, behaviors, and values that guide human interaction with natural resources. It calls for the emergence of moral character that prioritizes compassion, accountability, and humility over greed, competition, and domination (Meadows et al., 1972). Religious ethics can contribute to this process by nurturing virtues that humanize economic life.

Islamic ethics places profound emphasis on character formation as the foundation of justice. The Prophet Muhammad described his mission as the perfection of noble character, and classical scholars such as Al Ghazali and Miskawayh developed comprehensive theories of moral refinement (Rahman, 1980). In this tradition, ethical conduct is not external conformity to rules but the internal harmonization of reason, desire, and spirit. This inner harmony produces justice at both personal and social levels. Applied to economic life, ethical humanization involves the purification of intention and the alignment of material pursuits with moral purpose. It encourages individuals and institutions to act as trustees of creation, guided by conscience and compassion (Schumacher, 1973).

In the mining sector, the absence of ethical humanization often manifests in the pursuit of profit without regard for human and ecological costs. Corporate decision-making tends to be governed by metrics of efficiency and return on investment rather than by moral reflection. This reduction of value to price transforms human labor and natural landscapes into commodities (Grebeniyk et al., 2021). Religious engagement in mining offers an opportunity to reintroduce ethical subjectivity into economic systems. By fostering a sense of accountability to God, society, and nature, religion can restore moral depth to economic rationality. Ethical humanization thus bridges the gap between personal virtue and structural reform.

Character formation within economic practice involves three interrelated dimensions: moral intention, ethical behavior, and spiritual awareness. Moral intention refers to the inner purpose that motivates action. In Islamic ethics, intention determines the moral value of deeds. An economic activity aimed solely at accumulation is morally inferior to one aimed at welfare and stewardship. Ethical behavior concerns the external manifestation of intention through honesty, fairness, and empathy. It requires transparency in transactions, respect for labor, and care for the environment. Spiritual awareness transcends both by anchoring action in remembrance of God, transforming work into worship. Together, these dimensions create a moral architecture that aligns economic activity with the divine order of justice (Daly, 1991).

The principle of ethical humanization also implies collective moral education. Religious organizations possess extensive networks of schools, mosques, and community centers that can serve as platforms for ethical formation. Through sermons, study circles, and training programs, they can integrate ecological and economic ethics into public consciousness. Such education should not be limited to theological instruction but should include practical skills for ethical decision-making in business and governance (Nasr, 1996). The aim is to produce a generation of leaders and entrepreneurs who view wealth as trust and power as responsibility. By

embedding moral formation within educational systems, religious institutions can shape long-term cultural transformation (Karl, 1997).

Ethical humanization must also confront structural temptations that distort moral agency. In extractive economies, individuals and organizations often face incentives that reward exploitation rather than restraint. The political economy of extraction encourages rent-seeking, corruption, and short-term profit. To resist these tendencies, moral conviction must be supported by institutional design. Transparent governance, accountability mechanisms, and community oversight can help align incentives with ethical values (Flyvbjerg, 2001). Religious organizations engaged in mining should establish codes of conduct that embody their ethical principles, including rules on environmental protection, fair labor, and community investment. By institutionalizing virtue, they can transform morality from aspiration into practice (Sachs, 1999).

A critical question concerns the compatibility of moral idealism with economic pragmatism. Critics may argue that ethical humanization is unrealistic in competitive markets. However, historical evidence suggests that moral values have always played a role in shaping economic behavior. Trust, cooperation, and fairness are essential to functioning markets. The challenge is to expand these moral norms from interpersonal relations to systemic structures. Ethical humanization does not eliminate competition but redefines it as a pursuit of excellence in service to the common good. In this sense, moral economy is not opposed to efficiency but enriches it with meaning and purpose (Opoku & Acheampong, 2023).

The humanization of economics also entails a redefinition of success. In extractive industries, success is typically measured by output and revenue. Ethical humanization invites alternative metrics such as social welfare, ecological integrity, and moral satisfaction. It asks whether economic activity contributes to human flourishing rather than mere consumption. Religious ethics can provide the moral vocabulary for this redefinition. Concepts such as *barakah* (blessing) and *ihsan* (excellence) express dimensions of value that transcend material gain (Tibi, 2007). When

applied to mining, these concepts encourage practices that balance profitability with benevolence, and production with preservation.

Finally, ethical humanization serves as a counterforce to dehumanization, which is the ultimate moral consequence of extractivism. Dehumanization occurs when people are treated as instruments of production and nature as inert matter. It erodes empathy and spiritual awareness, leading to alienation from self, society, and creation. Religious ethics, by affirming the sanctity of life and the unity of creation, restores the sense of interconnectedness that underlies moral responsibility. Ethical humanization thus becomes the spiritual antidote to extractive logic. It transforms economic activity from exploitation into stewardship, from competition into cooperation, and from possession into participation.

In summary, ethical humanization is indispensable for redefining economic justice in the extractive age. It situates structural reform within a moral anthropology that recognizes human beings as spiritual and moral agents. By cultivating virtue, intention, and conscience, religious ethics can transform the inner logic of the economy. In doing so, it not only reshapes policies and institutions but also reawakens the moral imagination necessary for building a just and sustainable world.

## **2. Discussion**

The integration of religious ethics into extractive governance raises the broader question of how moral values can reshape the architecture of the economy itself. Beyond individual virtue and institutional reform lies the vision of a transformative moral economy, one that unites justice, sustainability, and human dignity (Stiglitz et al., 2009). Such an economy transcends the dichotomy between growth and ethics, situating production and consumption within the moral horizon of balance. It challenges the reduction of economy to material exchange and redefines it as a system of relationships grounded in care, reciprocity, and accountability.(Fairclough, 2010) This vision draws from both classical Islamic economic thought and contemporary theories of ecological and social justice (Foltz, 2010).

The moral economy is not a new concept. Historically, it referred to community norms that governed economic life before the rise of market capitalism (Seng, 2021). In many traditional societies, including Islamic civilizations, trade and production were regulated by moral codes that balanced profit with fairness. The marketplace was not only a site of exchange but a field of ethical interaction. The Prophet Muhammad, known as a merchant of integrity, exemplified this moral economy through honesty and compassion in business. Reviving this ethos in modern contexts requires translating its principles into policies that align economic systems with moral ends.

In contemporary discourse, the moral economy also intersects with the idea of post-extractivism. Post-extractivism does not merely advocate reduction of resource extraction but calls for a transition to sustainable and inclusive forms of development. It emphasizes local knowledge, renewable energy, and equitable distribution of benefits. Religious ethics can enrich this discourse by introducing a moral teleology that connects sustainability with spiritual purpose. The Qur'anic concept of *ihya al-ardh*, or the revival of the earth, encapsulates this integration of ecology and ethics. It envisions human activity as the restoration of life, not its depletion. A transformative moral economy therefore seeks to replace extractive relationships with regenerative ones (Al-Ghazali, 2000).

Implementing this transformation requires rethinking the foundations of policy and governance. The first step is to redefine the purpose of economic development. Instead of maximizing output, policy should aim to enhance well-being, equity, and environmental balance. This shift aligns with both Sen's capability approach and Islamic notions of *maslahah* (Azra, 2006). Development must expand the capabilities of people to live meaningful lives while preserving the ecological conditions that sustain them. Religious organizations can contribute to this paradigm by promoting ethical investment, fair trade, and community-based enterprises that prioritize social value over short-term profit.

The second step involves institutional innovation. A moral economy demands structures that embody ethical principles in decision-making.

Transparency, accountability, and participation must become integral to governance (Ozili et al., 2023). Religious organizations engaged in mining can pioneer models of participatory management where communities have real authority in planning, monitoring, and benefit distribution. These models could include ethical certification systems that evaluate mining practices not only for compliance with law but for conformity with moral and ecological standards. By linking religious legitimacy to measurable ethical performance, such institutions could create incentives for sustainable and just behavior.

The third step concerns the cultural transformation of consumption and aspiration. Extractivism thrives not only on production but on desire. The ideology of unlimited growth is sustained by consumerism that equates happiness with possession. Religious ethics can counter this ideology by reviving virtues of moderation, gratitude, and sufficiency (Council, 2022). The Qur'an condemns extravagance and encourages balance. A moral economy grounded in these values promotes simple living, responsible consumption, and appreciation of nature. Through education and preaching, religious institutions can foster a culture of sufficiency that reduces demand for destructive extraction. This cultural dimension is essential because economic systems reflect the moral imaginations of societies.

Another dimension of the moral economy is intergenerational responsibility. Justice cannot be confined to present distribution but must include future generations. Islamic ethics emphasizes stewardship that extends across time, ensuring that the earth remains habitable for descendants. Policies informed by this ethic would incorporate long-term ecological accounting, rehabilitation funds, and intergenerational trusts. Religious organizations could advocate for these mechanisms as expressions of faith and responsibility. By framing sustainability as a moral duty rather than a technical choice, they can strengthen public commitment to ecological preservation (Lawal et al., 2020).

The transformative moral economy also redefines the relationship between state, market, and community. It envisions a plural economy

where multiple value systems coexist, including cooperative, social, and ethical enterprises (Berkah & Sawarjuwono, 2019). The state's role becomes that of facilitator of justice rather than controller of accumulation. The market functions as a space of exchange guided by moral norms, and the community serves as the moral compass that ensures economic activity remains oriented toward the common good. Religious ethics can provide the normative glue that binds these spheres together, ensuring coherence between spiritual and material life.

Finally, the transformation toward a moral economy requires global solidarity. The extractive crisis is not confined to Indonesia but is a global phenomenon. Religious ethics, by appealing to universal values of justice and compassion, can foster transnational cooperation for sustainable development. Interfaith dialogues on ecology, ethical investment, and climate justice can create shared moral frameworks that transcend national interests. By positioning Indonesia as a leader in faith-based sustainability, religious organizations can contribute to a global movement for ethical transformation of the economy.

#### **D. Conclusion**

The pursuit of economic justice in Indonesia's extractive age reveals both the moral aspirations and structural constraints of contemporary development. The inclusion of cooperatives and religious organizations in mining governance represents an effort to reconcile economic necessity with ethical legitimacy. Yet the findings of this study suggest that while moral participation can introduce new discourses of justice, it does not automatically transform the foundations of extractivism. The challenge lies not in moral inclusion alone but in moral transformation that redefines the meaning and purpose of economic life.

Philosophically, economic justice must be understood as more than distributive fairness. It is a multidimensional ethic encompassing capability, stewardship, and balance. The theories of Rawls and Sen provide analytical clarity for evaluating fairness and freedom, while Islamic economic ethics extends justice to the moral and ecological order. Together they demonstrate

that a just economy cannot separate human welfare from environmental integrity or moral accountability.

Empirically, the participation of religious organizations in mining reveals the complex interplay between faith, power, and legitimacy. Religious discourse can either sanctify extraction or subvert it, depending on how it is interpreted and institutionalized. When guided by the principles of stewardship, sufficiency, and compassion, religion possesses the capacity to humanize and transform economic systems. When reduced to rhetoric, it becomes an instrument of moral camouflage. Ultimately, the study affirms that the path toward genuine economic justice requires a transition from redistributive inclusion to transformative moral economy. Such transformation entails ethical humanization, ecological consciousness, and institutional innovation rooted in faith and accountability. Religious ethics, if enacted sincerely, can redefine mining as stewardship rather than exploitation, as care rather than control. Through this synthesis of moral and material visions, economic justice may evolve from an abstract ideal into a lived reality that honors both humanity and creation.

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