

Digital Platform Data And Algorithm Control In Competition And Islamic Law Perspective Toward Digital Ihtikar

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Abstract

The rapid expansion of digital platforms has increased the concentration of control over user data and algorithmic systems, enabling dominant companies to influence market access, pricing visibility, and consumer behavior. This development raises significant concerns regarding market power and fair competition in the digital economy. This study examines the legal implications of data and algorithmic dominance through the perspectives of Indonesian competition law and Islamic economic law. It introduces the concept of digital ihtikar as a normative framework for understanding contemporary forms of monopolistic practices in digital markets. Using a normative legal research method with conceptual and comparative approaches, the study analyzes competition regulations alongside classical and contemporary interpretations of *ihtikar* in Islamic jurisprudence. The findings show that existing competition law has limitations in addressing algorithmic opacity and data-driven market gatekeeping. Meanwhile, Islamic economic principles provide a broader ethical foundation that emphasizes justice, fairness, and public welfare. Both legal perspectives recognize excessive control over data and algorithms as a form of digital *ihtikar* that undermines fair competition. The study concludes that reinterpreting *ihtikar* within the digital economy can strengthen legal responses to platform dominance while promoting more equitable and competitive digital markets.

Keywords

Digital Ihtikar; Competition Law; Islamic Economic Law

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1. INTRODUCTION

The rapid development of the digital economy has significantly transformed the way markets operate by shifting competitive advantages from conventional production factors to digital assets, particularly user data and algorithmic systems. Digital platforms such as e-commerce marketplaces, search engines, and social media increasingly rely on large-scale data collection and artificial intelligence-based algorithms to determine market visibility, personalize recommendations, rank products, and influence consumer decision-making. (Qinvi & Hsb, 2025)



Consequently, data have evolved into a strategic economic resource, while algorithms have become essential tools for controlling market access and competition (Qinvi & Hsb, 2025). This transformation raises important legal questions regarding whether existing competition law frameworks remain capable of addressing market power exercised through digital technologies rather than traditional pricing strategies or ownership of physical assets. Competition law generally defines market dominance based on market share, pricing power, and barriers to entry.

Nevertheless, recent studies suggest that these conventional indicators are becoming less effective in digital markets because competitive advantages increasingly derive from exclusive access to data, network effects, and algorithmic decision-making rather than from price competition alone (Kira et al., 2021a). In this context, algorithmic opacity refers to the limited transparency of automated decision-making processes. At the same time, gatekeeping describes the ability of dominant digital platforms to determine which businesses or products gain visibility and market access. Such practices may create substantial competitive advantages without necessarily violating conventional indicators of monopoly.

From the perspective of Islamic economic law, market activities are not solely evaluated according to economic efficiency but also according to the principles of justice (*'adl*), public welfare (*maslahah*), and the prohibition of harmful market practices. One of the fundamental concepts is *ihhtikar*, which classical Islamic jurisprudence generally defines as the deliberate withholding or monopolization of essential goods to manipulate market conditions and obtain excessive profits at the expense of society. (Putri & Juliana, n.d.)

Although classical discussions of *ihhtikar* primarily concern physical commodities, its underlying objective is to prevent market distortions and protect equitable access to economic resources. The emergence of digital platforms, therefore, raises an important question: whether exclusive control over data and algorithms may constitute a contemporary form of *ihhtikar*. Existing scholarship presents two contrasting perspectives on regulating digital platform dominance. One perspective argues that the accumulation of data and algorithmic capabilities primarily reflects innovation and economic efficiency, thereby requiring only limited regulatory intervention.

The opposing perspective contends that excessive control over data and algorithmic infrastructures enables exclusionary conduct, raises barriers to market entry, and undermines fair competition, thereby requiring stronger legal regulation. Despite this debate, relatively little attention has been paid to examining these issues through the combined perspectives of competition law and Islamic economic law. More importantly, no comprehensive conceptual framework has yet been developed to explain how the classical doctrine of *ihhtikar* may be reconstructed to address contemporary forms of digital market dominance.

Accordingly, this study seeks to examine the legal implications of data and algorithm control by dominant digital platforms from the perspectives of competition law and Islamic economic law. It further proposes the concept of digital ihtikar as a normative framework for understanding contemporary forms of market concentration that are based on control over digital resources rather than physical commodities. This concept extends the traditional understanding of *ihtikar* by recognizing data and algorithms as strategic economic assets that can restrict market access and distort competition. This article argues that the concentration of data and algorithmic control has created a new form of market power that cannot be adequately addressed by conventional competition law alone. By integrating competition law analysis with the ethical principles of Islamic economic law, the concept of digital ihtikar offers a more comprehensive legal framework for evaluating platform dominance and promoting fairness, transparency, and public welfare within the digital economy.

2. METHOD

This research adopts a normative legal method to examine how the concentration of data and algorithmic control by digital platforms should be understood within the frameworks of competition law and Islamic economic law. Rather than relying on empirical data, the analysis is based on legal norms, principles, and doctrines derived from legislation, legal scholarship, and relevant judicial interpretations.

The primary legal sources include Indonesian competition law, particularly Law No. 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition, together with its implementing regulations, as well as classical and contemporary Islamic legal writings on the concept of *ihtikar*. Secondary sources include academic books, peer-reviewed journal articles, policy papers, and international studies that discuss digital platforms, data governance, and algorithm-driven market power.

The legal materials were gathered through library research and examined using statutory, conceptual, and comparative approaches. These materials were then analyzed qualitatively through legal interpretation and doctrinal analysis to assess whether the existing legal framework adequately addresses digital market concentration and to develop the concept of digital ihtikar as a normative framework for regulating data- and algorithm-based market dominance.

3. FINDINGS AND DISCUSSION

3.1. Data and Algorithms as New Sources of Market Power in the Digital Economy.

Rapid advances in digital technology have fundamentally transformed the dynamics of market competition. Unlike conventional markets, where competitive advantage is often tied to capital ownership, production capacity, or distribution networks, digital competition increasingly depends on the ability to collect, process, and use large volumes of data. As digital platforms expand their ecosystems, data have become a valuable economic resource that enables firms to reinforce their market position and maintain competitive advantages that are difficult for new entrants to challenge.

Platform value is therefore determined not only by physical assets or financial resources but also by the quantity, quality, and diversity of the data under a firm's control. Data derive their economic value not simply from their volume but from the insights they generate about markets and consumer behavior. Every online activity, including searching for information, making purchases, completing financial transactions, or interacting with digital content, generates data that can be analyzed to improve business performance. By combining extensive datasets with advanced analytical tools, digital platforms can predict consumer preferences, anticipate market trends, refine advertising strategies, and improve operational efficiency. Firms possessing larger datasets consequently enjoy significant informational advantages over competitors with more limited access to comparable information. Continuous data collection further strengthens these advantages, as expanding user participation generates additional data, enabling platforms to improve their services and attract even more users. (Qinvi & Nurul Laylan Hsb, 2025)

Data accumulation alone, however, cannot fully explain why certain digital platforms achieve long-term market dominance. Strategic value emerges when these data are processed by algorithmic systems that convert information into commercial decisions. Algorithms perform a wide range of functions, including determining search rankings, recommending products, setting dynamic prices, selecting advertisements, moderating digital content, and deciding which sellers receive greater visibility. Business opportunities available to merchants operating on digital platforms are therefore increasingly influenced by automated decision-making rather than by market forces alone.

Algorithm-based governance has introduced a form of market control that differs from conventional monopolistic practices. Competition law has traditionally focused on conduct such as price-fixing, exclusive agreements, refusal to deal, and predatory pricing. Digital platforms, however, may strengthen their market position without engaging in these practices. Decision-making processes embedded within proprietary algorithms generally operate without public transparency, making it difficult for users, competitors, and regulators to understand how commercial outcomes are determined. Search results, product recommendations, and advertising placement often appear neutral,

although they are produced through confidential computational processes. This condition, widely referred to as *algorithmic opacity*, complicates the assessment of whether market outcomes reflect legitimate business innovation or exclusionary conduct that unfairly benefits dominant platforms.

Network effects further reinforce the market position of digital platforms. Growth in the number of users produces larger volumes of data, enabling algorithms to generate increasingly accurate recommendations and more personalized services. Improvements in service quality subsequently attract additional users, creating a self-reinforcing cycle that is difficult for smaller competitors to replicate. Limited access to comparable datasets often prevents new entrants from developing algorithmic systems with similar capabilities, even when they possess competitive products or innovative business models.

Under these circumstances, market concentration results not only from superior efficiency but also from unequal access to strategic digital resources. Gatekeeping has likewise become a defining characteristic of digital platform markets. Rather than serving solely as intermediaries between buyers and sellers, dominant platforms increasingly determine the conditions under which businesses may reach consumers. Decisions concerning product visibility, seller rankings, application distribution, or advertising exposure are frequently determined by algorithmic criteria established exclusively by platform operators. Such authority enables platforms to influence market outcomes without directly participating as producers or distributors of the goods and services offered through their ecosystems. (Ria Setyawati et al., 2024)

Conventional competition law faces growing challenges in responding to these developments. Assessment of market power has long relied on indicators such as market share, pricing behavior, and barriers to entry. Although these indicators remain relevant, they do not fully capture competitive advantages created through data concentration and algorithmic governance. Many digital platforms provide services at little or no monetary cost while simultaneously exercising considerable influence over market access through exclusive control of data and digital infrastructure.

Under these circumstances, low prices cannot automatically be interpreted as evidence of healthy competition. Control over information, consumer attention, and digital visibility has become an equally significant source of market power. Taken together, these developments demonstrate that data and algorithms can no longer be regarded merely as technological tools supporting business activities. Both have evolved into strategic economic assets capable of shaping market structures and sustaining dominant positions in ways that differ from those of traditional monopolies. Existing competition law, which remains largely oriented toward price-based analysis, has yet to adequately address information asymmetry, algorithmic decision-making, and platform gatekeeping. These observations form the basis

for the following discussion on whether concentrated control over data and algorithms may be understood as a contemporary manifestation of *ihhtikar* within the framework of Islamic economic law.

3.2. Limitations of Competition Law in Addressing Data and Algorithmic Dominance

Indonesia's competition law framework was established at a time when market competition was still largely driven by conventional business models. Law No. 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition was designed to prevent anti-competitive conduct, such as cartels, price-fixing, abuse of dominant position, exclusive agreements, and other practices that can reduce competition in traditional markets.

At the time the law was enacted, digital platforms had not yet developed into economic actors capable of influencing market access through control over data and algorithmic systems. As a result, many legal concepts contained in the legislation remain closely associated with tangible assets, pricing behavior, and observable market conduct. Several provisions of Law No. 5 of 1999 continue to provide an important legal basis for addressing monopolistic practices, particularly Articles 17, 19, and 25 concerning monopoly, market control, and abuse of dominant position.

Nevertheless, applying these provisions to digital markets presents significant challenges. Traditional indicators of market dominance, such as market share, turnover, or pricing behavior, do not always reflect the actual distribution of economic power in platform-based markets. A digital platform may offer services free of charge while simultaneously exercising substantial control over the flow of information, consumer attention, and business opportunities. Under these circumstances, the absence of excessive prices does not necessarily indicate healthy competition. (Wibowo et al., 2025)

One of the most distinctive characteristics of digital markets is the strategic role of data. The continuous collection of user information enables digital platforms to improve algorithmic performance, refine commercial strategies, and strengthen consumers' dependence on their services. Competitors without comparable access to data are placed at a structural disadvantage, not because they lack innovation or efficiency, but because they cannot develop algorithmic systems that compete with established platforms. This imbalance gradually creates barriers to market entry that are difficult to overcome through ordinary competitive efforts.

Unlike conventional monopolistic practices, such barriers emerge from technological capabilities and information asymmetry rather than explicit contractual restrictions. Algorithmic governance introduces an additional layer of complexity for competition law enforcement. Commercial decisions that individuals previously made are increasingly delegated to automated systems powered by artificial intelligence and machine learning. Search rankings, recommendation systems, dynamic pricing, advertising placement, and seller visibility are often determined through proprietary algorithms whose

operational logic remains inaccessible to external parties. Regulators may observe the commercial outcomes produced by these systems, yet they frequently lack access to the algorithmic processes that produce them.

Consequently, establishing evidence of discriminatory treatment or abuse of market power becomes considerably more difficult than in conventional competition cases. (Huang, n.d.) The Shopee case also illustrates the evidentiary limitations of Law No. 5 of 1999 when applied to digital platform markets. Traditional provisions on monopoly, market control, and abuse of dominant position primarily rely on indicators such as market share, pricing conduct, contractual restrictions, or exclusive dealing.

By contrast, allegations involving algorithmic recommendations or self-preferencing require regulators to demonstrate how proprietary ranking systems or automated decision-making mechanisms systematically favor affiliated services. Because these algorithms are protected as confidential commercial assets and operate without public transparency, KPPU faces considerable difficulties in establishing direct evidence of exclusionary conduct using conventional competition law tools.

Consequently, the case demonstrates that market power in the digital economy increasingly derives from control over digital infrastructures and algorithmic governance rather than from the traditional monopolistic practices contemplated by Law No. 5 of 1999. The practical implications of algorithmic opacity can be observed in several international cases on digital platforms. One of the most prominent examples is the European Commission's investigation into Google Shopping, in which Google's search algorithm systematically prioritized its own comparison-shopping service over competing platforms. Rather than competing through pricing strategies or exclusive agreements, the competitive advantage was achieved through algorithmic ranking mechanisms that reduced the visibility of rival services.

Similarly, investigations under the European Union's Digital Markets Act have highlighted how dominant digital platforms may leverage proprietary algorithms and exclusive access to user data to reinforce gatekeeping positions, making it increasingly difficult for competitors to reach consumers on equal terms. These cases demonstrate that algorithmic decision-making can significantly influence market competition despite the absence of conventional monopolistic conduct.

This lack of transparency, commonly referred to as *algorithmic opacity*, creates practical challenges for competition authorities, including the Business Competition Supervisory Commission (Komisi Pengawas Persaingan Usaha/KPPU). Although KPPU possesses the authority to investigate anti-competitive conduct, proving violations involving algorithmic decision-making requires technical expertise, access to digital evidence, and analytical methods that extend beyond traditional competition

law investigations. Proprietary algorithms are generally protected as trade secrets, while many commercial decisions are generated automatically without direct human intervention. Existing evidentiary mechanisms were not originally designed to evaluate such technological processes, leaving competition authorities with limited tools for examining whether algorithmic systems have produced exclusionary effects or discriminatory treatment. Digital platforms also perform functions that extend beyond those of ordinary business actors.

Increasingly, they operate as market intermediaries that determine how consumers and businesses interact within digital ecosystems. Decisions regarding product rankings, seller visibility, application distribution, or access to digital marketplaces are often established unilaterally by platform operators through algorithmic mechanisms. Such practices may not fall neatly within the categories of monopoly or abuse of dominant position recognized under existing legislation, despite producing significant effects on market competition. Businesses that depend heavily on a particular platform may find themselves unable to reach consumers effectively when algorithmic changes reduce their visibility, even though no formal contractual restrictions have been imposed. (Najib et al., 2025)

These developments demonstrate that competition law faces a regulatory gap when confronted with data-driven market power. Existing legal standards remain largely focused on price competition and conventional forms of market concentration. In contrast, contemporary digital markets increasingly derive competitive advantages from exclusive control over information, algorithmic infrastructures, and network effects. Market dominance, therefore, cannot be assessed solely through traditional economic indicators but must also consider whether control over digital resources has created structural barriers that restrict equal opportunities for competitors.

Taken together, these findings indicate that Indonesian competition law requires a broader interpretative framework capable of responding to technological developments without abandoning its fundamental objective of protecting fair competition. Data and algorithms should not merely be viewed as technological instruments supporting commercial activities; under certain circumstances, they function as strategic resources capable of generating exclusionary market power. Recognizing this transformation provides an important foundation for reconstructing the concept of *digital ihtikar*, which offers an alternative normative perspective for evaluating digital platform dominance through the combined principles of competition law and Islamic economic law.

3.3. Reconstructing *Ihtikar* in the Digital Economy

Islamic economic law has long recognized that market freedom is not an absolute principle. Commercial activities are expected to generate economic benefits while preserving justice, preventing exploitation, and protecting the public interest (*maslahah*). For this reason, Islamic jurisprudence

prohibits various market practices that may distort competition or create unfair advantages for particular economic actors. Among these prohibitions, *ih tikar* occupies a central position because it reflects the ethical commitment of Islamic law to prevent market manipulation and ensure equitable access to essential resources. Classical jurists generally describe *ih tikar* as the deliberate withholding or monopolization of goods with the intention of creating scarcity and increasing prices for private gain.

Although differences exist among the schools of Islamic jurisprudence regarding the scope of goods covered by the prohibition, most scholars agree that *ih tikar* becomes unlawful when it causes hardship to society and disrupts market fairness. The prohibition, therefore, is directed not merely at the act of storing goods but at the abuse of economic control that results in harm to the wider community. In other words, the essence of *ih tikar* lies in preventing the concentration of market power that would allow one party to manipulate market conditions to secure excessive economic benefit. (Eshonkulov, 2025)

Changing patterns of economic activity require a broader understanding of this doctrine. Contemporary markets no longer rely solely on the exchange of physical goods. Digital platforms compete by owning intangible assets, particularly user data, digital infrastructure, and algorithmic technologies. These resources have gradually become indispensable for conducting business in the digital economy. Access to consumers, product visibility, advertising opportunities, and even pricing strategies increasingly depend on digital platforms that possess the largest volumes of data and the most sophisticated algorithms.

Consequently, market control is exercised less through the physical supply of commodities and more through the strategic management of information. Viewed from this perspective, data should not be equated with physical commodities in the classical sense of *ih tikar*. Unlike essential goods, data are non-rivalrous resources that can be collected, replicated, and used simultaneously by multiple actors without depletion. Consequently, the accumulation of data does not create scarcity in the same manner as the hoarding of food or other tangible commodities.

Nevertheless, exclusive control over large-scale datasets—particularly when reinforced by proprietary algorithms, network effects, and platform ecosystems—may generate structural barriers that restrict competitors' ability to access markets and compete effectively. Thus, the analogy with *ih tikar* lies not in the object being controlled but in the anti-competitive effects arising from the concentration of strategic economic resources. Digital platforms with exclusive access to extensive datasets acquire informational advantages that competitors cannot easily replicate. Every transaction, search history, payment activity, location record, and online interaction strengthens the platform's analytical capacity, enabling continuous improvements in algorithmic performance.

Smaller firms, despite offering innovative products or competitive prices, often struggle to compete due to a lack of access to comparable information. Competition, therefore, becomes increasingly unequal, not because competitors are less efficient, but because essential digital resources are concentrated within a limited number of dominant platforms. (Srivastava & Yadav, 2023)

Algorithms amplify these competitive advantages by transforming data into commercially valuable decisions. Through ranking systems, recommendation engines, dynamic pricing, and visibility mechanisms, dominant platforms can influence market outcomes without physically withholding goods from circulation. In this respect, digital market power emerges from informational asymmetries and control over access rather than from the creation of physical scarcity. Competitors may remain legally free to participate in the market, yet practical access to consumers becomes increasingly dependent upon the platform's data-driven infrastructure. Beyond processing information, algorithms determine which products appear in search results, which sellers receive greater visibility, and which advertisements reach potential consumers. Businesses operating within digital ecosystems often have little influence over these decisions because the governing criteria remain confidential.

As a consequence, dominant platforms can indirectly shape market outcomes through automated decision-making. Such influence may not involve the physical withholding of goods, yet it can significantly restrict competitors' opportunities to reach consumers and participate in the market on equal terms. These developments suggest that the normative rationale underlying the prohibition of *ihhtikar* extends beyond the literal act of hoarding physical commodities. Classical Islamic law seeks to prevent the abuse of economic power that produces injustice and public harm (*mafsadah*). In the digital economy, such harm may arise not because goods become scarce, but because access to strategic digital resources is concentrated in the hands of a few dominant platforms.

Accordingly, the relevance of *ihhtikar* in digital markets rests on its underlying objective of preventing exclusionary market structures rather than on a direct equivalence between data and physical commodities. What Islamic law seeks to prevent is the concentration of economic power that enables market manipulation and causes harm to society. When interpreted in light of the digital economy, this principle remains highly relevant because control over data and algorithms can produce effects similar to those of conventional monopolistic practices. Although digital platforms do not create artificial scarcity by storing physical commodities, they may establish structural barriers that limit market access through exclusive control over strategic digital resources.

Based on this analysis, this article proposes the concept of digital *ihhtikar* as a contemporary reconstruction of the classical doctrine of *ihhtikar*. Digital *ihhtikar* may be understood as the excessive concentration and strategic control of data, algorithms, and digital infrastructures by dominant platforms in ways that restrict fair market access, reinforce structural barriers to competition, and

generate disproportionate economic advantages. Unlike the classical concept, which focuses on the monopolization of tangible goods, digital *ihlikar* concerns the monopolization of information and technological infrastructures that have become indispensable resources in modern markets. This reconstruction does not seek to replace the classical understanding of *ihlikar*, but rather to extend its normative application to contemporary economic realities.

Islamic economic law has consistently adapted its legal reasoning to accommodate changes in commercial practices while maintaining its commitment to justice, transparency, and public welfare. Interpreting *ihlikar* within the context of digital markets, therefore, represents a continuation of these objectives rather than a departure from them. Such an approach also creates a conceptual bridge between Islamic economic law and modern competition law by recognizing that both legal systems ultimately pursue the same objective, namely, preventing excessive market concentration and protecting fair competition.

Accordingly, digital *ihlikar* should not be understood merely as a new legal term but as a normative framework for evaluating market dominance in the digital era. The concept broadens the analytical perspective of competition law by emphasizing that the accumulation of data and algorithmic control may constitute a contemporary form of market restriction, even where conventional indicators of monopoly—such as price increases or explicit exclusionary agreements—are absent. In this sense, reconstructing *ihlikar* contributes not only to the development of Islamic economic law but also to the ongoing discourse on regulating digital platform dominance in an increasingly data-driven economy.

3.4. Integrating Competition Law and Islamic Economic Law

Discussion in the previous sections shows that competition law and Islamic economic law approach market regulation from different starting points, yet both ultimately pursue the same objective: preventing the excessive concentration of economic power and ensuring that markets remain fair, competitive, and beneficial to society. Competition law primarily relies on legal rules and institutional mechanisms to prevent monopolistic practices and abuse of dominant position. Islamic economic law, on the other hand, places greater emphasis on ethical responsibility, distributive justice, and the protection of *maslahah* (public welfare).

Although these legal traditions differ in their methods, they are not contradictory. Instead, each offers perspectives that can complement one another in addressing challenges posed by the digital economy. Developments in digital markets illustrate the limitations of relying exclusively on conventional competition law. Existing legal instruments remain largely focused on measurable indicators such as market share, pricing behavior, and contractual restrictions. While these indicators continue to play an important role, they do not always reflect how market power is exercised within

digital platform ecosystems. Control over user data, algorithmic decision-making, and digital infrastructures has enabled dominant platforms to influence competition without necessarily engaging in practices traditionally associated with monopoly. As a result, market concentration may develop gradually through technological superiority, network effects, and exclusive access to information rather than through explicit anti-competitive agreements. (Kira et al., 2021b)

Islamic economic law offers an additional perspective by directing attention to the broader objectives of market regulation. Rather than limiting legal assessment to formal compliance with statutory provisions, Islamic principles evaluate whether particular business practices preserve justice, prevent harm, and promote equitable opportunities for all market participants. This normative orientation is particularly relevant to digital markets because many platform practices operate within legal grey areas despite producing significant economic consequences.

A platform may not formally violate competition law, yet its control over strategic digital resources may still restrict market access, weaken competitors, and reduce consumer choice. Such conditions are difficult to evaluate solely through conventional legal indicators, but can be better understood when ethical considerations are incorporated into legal analysis. In this context, the concept of digital *ihlikar* serves as a point of intersection between these two legal frameworks. Rather than treating competition law and Islamic economic law as separate systems, digital *ihlikar* integrates the strengths of both approaches. Competition law contributes the legal standards necessary to identify abuse of market power and enforce regulatory sanctions.

In contrast, Islamic economic law provides normative principles that explain why excessive concentration of economic resources should be prevented even before tangible consumer harm becomes apparent. Combining these perspectives allows market dominance to be assessed not only in terms of economic efficiency but also in light of the broader values of justice, transparency, accountability, and public welfare. (Kira et al., 2021b)

Digital *ihlikar* also expands the understanding of market domination in response to technological change. Classical *ihlikar* focused on the monopolization of essential commodities because control over physical goods represented the principal source of economic power during earlier periods of commercial activity. Contemporary digital markets present a different reality. Information, algorithms, and digital infrastructures have become strategic resources that determine market access, commercial visibility, and business opportunities.

Although the objects of control have changed, the underlying concern remains the same: an excessive concentration of essential resources may distort competition and confer unfair advantages on dominant actors. Reconstructing *Ihlikar* in this manner, therefore, preserves the substance of the doctrine while adapting its application to contemporary economic conditions. The integration proposed

in this study also carries important implications for legal development in Indonesia. Current competition law provides a strong foundation for regulating monopolistic practices, yet further interpretation is needed to address forms of market power that arise from exclusive control over data and algorithmic systems. Incorporating the normative values of Islamic economic law does not require replacing existing legislation.

Instead, these values can enrich legal interpretation by providing additional criteria for evaluating whether specific digital business practices align with the broader objectives of justice and fair competition. Such an approach is particularly relevant in Indonesia, where the legal system increasingly recognizes the importance of integrating positive law with ethical values to address emerging technological challenges.

From a theoretical perspective, this study contributes to legal scholarship by introducing digital ihtikar as a new conceptual framework for analyzing market concentration in the digital economy. Existing discussions of competition law generally focus on economic efficiency, consumer welfare, or technological innovation. In contrast, Islamic economic law has rarely been used to explain contemporary forms of digital market dominance. Bringing these two perspectives together demonstrates that ethical principles and legal regulation need not operate independently. Instead, they may function as complementary instruments for ensuring that technological progress remains consistent with the fundamental objectives of justice, market fairness, and public welfare.

Taken together, these findings indicate that effective regulation of digital platforms requires a broader legal perspective than conventional competition law alone can provide. Recognition of data and algorithms as strategic economic resources calls for legal frameworks capable of responding not only to traditional monopolistic practices but also to new forms of digital market concentration. In this regard, digital ihtikar offers both a conceptual contribution to legal scholarship and a normative basis for future regulatory reform, particularly in jurisdictions seeking to balance technological innovation with fair competition and social justice.

From a regulatory perspective, however, the concept of *digital ihtikar* should not be understood as an independent legal norm that can be applied directly by competition authorities. Indonesia adopts a civil law system, under which the Indonesian Competition Commission (KPPU) is bound to enforce statutory provisions rather than religious doctrines or ethical principles on its own. Accordingly, the contribution of *digital ihtikar* lies in providing normative values that may inform future legal reform. These values could be incorporated into Indonesia's positive legal framework through several regulatory avenues, including the revision of Law No. 5 of 1999 to recognize data explicitly- and algorithm-driven market power, the adoption of new KPPU regulations addressing digital platform competition and algorithmic self-preferencing, and closer coordination with the Personal Data

Protection Law (Law No. 27 of 2022) to ensure that exclusive control over strategically valuable data does not create anti-competitive barriers. Through such legislative and regulatory developments, the ethical principles underlying *ihtikar* may enrich the interpretation and evolution of Indonesian competition law without departing from the country's positive legal system.

4. CONCLUSION

Digital transformation has reshaped the way market power is created and exercised. Unlike in conventional markets, competitive advantage in the digital economy is increasingly determined by platform operators' ability to accumulate user data and govern digital ecosystems through algorithmic systems. These developments challenge the assumptions underlying conventional competition law, which has traditionally relied on indicators such as market share, pricing behavior, and contractual restrictions to identify monopolistic practices. Such indicators are no longer sufficient to explain forms of market dominance that arise from the exclusive control of data, algorithmic decision-making, and network effects.

This study demonstrates that the concept of *ihtikar* remains relevant beyond its classical application to the monopolization of physical commodities. Its underlying objective is to prevent the concentration of economic power that harms public welfare and distorts fair competition. When interpreted in the context of the digital economy, the same principle can be applied to situations in which dominant digital platforms control strategic resources, particularly data and algorithms, in ways that limit market access and create structural barriers for competitors. On this basis, the concept of digital *ihtikar* is proposed as a normative reconstruction that extends the classical doctrine of *ihtikar* to contemporary digital markets.

The principal contribution of this research lies in integrating competition law with Islamic economic law to provide a broader framework for assessing digital platform dominance. Rather than viewing these legal traditions as separate approaches, this study demonstrates that both share common objectives of protecting market fairness, preventing excessive economic concentration, and promoting public welfare. The concept of *digital ihtikar*, therefore, offers an alternative analytical perspective that complements existing competition law, particularly in addressing forms of market power that are not easily identified through conventional legal indicators.

Several issues remain open for further investigation. Future research may examine the practical application of digital *ihtikar* through empirical studies of major digital platforms operating in Indonesia or by comparing regulatory approaches adopted in other jurisdictions, such as the European Union and selected ASEAN countries. Further studies may also explore how competition authorities could incorporate ethical principles derived from Islamic economic law into the enforcement of digital competition policy. Such research would contribute to the development of a more adaptive legal

framework that balances technological innovation, fair competition, and the protection of public welfare in the evolving digital economy.

Nevertheless, the implementation of these principles within Indonesia must remain consistent with the country's positive legal system. Rather than serving as an independent legal basis for enforcement, the concept of *digital ihtikar* should function as a normative reference for future legislative reform, particularly through amendments to Law No. 5 of 1999, the development of KPPU guidelines for digital markets, and greater harmonization with the Personal Data Protection Law.

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