

The Role of Islamic Political Strategy for the Indonesian Economy

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Abstract: *The establishment of a number of Islamic financial institutions in response to efforts to accelerate community economic growth marked the beginning of the Islamic economy's rapid development (up to this point). Among the attributes of the Islamic financial framework is the rise of requests to focus on legitimate viewpoints and Islamic business morals. so that the current system of Islamic economics must also adhere to Islamic business ethics and shari'ah principles. Why, from a philosophical standpoint, do the principles of Islamic economics need to satisfy a number of fundamental requirements? These include the principles of worship (al-tauhid), equality (al-musawat), freedom (al-hurriyat), justice (al-'adl), help-to-help (al-ta'awun), and tolerance (al tasamuh). Through partnerships with small and medium-sized businesses, the Islamic economic strategy plays a very positive role in accelerating Indonesia's economic development. In order to accelerate national economic development and efforts to improve the economic well-being of the Indonesian people themselves, it is necessary to empower the Islamic economy through business partnerships between Islamic financial institutions and small and medium-sized businesses by developing real agricultural sector activities like industry and trade as well as services.*

Keywords: *Islamic Economy, Strategic Role, Politics*

Introduction

Humans are destined not to live alone; they must live together in structured communities to achieve common goals (Sirait, 2019). Muslim economists today still have a limited understanding of Islamic political economy. This is because Islamic economics as a whole has been eroded to the point that it seems to only discuss microeconomics which is only limited to zakat, infaq, sadaqah, and Islamic financial institutions (*Muaqqot*) (Maghfur, 2017). By doing business in accordance with Islamic sharia, Islamic political economy helps accelerate economic growth. One of the

characteristics of the Islamic economic system is that it places people's welfare above justice (Ulhaq, 2020). However, according to a study (Indriana & Halim, 2022) political support for Islamic economics in Indonesia has not yet reached the populist political sector.

The relationship between politics (which is concerned with power) and economics (which is concerned with wealth) affects each other. On the one hand, political rationale usually determines the framework of economic activity and channels it in certain directions to fulfil the interests of dominant groups. On the other hand, the

economic process itself usually distributes power and wealth, which can lead to changes in power relations between groups, which in turn leads to changes in the political system and ultimately creates new economic relations (Aswad, 2015).

Due to the existence of Maqosid Shari'ah, which contains Islamic ethics and is the foundation of Islamic economics itself, Islamic Political Economy related to macroeconomics is completely ignored or even forgotten (Maghfur, 2016). Because Indonesia is not a country with a government system based on Islamic sharia, so progress requires struggle and real action in political strategy (Robbani, et. al, 2022). What is important is to embed the essence and values of sharia into the substance of Indonesian law (Huda, 2019). It is incorrect to state that Islam is only concerned with spirituality and has no relationship with society or the state.

It is possible that this statement is far from the truth because it claims that Islam has built a comprehensive and profound political, economic and social system. In fact, the issue of the political relationship between Islam and the state has been a hot topic of discussion among Islamic scholars and orientalist for some

time (Sudiarti, 2016). This is because multiple interpretations of the relationship between Islam and the state are possible when looking at the real conditions, as well as the various styles and forms of the state, in areas where the majority of the population is Muslim. Moreover, if we look at the real conditions, as well as the various styles and forms of the Muslim nation-state, we can see that the relationship between Islam and the state is possible.

As it is known that the emergence of Bank Muamalat, the first Islamic bank in Indonesia in 1991, marked the beginning of the development of Islamic economics and finance in Indonesia. (Fikhriyah & Alam, 2021). However, the fact shows that after the emergence of the problem, many regulations of Sharia economy were made. There was not enough legislative regulation when Bank Muamalah. Bank Muamalah has not shown significant progress in the Islamic banking industry at first. allegedly due to the lack of strong institutional guarantees and legality (Saefudin, 2019). So, to ensure that the existing Islamic financial industry in a country where the majority of the population is Muslim will develop and

flourish in the future, the regulations governing Islamic politics and economics in Indonesia must be improved (Irawan, 2018).

Economics, which is related to wealth management, and politics as a tool to control power are closely related to each other (Syamsuri et.al, 2022). Politics and the state automatically become part of the territory occupied by religion. According to this view, Islam is a religion that serves as a complementary and complete system because it regulates all aspects of human life, including state life, and is as important as religion in terms of its role in the Islamic economic system. This view argues that Islam is a comprehensive religion that includes constitutional political economy and Islamic political strategy for the Indonesian economy. Sheikh Hasan al-Banna, Sayyid Qutb, Rashid Ridha, and Maulana al-Maududi are examples of people who share this understanding.

Method

This research uses a clear investigative approach. In gathering information, the experts tried to find out

the current reality of the information collected from the research results to be further processed and detailed. The thought process used by the experts is an inductive example, specifically describing the idea of Islamic political economy in particular (hypothetical recommendation), then at that time being corresponded with cases that occur as a general rule, especially the ASEAN economy, in full intent. Combining this hypothesis with the reality on the ground, to be more specific reveals how the main task of Islamic economics provides a very definite power to accelerate monetary improvement in Indonesia through business organisations with small and medium enterprises.

Meanwhile, Strengthening the Islamic economy through business organisations between Islamic financial institutions and small and medium enterprises by developing indigenous field business activities in horticulture, for example, industry and exchange as the need may arise to engage and be carried out to accelerate the turn of public financial events. furthermore, efforts to seek the financial assistance of the nation's own government. The political economy approach was completed by analysing and

outlining hypothetical matters of standards, origins, rules and legal norms related to the research, then supported by information gathering strategies through perceptions and encounters.

1. Observation is the deliberate, serious, and methodical observation of social and natural phenomena through observation and recording. (Jauhari, 2010).
2. Interviews, researchers ask and answer respondents' questions according to predetermined interview guidelines and research needs.
3. Data that can be transferred with evidence to be processed or analysed to answer research questions is the plural of datum.
4. The type of data collected for this paper is qualitative data, or data that can be expressed verbally, to answer the research questions.

The two data sources used in this paper are as follows: Essential information is information obtained from primary sources either from people or persons such as meeting results or final results from surveys. It is the primary source that serves as the main reference for this research. This essential information and sources of

information are collected from different levels of skills that contain materials and hypotheses that help the problem to be examined (Umar, 1998). Secondary data is primary data that has been further processed and presented, usually in the form of tables or diagrams, by the primary data collector or by a third party.

Recognised information gathering strategies are writing studies; perceptions, interviews, and polls. In accordance with the sources of information as described above, in this study the gathering of information is done through the concentration of writing through viewing, collecting and evaluating Islamic political strategies related to Islamic finance issues whether as regulations and guidelines, draft regulations, research results, logical notes, logic articles, and class papers related to Islamic political economy.

Results and Discussion

The Strategic Role of Islamic Political Economy Principles

The emergence of Bank Muamalat, the first Islamic bank in Indonesia in 1991, marked the beginning of the development of Islamic economics and finance in Indonesia. The Indonesian government

and the Majelis Ulama Indonesia (MUI) supported the establishment of this bank. The MUI proposed the establishment of an interest-free bank at its National Conference. Communities in the country, as well as Muslim businessmen and the Ikatan Cendekiawan Muslim Indonesia (ICMI), then led by Bacharuddin Jusuf Habibie, supported the movement.

The need to uphold Islamic legal and business ethical issues is one of the characteristics of the Islamic economic system. Within the framework of Islamic finance there is a need to apply sharia standards and Islamic business morals (Karim, 2001). Philosophically, Islamic economics follows the following principles: worship (*al-tauhid*), equality (*al-musawat*), freedom (*al-hurriyat*), justice (*al-'adl*), mutual aid (*al-ta'awun*), and tolerance (*al-tasamuh*) are the four guiding principles (Basyir, 1992). These standards are used as a very important rationale for the conduct of all Islamic financial organisations, both banks and non-banks. Meanwhile, Islamic business morals are connected with Islamic political economy which directs all kinds of ownership, executive and deployment of resources among people and gatherings

in an appropriate manner. Neglect of economic rights and obligations between individuals and groups, monopolistic practices, exploitation and discrimination are all strongly opposed by Islamic business ethics.

Monopoly and oligopoly practices are strictly prohibited in Islam because they will have a negative impact on social and economic inequality in society and are contrary to Islamic business ethics, which in this case means morals. The design of Islamic financial morals in every business movement is expected to direct the course of the economy among Indonesian individuals. These Islamic business morals are then used as a utilitarian functional system that is expected to create strict awareness in resolving every monetary movement (strict financial benefit direction), so that there is an effort to avoid bad monetary behaviour. According to Islamic economists, this Islamic economic ethics is a science that studies the aspects of how the level of benefits and mudharat of economic activities by taking into account human actions as far as can be known from reason (rationality) and the guidance of revelation (*nash Al-Qur'an* and *hadith*).

Meanwhile, since both moral and economic ethics address the positive and negative sides of human behaviour, it is necessary to equate or define economic ethics rather than a concept. The reason for Islamic morals indicated by the philosophical reasoning system is to obtain a distinctive thought for all individuals in which consistently and placed measures of good and bad ways of behaviour can be achieved and known by the human soul (Nabhani, 1992). Therefore, ethics in Islamic economics has difficulty achieving the aforementioned goal because the normative standards adopted by various groups in the world are different. so that everyone can evaluate and evaluate the content in their own unique way. As part of the theory, in relation to moral lessons, it starts from the presence of mind and not from strict lessons. In Islam, in-depth quality studies can be considered as information that shows greatness and badness in the light of Islamic lessons that start from reason and disclosure. Therefore, the ideal of Islamic economic ethics is socio-economic behaviour that is in accordance with revelation, fitrah, and godly human reason.

There are two main principles that can be drawn from the principles of Islamic economic ethics as outlined in the teachings of Islamic economic philosophy. Firstly, tawhid teaches people how to recognise the oneness of Allah SWT through the principle of tawhid. So, there is a reasonable outcome that faith in all things must begin and end only with Allah SWT. So, at that time, there is no good explanation for doing activities without the restrictions desired by Allah SWT.

Such a belief can lead a Muslim to declare that: *"To be sure, my request, my love, my life and my departure are solely for Allah, the Lord of the relatively numerous universe."* Within the framework of tauhid, this principle then results in synergistic and interconnected units. Tauhid is compared to the journey of the planets in the planetary group around the sun. The teaching of tauhid should have implications for the unity of man with God, with man, and with nature.

Humans learn to believe that Allah SWT creates everything in harmony and balance through the principle of balance. This can be seen from the Qur'an which explains that: *You will never find in the production of the Most Gracious God*

anything that is not adjusted. Therefore, look again and again; do you notice anything unbalanced? QS. Al-Mulk Verse 3. This principle not only requires man to live in balance, harmony, and harmony with himself, but also directs man to practice these three aspects of ordinary daily existence. In the standard of tawhid, it directs individuals in monetary exercises so that they accept that the wealth in their grasp has a place in the side of Allah SWT. Entrepreneurs have achieved success not only through their own efforts but also through the participation of others. belief in human beings and the unity of the world and the hereafter through tawhid. Entrepreneurs will also be able to be guided by Tawhid to seek blessings and long-term gains that are more than just material gains.

In this way, a business person is directed to stay away from any form of double dealing between individuals. This explains why Islam prohibits any form of disguised fraud in addition to usury and theft. that business activities up to and including bargaining for goods when a customer receives the same offer from another individual are prohibited by Islam. Thus, the guideline of balance will guide

Muslims to prevent any form of syndication and concentration of economic power in only one hand or one particular association. The Qur'an also categorically rejects narrow circles that limit wealth to a handful of individuals or groups on this basis:

“And what Allah restored to His Messenger from the people of the towns - it is for Allah and for the Messenger and for [his] near relatives and orphans and the [stranded] traveler - so that it will not be a perpetual distribution among the rich from among you. And whatever the Messenger has given you - take; and what he has forbidden you - refrain from. And fear Allah; indeed, Allah is severe in penalty.”

(QS al-Hasyr: 7).

Muslims are strictly forbidden to save and waste as expressed in the Qur'an Surah At-Taubah verse 34 which reads as follows:

“O you who have believed, indeed many of the scholars and the monks devour the wealth of people unjustly and avert (them) from the way of Allah. And those who hoard gold and silver and spend it not in the way of Allah - give them tidings of a painful punishment.”

This stanza is the reason for giving the position to experts to deny the property rights of speculative organisations that carry out accumulation, piracy and people who take exorbitant profits, because storage causes an excessive increase in costs, *"Eat and drink, but do not misrepresent that Allah can do without individuals who exaggerate"* (QS al-'Araf: 31). Due to the nature of extravagance and consumerism, there may be a scarcity of goods, which may result in imbalances due to price increases. By adhering to Islamic economic ethics, Islam emphasises government control over speculative and unfair prices in order to maintain economic balance. It is one of the options where the issue of Islamic monetary governance has the broad financial interest (*maslahat al ammah*) in mind.

The Islamic financial framework has several missions, among others, firstly, performing the creed and shari'ah in monetary and business exercises; Secondly, successfully achieving economic goals, such as prosperity; also, Thirdly, enabling and fostering individual financial potential. According to M. Dawam Rahardjo (2004), Islamic economics is different from conventional

economics, so its strategic role is as an alternative economic system. Islamic financial issues show monetary rules that contain strict lessons, morals and ethical qualities. Meanwhile, traditional economics is worked on by Western civilisation considering the positive side of opportunity and secularism (*esteem free*). The main criticism levelled at the Islamic economic vision is that the Islamic economic system is not a science but an ideology.

Furthermore, strengthening the Islamic monetary framework can be done in two ways, including first, directing hypothetical testing and exact exploration for the advancement of Islamic finance aspects and their application in the field; second, practising all aspects of Islamic economic theory and concepts in various Islamic financial institutions, both banks and non-banks. In addition to the above explanation, Islam must be seen as a universal teaching that provides guidance on economic activities in the form of muamalah principles. Juhaya S. Praja (1995) revealed that there are several standards of Islamic monetary arrangements, among others:

Firstly, the standard of *la yakun dawlatan bayn al-agniya*, specifically the rules of financial management that regulate value in the delivery of abundance. *Second*, the principle of *adan*, which requires the voluntary transfer of property rights. *Third*, the transfer of property rights is based on the principle of expediency or the principle of *tabadul al-manafi*. *Fourth*, the standard of *takaful al ijtima'*, specifically the exchange of property privileges in view of social status and *fifth*, the guideline of *haq allah wa haq al-adami*, specifically the choice to oversee resources in relation to reasonable property interests where people and gatherings can share profits and be controlled in a sacred component in the field of monetary strategy.

Islamic financial institutions in Indonesia apply and use business ethics and principles that underlie the concept of Islamic economics as the foundation of their operations. These Islamic business standards and morals direct various items of assistance and administration in Islamic financial organisations through the implementation of profit and loss sharing systems, such as reserve funds and supporting *mudharabah*, *musyarakah*,

wadi'ah current notes, *murabahah*, *qardh al-hasan*, etc (Antonio, 2002). The important task of strengthening the Islamic monetary framework as Islamic monetary organisations, both banks and non-banks, has been firmly established as regulations and guidelines. For example, the Banking Law No. 7 of 1992 which was amended into Law No. 10 of 1998, provides the strongest legal foundation for Indonesia for the establishment of Islamic financial institutions. Islamic financial institutions such as banks (BMI and BPRS) and non-banks (Takaful Protection, General BMT, and PINBUK) are the foundation of Islamic finance that is legal and productive enough to help accelerate monetary development methods. According to Yusuf Qardawi (2011) the services offered by Islamic financial institutions will have a number of advantages for the community, among others:

1. A clear, measurable, and rational return on investment is guaranteed.
2. There are aspects of investment security and legal guarantees.
3. Exchanges can be made temporarily and long-term.

4. Discriminatory, monopolistic, and exploitative business practices should be avoided.
5. The parties to the transaction are guaranteed to be paid for their rights and responsibilities.

Strategic Role in Islamic Political Thought

After the Prophet Muhammad passed away, the world of politics and state administration experienced a number of shifts. For example, during the time of Caliph al 'Arba'ah, the state system followed the pattern of the Caliphate. But after Ali's coup, the state system became a monarchy or kingdom, and power was always given to the crown prince, starting from Muawiyah bin Abi Sufyan and his crown prince Yazid.

In every era there must be masterminds known as the descendants of the times, and from each of these scholars will certainly give birth to various origins. It is possible that we, as we are today, will one day become leading figures in the world of Islamic politics, just like Al-Farabi with his concept similar to Plato's "Perfect State" or Muhammad Abduh who embraced secularistic thinking. But it is very clear that what is expected is not

thoughts that plagiarise the opinions of others or come from the corridors of Islam, but forms of thought known as "Authentic Islamiyyah".

It is recorded in history that world politics began long before the fall of Islam. in the history of the previous prophets. Between 1700 and 2000 BC, Prophet Abraham lived. Mankind was familiar with the system of government during the Sumerian civilisation, as it was during the time of Prophet Abraham and the despotic king Namrudz. It has been fourteen centuries since Islam was established as a religion in the Arabian Peninsula. This is certainly not a short period of time, and as time passed, all the issues that were not affected by the previous history of Islam became life-threatening and were pressed to be legitimised by Islam. Then came great thinkers, initiated the concept of their ideas, and presented us with the fruits of their labour, ready to be reviewed and ready to be resolved in light of our current circumstances (al-Usairy, 2003).

The concept of the state is known as the State of Medina since the time of the Khulafaurrasyidin, when the Prophet lived. As the pattern of state practice did not yet have a complete theory, the

succession of caliphs changed from Abu Bakr to Umar through a will, Umar through Usman through a formation team, and Ali through acclamation. After that, Mu'awiyah finally took control of Islamic power and established a monarchical government. During the Abbasid Caliphate, which was the beginning of the rapid advancement of science and the opportunity for thought to be recognised by public authority, researchers began to emerge, including political masterminds, prominent figures such as those referred to by Suyuthi Pulungan, in particular Al-Baqillani (1013 M), Al-Baghdadi (1037 M), Ibn Abi Rabi (lived during the time of Caliph Al-Mu'tashim 833-842 M), Al-Mawardi (974-1058 M), Al-Juwaini (1028 M) -1087 M), Al Ghazali (1058-1111 M), Ibn Taymiyyah (1262-1328 M) and Ibn Khaldun (1332-1406 M), the latter of whom is referred to as living in the middle ages. (Pulungan, 1993).

Al-Mawardi's work, according to Azyumardi Azra (1996), paints an accurate picture of the caliphate. However, it is asserted that these thinkers only formulated moral ideals for rulers and their powers rather than a comprehensive political system or an outline of the rules

of government. Starting with a consideration of the most common way to frame a state, specialists flooded in thoughts from the Greek psyche, that humans are social beings, who need each other to fulfil their needs throughout daily life. Moreover, the following statement seems to have been exchanged among various figures one after another. However, experts believe that it is also influenced by Islamic beliefs, such as Al-Mawardi, who believed that the process of establishing a state is not just about human regeneration in one environment. Though in addition to helping humans remember Allah, that humans were created as weak animals, so they need each other.

They have also come to the conclusion that Islamic thought is more solid in terms of the criteria for selecting and appointing leaders. By providing various traits that almost resemble a perfect human being, such as AlFarabi's requirement that a leader possess 12 noble traits, including good comprehension, high teletext, ability to express opinions, and so on. A person has the right to be called head of state if he possesses all twelve features.

If there is more than one person, others will wait to be the replacement. However, the national leadership is collectively responsible if no one fulfils that standard in a particular region. The following is a list of some of the differences and similarities that can be seen in the thinking of political experts in the classical and medieval periods:

Ibn Rabi' characterises Man, a social being. The Quran indicates that the king's power is a mandate from God because God created human beings with the tendency to gather and socialise. Ibn Rabi' with his thoughts as far as the monarchical type of government where his considerations impacted the public authority of Caliph Mu'tashim. Then there is Al Farabi, where the existence of a nation serves to meet human needs now and in the future. then at that time, the presence of the head of state is a mandatory head of state of the privileged class, with the idea of an idealistic state. The presence of al-Mawardi as a nation is a need to continue the wheel of life, concerning the system for humans to utilise their souls. A head of state at the time had confidence in the state and religion, in connection with the idea of

the state is a hypothesis of mutual agreement.

Al-Ghazali said that the existence of a state is one of the factors of regeneration. He also said that the head of state is like the image of God on earth and occupying the office is sacred or muqadas. Theocracy is a form of government, and the king and religion are like twin brothers: religion is the foundation, and the king is the guardian. According to Ibn Taymiyyah, the influence of a state rather than its formation is due to social factors. In addition, human beings carry the mandate of God, so the issue of whether or not there is a head of state becomes urgent. His way of thinking is traditional, zahid, and prioritises upholding justice. According to Ibn Khaldun, the state exists because human nature is interdependent. The form of the state system is directly related to how effectively Islamic law is implemented, and the Khilafah or Imamah is used as the form of government. The Ashabiyah theory is another idea that Ibn Khaldun had.

Based on the above-mentioned descriptions in relation to some of the scholars' judgements, the paper says, there is the fact that each of these figures does

not give a clear picture of the elements of delegation and permission of the head of State. So it becomes a question, are there any Islamic masterminds who dare to formulate a firm thought regarding the standard components of statehood in Islam, in order to understand the expectations with consistency of Muslims in the public eye. There is no sensible order in terms of the quality of thought at this time, but it is possible to assume that the assessment of these figures will initially be generally coloured by considerations from the Greek world, particularly the ideas of Plato, although the degree of impact is not something similar starting with one puppeteer then to the next. Secondly, apart from Al-Farabi, they accepted the existing power structures of their respective times. In fact, some of them when presenting their ideas first gave legitimacy or validity to the existing system of government or maintained the status quo for the benefit of the ruler, and then offered suggestions for reform and improvement.

Entering the contemporary period
After a long period of the Islamic world being slumped by Western civilisation, precisely after the success of the Abbasid

government as the centre of Islamic rule, the Mongols' hands were then shifted by the pioneers of Islam. starting in the XVIII century M. that around that time Islam had fallen far behind various civil institutions. And raised them through various efforts to revive Islamic thought. Unlike the previous two periods, the figures in this period did not emphasise the foundations of the establishment of the state, and so on. more accommodating in pragmatic political practice, for example Al-Maududi who nurtured the idea of Jihad to re-establish the existence of Islam. The West had a negative perception of those who waged jihad.

These respectable benchmarks were separated by the emergence of luminaries and several associations in addition to contemplations focused on the restoration of Islamic lessons, among the famous luminaries were Sayid Jamal Al-Commotion Al-Afghani (Promotion 1838-1897), Muhammad Abduh (1849 - Promotion 1905), Muhammad Rashid Ridha (Promotion 1865-1935), Ali Abd Al-Raziq (Promotion 1888-1966), Hasan Al-Banna (Promotion 1906-1949), Sayyid Qutb (Promotion 1906-1966).

Abu Al-A'la Al Maududi, a member of the Al-Ikhwān Al-Muslimin organisation who lived from 1903 to 1979 M, was one of the activists with the latter two names. The characters in this revitalisation effort are separated into three styles; Secularistic, Moderate, and Integralistic.

Thoughts framed by secularism argue that secularism is definitely not a new "thing" in Islam anymore, considering that in the last discussion there was the prospect of Ibn Taymiyyah (quoted from Munawir Syadzali's book) who agreed that a head of state who is only apart from the fact that he is not a Muslim is better, other than a Muslim head of express, the person who did the disgrace was Ali Abd Al-Raziq. In the penultimate part of his book, he states that Prophet Muhammad was only a messenger of God and had no power to establish a state. As Raziq's headquarters above shows, Islam does not interfere in world affairs. Raziq used the Prophet's hadith, "You know better the affairs of your world," as his argument. Muhammad Abduh, Raziq's teacher, exerted a great influence on his thinking. Which eventually shaped him into mainstream thinking, in addition to being

seen from Raziq's basic education in Western schools.

In turn, Raziq's thoughts were strongly opposed by the people of the Islamic Centre, who were initially keen to re-instill Islamic norms in every part of life, but when they saw Raziq's influence they became concerned that these thoughts would have far-reaching effects later. Then, Dr Muhammad Husin Haikal and Muhammad Abduh were two moderates who argued that Islam did not fully influence constitutional matters. Although Islam does not provide a fixed form for the model of a state, it does provide principles to be used in a future state. Furthermore, they give Muslims the opportunity to see examples of statehood utilised by the West, of course with considerations that are still in line with Islam. Third, Islam and religion are combined in the typology used, namely the integralistic type.

This group cited classical thought, and the form of government they advocated was that modelled by the Prophet Muhammad for the city-state of Medina, as well as the form of government that existed at the time of the Khulafaurrasyidin-they did not want Muslims to follow Western models of

government. These figures were Abu Al-A'la Al-Maududi, Sayyid Qutb and his Ikhwan, and Muhammad Rashid Ridha. Looking at the current order of life which is classified as pluralistic and upholds moral values, the author makes an assumption whether this pattern of government can still be applied. Al-Maududi started the idea that the people have the power to set government policy in this way. However, it is limited by the provisions of the text; Munawwir Syadzali coined the term "*Theo-democracy*" to describe this kind of state. The second school of thought that prioritises a balance between benefit and religion is also more interesting to the author.

There is nothing in the literature considered by the author that specifically mentions the style of government of each era when looking at the differences in patterns between the three eras; however, as the discussion has outlined above, the author can draw the conclusion that there are some obvious differences. Reflections on the Major Traditional Periods Most scholars who understand the starting point of a country's founding imply that the fundamentals of mixing are still the main talking points. Secondly, the opinions of

scholars are often influenced by such lessons from the Greek realm. Plato's view, for example, asserts that humans are social creatures. Thirdly as a rule, the experts in this period, the thought of thought had an impact on the ruling public authorities where they were. Fourth, political thought at this time was coloured by an integrated style of religious and political thought, so it is no wonder that people say, "The king is the shadow of God on earth." (Triono, 2011)

Thinking about the Middle Ages, relatively few figures have emerged to date, only Ibn Taymiyyah and Ibn Khaldun can be said to be representatives of these medieval figures, and surprisingly then, if you look at the division of time alluded to by Harun Nasution. The views of the two figures who represent this era are very similar to those of the classical period. Considering that the two figures who are considered to represent the Middle Ages still live in the same social environment as the classical figures. Perhaps if there should be a difference in style today, it should be found throughout Islam's existence after the collapse of the Abbasid tradition, in which Islam split into smaller kingdoms at the time.

Unfortunately, however, Islam had its moments when it fell back to its current low point. While the Islamic world was busy fighting its own battles, the world of science was in decline, and the West was rising up with its church reforms, there were no figures with brilliant and progressive ideas.

Thoughts from the Contemporary Era Firstly, characters no longer concentrate on the origin of a nation. Secondly, more down-to-earth political speculations are currently emerging, some evidence of which is the emergence of several current thoughts, including: Integralistic, Moderate, and Secularistic. Thirdly, the contemplation of these figures is thought to have been influenced by thoughts fuelled by Western scholars (French, German, etc.), such as secularism. Fourth, regarding the type of ideal state, scholars did not decide whether it should be a Caliphate, Imamah, or Government. However, the focus is on how Islamic sharia can be properly implemented in the district.

The phrase quoted by Sayid Muhammad Baqr Ash Sadr, "The Westerner looks to the earth, the Easterner to the sky," is a justification that is present

in contemporary life. Muslims practice politics on earth as caliphs which is a decree from heaven, so they tend to be religious (morals), while Westerners are infatuated with the imperialist concept, which requires the fulfilment of material satisfaction. Perhaps this is only a one-sided assurance, but the above analysis forces us to follow the purity of Muslims' political goals and stay away from Islamic efforts as a form of authenticity in matters of legislation, despite the many defilements committed by fraudulent civil servants. Like God's unquantifiable gifts, science is no different. There are still many types of potential beliefs that the poor are raised by people. As a result, the Islamic generation as the successor to the pillars of global civilisation must not remain silent. Instead, they must be ready to answer all the problems now and in the future by writing works in gold ink that are part of the history of global civilisation.

Conclusion

Islamic financial institutions are economic instruments that are considered to have many advantages over conventional financial institutions because they prioritise aspects of law, business ethics and religious morality. Strategic

role in the Islamic economic system offers the concept of economic empowerment with justice, equity, and economic balance both micro and macro. The legislative issue of Islamic finance provides a positive bargaining capacity to accelerate monetary improvement through business associations with small and medium enterprises. The strengthening of Islamic monetary through business associations between Islamic financial organisations and small and medium enterprises by developing real field business activities in the fields of agribusiness, industry, exchange and administration and Islamic financial institutions should continue to accelerate the advancement of public finance and business to work on the financial governance of Indonesian public assistance.

The obstacle that is seen in the action of sharia finance problems is the problem of solving the problems that exist in the sharia economy, for this situation when there is a sharia monetary debate, a strict court should choose, not a local court. The development of Islamic finance practices in Indonesia can be said to be very rapid after receiving government support as a principled political economy

on the standard aspects of Islamic finance that must be seen in various areas of monetary organising Islamic finance. framework, such as Islamic banking, Islamic protection, sukuk, capital business sector. Public finance, Sharia, etc. Public authorities need to continue to be encouraged to implement existing government finance issues that lead to an Islamic monetary framework, e.g. zakat which was initially only derived from available income (PPKP), has been expanded to a deductible expense, converting state-owned banks into Islamic banks so that the share of the Islamic bank cake is growing rapidly, and additionally it is hoped that by expanding the politics of Islamic finance, the government will be able to provide more Islamic financial services. It is hoped that by expanding the Islamic political economy, it will accelerate the realisation of a just and prosperous economic system for the nation.

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