

DETERMINANTS OF SMALL AND MEDIUM ENTERPRISE EMPOWERMENT IN ISLAMIC POLITICAL ECONOMIC PERSPECTIVE

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ABSTRACT

The purpose of this study is to analyze and find out the political economy of Islam in Indonesia, the research method used is literary analysis with a historical qualitative approach. The data source comes from Islamic political economic theories. Books and Scriptures according to Chapra and Ibn Khaldun, as well as scientific journals and Islamic economic theses. The results of this study indicate that Islamic Economics is more individualized behavior based on the Al-Qur'an and al-Hadith so that it can be practiced ideally by formulating Islamic economic concepts that are categorized as good and positive. The politics of Islamic Economic Policy in the review of the transaction is a mudharabah contract with a "profit and loss sharing" system, namely profit sharing and loss sharing are categorized as good and positive.

Keywords: Islamic Economics. Policy Politics, Basic Principles of Politics and SME Empowerment

ABSTRAK

Tujuan dari penelitian ini untuk menganalisis dan mengetahui politik ekonomi Islam di Indonesia, metode penelitian yang digunakan adalah analisis kepustakaan dengan pendekatan kualitatif secara historis. Sumber data berasal dari teori-teori politik ekonomi Islam. Buku dan Kitab menurut Chapra dan Ibnu Khaldun, serta jurnal ilmiah dan tesis ekonomi Islam. Hasil penelitian ini menunjukkan bahwa Ekonomi Islam lebih diperilaku secara individual yang bersumber pada al-Qur'an dan al-Hadis untuk bisa dipraktekkan secara ideal dengan merumuskan konsep ekonomi yang Islami berkategori baik dan positif. Politik Kebijakan Ekonomi Islam di review dari transaksinya adalah akad mudharabah dengan sistem "profit and loss sharing", yaitu bagi hasil dan bagi rugi berkategori baik dan positif.

Kata Kunci : Ekonomi Islam. Politik kebijakan, Prinsip dasar politik dan Pemberdayaan UKM

A. INTRODUCTION

Living beings throughout the universe seem to mean something "thing". But in essence "Life" is related to life (Alim, 2006), where a life is followed by the principles used by "man" to answer as humans should live their lives in this mortal world. According to Mujib (2006) that humans in the course of life, both individuals and groups, are always inseparable from the term "economy". Because the economy is a process of alleviating poverty and providing convenience, comfort and decency in life. Furthermore, Fitria (2016: 29) said that the Economy (Islam) contributes to national economic development, especially in Indonesia as a country with the largest Muslim base in Asia.¹

¹ Muhammad Alim, Islamic Agam Education, Cet. 2nd (Bandung: Remaja Rosdakarya, 2006), p. 92

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In this quote, "Economic development is growth plus change" is used to describe the process of boosting an economy in response to a particular setback brought on by changes being made to the institutional makeup and overall course of an economy. In light of the foregoing, Fitria (2016:29) asserts that the Islamic economy is becoming more unstable. Islamic economic practices, including sharia-compliant banking, have existed in Indonesia since 1992. Bank Muamalat Indonesia (BMI) and Sharia People's Credit Banks (BPRS), along with subsequent dates, were established on Diwali. The development of the sharia-compliant economic system in Indonesia as a whole is not as advanced as in other countries. Despite what may seem to be the contrary, the banking industry has Assets of sharia-compliant banks that total more than Rp 28 trillion with DPK counts that nearly reach 22 trillion. Due to this, observers observed from the pandang of economic and political policy where a certain meeting place for Muslims was.

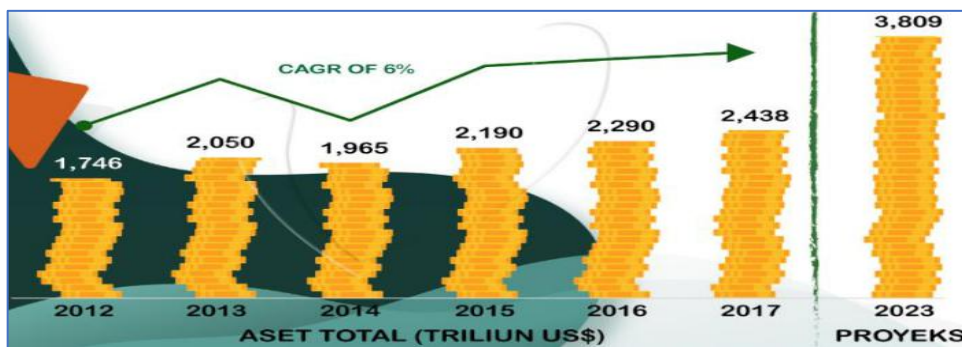


Figure 1 Development of World Islamic Economic Assets
Source : Thompson Router, IJP 2019

According to the graph above, estimates of the Islamic economy's growth from 2012 to 2017 can be extrapolated to predict that by 2023, it will have increased by about 1.371 trillion US dollars. This is according to Agustianto, who stated in Fitria (2016) that the expansion of the Islamic economy in the form of banking institutions and syariah-allowed financial instruments has resulted in a particularly rapid rate of growth.

As stated in QS Hud:61, "He (Allah) has created you from the earth (land) and asked you to prosper it," according to the official explanation, "Economy in the context of Islamic law begins with the word "imarah" or "ta'mir." "And when your Lord said unto the angels, Verily I made caliph on the face of the earth... that is, humans who are assigned to carry out development, so as to create prosperity," says QS al-Baqarah in reference to the idea But it differs from what anyone is saying.



Figure 2 top 10 index of Global Islamic Economy
Source : Global Islamic Economy Indicator

In the second image below, the top IEIG is shown to be congratulating the Indonesian Islamic Economic Index at 68.5% (GIEI Score). This is a clear indication of the significant and persistent growth of the Islamic economy in Indonesia, which is due to the larger number of Muslims in the country as well as the Islamic teaching that the world as we know it today was created by Allah SWT. Allah the Almighty and Almighty has appointed man as His Caliph on earth (QS Al-Fa tihah [1]: 2) (QSAI-Baqarah [2]: 30). As a result, as the khalifah of mankind, you must understand the large garlands and the objects that have been made and placed upon them. The meaning of content associated with Islamic economics and benefit is that property and ownership are as trusts that can be maintained by using them in accordance with the guidelines of Qir'an and Hadith.

Researchers observe Islamic economic problems that are still confused with all kinds of problems and require Islamic economic political science, even the high problems of Islamic economics when associated with the poverty rate in Indonesia are still uneven and unbalanced, even though the largest Muslim in Asia, but Muslims in Indonesia cannot be said to be prosperous equally. if the benefit of Islamic economic assets is not far from the mere use of satisfying the unlimited needs of human desires. The results of the murabahah study by Fadli (2014) are based on his implicit research that the practice of buying and selling (murabahah), in the Islamic banking system that applies a profit margin system, does not change it like the imposition of interest on conventional banks.

If readers take note of the assertion made by Ibn Khaldun in Huda (2013) that the economic motive developed as a result of the human race's continuing development at a steady pace while the goods and services that would satisfy this need were greatly reduced in price, they will see that this is true. Due to this, it is implied that economic topics must be derived from two sources: the tenaga and the usage angulars. Such is the importance of Islamic economics in Indonesia as a study material, has presented and brought regulatory policies with its own anachronistic style, according to Fadli (2014) Indonesia has its own pattern in the development of Islamic economy. The meaning of nonconformity that may arise due to turbulent obstacles in the constitutional system and the emergence of regulations and multicultural society in Indonesia, may be due to the fact that the Muslim community is dominant, ole Even though creating policies is typically seen as being unreliable.

Until now, the Islamic economic system should be more synonymous with equal distribution of welfare and justice, but the reality is exactly the opposite (Tho'in, 2015: 129). Islamic economics faces two very big homework: "poverty and disadvantage". Poverty is a very tough challenge for every country in solving it. Because almost every country makes poverty alleviation programs the main program in economic activities. Including Islam itself advises to avoid poverty as the Prophet SAW said the following: "Almost the thinking will become kufr and almost hasad veils fate."²

Based on the Islamic economic problems mentioned above and there are still several efforts to realize for the benefit of the people in Indonesia, it is important to be examined immediately, otherwise if no research is carried out, it is feared that it will have an impact on a society that is no longer civil, a society that is almost eroded by the wheels of the

²Muhammad Tho'in, 2015 The Concept of Middle Way Islamic Economics (Capitalist – Socialist) Scientific Journal of Islamic Economics Vol. 01 No. 03, November 2015

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economy that is far from Islamic values, even though basically Islamic economics studies individual behavior guided by Islamic teachings, Starting from life goals, how to view and analyze economic problems, as well as the principles and values that must be held to achieve these goals.

In this coursework, researchers as group three in the Islamic Political Economy course aim to analyze with a library research approach and analyze content in qualitative research. Theory, Qur'an and expert opinion are taken using historical methods, and analysis using analogy and systematic linking by tauhiding relation (maqashid).

B. RESULTS AND DISCUSSION

1. Islamic Economy in the Indonesian Context

Islamic economics is an economic system based on Islamic values derived from the Qur'an and al-Hadith. In terms of textual authenticity, both the Qur'an and the Hadith continue to invite new lines of thought from academic scholars and provide space for the interpretation of texts that are central to both texts. Because what is contained in the Qur'an and Hadith remains universal and open to multiinterpretation. However, economics requires the application of fundamental ideas within the framework of perfect economic policy. In this theoretical roadmap, Muslim economists of various schools discuss the components of Islamic economic cosmology.

Adiwarman Azhar Karim classifies these different views into the Baqir as-Sadr School, the Main School, and the Alternative-Critical School.

a. School of Baqir as-Sadr

This Sharia was formulated by Baqir as-Sadr in his book *Iqtishaduna*⁷ (our economy). This school argues that the discipline of economics cannot coexist with Islam. The economy will continue to be run on economic principles, and Islam will remain a religion of peace. Because they both come from different philosophical traditions, the two can never be reconciled. On one side they are strongly anti-Islamic, while on the other according to them, different philosophical viewpoints affect the different ways in which both groups analyze economic problems. According to economic theory, economic problems arise when demand exceeds the supply of resources available to meet them. This is because the human population is constantly growing while the amount of resources available to meet its needs is relatively constant. above.

However, this view is refuted by adherents of the Baqir School who argue that Islam does not recognize a limited supply of energy. Using the basic principles contained in verse 49 of Sura 54 of the Qur'an. Given this, since all have been well grateful, it can be said that God has provided sufficient means for all human beings on Earth. The idea that human desires are infinite is also rejected.

Economic problems, according to this mystical school of thought, are the result of an economic system that allows the strong to exploit the weak. Those in positions of authority are better able to gain access to more resources, leading to greater prosperity, while those in weaker positions are disadvantaged, leading to lower levels of material well-being. As a result, economic problems arise due to lack of resources, but the potential of human creativity is unlimited.

b. Major Schools

This belief teaches that economic problems arise when limited resources are used to satisfy unlimited human desires. Given one's limited resources and one's ability to satisfy every desire, it is up to the individual to make choices about how to allocate those resources. In analyzing economic problems, this school does not deviate significantly from mainstream economics. Making it so that humans are responsible for deciding what happens, including sorting their priorities from most important to least. In solving economic problems, the ideas presented in this school are not much different from the ideas put forward by mainstream economists.

The main difference lies in the fact that solving economic problems is still a matter of debate between satisfying limited human desires and utilizing limited natural resources. Obviously, some decisions have to be made to understand such situations. Traditional economic theory argues that individuals' unique values and priorities inform their choices and the scale at which they operate. Man has the ability to advance religious doctrine and change it. This can be interpreted as giving permission to people to "take care of their own souls". However, according to Islam, this kind of decision cannot be made lightly. Every aspect of life, including economic matters, should be based on the Qur'an and hadith. The authority group of this school includes the likes of M. Umer Chapra, M. A. Mannan, Nejatullah Siddiqi, and many more. Most of these thinkers found jobs at the Islamic Development Bank (IDB). This school still uses conventional economic theory because of the background of its practitioners.

c. Critical alternative schools

This school attempts to criticize by providing a critical analysis of all economic theories, including socialism, capitalism, and the Islamic economic system itself. People have a strong belief that Islam is true, but they are less sure about Islamic economics because it is based on human interpretation of the Qur'an and Sunnah and hence has questionable value. It is important to constantly evaluate the validity of the preconceived notions and theories underlying Islamic economics, as is done with conventional economics.

From these three perspectives, it is clear that the main problems in human life are economic problems such as unequal distribution of resources, competition for life goals, and human limitations. The root of the problem shows that the purpose of human life in economics is to achieve *falah* in life. So that Islamic economics can be understood as a science that studies how humans allocate and manage resources to achieve goals in accordance with the principles and values espoused in the Qur'an and hadith.

2. The Politics of Islamic Economic Policy

The current capitalist system, which has spread like wildfire in every sector of modern life, is deeply entrenched and therefore very difficult to change, especially now that it has penetrated government policymaking at the political level. But strong opposition to changes in the capitalist economic system can no longer be prevented, therefore the Islamic economic system is offered as an alternative that is expected to provide security, comfort, and equity that will surely be achieved. able to realize an ideal welfare state. Due to the inclusive nature of the Islamic economic concept, it is widely accepted in Indonesia, where Muslims constitute the majority of the population.

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Only time will tell whether the face of the Islamic economy in Indonesia begins to conform to the expectations of the new economic order, or whether it is just a cosmetic makeover with different shades on the same face. Actually, what distinguishes conventional economic theory from the Islamic economic system, and how this theory is actually implemented in Indonesia.

Is it possible that an Islamic economic system whose values are drawn from the Qur'an and Hadith can replace the capitalist system and eliminate the gap between the rich (in this case the owners of capital) and the poor? But in practice, Islamic economic regulations that are different from conventional systems have not been fully implemented. The products offered are almost the same as those offered by conventional banks, differing only in the language used to describe them. For example, a savings account can be renamed a wadi account, buying and selling transactions can be renamed murabahah, loans can be renamed loans, and so on.

However, the practical application of these Islamic terms does not contradict the basic concepts of Islam. First, the Islamic banking system, despite being central to the Islamic economic system in essence, lacks the courage to fully implement the ideals of aqd as prescribed by the Qur'an and hadith. In Islam, akad refers to the full-face veil and head covering that is compulsory for all women. The principle of antaradhin (willing to be equally willing)⁷ governs the interaction between ijab (statement of the first party's agreement to transact with the second party) and qabul (the second party's statement of its rights and obligations under the agreement).

Related to Islamic principles, the use of the niqab in Islamic banking is highly controversial. A good example of this is the Islamic principle of mudharabah, where the first party (shahibul mal) provides all the capital while the other party acts as the manager. Business profits are distributed among the parties involved in accordance with the terms of the contract, while responsibility for losses falls on the investor even if the manager played no role in causing them.

Mudharabah contract compensation is usually structured as a 50/50 profit and loss share. However, Islamic banks are not ready to fully implement the system. This exemplifies the fact that the Sharia-compliant banking system is not much different from the conventional capitalist-inspired model. Second, the Islamic banking system does not charge interest on the use of the buying and selling financing method (murabahah), unlike conventional banks that use "margin accounts" that generate interest.

Suffice it to reason that the politics of Islamic economic policy in Indonesia which includes Law No. 21 of 2008 is a different cosmetic polish from the same face, namely capitalist. This is based on the description example in question as well as the several other

The Indonesian syariah economy is not capable of moving forward as stated in the Law (UU) No. 21 for the year 2008. Because it is understood that no economic metric provided would change in an abrupt manner. To ensure that the general public's understanding of Islamic economics is unaffected by comparisons with other economic models, efforts to improve Islamic economic policy in Indonesia must be supported by effective policy construction. For Islamic economics to become mainstream, it must be rahmatan lil'alam.

3. Basic Principles of Islamic Political Economy

One of the distinguishing features of the Islamic economic system is the incentive to place more emphasis on Islamic business law and ethics. Islamic economic theory requires the application of sharia principles and Islamic business ethics (Karim, 2001: 12). From a philosophical point of view, the principles of Islamic economics include: the principle of worship (al-tawhid), the principle of togetherness (al-musawat), the principle of individual freedom (al-hurriyat), the principle of personal responsibility. al-"adl), the principle of mutual aid and tolerance (al-ta'awun) and the principle of mutual submission (al-tasamuh) (Ahmad Azhar Basyir: 1992, 186).

All financial institutions, whether banks or not, must adhere to these basic principles in order to function properly. Ethics in Islamic business is linked to Islamic economic policy, which governs all forms of ownership, management, and distribution of wealth fairly and equitably among individuals and groups. Islamic business ethics strictly prohibits monopoly, exploitation, and discrimination in the workplace, as well as the unification of economic rights and responsibilities among individuals and groups.

Business practices such as monopolization and oligopolization are strongly discouraged in Islam as they can have a negative impact on society and the economy, and are therefore prohibited by Islam. In the future, Islamic business ethics will transform into a set of functional guidelines that will help individuals develop a shared understanding of how the practical guidelines of faith-based economics which when used will form a broad understanding of how to approach economic activity, increasing the likelihood that individuals will take steps to avoid economically risky behavior. A field of study known as Islamic economic ethics examines the moral implications of business practices, as defined by Islamic economics scholars, by examining the norms of human behavior so that they can be ascertained to conform to standards of logic of thought (ratios) and religious dogma (nash). s dogma (Renewal of thought (Risian) and religious guidelines Economic ethos is often equated with moral ethos because both emphasize the importance of talking about good and bad in human society, ugliness at the level of tan.

The purpose of Islamic ethics according to the children of the school of piety (Taqiyuddin An-Nabhani, 1996, 52), is to ensure that all human beings, regardless of when or where they live, have a common understanding of relative good and evil. Hani: 1996, 52). share a common understanding of the relative merits of good and evil. Hani: 1996, 52). share a common understanding of the relative merits of good and evil. Hani: 1996, 52).

Although this is the ultimate goal of Islamic economic ethics, progress in that direction is hampered by the fact that different groups in the modern world have different conceptions of what constitutes an acceptable norm. goal. However, there are obstacles to achieving this goal in Islamic economic ethics due to the fact that different groups in the modern world have different perspectives on what is meant. Each breed has its own unique size and selection criteria. As part of the ethics taught by philosophy, morality is based more on reason than religious dogma. In Islam, moral science refers to the science that teaches good and bad in accordance with Islamic law, whose authority is drawn from the Qur'an and other holy books. There is reason and revelation. On that basis;

Two main principles stand out among the many Islamic economic ethics enshrined in the Islamic economic canon: This basic principle of Islam teaches man how to recognize the will of Allah. Therefore, logically one's faith in everything should ultimately be directed to Allah Almighty and should end in Him. Thus, there is no justification for doing actions that do not heed the limits set by Allah SWT.

Given this belief, a Muslim may feel compelled to declare, "Verily my prayers, my worship, my life, and my death are solely for the sake of Allah, the Lord of nature." This principle ultimately led to the formation of mutually beneficial and interdependent religious organizations. The sky was painted to look like the planets in the solar system, and the sky god of monotheism was ridiculed to look like the sun. Man's unity with God, man's unity with his neighbor, and man's unity with the nature around us are all concepts that must be implicit in a well-developed religious education system. Second, the principle of equality teaches us to believe that everything God created exists in harmony and balance. This is explained in the Qur'an which reads: "Enkhau did not find the slightest imbalance in the creation of the Almighty and All-Wise. Try hard to find out if you can see a small horizon or not (QS al-Mulk: 3).

This principle teaches people not only to live in harmony with themselves and others, but also to incorporate such traits into everyday life. Human beings are directed in economic activities on the basis of the principle of tawhid which affirms that all goods and services owned by a person belong to Allah SWT. The success of business owners is more than just their own efforts; Other people also play a role. A belief that inspires hope in humans for a better world and an eternal future. Muslims can learn from religious teachings that putting financial success above spiritual or emotional satisfaction is a recipe for disaster. Therefore, business owners are expected not to exploit their employees in any way. This article explains Islam's position on usury. Similarly, the Islamic community will be guided by the principle of equality to combat monopoly and economic concentration. These principles form the basis of the Qur'an's harsh criticism of practices that concentrate wealth in the hands of a few. s. condemn the narrow practice of concentrating wealth in the hands of a select few: Sumaya's wealth was not limited to the rich; rather, "it is found among you also" (QS al-Hashr: 7). hoarding and boastingAs mentioned in Qs. At-Tawbah: 34, Muslims are strictly forbidden to commit acts of destruction such as arson and looting. It is forbidden for Muslims to take part in destructive acts such as arson and looting, as mentioned in Qs. At-Tawbah: 34. "Eat and drink,

Conspicuous consumption and extravagant habits can lead to stockouts and subsequent price increases due to market imbalances. Islam urges governments to control unfair and speculative prices to maintain economic stability, with the help of Islamic economic ethics. One option in which Islamic economic policy takes into account the needs of society as a whole (maslahat al-ammah) is this.

4. Islamic Political Economy and Empowerment of Small and Medium Enterprises

Islamic economic policy has mandated that the ownership, management, and distribution of wealth should be based on Islamic economic principles and values. As a result, while conventional financial institutions collapsed due to the implications of rising interest rates, Islamic financial institutions that rely on the system for their returns are benefiting from the current situation. Almost everyone agrees that the ongoing economic

and monetary crisis that began in late 1997 had little impact on the monetary stability of Islamic financial institutions such as Bank of Malaysia (BoM), Bank of the Philippines (BOP), the Bank Negara Malaysia (BoS), and Bank Islamic Malaysian Trust (BMT).

Economic development of infrastructure aimed at maximizing all material profits is widely considered to be the main cause of economic and monetary crises. This is reflected in the practice of charging interest on bank deposits in conventional financial institutions that follow the government interest rate target set by Bank Indonesia (BI). However, if the above-mentioned monetary policy rate increases by a significant amount, business owners are less likely to invest, as the income they receive is most likely not proportional to their expenses. Such circumstances would allow Islamic financial institutions to operate without interest, interest-bearing loans, and usury-related activities.

Profit-sharing models that are not based on rigid terms, such as rigging interest rates to benefit one party and tracking currency exchange rates, are increasingly common. Profit and loss sharing between parties who make transactions at BMT and Bank Syariah based on flexible profit generation. According to the agreement, both parties can split profits and losses 50/50. It will be based on considerations of fairness of both parties and the value of racial diversity. These not only teach about more balanced and rational economic development, but are also very relevant to Islam's ultimate goal outside the realm of religion alone.

Islam's sharia law, as taught by the Khalifah the last, has a fundamental precept; it is not only comprehensive but also global. Ajaran agama yang sempurna dan terbuka memberikan rambu-rambu terhadap urusan ekonomi, dengan system ekonomi Islam yang didasarkan pada ajaran agama yang sempurna dan terbuka memberikan dimensi ideologis yang jelas diperlukan dalam kegiatan Mengembangkan kegiatan usaha sektor riil is one way to achieve the goal of pemberdayaan Islam economic system in Indonesia. A variety of small and medium-sized business activities are included in the sector's ongoing activities. Sejenis Pertanian, Industrial, Perdagangan, and Jasa Sectors Function as the Foundation of National Economic System Upliftment.

Then what strategy is most effective to optimize the role of shari'ah financial institutions in encouraging the acceleration of Indonesia's economic growth. Some strategies that can be taken include:

- a. The government provides greater flexibility and opportunities to build infrastructure and Islamic economic superstructure in Indonesia systematically, organically and irrationally.
- b. Selected shari'ah financial institutions not only offer themselves as socio-economic institutions and community fund managers, but are also able to organize community economic empowerment programs such as training and coaching for small and medium scale assisted business groups.
- c. Shari'ah financial institutions and investors prioritize providing business capital loans to fostered business groups that have productive business activities.
- d. Sharia financial institutions and the government can work together to carry out such guidance for the purpose of empowering the activities of small and medium enterprises in the community.

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- e. Return of working capital and financing is regulated through a mechanism that is clear, structured, planned and agreed upon by all parties involved in the program (Yusup, 2004).

Each Syari'ah Lembaga cannot operate independently in order to carry out this program. Instead, they must collaborate with all relevant government agencies, including the Pemerintah, the Swat Council, the Modal, and the Syari'ah Economic Commitment, to advance the Syari'ah economy in Indonesia.

The program in question gives priority to small and medium-sized businesses since core Syariah economics is more stable starting at the bottom of the page. The primary goal of the aforementioned strategy is to maintain the momentum of Indonesia's economy so that it doesn't continually deteriorate on the pinjaman hutang outside of the country. At this time, the Indonesian economy appears to be particularly well-off with regard to foreign trade agreements..

As a result, Indonesia must make a serious effort to create a terobosan, modify its constitution, and engage in productive work for economic recovery. The corporate strategy that is currently in motion needs to be immediately reoriented because it has already had a negative impact on Indonesia's multifaceted crisis. In order to rebuild the foundation of the Indonesian economy, the conglomerate must communicate, converse, and work together.

As an example, Lembaga Keuangan Syariah may also act as a facilitator and mediator who is capable of restraining corporate entities through small-scale operations. The program kemitraan usaha between the large and small pengusaha can be used to start the process of rebuilding Indonesia's economic system from the bottom up. For this reason, ending the large-scale initiative of usaha para pengusaha besar has been quite uplifting to the people below. This is the most important thing.

It may be said that the current situation is still providing a significant amount of room for the expansion of the Pemerintah Syariah Finance Bureau. For instance, UU No. 10 Tahun 1998 about Perbankan gave banks and other organizations that were specified in that UU's text the opportunity to conduct business. Lembaga keuangan syariah is increasingly being promoted as a viable alternative to conventional banks that can help the economy grow. Due to this, the Indonesian government lacks the authority to address the banking industry's kebebasan for syariah-related organizations. It is clear that the role of shariah-compliant banks in boosting the economies of Muslim communities is extremely important, especially in the context of small and medium-sized businesses that require access to working capital. It is clear that shariah-compliant banking is essential for boosting the local economy, particularly in the context of small and medium-sized businesses that require access to working capital. Business Process Outsourcing (BMT) will be positioned in this context as a significant facilitator, and may even become a key enabler for the government, in order to maintain the operational pace of small and medium-sized businesses (UKM). As a last step, nearly all small- and medium-sized businesses use the Islamic finance organization's mode to ensure the privacy of their business operations. The above situation opens the door to developing the most effective Islamic economic development strategy that makes use of a variety of monetary instruments that are compliant with Shariah. Lembur, This will lead to a decline in the general public's trust in the shariah-compliant money management organization.

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Masyarakat will be more likely to have Lembaga Keuangan Syari'ah as a business partner because of its reliability.

C. CONCLUSION

1. Individual Islamic economics is based on the Qur'an and Hadith, which encourages various interpretations of economic systems so that they can be put into practice optimally by analyzing Islamic economic concepts, such as justice and charity.
2. Political Islamic Economic Policy in transaction is a mudharabah contract with a system of "profit and loss sharing", namely profit sharing and loss sharing in the good and positive categories.
3. The fundamental principle of Islamic economics is the encouragement to prioritize the application of Islamic law and business ethics, which include the principles of worship (al-tawhid), community (al-musawat), freedom (al-hurriyat), integrity (al-adl), charity (al-ta'awun), and tolerance (al-ta'awun).
4. To be effective, Islamic economic policies and the promotion of small and medium enterprises (SMEs) must be based on the sound and ethical principles of the Islamic economic system.

D. IMPLICATION

Stakeholders in Islamic economic politics must apply the values of faith, ethics and behavior that are still empty in the current Islamic Economic relations. This is due to the fact that human language is connected with other human beings through its inner self, perhaps through the lungs and with its inner and mind.

Conversely, if a person goes through life without a sense of ethics, morality, or responsibility, he will almost certainly experience a decrease in self-esteem and, in extreme cases, commit suicide as a result of making decisions contrary to the demands of justice.

The best way to live as a human being in this imperfect world is to follow the guidelines laid out in the Qur'an Surah Al-Baqarah verse 27.

Means:

That is, people who prolong Allah's doom because it is too heavy, and who hinders Allah's (their) efforts to contact them and cause trouble in their lives. They are just ordinary people.

In this connection, the importance of the concept of the values of life as a human being is highlighted in the Qur'an Surat Al-Baqarah Verse 195.

Means:

And make it better, because God likes people who make things better. (al-Baqarah: 195)

In the fanatical world, no life is more precious than the lives of others, so precautions must be taken to protect everything (Zurkarnain, 2008). The practice of the concept of worship values, as proposed by Zurkarnain (2008), produces people who are "fair, honest, and like to help others". Finally, moral values teach people how to think and act in accordance with the right and good norms or civilizations, towards a more peaceful and serene human life.

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