

## Islamic Law and the Concept of Prophetic-Based Economic Welfare

Syafruddin<sup>1</sup>, Mukhlisin<sup>2</sup>

<sup>1,2</sup>Universitas Muhammadiyah Mataram, Indonesia  
gfe\_baso@yahoo.co.id, anakshaleh576@gmail.com

### Abstract

*Economic welfare is a topic that is often studied in the social sphere, especially in developing countries including Indonesia. Even in Law Number 11 of 2009, the government has specifically regulated social welfare, so that what is the state's goal, namely social welfare for all Indonesian people, can be realized into reality. In the concept of economic welfare, Islam views equity and justice as one of the keys to social welfare. This welfare is the maqashid (goal) of syara' or Islamic law in the economic field. In this regard, the Islamic economic system has attempted to eliminate the cumulative aspect with the philanthropic movement as the antithesis of the modern capitalist system which is individualistic. This study will describe islami law and the concept of prophetic-based economic welfare. This study uses a literature review method. The results show that the concept of prophetic-based economic welfare is the liberation of humans from economic exploitation, inequality, poverty, and at the same time increasing the quality of service to God. The welfare of the people as one of the pillars in the development of Islamic law is related to maqashid (the intent and purpose of syara' law). Maqashid itself as the basis in the formulation of Islamic law through a discipline of knowledge about the rules contained in the books of thought of the scholars (fiqh).*

### Keywords

Islamic law; prophetic-based;  
economic welfare



## I. Introduction

Economic welfare is a topic that is often studied in the social sphere, especially in developing countries including Indonesia. Even in Law Number 11 of 2009, the government has specifically regulated social welfare, so that what is the state's goal, namely social welfare for all Indonesian people, can be realized into reality. As a result, the consequences as a state of law, the role of religion, politics, and culture are inherent factors to encourage social construction (Eisentadt, 2017). Similar to the dynamics of the economy, it often undergoes significant changes. Such as the problem of the level of tension between ethnic groups, affecting the level of economic barriers (Rahardjo, 1999).

Sociologists such as Max Weber once said that the more diligent a person is in practicing his or her religious teachings, the higher the performance and welfare in the economic field, because religious teachings always teach the importance of living in a society and give birth to a more solid economic empowerment.

In the concept of economic welfare, islam views equity and justice as one of the keys to social welfare. This welfare is the maqashid (goal) of syara' or islamic law in the economic field. In this regard, the islamic economic system has attempted to eliminate the cumulative aspect with the philanthropic movement as the antithesis of the modern capitalist system which is individualistic. The doctrine of sharia as the economic spirit of muslim has oriented mumalah maliyah (economic) activities that can be seen as worship as

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well as jihad to fight injustice (Al-Qardhawi et al., 1997). In the last decade, muslim scholars also seem to appreciate the teachings of Islam which encourage productive efforts to improve the material and spiritual welfare of muslims in the economic field (Kayed and Hassan, 2011).

Robert E. Goodin in "The Real Worlds of Welfare Capitalism" concludes that welfare can be measured from the fulfillment of financial (economic) needs, minimal poverty, equality and independence of a nation (Goodin et al., 1999). In a global context, United Nation through the United Nation Development Program has attempted to measure the human development index to determine the level of welfare of each country. In McGillivray's (1991) theory, where the size of the human development index can be analyzed based on per-capita income, life expectancy, and the education level of a country's people. Of course, these indicators really hit the conditions of the season countries because they were in a low position. Whereas natural resources in various muslim countries are full of natural wealth, especially oil and gas, including Indonesia.

Based on the indicators that have been used by the human development index, it can be understood from the perspective of islamic law that it turns out that welfare indicators by including material instruments as barometers also fail to build welfare. This can be seen from the high suicide rate. This means that the maintenance of the soul (life) has not been able to be built by relying solely on economic income. In other words, the secular version of the welfare state is still failing in terms of mental and spiritual welfare. Therefore, this concept of welfare needs to be repositioned. High economic growth without being accompanied by a spiritual level is not a measure of welfare expected by Islamic teachings (Azizy, 2015). This religion that teaches salvation requires that the rate of economic growth increase, it must be accompanied by a decrease in the number of immorality (poverty, crime, and suicide) as a humanitarian problem.

M. Umar Chapra in "The Objectives of Islamic Order" said that material welfare without considering the moral and cultural aspects will give birth to anomalous phenomena, such as frustration, crime, alcoholism, infidelity, divorce, mental disorders, and suicide. So the goal of islamic economics shows that material welfare is based on a foundation of spiritual values as a fundamental difference from the two secular systems of capitalism and socialism (Chapra, 1979). Social phenomena occur indicating a lack of human happiness in the mind. So the muslim economy is required to be oriented to the concept of *falah* as an economic goal that is intended to realize balanced welfare (the world and the hereafter). These two aspects must work together so as not to cause failure in achieving prosperity.

In line with this welfare, the epistemological basis of the ummah's economic system refers to *Al-Maqasid Al-Syariah* or the purpose of religious law (sharia) being enforced, which in substance is the doctrine of *Al-Mashlalah wal Al-Mursalah* or general welfare according to Ibn Taimiyah. includes faith (religion), reason, soul, lineage and property. Al-Syatibi, added it by maintaining honor (Rahardjo, 2012). So in the context of the people's economy, welfare in the field of wealth or maximum (material) wealth alone is not the main goal. In other words, economic activity is seen as worship to Allah, so that the benefit in managing material assets must be in line with other aspects of benefit in the objectives of sharia.

This study will describe islami law and the concept of prophetic-based economic welfare.

## II. Research Method

Research methods are steps taken by researchers to collect data or information to be processed and analyzed scientifically (Asyraini et al., 2022; Octiva, 2018; (Pandiangan, 2018). More broadly, it can be said that research methods is a science that learns how to make observations with the right thinking in an integrated manner through scientifically arranged stages to search for, compile and analyze and conclude data, so that it can be used to find, develop and test the truth something knowledge based on God's guidance (Octiva et al., 2021; Pandiangan, 2015). Research methods consists of the word methodology which means the science of the path taken to gain an understanding of the goals that have been set previously. In line with the meaning of the research above, research can also be interpreted as an effort/activity that requires precision or accuracy in understanding reality as far as possible as the target is. So, research methods is the science of the paths taken to achieve understanding. The path must be determined in a scientifically responsible manner and the data sought to build/gain understanding must go through the conditions of accuracy, meaning that the truth must be trusted (Octiva et al., 2021; Pandia et al., 2018; Pandiangan et al., 2022).

This study uses a literature review method. Literature review method is a series of activities related to the methods of collecting library data, reading and taking notes, and managing research materials (Octiva et al., 2018; Pandiangan et al., 2018). More about literature review method is a systematic, explicit, and reproducible method for identifying, evaluating, and synthesizing research works and ideas that have been produced by researchers and practitioners (Pandiangan et al., 2021; Pandiangan, 2022; Tobing et al., 2018).

## III. Results and Discussion

The results show that the concept of prophetic-based economic welfare is the liberation of humans from economic exploitation, inequality, poverty, and at the same time increasing the quality of service to God. The welfare of the people as one of the pillars in the development of Islamic law is related to maqashid (the intent and purpose of syara' law). Maqashid itself as the basis in the formulation of Islamic law through a discipline of knowledge about the rules contained in the books of thought of the scholars (fiqh).

### 3.1 Welfare Islamic and Conventional Perspectives

Well-being literally means health, comfort, individual and social happiness, or freedom from disease and suffering (Hornby et al., 1974). Welfare is the fulfillment of economic needs, avoiding poverty and social equality and stability and the realization of autonomy (Goodin et al., 1999). Welfare is a number of satisfactions obtained by a person from the results of consuming the income received. However, the level of welfare itself is something that is relative because it depends on the amount of satisfaction obtained from consuming the income (Sawidak, 1985). In the international world, welfare indicators are measured through the human development index with three main aspects, namely life expectancy, education and living standards. This means that the condition of a prosperous country is a country that has the highest human development index. However, this theory is in contrast to reality, in a prosperous country based on the current human development index (Norway), the suicide rate is still quite high. Therefore, the welfare indicators offered by modern science need to be reviewed.

The mainstream of modern economics is based on a secular worldview characterized by reductionistic and individualistic materialism (Furqani, 2018). Conventional economic welfare only emphasizes material welfare (maximum profit oriented), ignoring spiritual and moral welfare. This means that the economic welfare of a country should not allow the quality of life of its citizens to decline. The sharia economic welfare (ummah) aims to achieve human welfare as a whole, namely material welfare, spiritual and moral welfare.

The concept of sharia welfare economy is not only based on the manifestation of economic values, but also moral and spiritual values, social values and Islamic political values. This perspective can be seen from three points of view in understanding Islamic economic welfare, namely: First, the prophetic vision and mission, namely rahmatan lil 'alamin (QS. Al-Anbiya [21]:107). Prosperity based on this concept can mean: safe, peaceful, peaceful, prosperous, and safe (apart from) disturbances, difficulties. This meaning is in line with the word "islam" which means safe, peaceful, safe and peaceful. From this understanding, it can be understood that social welfare issues, including economic problems, must be based on Islam by adhering to the rules of the al-Qur'an and sunnah.

Second, in terms of sharia content. All aspects of Islamic teachings are always related to welfare issues. Relationships with God must be accompanied by relationships with fellow human beings (*hablum minallah wa hablum minnan-nas*). The implication of this doctrine is that the recommendation to believe must go hand in hand with the recommendation to do good deeds, which includes realizing the economic welfare of the people (Rahardjo, 2012).

Third, in terms of the mission of the caliphate since the Prophet Adam. The welfare desired by the Qur'an is reflected in the paradise inhabited by Adam and his wife before it was revealed to carry out the task of prospering the earth (Ikhwan, 2005). From this point of view, the concept of social welfare in Islam is the belief that humans were created by Allah and are subject to Him (Q.S. Ar-Ra'du [28]:36). This foundation becomes a reference for the economic welfare of the people, free from all forms of slavery or exploitation. Islam also clearly states that the main goal of Muhammad's prophetic mission is to free people from the burdens and chains that bind them (QS. Al-A'raf [7]:157). In other words, individual freedom in improving the quality of life is part of a very high welfare as long as following the values of religious teachings in order to achieve a decent and honorable life (Al-Hayah Al-Tayyibah).

More specifically, the welfare function is  $W$  (welfare) with the following equation:  $W=W(Y, I, P)$ . Where  $Y$  is per capita income,  $I$  is inequality and  $P$  is absolute poverty (Salvatore, 2006). and should be considered thoroughly to assess the well-being of developing countries. For this reason, the economic goals of the people must be oriented to the liberation of humans from economic exploitation, inequality and poverty which must be built with Islamic morality. One of the bases is the concept of friendship. Chapra (1979) emphasized that actually Muslims do not need to be oriented to the east or west (capitalist and socialist systems) in realizing economic prosperity, but refers to islam.

In understanding the reality of the level of welfare, there are several factors that cause the gap in the level of welfare: First, the socio-economic community. Second, the structure of sectoral economic activity that forms the basis of community production activities. Third, regional potential (natural resources, environment, and infrastructure) for production activities. Fourth, the institutional conditions that form production and marketing networks at local, regional and international scales.

Based on some of the factors above, in order to improve the economic welfare of Muslims, a standardized concept of Islamic teachings is needed in overhauling some of

these obstacles by applying the concept of silaturrahim as the economic basis of the Ummah's economy in institutional, management, capital, operational, and marketing aspects.

### **3.2 Maqashid Al-Syariah as the Prophetic-Based Economic of the Ummah**

Islamic law aims to improve human welfare both materially and spiritually at the same time. Global economic imbalance due to the phenomenon of homo homini lupus, which is highly individualistic in nature causes poverty, unemployment, and crime. In the application of economics appears maximum profit oriented. This condition is not in line with the context of Islamic religiosity. The concept of welfare as measured by the human development index in many countries is considered unsuccessful in realizing economic justice, peace, and shared prosperity in the lives of religious people. Many Muslim economists evaluate this failure based on the economic concepts of capitalism and socialism, which view welfare only from a material point of view (Elviandari et al., 2018).

The failure of the market and the economic system of capitalism and neo-liberalism does not provide a place for the weak economy to improve economic welfare. Based on these failures, Islamic doctrine through the concept of silaturrahim as the basis for ties/relationships (brotherhood) that eliminates mufsadat aspects (material and spiritual disabilities) can be the foundation of economic prosperity that is just and common good, so as to encourage a balance of human relations with God at the same time based on maqashid Al-Syariah. Therefore, the fundamental paradigm shift to improve the economic welfare of the people must actually be based on the Al-Qur'an and Al-Sunnah (practices of the prophet and his companions).

The economic welfare of the people as one of the pillars in the development of Islamic law is related to maqashid (intentions and objectives of syara' law). Maqashid itself as the basis in the formulation of Islamic law through a discipline of knowledge about the rules contained in the books of thought of the scholars (fiqh). The existence of benefits (Al-Mashlahah) or an increase in the quality of life is the main indicator for maqashid Al-Syariah to emerge (Azhari et al., 2016). So, with Al-Mashlahah (benefits) or improving the quality of life there will be no mafsadat (destruction) or economic exploitation among mankind. The Islamic economy in the future is a law that benefits humans and increases the quality of service to God at the same time. The theory of maqashid Al-Syariah referred to from Al-Shatibi is protecting offspring (Al-Nasl), protecting reason (Al-'Aql), protecting honor (Al-Adiradl) and soul (An-Nafs), protecting religion (Al-Din), protecting wealth (Al-Mâl), and protecting the environment (Al-Bi'ah) (Absori and Rochman, 2015).

## **IV. Conclusion**

The results show that the concept of prophetic-based economic welfare is the liberation of humans from economic exploitation, inequality, poverty, and at the same time increasing the quality of service to God. The welfare of the people as one of the pillars in the development of Islamic law is related to maqashid (the intent and purpose of syara' law). Maqashid itself as the basis in the formulation of Islamic law through a discipline of knowledge about the rules contained in the books of thought of the scholars (fiqh).



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