

Implementation Of Sharia Economic Principles Towards Economic Growth

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ABSTRACT: Sharia Economics is continuous knowledge develop follow development system economy and development modern technology today This . This article try deepen and understand How development Islamic economics in the world and how implementation Islamic economics in industry world finance . This article use method study literature For dig various study previous studies and literature relevant . In terms of this , article This discuss draft base Islamic economics , principles and instruments Islamic finance , as well How principles This implemented and put into practice in industry global finance . Development economy No regardless from obstacles faced in its application in the field . Findings from study This show that application principle sharia economics can help realize system more finances stable , fair and sustainable . Additionally , the article this also identifies a number of challenges and obstacles in application principles this and offer a number of conclusion For study more carry on in field This . In order to finish existing obstacles so required various device rules and regulations . Development and release regulations can also be done influenced by the prevailing political system .

Keywords : Implementation Principles of Sharia Economics, Development of Sharia Economics, Sharia Economics in Indonesia

INTRODUCTION

In Islam, ideas system economy refers to ideas growth economy based on Sharia principles are based on the Koran and Sunnah. Islamic economics refers to the governing principles of sharia Muslim society and demands that all aspect obey Islamic law . Zakat management , or tax , from Islamic perspective , discussed in connection with system economy and welfare Muslims . System - induced framework _ economy possible implementation activity economics (production , distribution , consumption , and investment) for create managed economy _ with kind and goal oriented . _ Everyone is forced For face problem economy fundamental about what , how , and for Who Because scarcity this , which is explained in economy as availability source limited power . _ In Islam , the term “ system economics ” refers to a collection procedure economics used by individuals , teams , families . _ Community , or government For maximizing use source power and yield consistent products and services _ with principles Islam .

Furthermore explanation of Law no. 50 of 2009 Concerning The Religious Court stated that “ Sharia economics means actions and/ or activity efforts carried out according to sharia principles ”.

Sharia economics is one of them system adopted economy _ several countries in the world . So also with Indonesia, some draft Sharia economics begins develop and grow fertile in Indonesia. Starting from banking , insurance , etc pawn Already enter half development system , where in the beginning only oriented to principle conventional (setting generally sourced _ from system brought by the Dutch colonial) towards system sourced sharia banking from principles Islam . Islam as a religion that has truth haqiqi of course inside his teachings own role important in form character something public in operate sustainability life . Islam as a religion that teaches monotheism, ' ubudiah and also mu'amalah , munakahah , Islam also teaches How man or society become human Kamil is substantive . Which makes _ all form activity man the enter in category of worship because of Allah Ta'ala just .

Sharia economics has develop with fast in a number of decade Lastly , produce significant change _ in architecture system global finance . Concepts and principles base sharia economics , which includes justice , sharing risk , and transparency , become foundation for development various instruments and products Islamic finance . Industry This has grow with rapidly , covering various sectors and geographic regions , reflecting increasing demand _ big from various group society and sectors business . Therefore _ that 's important For evaluate and understand How principles This implemented and practiced in global context , and its impact to stability and justice in system global finance . Approach This covers various aspect from sharia economics , start from principle basics , instruments and products finances , up to to its influence in industry global finance . Through study literature , research This try For serve description comprehensive about topic This . Literature review This expected can give outlook new and deep about How implementation principle Sharia economics is implemented in industry finance For reach more goals _ fair , stable and sustainable .

Existence economy implementation of Islam happen in the middle public it should it's not become trand new , remember Islam with His teachings were brought by the Prophet Muhammad for 1400 years Then has teach about changing economy _ from economic nature _ jahiliyyah go to the system new modern and mutual profitable . However _ presence world economy today as if change view the . Namely making material as orientation from happiness and calm . This matter naturally different with Islam , Islam in matter economy refers to values divine as well as human so that have implications for development noble and deep behavior _ economy Islam make near with Allah and benefits to fellow man is orientation from A happiness and peace .

the moment many countries compete For become global business center Islamic finance . Like London far ahead _ compared to New York, to be lighthouse flare Islamic economics in Europe . In the Southeast Asia region there is also Singapore which wants to become number one who controls the same field . See it here that

admiration system economy based on Islamic Law is not only majority countries public Muslim but also liberal countries with people the Muslim become minority .

along with development globalization , practice Islamic finance is also globalizing and gaining good reception in various _ continents and regions, both in Asia, Africa, Australia, Europe , America and Canada, the Middle East, and others. Sharia banking is one of them system in the most popular Islamic economy in the world, reaching US\$882 billion (equivalent to with 11,466 trillion). In the 2015 Global Islamic Finance Report, with set 5 criteria namely Advocacy, Infrastructure, Human Resources, Linkages and Regulation. Set there are 10 countries mentioned as the top 10 Centers of Excellence in Islamic Banking and Finance, namely : 1. Kuala Lumpur - Malaysia 2. Manama - Bahrain 3. Dubai - UAE 4. London - United Kingdom 5. Doha - Qatar 6. Kuwait – Kuwait 7. Karachi - Pakistan 8. Riyadh - Saudi Arabia 9. Jakarta – Indonesia 10. Istanbul – Turkey From these data , number 1 turns out to be still Malaysia, while Indonesia is at number 9.

Based on description on We will seeing , influence implementation principle Islamic economics in growth economics , development Islamic economics in Europe , developments Islamic economics in Southeast Asia and solutions develop sharia economy in Indonesia?

RESEARCH METHODS

Study This use method qualitative descriptive with approach studies literature or the usual one called with studies References . Study qualitative descriptive with approach studies literature This done with research and data aggregation as well information from journal study previous , source books , articles , statistical data government , and sources other relevant ones with study This . Under review literature , solving problem in study done with method study documents supporter study in a way critical and comprehensive so that can presented valid data.

Based on description from (Mariana Ulfah Hoesny, 2021) there is a number of stages in do study studies References that is ; 1) register all necessary variables _ researched , 2) looking for each variable on the subject encyclopaedia , 3) choose description materials needed _ from available sources , 4) check index that contains variables and topics problem being researched , 5) searching articles , books as well as Very helpful biography For get relevant materials _ with problem being researched , 6) reviewing and compiling material References in accordance with affairs its importance and relevance with problem being researched , 7) reading , taking notes , and organizing return information that has been obtained , step final is write research that has been done .

DISCUSSION

A. Implementation Sharia Economic Principles

Principles the basis of Sharia Economic Finance as one system economies that exist in the world, for things certain No different with system mainstream economics

, such as capitalism . Chase profit as dominant in system economy capitalism , is also highly recommended in sharia economics . However , in Lots matter related with finance , Islam has a number of principle that differentiates them with system other economics :

1. Principle of Monotheism.

The principle of monotheism is base from every form activity life man . Quraish Shihab (2009: 410) states that monotheism delivers man in activity economy For believes that riches whatever you have somebody is belongs to Allah.

Confidence or view life like this will _ give birth to activities you have accountability deity who put senagai sharia tools parmeter correlation between activity deangan sharia principles . Tawheed Good expected will form integrity that will help the formation of good government . Principle creed become the most important foundation that becomes support for principles other . Awareness of monotheism leading to belief in the afterlife in a way simultaneous , so a perpetrator economy No chase profit material just . Awareness monotheism will also control a or businessman Muslim For avoid all form exploitation to fellow man .

2. Principle Justice

Between _ messages Al-Qur'an (as source Islamic law) is enforcement justice . Fair word originate from the Arabic word /' adl which means literal meaningful The same . According to the Indonesian Dictionary, fair means The same heavy , no heavy next door , no take sides , take sides to the righteous and his shoes . With so , someone called applies fair if He No heavy adjacent in evaluate something , no siding to any one , except his bias to Who only that is true so that He No will applies arbitrary . _ _ Discussion about fair is one of theme that gets attention Serious from the scholars. M. Quraish Shhab , in book Al-Quran Insights (2009: 111) when discuss order enforcement justice in the Koran quotes three words, namely al-'adl , al- qisth , and al- mizan . Use of the words al- qisth and al- mizan used in the Koran in surah ar -Rahman/55: 7-9:

"And Allah has exalted Him and him put balance sheet balance (justice) . So that you Don't destructive balance That . And enforce it scales That with fair and don't You reduce balance sheet That ."

Implementation justice in activity economy is form rule principle interaction nor prohibited transactions _ exists elements :

a. Usury

In the Koran the word usury used with various meanings, such as grow , add , fertilize , develop as well as become big and numerous . By general usury means increase Good in a way qualitative nor quantitative . According to etymology , said al- riba meaningful zada wa that name means increase and grow . Al- Shirbashi (1981:91) defines usury with : advantages or addition payment without There is change or required compensation _ for one of

them of two people making a contract (transaction). Islam forbids it usury with all shape , because contradictory with principle humanity , brotherhood and love Darling . Many verses and hadiths provide this description about the purpose , purpose and wisdom of prohibition usury in system Islamic economics , including : al-Baqarah/2: 275 and 278; Ali 'Imran/3: 130. Implementation from principle muamalah free usury in system Islamic finance requires that money not be made as goods commodity . Using money as goods commodity is instrument important in practice business usury which is forbidden in system Islamic finance .

b. Maysir

By Language maisir meaning with qimar , meaning gambling , that is all form behavior speculative or lucky . __ Islam forbids it all form gambling . Prohibition This Because gambling with all the shape contain element speculation and lead to huge losses . _ Actions which is conducted usually shaped game or competition . Prohibition to gambling can found in a number verses of the Koran and texts Hadith of the Prophet SAW. Between _ verses of the Koran that prohibit practice gambling is al-Baqarah/2: 219, al-Maidah/5:90. In an age of progress like Now this , no A little instrument investments offered by investors containing elements gambling , for example , mutual funds. Expectation profit in operate activity economy in sectors this is very dominant depend on speculation . Where someone will _ decide buy or sell share certain usually based on estimates or hope that share the will go up or down .

For give alternative to investors, who wish avoid element maysir , which is prohibited by Islam , when This Already exist Sharia Mutual Funds with characteristics different with Conventional Mutual Funds , though many indicated _ Not yet total freedom from element speculation , but at least the shares No invested in objects prohibited (Andri Soemitra : 2014: 171-174).

c. Gharar

By Language garar means danger or risk . From the word garar also forms the word tagriryang means give opportunity happen danger . However , according to Wahbah az-Zuhaili (1985: 435), meaning original garar is something that is born interesting , but despicable in a way veiled . In line with meaning This , life in the world is named after the Koran full phenomenon _ manipulation .

In terms fiqh Muamalah , Garar can own connotation diverse . Although so , a something certain and definite _ simple concluded that garar is related with exists obscurity will something in do transaction .

d. Haram

Activity economics , in system sharia finance , as subordination study mu'amalah enter to in ammah worship group . Where are the implementation rules ? more Lots nature general . Characteristic rules _ general intended then

the scholars concluded in A rule that suggestion reads : (al- Suyuthi : 1997: 123) "al- ashli fi al- asyia al- ibahah Hatta yadll al- dalil ala tahrimiha ” (law origin in muamalah is can during No There is arguments that forbid it). In line with rule this , type and form institution finance with all its products , which develop in contemporary times , in principle can accepted as activity legitimate economy , as long as No There is arguments that prohibit it . According to Hanafiyah scholars , prohibition in in Islamic law consists of two categories , viz prohibition in a way material (matter , substance , or the object) and prohibitions caused factor external .

Prohibition _ material nature is called haram lidzatih and the resulting prohibition factor external called haram lighairih . Example , prohibition category First is uncleanness meat pork , usury , and so on. Meanwhile prohibition category second , for example sell halal goods from results stolen . Basically _ goods whether it is halal or not forbidden sell it , but Because system or how (operationally) to get it No right , then sell it too become forbidden .

3. Principle of Benefits

By simple , useful Can interpreted with take benefits and rejects overcrowding (al-Ghazali: 1983: 139), or something that brings goodness , safety , benefit or use (al- Syathibi : 1997: 25). Essence benefit is all form goodness and benefits that have integral dimensions of worldly and spiritual , material and spiritual , as well as individual and social . Activity economy seen fulfil benefit If fulfills two elements , namely obedience (halal) and useful as well as bring goodness (thayyib) for all aspect integrally . With Thus , activity the confirmed No will give rise to disadvantage .

Something considered benefit if fulfilled . If benefit said as principle finance (economics) then all his activities must give benefit (goodness) for life man ; individuals , groups and communities _ _ extensive , incl environment . In context coaching and development economy sharia perspective , theory benefit occupy role important , even according to experts fiqh , such as al- Syathibi (1997: 25), masalah (the goodness and benefits that he call with well-being human) is seen as objective end from law enforcement establishment of sharia norms. Presumably , deep frame notice benefit here it is , inside history sub-subordination management Islamic economics , a case Can just changed provision the law if the illat (benefits or madarat) has is lost . So are something basically _ may not _ prohibited), but in time or condition certain Can just set the law forbidden (haram). For example , prohibition use conventional banking services No applies for people who live in areas that don't there are sharia banks. No doubt , for objective look after benefit This anyway , why? a number of ijti had Umar bin al-Khattab, in the field economics , no just controversial with the opinion of the Prophet's companions at that time , even different with practice that prevailed at the time of the Prophet Muhammad. One of Umar 's controversial ijti hads That is about converts who are not get part from distribution of zakat.

4. Principle Ta'awun (Help)

Ideology man related with wealth which symbolized with money consisting from two poles extreme ; materialism and spiritualism . Materialism really glorifies money, no reckoning with God, and making money as objective life at a time deify it . Another pole is spiritualism (e.g. Hindu Brahma, Chinese Buddhism and Christian monkhood) was rejected abundance of money, pleasure and possessions in a way absolute .

Meanwhile Islam, based on a number of proposition related to money and what it means with him , shows that Islam is on the way middle between the two poles above . Allah's Word in surah al- Qashashs / 28:77:

“ and seek in what has been Allah has bestowed upon you (happiness) the land of the hereafter , and do not You forget your part from worldly (pleasures) and doing be kind (to others) as Allah has been do good , to you , and don't You do damage on (the face of) the earth . Indeed, Allah does not like people who do damage .”

Islamic economics looking that money must works For fulfil need main , secondary and supporting (daruriyah , hajiyah , and tahsiniah) in frame get God's pleasure individually and communally . Based on view above , looking _ profit or contract commercial with various activity economy is something commendable _ in Islamic teachings . However , activity _ economical the expected give impact positive to society , no can someone has been wronged . Instrument For reach objective This is prescribed various contract , transaction , or contract . If otherwise , there are ways get treasure cause disaster for party else , then contract that become void , and its use is not ethical and egalitarian will make the individual concerned despicable in view sharak .

5. Principle Balance

Draft sharia economics puts aspect balance (tawazun / equilibrium) as one of the pillars of development economy . Principle balance in Sharia economics includes various aspect ; balance between sector finance and sectors real , risk and profit , business and humanity , as well utilization and preservation source Power nature . Target in construction Sharia economics does not only directed at development sectors corporation but also development sector business small and micro are not seldom escape from efforts development sector economy in a way whole .

Prohibition usury can interpreted as deletion practice the economy that gives rise injustice or no justice . If Islam instruct straighten up justice , Islam also prohibits injustice . If justice must be enforced so the implications injustice must deleted . Well that's tyranny harm self yourself , other people or environment , both in nature period short nor period long .

Condition Sharia economy in the world has very good prospects . Condition This can seen from a number of factor among others:

- 1) His height growth resident Muslims . Based on research conducted by The Pew Research Center, in 2010 the number public Muslim as big as not enough more of 70%, amount This on growth people just a Christian as big as not enough more 34%.⁷ In 2015 the number resident the world's Muslims have reached 1.8 billion , some big resident Muslim is on the continent Asia . Resident Muslims in Indonesia itself reached 237,641,326 people.⁸ Total This is good potential _ for development sharia economics in Indonesia.
- 2) Growth rate high and fast sharia economy . According to report about Global Islamic Economic Report data, value asset global sharia finance in 2016 reached USD 2.2 trillion , conditions This grow by 10% of in 2015 , because in the asset finance global only amounting to USD 2 trillion . In 2022 , assets Islamic finance is estimated will reached USD 3.8 trillion . Growth This dominated by sharia banking and sukuk. In Indonesia itself growth Islamic finance yet Can balance growth from finance conventional . This matter can seen from sharia financial market share only around 8%. BI Governor himself targeting Sharia financial market share in 2023 will be 20%.
- 3) Focus from member countries of the OIC (Organization of Islamic Cooperation) or OIC within developing the halal product market , such as industry tourism , clothing /fashion, cosmetics , pharmaceuticals and others. GMTI (Global Muslim Travel Index) data states the total number of arrivals traveler Muslims in various countries in the world reach figure 117 million in 2015, condition This estimated will Keep going increase every the year
- 4) Increasingly Islamic ethics _ develop and become style marked life _ with movement *halal style* in global society . Meanwhile, in the business world , this happens enhancement awareness and knowledge public in apply sharia principles in every activity economy .

Conditions above _ is existing data both in the world and in Indonesia. Facts _ the show that Actually The sharia economic market share is still very wide , so possible For apply sharia principles in every activity economy . Application sharia principles in activity economy in Indonesia itself Already Lots applied . Application That including in _ field tourism , food , pharmacy , and also hospitality .

B. Development of Sharia Economics in Europe

Development Islamic economy in the world can We Look from the emergence of Islamic banks in various countries. Economy Islam begins with presence Islamic banking as institution foundational finance _ ethics , with the basis of the Qur'an and Hadith . Milestones main its founding Sharia banking is its operation Mit Ghamr Local Savings Bank 1963 in Cairo, Egypt (Yeni Cahyono and Edy Kurniawan, 2016).

In several countries during the 1970s, a number of banks were based Islam Then appear . In the Middle East, among others , Dubai Islamic Bank was established (1975), Faisal Islamic Bank of Sudan (1977), Faisal Islamic Bank of Egypt (1977) and Bahrain Islamic Bank (1979).

Appearance sharia economy on the mainland continent Europe started from the country of England , namely at the end 1970 to _ beginning 1980. Exactly _ 1976 , after conference international First on Islamic Economics, which was held in Makkah Al- Mukarromah , the Leicester United Kingdom Islamic Foundation founded center study First Islamic economics . Research Center This develop became the International Islamic Economic Research Center or *The International Center for Research Islamic Economics* at King Abdul Aziz University in 1977. British Islamic Foundation Then publish works great by the pioneers Islamic economics , banking and finance such as Nejatullah Siddiqi, Umer Chapra and others. In terms of this was also held conferences , seminars and workshops , about topic the cooperate with the Islamic Development Bank (IDB), The Islamic Research and Training Institute (IRTI), and Loughborough University. In 1981 , the Association International For Islamic economics was founded in Leicester, UK in charge answer as organization at the conference international about Islamic economics . Conference International The 4th conference on Islamic Economics was held in Loughborough, England in 2000 , the 8th and 9th conferences were held in Qatar in 2011 , the last in Turkey in 2013 .

In 1982 , England allow *Dar Al-Mal Al-Islami* (DMI) in Geneva , for open office in London and mobilize investment funds for company investment Luxembourg and Luxembourg takaful companies . DMI was founded in 1981 under supervision of the Commonwealth of the Bahamas with office the center is in Geneva (Switzerland) for objective do affairs business in accordance with Islamic law , principles and traditions as well offer various service Islamic finance . With extensive network _ stretches across four continent and sub integrated regional company with Good allows DMI to respond needs and conditions business local . Based on structure geographical ini , DMI Group and co Act as bridge finance between center finance leading in the world and Islamic countries. Furthermore, in 1983 the UK Takaful company was founded as child company from DMI for fulfil need Muslims in England _ _ with offer to they chance Islamic investments provided by Takaful SA in Luxembourg. The establishment of Takaful is intended for those who have an opinion that product finance especially insurance conventional contaminated by usury or flower . Takaful UK operating in Birmingham also offers service Islamic finance is available on a broad spectrum .

Growth Islamic finance in Europe be marked with the number of Islamic Financial Institutions and their instruments is growing in a way rapidly in Europe , including :

1. Syariah banking

Banks in Europe that are operational There are 6 sharia -based banks in England , namely the Bank of London and the Middle East (BLME) with total assets as much as \$2.149 billion , Al-Rayyan Bank with total assets as much as \$1.005 billion , Gatehouse Bank with total assets as much as \$0.409 billion , Qatar Islamic Bank United Kingdom (QIB UK) with total assets as much as \$0.35 billion , European Islamic Investment Bank with total assets as much as \$0.214 billion , and Abu Dhabi Islamic Bank United Kingdom (ADIB UK) with total assets as much

as \$0.146 Billion . As for conventional banks that are opening *Islamic windows* for serve product 16 Islamic finance banks, namely ABC International Bank, Ahli United Bank, Bank of Ireland, Barclays, BNP Paribas, Bristol & West, Citi group, Deutsche Bank, IBJ International London, J Aron & Co, Lloyd's Banking Group, Royal Bank of Scotland, Standard Chartered, United National Bank.

2. Sukuk

The sukuk market is part important from the Islamic financial market and London as a bond center international . English is the first western country who publishes sharia bonds or sukuk. Sukuk based contract *Ijarah* which is supported by three asset government center England and listed on *the London Stock Exchange* (LSE) which introduces sharia index . This sukuk is very popular with the public with proved it Lots requests and orders . The allocation made For various investors such as development funds state assets , central banks , and institutions finance domestic nor international . LSE is center sukuk issuance , listed on the LSE with total value \$51 Billion .

3. Takaful

In Europe , England is pioneer development Sharia insurance , through HSBS's Amanah, UK aspire become *leading sector* , share development sharia insurance in Europe and other countries . International Co-operative and Mutual Insurance Federation (ICMIF), which brings together 150 people from 82 members organization from 52 countries in the world. this institution aim For advance and introduce system sharia insurance to various countries. In the United States , Sharia insurance was first established in December 1996. Takaful USA Insurance Company, insurance first in America founded For accommodate at least 12 million Muslim population in America.

Development this sharia insurance show positive response _ from public Europe to system insurance sharia based . This matter show that sharia insurance can accepted and become alternative for system surviving insurance _ during This .

C. Development of Sharia Economics in Southeast Asia

In Asia- Pacific , Philippines Amanah Bank was founded 1973 based _ decree president , and in Malaysia in 1983 the Muslim Pilgrims Savings Corporation was founded with the aim of help those who want save For Hajj .

1. Islamic Economic System in Singapore

Development Islamic economics in Singapore contains two very things basics , first is growing progressive Islamic economy in the competition with economy conventional . Second is challenge nor contestation mark ideological Islamic economics as economy alternative in the middle downturn system economy capitalism . The application of Islamic Economics in Singapore is growing fast started with opening of the Islamic Window on certain banks as well as convenience the regulations provided by the Monetary Authority of Singapore (MAS) are proven with establishment of the Islamic Bank of Asia in Singapore MAS approval . System Singapore 's mixed economy between capitalists and

socialists were very influential to progress the economy, control government and implementation free market system is strength main Singapore's economy.

For expand network cooperation economy, the Singapore government created balance between local investors nor foreign in matter investment foreign. Singapore too own cooperation with Middle Eastern countries, where Singapore is sued For cooperate based on Islamic law. Singapore Government the more Serious monitor development system Islamic economics with the success of SWF, FDI, Petrodollar later interesting interest high business _ in Islamic economics in Singapore. Development of the Islamic Banking Sector, Singapore Policy for become center industry Islamic finance (Islamic Finance) apparently not playing around for amazing his determination the.

System Islamic economics is sufficient succeed set by Singapore, proven with the establishment of the Islamic Bank of Asia in 2007 with ease of regulatory processes provided by MAS. System Islamic economics in sharia banking increasingly develop rapidly in Singapore, which is marked with the emergence of international sharia banks as well as the Singapore conventional bank which established it branch specifically sharia or provide service sharia banking such as DBS bank, Maybank, HSBC Amanah, OCBC Bank and Noor Ilamic Bank. The existence of banks International This can understood as investor interest in financial markets and services based on Islam in Singapore. Islamic Banking in Singapore compiled in a way planned and careful For speed up development its economy (Nur Hilda Mardiah 2016).

2. Islamic Economic System in Thailand

Connection with several large countries Europe starting in the 16th century. Although experience strong pressure, Thailand remains _ endure as the only country in Southeast Asia that does not Once colonized by European countries. However Thus, Western influences are included threat violence result various changes in the 19th century and its giving Lots leeway for British traders (Muhammad Fadlil Afif 2013).

Muhammad Fadlil Afif (2013) a revolution not bleeding in 1932 caused _ change the form of the State becomes monarchy constitutional. The original country known with this Siamese name, change his name became Thailand in 1939 and for next, after Once very replace return to Name forever post World War II. At war In that case, Thailand was an ally with Japan, however when World War II ended, Thailand became United States ally. A number of cout d'etat happen in years after the end war, but Thailand started move to direction democracy since 1980s. The emergence of Islam in Thailand, there is since the Sukhothai era through Arab traders, then in the Rattanakosin era, Islam developed to rantau and other parts of the country.

Islam is resident minorities exist in every region in Thailand, however The majority of Muslims are found in four regions, namely Thai borders, namely

Pattani, Yala, Narathiwat, Satun and four areas in Songkhla. Who plays a role in giving decisions and wisdom in religious matters are Chularachamontri. Apart from that in every region there is an Islamic Religious Council, which has authority in setting Islamic laws, such as the appearance and disappearance of the Hilal, the determination of Eid holidays and labeling halal food.

Awareness of Muslims in southern Thailand is increasingly growing. An increase in awareness will cause an emergence of activities in accordance with Islamic teachings. This matter can be seen from a number of organizations of Islamic students in several campuses, many academics, executives in commerce, as well as active mosque Imams in spreading knowledge about Islamic banking and or banking without usury. Activity then experience a problem because there is no support from the kingdom and no regulation from the government or governing law on the validity of Islamic banking. And trouble to be equipped with knowledge about Islamic banking by the private sector and source of finances is not enough. Even though the PP and Law have not yet been published, but in those days, there were financial institutions such as Zakat Savings and Chularachmontri Charity Fund, Ibnu Affan Cooperative, Pattani Islamic Cooperative Berhad, Tabung Haji.

Application The Sharia system is implemented at Bank Sri-Nakhon. This bank is a government bank that started operational on August 21, 1950, which was inaugurated by Field Marshal Plaek Phibunsongkhram, as prime minister at the time. This bank is a conventional bank that implements a dual bank system, which then Islamic banking is starting operational on December 1, 1997. However, Islamic banking will not survive for a long time because of a financial crisis. So that the minister of finance indicated that Bank Sri-Nakhon redirected to become Nakhonlung Thai Bank (Siam City Bank Public Company Limited) on March 29, 2002. Government Savings Bank (OM-Sin), is also a type of conventional bank that implements a dual bank system so that it opens "Services Islamic Financial System" in the 5 regions of Thailand's South Sempedan in 1997, so develop until Pattani, Yala, Narathiwat, Songkhla and Bangkok areas Nong-Chok area.²⁴ Implementation of the Islamic banking unit at Krung Thai Bank, this bank started operated on March 14, 1966, this bank is combined from two conventional banks that is Agricultural Bank and Monton Bank Limited. Islamic finance at this bank called with name KTB Syariah. Formation institution This formed from request Islamic community and police kingdom, so that in 2002 Bank Krung Thai PCL succeeded to grow One system Islamic banking called "Krung Thai Syariah" (Syariah Banking Service) in areas with Islamic populations. The contracts offered are: is Contract Save Borrow or Savings, financing and loans in the form of Murobahah, Mudhorobah, Bae' Bit Tsaman, Bae' Murobahah and also financing Hajj and Umrah tube. After that success Islamic banking at Bank Krung Thai PCL, finally move to the Islamic Bank of Thailand on November 9, 2005. Growth of the Islamic Bank of Thailand (IBANK).

3. Islamic Economic System in Malaysia

Islamic Banking grow worthy banking conventional in neighboring countries. 1963 was _ beginning introduced system Islamic finance in Malaysia, which takes the form of institution, institution That known with name of Tabung Haji Institution. Armed from institution This is why, in the 1970s, many people called for the establishment of an Islamic Bank in Malaysia, by its intellectuals. so that can fulfil need race Muslims in Malaysia. As answer from exclamation said, the Malaysian government pointed out something assigned committee _ For learn operation of Faisal Islamic Bank of Egypt and Faisal Islamic Bank of Sudan. Result of task that Then reported to the Malaysian government, among others the proposal to establish a sharia- based bank in Malaysia was included as companies under the Companies Act 1965 and for each bank to have a supervisory board Syairah (Shariah Supervisory Board), as supervisor bank activities (Sultan Remi Shahdeini, 2014).

After formation confirming law _ about mandatory regulations _ complied with by Islamic banks in Malaysia, namely, The Islamic Banking Act 1983. And in the same year the Government Investment Act 1983 was promulgated, which then the Malaysian government has authority For issue Government Investment Certificates sharia based.

Islamic Bank Then have legality For operating, while the Islamic Bank that first operated on July 1 1983 was Bank Islam Malaysia Berhad (BIMB), founded on March 1 1983. BIMB also have child consisting of companies of the Al-Ijarah Company Alone Berhad (Leasing Company), Al- Wakalah Syarikat Nominality Alone Berhad (which offers nominee services) and Syarikat Takaful Malaysia Yohanes Berhad (Protection General and Family Insurance). After a number of decade The Malaysian government agreed The second Islamic bank was established on October 1, 1999, namely Bank Muamalat Malaysia Berhad. This bank formed from combination between Bank Bumi Putra Malaysia Berhad and Bank of Commerce Malaysia Berhad. Meanwhile, Bank Negara Malaysia owns it authority For supervise activities of Islamic banks and conventional banks choose For adheres to a dual banking system, after the Islamic Banking Act was enacted. A number of efforts made by the Malaysian Government to advance and make Islamic banking is on par with conventional banks, Islamic Banking issued 21 products which were introduced at the beginning 1939 and March 4, 1994.

The state bank of Malaysia issued scheme (Inter-set-free Banking Scheme), via scheme This banking non-sharia allowed offer services and products Islamic banking. And on On 1 May 1997 Bank Negara Malaysia established the National Sharia Advisory Council on Islamic Banking and Takaful (NSAC). In 2010 it is expected Islamic banking and Takaful have features. Between feature the is make Malaysia a center Islamic finance regionally. For realize matter That, Malaysia agreed application from three institution foreign Islamic banking For operating in Malaysia, namely, Kuwait Finance House, Al Rajhi Banking and Investment

Corporation (Saudi Arabia), Qatar Islamic Bank, RSUD Investment Bank Inc., Global Investment House and Asian Finance Bank.

4. Economic System in Brunei Darussalam

this country classified have amount lots of banking . Of that amount Lots that is only there are two banks that offer it services Sharia banking , namely Islamic Bank of Brunei (IBB) and Tabungan Amanah Islam Brunei (TAIB). Grow and development Islamic economics in Brunei Darussalam, marked with the establishment of TAIB in 1992. And that second is the IBB which was founded in 1993 to replace position of the International Bank of Brunei. TAIB is institution owned by target government _ mainly is offer services Islamic finance and improving socio-economic status residents of Brunei. And IBB carry out activity savings and finances based on Islamic law . Both banks This integrated become one in 2016 became Bank Islam Brunei Darussalam Bhd (BIBD), p This done to strengthen it institution Islamic finance in the country . Of the total assets held by both banks (BND770 million) in 1993 , increased to BND5 billion in 2006. In 2009 savings funds _ increase to BND3 billion currently financing increase not enough more reached BND4.5 billion . On January 3 , 2006, BIBD became official operate . BIBD has 14 branches in all district and 11 branches located in Brunei Muara, one branch in Tutong, two branches in Kuala Belait and one branch in Temburong .

As for some activities carried out by BIBD and positions obtained is , BIBD launched Electronic Inden Card replace Governor's Manual of Indent Cards . With appearance Electonik Kad Indent , offices _ _ government can buy material fuel and other products available at fuel stations (SPBU) in this country . For launch product In this case , BIBD is working together with Brunei Shell Marketing (BSM), Ministry of Development and Ministry of Finance. BIBD too launched BIBD Musyarakah Musawwamah and Al-Bai Tradable Musyarakah certificate. Product This is type certificate , where public can invest based on sharia principles . BIBD too launched BIBD Kad M, product This is kind card used _ in transaction purchase material burn , so payment No done in a way cash . And as for For purchase House with BIBD low prices in collaboration with Supercrete Trading Sdn . Bhd . , with introducing BBA Baiti Financing. On 23 August 2006, BIBD was appointed became underwriter and lead arranger for al-Ijarah sukuk by Brunei LNG Sdn . And ministers finances have too appointed BIBD as lead manager for al-Ijarah sukuk.

5. Islamic Economic System in Indonesia

Very significant changes in the Indonesian economy include banking happen after change government from old order to order new . At the time here it is created regulations more banking _ systematic and comprehensive about base banking as stated in Law No.14/1967. However with created regulations like this , absolutely No give room motion for banking without flower . That matter proven with exists credit based flower . This matter happen Because ethnic

group flower uniformed by the government . And consequences uniformity this will too impact to development Banking . That 's why on June 1 , 1983, the government emit policy new with open shackles determination ethnic group interest , so the bank may determined level flower as much as 0% (Wirnya Ningsih, 2006).

Possibility For it was founded Banking sharia- based is very large when out policy new about determination ethnic group flower . However society at a time That looking Sharia banking is businesses that don't will produce profit . Finally be formed Cooperative as receptacle For apply system banking . Like Service Cooperative Expertise Teknosa in Bandung (1980s) and Cooperative Save Borrow Ridho Gustidi Jakarta (1988).

(Syukri Iska , 2014).

D. Solutions to Develop Sharia Economics in Indonesia

Implementation still sharia economics There is constraint Of course must addressed with ways solution . One of alternative step Once submitted by Bank Indonesia. Alternative the is about internal strategy increase sharia economics in Indonesia, where of this strategy There are five steps you can take made alternative .

First strategy is focus on development on markets and products . The goal of the strategy is For print product institution Competitive and capable Islamic finance make instrument level banking _ its liquidity tall . Intent of liquidity is ability For fulfil funding needs with promptly and with appropriate funds First strategy This aim For deepen the Islamic financial market by method make instrument institution liquid and preferred finance customers in Indonesia, one of them is sharia hedging. Before understand sharia hedging instruments , necessary understood moreover formerly Meaning from hedging instruments . Understanding from hedging instruments are Hedging is one of them activities used by the company Good For transaction purchase nor transaction sale .

The purpose of activity the is If company do transaction in form foreign currency _ If happen change exchange rate No experience loss in amount big . Because the losses are borne by the bank. Whereas understanding of sharia hedging is method or technique protect mark on mark swap based on sharia principles . Transaction This Already allowed with proof there is a fatwa from the National Sharia Council (DSN) of the Indonesian Ulema Council (MUI) number 95 of 2015. One of permitted schemes _ is *forward agreement*.

Second strategy in develop Sharia economics in Indonesia can done with use method development source Power human (HR) and *market empowerment* . HR development solutions are carried out with push sector education For practice power work for more understand Islamic sharia, so that human resources manage it more sharia banking competent . Competencies are required owned by employees Sharia banking is the first *Quality of Work (quality work)* , (2) Quantity of Work (quantity work), (3) Job Knowledge (knowledge work), (4) Creativeness (creativity), (5)

Cooperative (cooperation), (6) Initiative (initiative), (7) Dependability (dependence), (8) Personal Qualities (personal qualities).

Third strategy done with method more strengthen supervision . That way held in various part Good in management , funding until utilise the role of zakat for public . Need is known that one _ The function of zakat is For distributed to people who enter eight category , which is one of them distributed papa group *ghorimiin* or groups of people who don't capable pay debt .

One of base distribution of zakat to race *ghorimiin* is based on the Qur'an letter At Taubah verse 60 is the point is explanation about group *ghorimiin* which is allowed receive zakat. Although in technical distribution must notice various type indicator including burden debts incurred and reasons _ Why debt the No capable paid .

Fourth strategy is maximizing financing *support* infrastructure in the sector real as well as to MSMEs (businesses micro small intermediate). Second sector the need noticed remember Still Lots customers Muslims in Indonesia are struggling in the sector the . Intent of support financial in the fourth strategy This is with strive mechanism light and easy financing _ accessible by both sector the . For example give facility financing with percentage the ratio is not too big .

Final strategy is expect taker policy monetary in Indonesia through the authorities owned by Bank Indonesia (BI) and OJK spoke out about draft industry efficient finances and not _ contradictory with Islam globally . Method that can used is with build cooperation with authority monetary in other countries that support with system Islamic finance . There is work The same the Of course hope is sharia economics will the more develop and can accepted by society in a way outside as well as Can felt the benefits .

The five strategies presented previously show exists commitment and potential Islamic economics in realize well-being with Islamic ways through _ _ sector banking . Sharia economics have strong determination _ For reduce poverty , enforce justice in activity economics , as effort increase growth economy , and delete usury in economy

Mechanism economics and finance sharia that lasts This not enough interested potential For develop . This matter because There is commitment from BI and OJK with method implement the strategies discussed previously . So that with exists commitment the economy sharah will more accepted Because have Lots superiority For applied as already _ carried out in Malaysia .

Malaysia succeeded become one of the successful countries implement activity economics and finance with foundation of Islamic sharia. Success the it turns out capable inspire other countries and become reference application Islamic economics in a country. This matter No Can released from Malaysia's commitment to in a way Serious implement and supervise activity sector his finances , like activity finances carried out by YaPEIM .

Implementation Islamic economics of course No only For interest Muslims only . _ This matter because Islam is a religion *of mercy lil natural* which is what it means is the religion brought by the Prophet Muhammad who invited man to safety life with

draft balance connection man-Creator and man-man with Spirit base tenderness and love Darling . Meaning the strengthened with explanation Allah in the Koran surah al anbiya ' verse 107 which is the essence is Allah delegate Rasulullah Muhammad as Rahmad for all over nature .

Graceful Islam lil natural Of course must implemented also in Islamic economics . Should not There is discrimination for all man For access benefit from Islamic banking though That non-Muslim . One of example institution finances permit _ non-Muslim become customers is an independent sharia bank branch the thorns of its customers Lots non-Muslim . One of base allowed non-Muslim become Islamic bank customers are Because all non-Muslim is citizens so the state is obliged For guard and protect soul , faith , freedom worship , honor , life and wealth non-Muslim objects during they No violate agreement that has been made agreed with Muslims²⁰ or _ in their other terms Want to follow rules _ _ in sharia banking which is based on the Koran, hadith , ulama decisions (ijma') and qiyas on activities its economy .

Conclusion

Based on study This can concluded that application principle Islamic economics in industry global finance has significant potential . _ Study previous has disclose that Islamic banking and finance can give more alternatives _ inclusive , fair and sustainable in system global finance . In study literature This found that industry Islamic finance offers a business model that focuses on principles ethics and justice . Practices like for results (*profit-loss sharing*) and avoidance flower usury has get confession as more approach _ Islamic and appropriate with sharia values . Success Islamic banking in several countries, such as Bangladesh, shows significant potential _ in apply principles Islamic economics in practice real . the only one is problem effective supervision and regulation _ For ensure suitability with sharia principles . Apart from that , there is need For development products and instruments more finances _ suitably innovative and comprehensive _ with principles sharia economics . In a global context , harmonization regulations and standards international too _ factor key in strengthen position industry Islamic finance . In conclusion is application principle Islamic economics in industry global finance is step important in push inclusion finance , justice , and sustainability . Although challenge Still there is , potential industry Islamic finance for give ethical and appropriate alternatives _ with Sharia values do not can ignored . In facing the future , it is important for the perpetrators industry , regulators, and academia For Keep going collaborate in develop practices best , effective regulation , and innovation products that can strengthen role industry Islamic finance in global scale .

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