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Challenges of the Islamic Economic System in the Industrial Era 4.0 in Supporting Economic Growth in Indonesia

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ABSTRACT

The development of the times is something that is common and will continue to occur along with increasing knowledge and the desire to be more advanced and facilitate human activities. In the current era of digitalization, some Muslims can understand the probability of changing industry 4.0 by using digital technology as a means of collecting sustenance. . Islamic economics is present as a means of meeting the economic needs of Muslims, in which this economic system has been taught by the Prophet and his companions in the process of life. Islamic economics can also be expressed in terms of Islamic economics. Both have the same meaning that both are based on Islamic teachings. In the research on the Challenges of the Islamic Economic System in the Industrial Age 4.0 in Supporting Economic Growth in Indonesia, the design of this study only focuses on important points that can be extracted from existing sources, so that the research is based on Descriptive Analysis techniques, namely a type of research data that assists in describing, demonstrating, or assisting in summarizing data points so that patterns can develop that satisfy all data conditions. The author discusses this theme because we feel the need to understand the Syari'ah economic system as a Muslim economic vessel.

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1. Introduction

In the current digitalization era, some Muslims can understand the probability of industrial changes 4.0 by using digital technology sourced as a gathering of fortune. Industry 4.0 is a way to control the way it is made by carrying out the unification and adjustment of production. The digital environment does not just provide many opportunities and advantages for the community and the good of business. But it also provides a challenge to all sectors of life, and life that is all digital will increasingly rely on the use of cellphones and computers. Responding to the digital era seriously, understanding and managing the role of technology properly so that the digital era brings utility to life.

The economic world has experienced opposition from the two economic system authority, namely the conventional economic system and the Islamic economic system. Until now it must be recognized that the state still adheres to and prioritizes the conventional economic system under the power of capitalism. The conventional economic system itself is divided into two elements, namely the

capitalist and socialist economic system. The capitalist economic system has many wills, among others: freedom to have property as individuals and economic freedom. Meanwhile, the socialist economic system has the aim to achieve joint prosperity. In the Islamic economic system, which is emphasized, namely the creation of equitable income channels. Islam has regulated human activities with the provisions that have been prescribed. The actions of Muslims in the economic field are always oriented towards increasing faith, because the application of Islamic understanding will directly shape Islamic life in society. The Islamic economic system was built on the basis of Islamic sources, namely the Qur'an and Hadith.

The capitalist system is a challenge as well as the opposite of the Islamic economic system. Where the capitalist system has already dominated the economic system in the world. In fact, many countries that incidentally are Muslims tend to use a capitalist system even though in its application there is modification. Economically and politically, the Islamic state is not considered strong so it is difficult to prove that the Islamic economic system more superior to capitalist and socialist, and among the experts themselves are still cross opinions about the understanding of the Islamic economic system.

Therefore, we as the author raised the theme with the title "Challenges of the Islamic Economic System in the Industrial Era 4.0" so that readers can take useful information in it.

2. Method

In research the challenges of the Islamic economic system in the industrial era 4.0 In supporting economic growth in Indonesia, the design of this research only focuses on important points that can be taken from existing sources, so that research taken based on descriptive analysis techniques is a kind of research Data that helps in describing, demonstrating, or helping to summarize data points so that the patterns can develop that meet all data conditions.

Data sources taken from this study are data that supports the research with the purpose and objectives towards the title of discussion such as thesis, books and journals. The other data are additional such as articles and papers. The old data relating to the title will be included in the related reference source. Data such as journals that require special access such as the release of data access will be registered from the relevant site to gain access to and analyze the data in question.

The application of data collection techniques carried out is documents, by collecting documents such as sites, thesis, books and journals that are considered in accordance with research. This is meant to adjust to research design techniques that have a spacing into descriptive analysis in attracting important points. Data reduction is a way that researchers use in conducting analysis to emphasize, shorten, make focus and dispose of things that are not important so that the data can be arranged in such a way as to get conclusions or points as the main findings. The process here is selection, interpretation and simplification.

Data presentation in order to get a clear picture of the overall data so that it can draw conclusions. The researcher will eventually compile a good and clear presentation of data so that it is easily understood the drawing of conclusions has begun from the initial process of obtaining data. In this case the data obtained by valid sources so that the validation process is the responsibility of the data provider so that researchers can draw conclusions based on data that has been checked for accuracy and validation. With the interactive analysis model, the researcher can draw a conclusion. The analysis technique applied at the time of the study is an interactive analysis model. In the core analysis model there are three constituent components consisting of data reduction, data presentation, and drawing conclusions.

3. Results and Discussion

Understanding of the sharia economic system and industrial revolution 4.0

Etymologically the system can be interpreted as a collection of elements, the set of an element. The system of system according to [1] that "the system is a collection of interrelated or integrated

elements that are intended to achieve a goal". According to [2] that "the system is a collection or set of elements, components, or variables that are organized, interacting, depending on each other and integrated". According [3] that "the system is a collection of elements that are interconnected and interact in one unit to carry out a process of achieving a main goal". According to [4] that "the system is an order (cohesiveness) consisting of a number of functional components (with units of functions and special tasks) that are interconnected and jointly aims to fulfill a particular process".

From some of the above meanings the author can conclude that the system is a collection of elements, the set of an element, functional components that are interconnected and interact with each other to achieve the expected goals. While the Islamic economy (Islam) consists of two words namely economics and sharia. The economy comes from the Greek words, Oikos and Nomos. Oikos means household, while nomos means rule or norm if put together into household rules. The economy can be understood an activity related to the problem of production, distribution and consumption of goods and services to meet the needs of the life of individuals or groups. These needs can be in the form of clothing, food and boards which are basic or primary needs. Plus also the needs that are included in the category of secondary and tertiary needs that are complementary in fulfilling human life as economic creatures (homoeconomicus).

Sharia means the road (sharia'), the road to the source of drinking water. In other words the path to the source of life and safety. It can also be interpreted as a straight path that can guide God's servants to be safe in the life of the world and the hereafter [5]. Sharia can also be interpreted as the laws governing human relations with God, human relations with humans and human relations with their environment, in order to create a life that is harmonious, harmonious and balanced.

In terms that have been Indonesian, sharia is known as Islamic law. Because this term is not found in the Qur'an and Al-Hadistic and literature of classical fiqh. Literature only mention the terms Islamic sharia, sharia law', al-fiqh, and al-syar'u which have its own meaning when examined in terms of understanding.

When combined the term Islamic economy has a unity of meaning that is certain understood by anyone who reads. Islamic economics can also be expressed as Islamic economics. Both have the same meaning that both are based on Islamic teachings. The understanding of Islamic economics is not elaborated in accordance with the views of people who provide definition limits because it is not defined in a standard manner [6]. But it is generalized that Islamic economics is an economic system that views, reviews, analyzes, examines and even resolves economic problems based on sharia teachings sourced from Allah SWT. And Rasulullah SAW. In Article 1 the compilation of sharia law states that Islamic economics is a business or activity carried out by people, groups of people, business entities that are legal or not legal entities in order to meet commercial and non-commercial needs according to sharia principles.

At first the Islamic economy was indeed seen as not professional, because it was considered to adopt the teachings of Islam by not a good and well-established management system. So that its existence is not so emphasized. In this case only the moral advice of religion. However, after the time of the time of the Islamic economic system is much in demand by various groups, both from Islamic groups themselves and non-Muslim groups. Even to the level of international level. The emergence of the sharia economic system is none other than the following things:

First, there is professional and quality management by following the development of the times. Second, the Government of KUT is contained in making regulations in the form of a legal system that is binding with regard to Islamic economics. So that if there is a dispute or in a rudung problem, then there is a law that protects. Thus there is the term sharia economic law, namely the legal provisions governing the procedures for managing the economic system that refers to the teachings of Islam.

Industry Revolution 4.0

In his book entitled "The Fourth Industrial Revolution", [6] explains the Industrial Revolution 4.0 has changed human life and work fundamentally. Unlike the previous industrial revolution, the 4th generation industrial revolution has a wider scale, scope and complexity. The advancement of new technology that integrates the physical, digital and biological world has influenced all disciplines of science, economics, industry and government [7]. Fields that experience bobosoan thanks to new technological advances include artificial intelligence robotic, nano technology, biotechnology, and quantum computer technology, blockchain (such as bitcoin), internet-based technology, and 3D printers. Industrial Revolution 4.0 is the fourth phase of the history of the Industrial Revolution which began in the 18th century. According to Prof. Schwab, the world experienced four industrial revolutions. Industrial Revolution 1.0 is marked by the discovery of steam engines to support production engines, trains and sailing vessels of various work equipment that were originally dependent on human and animal power and then replaced with steam engine power. The impact, production can be multiplied and distributed to various regions more massively.

However, this industrial revolution also had a negative impact in the form of mass unemployment. The discovery of electric energy and the concept of labor division to produce large amounts of production in the early 19th century marked the birth of the Industrial Revolution 2.0. Electric energy encourages scientists to find various other technologies such as lights, telegraph engines, and tire technology running. The climax is obtained by production efficiency up to 300 percent. The rapid development of science and technology in the early 20th century had given birth to information technology and production processes that were automatically controlled. Changed fundamentally [8].

Industrial machines are no longer controlled by human labor but use programmable logic controllers (PLC) or computer -based automation systems. The impact, production costs are getting cheaper. Information technology is also increasingly advanced including camera technology that is integrated with mobile phones and the development of the creative industry in the world of music with the discovery of digital music.

The industrial revolution is experiencing its current peak with the birth of digital technology that has a massive impact on human life throughout the world. The latest industrial revolution or fourth generation encourages the automation system in all activities processes. Increasingly massive internet technology not only connects millions of people around the world but has also become a basis for online trade and transportation transactions. The emergence of online transportation businesses such as Gojek, Uber and Grab shows the integration of human activities with information and economic technology to increase. The development of autonomous vehicle technology (car without drivers), drones, social media applications, biotechnology and nanotechnology increasingly confirm that the world and human life have experienced rapid progress.

Challenges of Sharia Economy (Islam) in the Industry Revolution 4.0

As we have discussed previously that the Islamic economy cannot be separated from the Sharia and Trade Law in Islam. Everything that has a connection with the economy is very considered in Islamic economics. Which aims to provide benefits and run the Shari'a to reach blessing. In the era of the Industrial Revolution 4.0 caused changes in the order of life in society. The changes referred to all fields, both in the fields of religion, economy, politics, social and cultural. In the field of religion, there are changes in systems and procedures for da'wah that are relevant to the times. This means that the process of developing Islamic da'wah should not leave the technology so that Islam remains developed from time to time, and also the religion of Islam is not lagging or abandoned by adherent. Besides that, Islam during the revolution of the religious industry must be able

Interpreting the understanding of Islamic teachings in accordance with the times, especially related to legal problems. Because the law goes according to the Divine, Al-Hukmu Yajurru Ma'a Illatihi. So with the development of the economy and industry which used to be all machinery, the laws related to the trade economy have changed. With this change becomes its own benefit and also challenges for the Islamic economy. Maslahat the profits obtained include easy access to carry out economic activities anywhere. The challenges faced by Islamic Islamic economics are among others because it is so easy to access for economic and trade activities, it cannot be denied that there are things that are in conflict with the Islamic Islamic economy, such as Gahrar, usury and others. Sharia economy has the potential to replace the conventional economic position, but in its application many obstacles and challenges faced include the enactment of multiple taxes in Islamic banking; Not ready for the support of Islamic economic HR; There is no Islamic economy curriculum in the level of school, so that the understanding, awareness and concern of the community are low; The negative perception of a group of Muslims and non-Muslims who are afraid of applying sharia law in a kafah; The increasing appreciation of the community and the excitement of expanding the Islamic economic market has not been followed by adequate education.

In connection with the challenges of the Islamic economy that must be faced by the Indonesian people towards the progress of the sharia economy is a capitalist system in particular, already dominating the economic system in the world and even many countries which in fact are Muslims tend to use a capitalist system even though in its application there is modification; Economically and politically, not a strong Islamic state so it is difficult to prove that the Islamic economic system is superior to capitalists and socialists; And among the experts themselves are still cross opinions about the understanding of the Islamic economic system. Things that need to be considered by the Islamic economy in facing the future of Indonesia in the era of the globalization of the Industrial Revolution 4.0, are as follows. First, mastery of technology. According to some economists the development of technology is the most important part of the determinants of an economic development. Second, the development of sharia -based SMEs. Small and Medium Enterprises (UKM) in Islamic teachings are teachings that are very concerned about the interests of the weak. In QS 59 verse 7 Allah SWT forbids the rotation of wealth (capital) only among the rich people. Based on this verse, we can take lessons that economic activity should involve active participation from the lower middle class community, which in fact they are the majority in a country. Not only dominated by elite groups.

Then the next challenge is the difficulty of prove that Islamic economics is far better than the capitalist and socialist economic system. Because the Islamic state is not considered strong economically. If you see from the eyes of the world, now the sentence above is indeed true because in dzhohir seeing a country that is predominantly Muslim is indeed weak in terms of economy. Not because of the Islamic economic system itself but because individuals who take power that does not implement the maximum economic system. Take a look at the history of Islamic leaders in the time of the Prophet and the caliph afterwards when implementing the Islamic sharia -based economic system in a kaffah, benefit spread to the world and social inequality is reduced because it is significant. Can be exemplified during the reign of Umar bin Abdul Aziz who really applied the Islamic economic system, especially in the issue of zakat. In his relatively a moment Umar bin Abdul Aziz was able to eradicate poverty significantly even his disappointment was also found by Mustahiq Zakat. So we who live in the current era as much as possible and are determined in our hearts to disseminate the Islamic -based scientific system, especially in the Industrial Revolution 4.0 and the last challenge to implement the Islamic economic system in the era of the Industrial Revolution 4.0 is the still existence of expert debates about what is an Islamic economic system and the ins and outs of it in it.

4. Conclusions

Delivered by the Minister of Education and Culture, Nadim Anwar Makarim, Indonesia has entered the Industrial Revolution 4.0 with technology as a foundation in the development of both

industry, economy and state. The new Islamic economic system in Indonesia which is still newly sticking out directly, so that the challenges that must be faced about the mastery of inadequate technology are increasingly prioritizing the conventional economic system that is oriented towards capital, making competition to prove the Shari'a economic system is better to be quite fierce, evidence of this system Successfully proven in developed countries with technology owned and valid data regarding significant profits and customer satisfaction makes economists think of using such a bow. The development of sharia-based SMEs (Small and Medium Enterprises) also requires such attention, transactions that now use digital or bank methods as one of the places to get capital are the entry-out pathway of funding as a trace of digitalization of system proof data. Finally, there are still differences of opinion and debate among experts regarding the economic system, both about the system itself and other ins and outs, who are experts need evidence to believe in the Sharia economic system and here the evidence accompanied by a period of time that will answer the challenge this.

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