

THE AL-DIN CONCEPT IN ISLAMIC ECONOMIC

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Abstract: *The concept of Ad Din covers all aspects of life, including the economy. In the context of Islamic economics, Ad Din refers to Islamic principles that govern the economic behavior of individuals and society. Ad Din principles in Islamic economics include concepts such as ownership, production, distribution, and consumption. In Ad Din, ownership is viewed as a divine mandate from Allah SWT that must be used wisely. Therefore, Islamic economics encourages ownership based on the principles of justice, balance, and social responsibility. Production in Ad Din must be done in a good and correct way. Therefore, concepts such as balance, sustainability, and quality are considered very important in production in an Islamic economy. Distribution in Ad Din must be done in a fair and equitable manner, and everyone must have an equal opportunity to acquire wealth. Consumption in Ad Din must also be done in a good and correct way. Excessive and wasteful consumption is considered not beneficial to individuals or society. Therefore, Islamic economics encourages consumption based on important needs and interests. In conclusion, the concept of Ad Din in Islamic economics provides a strong moral foundation for individual and societal economic behavior. This concept governs ownership, production, distribution, and consumption and promotes the principles of fairness, balance, sustainability, and social responsibility.*

Keywords: *ad-din, Islamic economic philosophy*

Introduction

The concept of "ad-din" in Islamic economics refers to the belief that every economic action must be carried out while considering the aspects of morality, ethics, and justice in accordance with Islamic religious principles. This concept is an integral part of a holistic Islamic economic system and is not only focused on financial aspects alone.

The background of the problem related to the concept of "ad-din" in Islamic economics is due to concerns that the conventional economic system, which is based on capitalism and socialism, results in large economic disparities, social injustice, and human suffering. In addition, the conventional economic system often ignores moral and ethical values in economic transactions, such as greed, corruption, and fraud.

Therefore, the concept of "ad-din" in Islamic economics offers a better and more sustainable alternative, which promotes moral and ethical values in every economic action. This concept encourages Muslims to make transactions that are fair, honest, and beneficial to all parties involved without harming others or damaging the environment.

The concept of "ad-din" also emphasizes the importance of economic equality and social welfare, so that no one is left behind or marginalized from economic activity. This can be realized by developing an inclusive Islamic financial system that allows easy and affordable access to finance for everyone, especially those below the poverty line. The concept of "ad-din" in Islamic economics is related to the need to develop better and more sustainable alternatives to

conventional economic systems, which pay more attention to moral and ethical values in economic transactions and pay attention to social welfare.

Literature Review

Ad-Din in Islamic economics refers to the religious and moral principles that govern the economic behavior of Muslim individuals and society. There are many literature studies related to the concept of ad-Din in Islamic economics that have been carried out by academics and scholars. Several literature studies that are relevant to the concept of ad-Din in Islamic economics are:

1. "The Economic System in Islam" by Muhammad Akram Khan: This book discusses in detail the concept of ad-Din in Islamic economics. The author discusses Islamic principles in terms of ownership, economic freedom, the distribution of wealth, and the role of the state in regulating the economy.
2. "Islamic Economics and Finance: An Epistemological Inquiry" by Masudul Alam Choudhury: This book discusses the epistemological aspects of Islamic economics and identifies the Islamic principles that underlie Islamic economics, including the concept of ad-Din.
3. "Islamic Economics: A Survey of the Literature" by M. Umer Chapra: This book provides an overview of the development of Islamic economic studies from time to time, including the basic concepts of Islamic economics such as ad-Din, tawhid, and musawah.
4. "Islamic Finance in a Nutshell: A Guide for Non-Specialists" by Brian Kettell: This book briefly discusses the principles of Islamic economics, including the concept of ad-Din, and how these principles are applied in Islamic finance practices.
5. "Islamic Business Ethics" by Rafik Issa Beekun: This book discusses business ethics in Islam and examines the concept of ad-Din in the context of business and the economy.

In conclusion, the concept of ad-Din in Islamic economics is very important and forms the basis of the principles of Islamic economics. There are many literature studies related to the concept of ad-Din in Islamic economics that have been carried out by academics and scholars, which can be used as a reference in understanding this concept.

Method

The research method used is philosophical in nature and is related to the concept of ad din in Islamic economics. This research was conducted by analyzing the concept of ad din in Islamic philosophical views, such as views on justice, balance, and the purpose of human life according to Islam. Aside from that, an empirical approach based on analyzing Islamic economic practices based on the concept of ad din in various Islamic countries today, and how these practices impact economic development and social welfare, can be used. In Islamic economics research, these methods are used in combination to gain a more comprehensive understanding of the concept of ad din and how this concept can be applied in sustainable and just economic practices.

Result and Discussion

Ad din in Islamic economics shows that the concept of ad din plays an important role in the practice of Islamic economics. The concept of ad din views the economy as something that cannot be separated from social, cultural, and spiritual aspects. In the economic context, ad din pays attention to justice, balance, and the purpose of human life.

One example of Islamic economic practice based on the concept of ad din is the zakat system. This system requires Muslims to give part of their wealth to people in need. This practice aims to improve the distribution of wealth and reduce social and economic inequality. In addition, in business and financial practices, the concept of ad din is also applied through principles such as usury (interest), which is considered detrimental to consumers and gives lenders an unfair advantage, as well as the principles of musyarakah and mudharabah, which strengthen cooperation and partnerships in business.

However, the implementation of the ad din concept in Islamic economic practices also faces challenges and debates. Some of the problems that arise include different understandings of the concept of ad din, a lack of supervision in the implementation of Islamic economic practices, and the difficulty of adapting Islamic economic practices to technological developments and globalization.

In order to improve sustainable and just Islamic economic practices, it is critical to maintain a holistic and multidisciplinary approach that includes academics, practitioners, and other stakeholders. This aims to strengthen the implementation of the ad din concept in Islamic economic practices and have a positive impact on society as a whole. Analyzing the concept of ad din in Islamic philosophical views, such as views on justice, balance, and the purpose of human life according to Islam, can provide a philosophical approach to the concept of ad din in Islamic economics.

In the Islamic philosophical view, the concept of ad din (religion) has a broader meaning than just the rituals of worship and obedience to God. This concept covers all aspects of human life, including in the economic field. In Islamic economics, ad din demands fair, balanced, and sustainable economic practices and pays attention to the welfare of society as a whole. The philosophical approach in research related to the concept of ad din in Islamic economics can address several important concepts, such as:

1. Justice (*al-'adl*): Justice in Islamic economics pays attention to the principles of fair distribution, so that there are no excessive social and economic disparities between different groups of people. This is related to the concepts of zakat, infaq, and alms, which are the basic principles in Islamic economics.
2. Balance (*al-mzn*): Balance in Islamic economics pays attention to the principles of harmony between rights and obligations. For example, the principles related to the relationship between creditors and debtors regulate fairness in the distribution of profits and losses between the two.
3. The purpose of human life (*maqid al-shar'ah*): This concept shows that the main goal of human life is to achieve prosperity both in this world and the hereafter. In Islamic economics, economic principles must be able to fulfill these goals.

A philosophical approach related to the concept of ad din in Islamic economics can provide a deeper understanding of the concept of ad din and how this concept can be applied to sustainable and just economic practices.

In this study, regarding the concept of ad din in Islamic economics with an empirical approach involving data collection through direct observation, interviews, questionnaires, or the analysis of secondary data from Islamic economic practices based on the concept of ad din, Some examples of Islamic economic practices based on the concept of ad din that can be used as objects of empirical research include:

1. Practice of Zakat: Zakat is one of the pillars of Islamic economics, which is based on the concept of ad din. Empirical research can be conducted to analyze how zakat is managed and distributed in Islamic society. Research can also be conducted to analyze the social and economic impact of the practice of zakat on poverty alleviation and improving people's welfare.
2. Musharakah Practice: Musharakah is a form of business cooperation based on the ad din concept. Empirical research can be carried out to analyze how musharakah is applied in business practices in Islamic societies and how the concept of ad din influences business decision-making in this collaboration.
3. The Practice of Murabaha: Murabahah is a form of trading based on the concept of "ad din." Empirical research can be conducted to analyze how murabaha is applied in trading practices in Islamic societies and how the concept of ad din influences trading decisions in this practice.
4. Practice of Qardhul Hasan: Qardhul Hasan is a form of loan based on the concept of ad din. Empirical research can be conducted to analyze how qardhul hasan is applied in loan practices in Islamic societies and how the concept of ad din influences loan decisions in this practice.

In empirical research, it is important to pay attention to the research methods used to ensure the validity of the data and analysis results obtained. In addition, research also needs to take into account contextual factors that influence Islamic economic practices in certain societies.

The concept of ad din in Islamic economics is a very important and fundamental concept. This concept relates to the Islamic perspective on economics, social justice, and the purpose of human life as a whole. The concept of ad din is also known as the concept of justice in Islam, which instructs Muslims to act fairly in all aspects of life. Several discussions related to the concept of ad din in Islamic economics that exist today include:

1. The concept of fairness in the Islamic financial system: The concept of ad din plays an important role in the Islamic financial system, especially in the arrangement of fair financial transactions. The concept of ad din emphasizes the importance of fairness, transparency, and integrity in financial practices.
2. The concept of fairness in Islamic markets: Markets in Islamic economics are also governed by the concept of ad din. A fair and transparent market is considered an obligation in Islam, and traders are required to treat consumers fairly and not cheat in business transactions.
3. The concept of fairness in the distribution of wealth: The concept of ad din is also related to the distribution of wealth in Islamic economics. In Islam, this concept instructs Muslims to share their wealth fairly and provide assistance to those in need.
4. The concept of fairness in economic decision-making: The concept of ad din also influences decision-making in economic practice. In the practice of Islamic economics, business decisions are taken based on fair and moral principles, not solely on economic considerations. The concept of ad din in Islamic economics is a very important and fundamental concept.

This concept plays an important role in the Islamic financial system, Islamic markets, wealth distribution, and economic decision-making. Therefore, it is important for Islamic economic actors to understand the concept of ad din and apply it to their business practices.

The concept of ad din is an important concept in Islamic economics because it involves aspects of justice and balance in the economic system. Currently, there are several ongoing discussions regarding the concept of ad din in Islamic economics, including:

1. Development of an ad din-based financial system: Many Islamic countries are currently trying to develop a financial system based on the concept of ad din, such as the Islamic financial system. This financial system tries to avoid practices that are prohibited in Islam, such as riba (interest) and gharar (uncertainty). The Islamic financial system also tries to promote fairness and balance in financial transactions.
2. Increasing awareness of zakat: Zakat is one of the pillars of Islamic economics, which is based on the concept of ad din. Many Islamic countries are currently working to raise public awareness about zakat and how this practice can help alleviate poverty and improve people's welfare.
3. Raising awareness about distributive justice: The concept of ad din also emphasizes distributive justice in the economic system. This indicates that economic resources must be distributed in a fair and balanced manner among the people. Therefore, many Islamic countries are currently trying to raise public awareness about distributive justice and how Islamic economic practices can help achieve this goal.
4. Discussion of the compatibility between the ad din concept and the global economic system: The ad din concept is sometimes seen as a concept that is not in accordance with the current global economic system, which is based more on interests and profits. However, there is also ongoing discussion on how the ad din concept can be adapted to the global economic system so that it can be applied globally while maintaining Islamic values.

Overall, the discussion regarding the concept of ad din in Islamic economics today shows that this concept remains relevant in today's global economic context, and many Islamic countries are trying to develop economic practices based on the concept of ad din.

Conclusion

Based on the previous discussion, it can be concluded that the concept of ad din is an important concept in Islamic economics. This concept emphasizes fairness, balance and distributive justice in the economic system, and avoids practices that are prohibited in Islam such as usury and gharar.

Currently, many Islamic countries are trying to develop a financial system based on the concept of ad din, such as the Islamic financial system. In addition, awareness about zakat and distributive justice is also being increased.

However, there is also discussion about the compatibility of the ad din concept with the global economic system which is based more on interests and profits. Nonetheless, this discussion shows that the concept of ad din remains relevant and can be adapted to the global economic system by maintaining Islamic values.

Thus, the concept of ad din can become the basis for the development of more just and balanced Islamic economic practices in achieving sustainable and inclusive economic development goals.

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