

The Urgency of Sharia Economic Transformation in Facing the Global Economy

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Article Info	Abstract
<p>Keywords: Urgency of Transformation; Sharia Economic; Global Economy.</p>	<p>This study discusses the urgency of Islamic Economics's transformation in breaking through the global economy. The research method uses qualitative method and descriptive analysis. The research results indicate that to strengthen Islamic Economics, it must have a strategy that goes beyond the global economy and must be based on sharia principles, referring to the Qur'an and Hadith. The transformation that can be felt now with the presence of the Islamic Economy is the establishment of Islamic Financial Institutions and Islamic Banking which supports the development of the real sector. Islamic economics builds the integrity of Muslims who run the economic wheel under Islamic teachings by adhering to the privileges of Islamic economics itself, namely by avoiding all forms of activities that contain elements of usury which have an impact on harm to others. The challenge faced by the sharia economy is that people still need clarification in understanding the essential characteristics that underlie the sharia banking operational system, namely the profit-sharing system.</p>
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1. Introduction

Islamic economics adheres to values and ethics that are directly related to sharia principles in conducting muamalah transactions, which carry the concept of providing equal benefits between two parties and imposing losses on the two parties concerned, not only burdening one party. party only. This is different from conventional economics which has the principle of seeking the maximum profit by using any means and ignoring the justice of others in its competition in the economic world. This certainly gives unrest to the Muslims who take part in these activities. So that sharia economics answers all the concerns of Muslims in carrying out economic activities without any worries and worries because it is clear that in sharia economics it is forbidden to use methods that are not true, far from being maysir, gharar, haram and usury, while Conventional economics does not recognize this. (Syukron, 2013).

Based on Islamic teachings, economics is one of the things that is discussed and has rules. Sharia economics is an economy that is carried out based on the principles of Islamic law and forbids usury, in accordance with what has been determined based on the verses in the Qur'an. Islamic economics is an economy based on divinity. Islamic economics starts from Allah, aims at the end to Allah, and uses facilities that cannot be separated from Allah's Shari'a. According to Islam, economic activity is part of a comprehensive life, based on values derived from the Qur'an and hadith which are applied to the relationship to Allah and to humans simultaneously. These values are the source of Islamic economics. So that economic activity is bound by Islamic values, including meeting needs (Muhammad, 2018). The case of fraud is since GCG regulated governance that is carried out by considering all factors that affect institutional processes, including factors related to the function of the regulator. The corporate governance system should be shown to

optimize financial results, emphasizing the shareholders' welfare. Thus, if all the actors and the relationship between the components of corporate governance proceed well, it is referred to as good corporate governance (Kasmir 2012). As emphasized in the research (Chapra and Habib 2002) in (Junusi 2012), a total of 288 customers (62%) of the 463 customers involved in the survey (from 14 Islamic banks in Bahrain, Bangladesh, and Sudan) stated that they would change their funds to another Islamic bank if it is suspected that there has been a "sharia violation (fraud)" in the operation of a sharia bank. This finding showed that compliance with sharia principles is significant in influencing customer behavior in choosing Islamic banks.

The development of Islamic economics in Indonesia has developed and changed very rapidly from time to time. Of course, this does not escape the impact of the legal sector which has a major influence in transforming the development of the Islamic economy in Indonesia. The support that comes from the legal sector has been proven by issuing laws and regulations in the field of sharia economics, including the existence of law regulation No. 3 of 2006 which discusses the granting of full authority to the Religious Courts to directly oversee sharia economic dispute cases in Indonesia. In addition, the government has also issued other policies regulated in Law No. 19 of 2008 regarding State Sharia Securities and Law No. 21 of 2008 which discusses the Islamic banking sector and reflects how solid the foundation is with the legal basis of Islamic Economics in Indonesia. On a practical level, it is clear that the presence of Islamic financial institutions in recent times often indicates a development that is so advanced and drastic. (Ridawati, 202). This development is based on the increasing awareness of most Muslims to carry out the regulations stipulated by sharia in a kaffah manner. This development certainly provides a new color and great hope for business actors in running a business that is not only oriented to the value of profit alone, but also in accordance with the priorities of sharia law which promises to fulfill spiritual needs. (Burhanuddin, 2014: 2).

In 2006, Bank Indonesia issued a policy for the Islamic banking industry, namely PBI No. 8/3/PBI/2006. In this regulation, it has been noted how the implementation of office channeling for Islamic Banking in Indonesia is recorded. This policy is clear proof of the new innovations issued to break through the global economy and develop a broad-scale Islamic economy. (Ahad Maulidiizen, 2017: 16). The issuance of policies related to Office Channeling relies on the ease of access provided to the public in transacting using Islamic Financial Institutions. With the creation of such a sophisticated system, Islamic banks do not need to expand their network or open Sharia Business Units (UUS) in various parts of Indonesia, this is done so that expansion costs are more efficient. This office channeling policy is also intended to direct banking activities to be able to support national economic growth through sharia banking activities. The implementation of office channeling will make it easier for people to carry out sharia transactions. Currently, the global community is starting to look at Islamic economics to be applied in the banking system. This is due to the condition of world economic growth from 2015 to 2019 which has decreased, but it is different from areas that apply Islamic banking instruments (Ihwanudin, 2017).

Islamic economics has three basic principles, namely monotheism, morality, and balance. This is what makes the Islamic economy ogled by the world, both Muslim countries and non-Muslim countries. First, in terms of principles, it has been explained above that Islamic economics comes from Allah, which has been written in the Qur'an. Aqidah here is not just a compliment or a name but is true for the welfare of humans. Then morals, in Islamic economics, of course, all regulations and policies must look at the aspects of Islamic morals such as prohibiting cheating, speculation, and individualist morals who only care about themselves and ignore healthy economic ethics that are for the welfare of the people (Ihwanudin, 2017).

Islamic economics is attractive because there is a tendency in economic development in the global era to pay more attention to ethics in economic activity (Kholis, 2008). The Islamic economy began to be in great demand by all groups, from the upper, middle and lower classes. The reason is that the current Islamic economic system is considered a profitable economic system and provides justice for all parties. The attraction also comes because of the weakness in the conventional economy that is currently applied. Its weakness mainly lies in its secular paradigm which separates positive and normative economics, the absence of a strong relationship between micro and macroeconomics, and the neglect of moral and ethical values in its descriptive and predictive functions (Kholis, 2008).

The Islamic economic system is different from conventional economics, the Islamic economic system applies the profit-sharing principle while the conventional economic system applies the interest principle. With the profit-sharing principle, Islamic banks will get a share of the real profits of customers who use the funds. Islamic banks will also share in part or even all losses from businesses run by members. Whereas in the conventional economic system the dominant advantage is the owner of capital. The development of the sharia economy is based on the condition of Indonesia itself. Indonesia is one of the countries with high Islamic economic growth. Judging from the banking sector, the development of the Islamic economy in Indonesia is very encouraging. (Hendri, 2003). According to Bank Indonesia, in 2022, Islamic banks in Indonesia will grow rapidly between 40-60% per year. And in 2022 there will be 14 Sharia Commercial Banks (BUS), 20 Sharia Business Units (USS), and 164 Sharia People's Financing Banks (BPRS). The development of Islamic banks in Indonesia is also not comparable to the public's understanding and knowledge of the Islamic banking operational system. Although Islamic banks have developed from year to year, many people do not know what and how Islamic banks carry out their operational activities.

2. Research Method

The type of research used in this study is a qualitative descriptive research approach. Descriptive research is research that seeks to find a bright spot from the problems faced by referring to concrete data. The source of research data used in this study is secondary data. The secondary data referred to in this research is by reviewing existing literature studies in order to build a theoretical basis that is directly related to the problems in the research or conceptual framework so that they can read reference books, research journals, articles and through internet searches with access websites related to the discussion on research to find theories and principles that are able to support this research. The collected data is then processed into qualitative descriptive data.

3. Results and Discussions

Indonesian Economic Wave

With the presence of Reform in Indonesia, especially since the 1998 SI-MPR, the term People's Economy has become a trending topic that is widely discussed as a sign that the economy must be implemented in Indonesia, why not? This is based on the fact that the people's economic system upholds democracy and is guided by the people's economy. Of course, thinkers and connoisseurs of independence do not stop thinking, why was the People's Economy chosen? Not the People's Economy and the Pancasila Economy. The factor is that if attributing the people's economy will have a Communist connotation like the system implemented in the RCC (People's

Republic of China), then why not choose the Pancasila economy? That's because this economy has been implemented in the new order and has been proven to fail. Bung Hatta as the founding father of this country has laid the foundations of the Islamic economic system in the basis of the Indonesian state, which is now known as a people's economy, which used to be called a cooperative economy, then people's economy and Pancasila economy, which is located on the foundation of the Indonesian state, namely Pancasila. (Mubyarto, 2018: 34).

In Pancasila, five basic characteristics have been mentioned, namely divinity, humanity, unity, deliberation, and social justice. All of that is sourced from Islamic teachings. Therefore, the term populist economy as a form of people's business is considered to be most in line with the concept of empowering Muslims which emphasizes the principles of justice, honesty, openness (transparency), responsibility, and deliberation. This system is still very useful for development, especially for the Indonesian nation, where most of the people are still in need." A populist economic system that puts forward various principles for the benefit of the people, is considered the most relevant. Because, apart from taking sides with the people, it also has a mission of togetherness, freedom, justice, and humanity. (Chapra, 2001). There are five economic platforms of Pancasila in Mubyarto's terms according to Awan Santosa, which can relate the strength of Pancasila's economy to strengthening the people's economy, these platforms are: (El Fikri, 2018)

- a. Moral religion, which contains the principle "the wheels of the nation's economic activity are driven by economic, social and moral stimuli.
- b. Social equity, namely there is a strong will of citizens to realize social equality, not allowing economic inequality and social inequality to occur and develop.
- c. Economic nationalism; in the era of globalization, it is increasingly clear that there is an urgency for the realization of a strong, resilient, and independent national economy.
- d. Economic democracy based on people and kinship; cooperatives and cooperative efforts animate the economic behavior of individuals and communities.
- e. A harmonious, efficient, and fair balance between national planning and economic decentralization and broad, free and responsible autonomy, towards the realization of social justice for all Indonesian people.

If Pancasila with its five precepts (moral, humane, nationalist, democratic, and socially just) is the basis of a populist economy, then populist economics emphasizes the 4th precept. So it is from this basis that the characteristics of the populist economy itself can be known. (Santosa, 2018)

Sharia Economics

Islamic economics according to ash-Shidiqy is the response of Muslim thinkers to the economic challenges of a certain period. In this creation effort assisted by the Koran and as-Sunnah, reason (ijtihad) and experience. According to Mannan Islamic economics is a social science that studies the economic problems of society inspired by sharia values. So in his journey Mannan argues that Islamic economics is a positive and normative economic science because the two are interconnected in forming a good economy in the evaluation later. There are several characteristics in Islamic economics that can be used as identification, namely Islamic economics is part of a comprehensive sharia system and Islamic economics realizes a balance between individual interests and public interests. (Wayanto, 2020).

Meanwhile, when referring to the basic principles of the Islamic economic system itself, there are several principles contained in it (Nasution, et al, 2019).

a. Individual Freedom

Humans have the freedom to make decisions related to the fulfillment of their needs. With this freedom, humans can freely optimize their potential. Human freedom in sharia is based on the values of monotheism, a value that liberates from everything, except Allah.¹¹ With this foundation, humans can make good innovations as much as possible, because, in the values of monotheism and Islamic teachings, humans are the caliphs (representatives). God in taking care of the world and everything in it, so indirectly humans are also given fully to take advantage of all the potential of natural resources with the consequence of always preserving nature itself. This is of course different from the current situation, that humans always use the potential of natural resources without paying attention to the continuity and sustainability of these natural resources, resulting in disasters such as those that occurred at the end of this decade.

b. Property Rights

Sharia recognizes the right of individuals to own property. The right of ownership of property is only obtained by means in accordance with Islamic provisions. Sharia regulates property ownership based on the common good so that the existence of property will lead to mutual respect and respect. This happens because for a Muslim property is just a deposit from Allah. "O you who have believed, do not eat each other's property in a false way, except by means of commerce which is carried out with mutual consent between you. And do not kill yourselves; Verily, Allah is Most Merciful to you." For a Muslim, the property is a trust from Allah, which is entrusted to humans to be guarded and accounted for later. "He is Allah, Who created all that is on earth for you and He willed (created) the heavens, then He made the seven heavens. And He is All-Knowing of all things." A Muslim will not waste this trust, because for a Muslim God's gift to humans is believed to have benefits.

c. Economic Inequality within Reasonable Limits

Sharia recognizes economic inequalities between individuals. Because it can be realized that in this world there are people who are able and those who are less able to meet their daily needs, so the consequence of having funds to be used together must exist as a balancer of these economic inequalities. Zakat is one of the instruments used to balance the economy of a country. In zakat, there are several provisions that must be paid. The provisions of zakat above are all intended for people who already have more assets in accordance with the conditions set out in fiqh. The realization of the statement that zakat and other forms of sunnah alms as an economic balance can be seen from the use of the funds from zakat, infaq and alms, which are generally used to support people who are less able to meet their daily needs, so that economic inequality of the community can still be overcome.

d. Social Security

Every individual has the right to live in a country and every citizen is guaranteed to obtain their own basic needs. It is indeed the main duty and responsibility for a state to guarantee every citizen, in meeting their needs in accordance with the principle of "right to life". In the sharia economic system, the state has the responsibility to allocate natural resources to improve the welfare of the people in general. So sharia also pays attention to the problem of asset management through the arrangement of zakat, infaq, alms and so on as a means to get a more prosperous

community life. The social effects of zakat can be seen from two aspects, namely in terms of taking it from the rich and in terms of giving it to the poor (in need). In terms of taking it from rich people, it automatically cleanses them of miserly traits and encourages them to make sacrifices and give to their poor relatives. Meanwhile, in terms of giving zakat to those who are poor (needs), it certainly cleanses their souls from resentment and lust, and saves them from various shocks. Thus, the more secure the rich people from the crimes of the poor and the creation of security and mutual love for the whole community.

e. Prohibition of Accumulating Wealth

Directly, the sharia economic system (sharia) forbids every individual for any reason to accumulate wealth and not distribute it. Because it will hinder the course of a country's economy. So that a Muslim has the obligation to prevent himself from being excessive in everything, and one of them is wealth. "O you who believe, do not forbid the good which Allah has made lawful for you and do not transgress. Verily, Allah does not like those who transgress."

f. Wealth Distribution

Because sharia prevents the accumulation of wealth, sharia strongly recommends to its adherents to distribute their wealth. Natural resources are human rights that are used by humans for the benefit of their lives, this effort will be a problem, if there is no attempt to optimize it through sharia provisions. Between one person and another, the sustenance has been determined by Allah, so trying to take action outside the sharia path is an unjust act.

g. Individual and Community Welfare

Recognition of individual and community rights is highly considered in sharia. Society will be the dominant and important factor in the formation of individual attitudes (look for tarbiyah references) so that the individual character of Bana is influenced by the character of the community. And vice versa, society will exist when the individuals exist. So the involvement of individuals and communities is very necessary in order to form an advanced civilization, in which there is an economic factor itself. And help you in (doing) righteousness and piety, and do not help in sin and transgression. And fear Allah, verily Allah is severe in punishment.

The Urgency of Sharia Economics

If viewed from a scientific point of view, the Islamic economic system can be equated with the two largest economic systems in the world, which include the capitalist economic system and the socialist economic system, as an economic system it must meet requirements that are based directly on the principles of the economic system, as an example of In terms of the basic micro foundation (basic of micro foundation), the Islamic economic system when viewed based on the sharia paradigm and viewed from a philosophical point of view is an economic system based on the principles and provisions of Islamic law, the main source of which is the Qur'an and Hadith. Therefore, any activity that is directly related to the economy must not contradict the provisions and teachings that have been regulated according to sharia. (Muhammad, 2011).

The difference between the Islamic economic system and the capitalist economic system is not only in things that are applicable. But starting from the philosophy is different. On top of these different philosophies are built different goals, norms and principles. This is because a person's beliefs affect the perspective in shaping personality, behavior, lifestyle, and human tastes. In a broader context, beliefs also affect attitudes toward other people, resources, and the environment (Budiman, 2014: 51). There are also those who interpret Islamic economics is a system that

involves the regulation of economic activities in a government or society by using certain methods. For example, an Islamic bank can be called as one of the units of the operation of an Islamic economic system, which is in the macro and micro scope, which adheres to the doctrine of the prohibition of usury and has the characteristics of a profit-sharing system as a way out of the problem of the economic crisis.

In addition, there are also those who define Islamic economics as an economy that exists in the Islamic world or only for Muslims. So, what is studied is how the economy that occurred during the Islamic era began to enter in Arabia, namely at the time of the Prophet, companions, tabi'in until today, then how the implementation of the Islamic economy in Muslim countries such as Saudi Arabia, Egypt, Qatar, Iraq, Iran, Malaysia, Indonesia and so on (Andiko, 2017).

Islam rejects the concept of the market in the form of unlimited free competition so it ignores norms and ethics. In an Islamic market, market participants are driven by the spirit of competition for goodness (*Fastabiqul Khairat*) as well as cooperation and mutual assistance (*ta'awun*) within the framework of Islamic values and morality. Market activities must also reflect fair, honest, open and fair competition so that the price created is a fair and fair price (Budiman, 2014).

Islamic economic thought in Indonesia, especially at this time, is still limited to the theme of banking or financial institutions. So that the idea of an Islamic bank was first developed in an effort to apply Islamic economic principles. The lack of development of Islamic economic concepts is still felt in terms of macro and micro economics as well as systems in Islamic statistics and accounting, this is due to the lack of creativity in development in the social science order. A comprehensive discussion of the concept of Islamic economics is very necessary, in order to answer criticism from conventional economists, related to the existence of Islamic economics as a solution in solving problems that occur in economic problems in all parts of the world (Andiko, 2017)

The Significance of Sharia Economics

Islamic economics is a social science that studies economic behavior in society, which is regulated based on Islamic law and in accordance with the religious basis, namely monotheism, the pillars of faith and the pillars of Islam. In the meaning of the above, there are also those who use the term Islamic Economics, as a science that studies social economic problems of society inspired by Islamic values (Mardani, 2011). Before understanding the significance of Islamic Economics in business transactions in the modern era, it is necessary to first understand the difference between economics and *muamalat fiqh* from the axiological aspect. Economics studies how to be able to meet the needs of life, while *fiqh muamalah* is more towards norms or laws, both social and commercial. Practically speaking, economics explains the methods or ways in which business transactions can be made and obtain material benefits, while *fiqh muamalah* determines the legal status of halal or haram implementation of business transactions. (Hafidhuddin, 2002). Because, it is not certain that certain economic transactions are legal in the view of *muamalah fiqh*, for example, someone who makes a transaction on the sale of garden products for which it is not clear what the total amount of his harvest is, in economics, this is allowed as long as the seller and buyer both agree, but not necessarily allowed in *muamalah fiqh*, because it contains things that are *gharar* because of uncertainty and the possibility of the form of the object to be sold, besides that there is no contract determined by both parties (Andiko, 2017).

It can be concluded that Islamic economics is a combination of economics and *muamalat fiqh*, which studies all economic activities based on *fiqh* rules and in accordance with the order of Islamic teachings. The significance of Islamic economics in the field of *muamalah* is as follows: (Manan, 1986).

- a. Islamic economics builds the integrity of Muslims who run the economic wheel in accordance with Islamic teachings, by adhering to the privileges of Islamic economics, namely avoiding all forms of activities that contain elements of usury that can cause harm to others.
- b. Making people accustomed to doing worship activities in muamalah, because these economic activities are mahdhoh worship which is valued as a reward in the eyes of Allah, so that producers and consumers have not felt that they have performed worship transactions that are worth worship. For example, someone who uses facilities at Islamic financial institutions such as Sharia Banks, Sharia Pawnshops, Baitul Mal Wattamwil, Sharia Mutual Funds has directly distanced himself from the act of adultery (adultery of the eye), gharar, usury and maysir. This means, the transaction is worth worship because it has been practicing and supporting the Shari'a of Allah SWT.
- c. Support efforts to empower the economy of Muslims and develop Muslim businesses. Islamic economics does not allow interest and accumulation of wealth, so all finances must be empowered into the real sector, which makes the wheels of the economy not stagnant. Islam prohibits ihtikar (hoarding) so any immovable property that is not used for economic activities must be subject to a larger tax, this is useful to make the property more useful. Islam also gives the right to everyone to do business, without being limited by capital and rules. This is what distinguishes Islam from the capitalist system where the rich will get richer because in capitalist theory, novice entrepreneurs will be excluded from the market and there is no sense of help and compassion. Whereas in Islam, Muslims believe that sustenance comes from Allah, there is no need to try to get rid of other people in business, because every human being has his rights and sustenance determined according to the level of his effort.
- d. Practicing sharia economics or Islamic economics means supporting the amar ma'ruf nahi munkar movement, because the collected funds can only be used for halal businesses or projects. Every Islamic economic activity is only allowed to be used in businesses that are in accordance with Islamic law and may not carry out contradictory activities such as liquor factories, drug and narcotics businesses, gambling businesses, hotels that are used for immorality or places of entertainment with ungodly nuances. such as discotheques and so on.

The application of Islamic economics can increase the morale of society, and improve the economy so that it is more orderly, prosperous and safe from evil deeds so as to achieve *baldatun thoyyibatun wa rabbun ghafur*, a country that is safe, peaceful, and at peace and gets ridho and forgiveness from the almighty. (, 2017: 20). The significance of Islamic economics in muamalah activities can also be felt in the positive role of Islamic banks and non-bank Islamic financial institutions that encourage the development of the real sector, this can be seen from the increasing portion of the mudharabah and musyarakah profit-sharing contracts that exist in Islamic banks even though murabahah contracts still dominate in Islamic banking. Real-sector entrepreneurs are starting to be inspired by sharia economics and use sharia contracts and regulations in their business (Karim, 2007).

The significance of Islamic economics based on sharia is also felt in its implementation in sharia bank businesses which have more potential for service offerings than conventional banks. 10 of 1998, concerning banking: Law 21 of 2008, concerning Islamic banks and Indonesian bank regulations, provides opportunities for Islamic banks to be able to offer services that are more diverse or more diverse than conventional banks. Even the implementation of sharia in economic performance can increase new skills and public awareness in the existence of sharia entities. This all shows that the existence of Islamic economics in society is always relevant to the demands of an increasingly complex and varied era, and can resolve the turbulence of contradictions that occur in the practice of Islamic economics and finance (Farida and Zulaini, 2015).

Islamic Economics: Challenges & Expectations

Although sharia economics has various positive sides, there are challenges that must be faced in its implementation. The public still feels confused in understanding the basic characteristics that underlie the operational system of Islamic banking, namely the profit-sharing system. The profit-sharing system in practice in the public's view still resembles the interest system as in conventional banks. The distribution of Islamic bank funds is based more on murabaha financing, which takes profit based on margin, which is still considered by the public as just another way of taking interest in conventional banks. People still find it very difficult to distinguish between profit sharing, margin, and conventional bank interest. If you can distinguish only in theory, while in practice it is not possible to distinguish profit sharing, margin, and interest (Budiman, 2014).

The challenges faced also come from the products offered. Islamic products marketed are dominated by consumption products. Murabaha, or buying and selling, whether in the form of mortgages, vehicle loans, and so on, dominates no less than 70% of existing sharia products. No different from traditional consumer credit. It's just that the interest element is disguised by an element of cost and profit margin. Should, if you want to be fair, other products such as mudharabah, musyarakah, isthisma', are also marketed more vigorously (Yuliadi, 2013).

In some cases, people also often experience difficulties in accessing these sharia products. With complicated requirements and complicated bureaucracy, sharia institutions have shifted into ivory towers that are difficult for grassroots to reach. In fact, in fact, Islamic economics was born to accommodate the underprivileged. Some groups also often criticize the attitude of the Indonesian Ulema Council (MUI) in the formation and appointment of the National Sharia Council (DSN) and the Sharia Supervisory Board (DPS). Often these institutions are labeled as mere formality products, considering that the standardization of skills and capabilities of the people in them is not clear. The board, which is expected to be fully committed to overseeing the products, concepts, performance, and policies of Islamic institutions, often disappoints. Its members, who are still dominated by elderly Kiai, are felt to be less able to follow the movements and developments of the sharia economy which is moving very quickly (Rahardjo, 2014).

In sharia institutions themselves, the appointment and management of human resources (HR) is also still biased. Sharia principles, actually require 70% moral heavy, then followed by knowledge and appearance. But in practice, they are actually stuffed with rote memorization in Arabic and included in instant training. Sometimes business ethics and Islamic concepts have not been mastered comprehensively. Unfortunately, these shortcomings are exacerbated by the attitude of existing financial institutions. They view sharia solely as a market opportunity that is worth taking advantage of. This action is certainly an economic crime because sharia products are a tool for capitalists to make as much profit as possible and as quickly as possible. Their alignment and commitment to the continuity and development of sharia itself is still questionable (Budiman, 2014).

In addition, challenges also come from the market share of Islamic banking in Indonesia which is still relatively minimal. From time to time the shift still has to be accelerated. However, Bank Indonesia (BI) claims that the market share of Islamic banking has now reached 5% and is ready to be raised even higher. Islamic banking indeed needs to be encouraged and supported so that its market share can continue to grow. Judging from the market share, the figure of 5% is still very small when compared to conventional banking. This can be due to the fact that there are still many customers who prefer to transact at conventional banks rather than Islamic banks, even though Islamic banks are already everywhere, the profit sharing is also quite competitive, the IT technology is also not inferior to conventional banks, and the service is also quite satisfactory (Etzioni, 1988).

However, high hopes are pinned on the Islamic economy in advancing the nation's economy. For example, in 2006, Bank Indonesia issued a policy for the Islamic banking industry, namely PBI No. 8/3/PBI/2006. In the regulations that have been set, it is written related to the implementation of office channeling for Islamic banking. These policies and provisions are a new color that comes from creative innovations in increasing the development of the Islamic banking industry in Indonesia. This regulation related to office channeling also aims to develop access for people who find it difficult to reach sharia banking services. With this new system, Islamic banks do not have to worry and try hard to expand and even open branches of Sharia Business Units in various places, because through this system the cost of expansion becomes much more efficient. This office channeling policy also aims to direct banking activities so that they are able to increase national economic growth through various activities carried out by Islamic Banking. The implementation of Office Channeling will further facilitate public services in conducting sharia-based transactions.

With the existing phenomenon, the obstacles that occur to the location of Islamic banks which have been a hot issue that has not been resolved, this problem continues to persist because Islamic banks that have been operating in Indonesia are still in very minimal numbers so that not all people are able to reach and access. Now, the presence of Office Channeling provides a new face for Islamic banking in overcoming these problems. If you look at the facts, the services provided by Office Channeling have a very positive influence and impact on the development of the Islamic banking sector today and in the future. With the ease of access for the public to access Islamic banking services, it is estimated that the growth of Islamic banks will be significantly greater. So that the market share of Islamic banking against conventional banking can also increase (Frederik, 2012).

The idea of office channeling is intended so that customers who mostly transact at conventional banks know that there is a sharia service system in the conventional bank so that customers are very facilitated if they want to transact with the sharia system. With the office channeling system, it is expected that the market share can increase and beat the market share of conventional banking. Sharia finance will also develop more if there is strong interaction with the real sector, one of which is through the development of the Halal Industry such as halal food, Islamic fashion, halal pharmacy, Islamic tourism, and so on. This is important to increase the value added of sharia-based economic activities so that they can increase the share of the sharia economy in the national economy. Data records that the Muslim population in Indonesia is the largest in the world, namely 232.5 million people or 87.18% of the total population. To support the development of this great potential, vocational and entrepreneurship programs in Islamic education programs are very much needed.

Transformation of Economic Values in the Interpretation of Islamic Economics

Before discussing the concrete form of economic welfare with Islamic economics, it is necessary to first know the characteristics of the Indonesian economy, namely the global economy and the Islamic economy. characteristics of the global economy prevailing in Indonesia: deity, humanity, unity, discussion, and social justice. Meanwhile, when viewed from the characteristics of Islamic economics are sourced from God and religion, a middle and balanced economy, a sufficient and just economy, and economic growth and blessings.

From the identification of the two characteristics above, it can be seen that the objectives of the populist economic form and the sharia economy are basically the same, but in reality there are many socioeconomic inequalities in the populist economy which has so far adopted the socialist

and capitalist economic system. Therefore, the basis of the Islamic economic system needs to be considered carefully in order to achieve the goals of the welfare of the Indonesian people. Some of the economic driving instruments in the Islamic economic system are: Profit sharing (mudharabah), Order (greetings), Pawn (rahn), Deposit (wadiah) and Loan. All of that can be applied in various micro and macro economic transactions, both in banking and in other financial institutions. In addition to several instruments that drive the country's economy.

Strategy for Internalization of the Islamic Economic System in Indonesia

Seeing the potential that exists in the Islamic economic system, a comprehensive application at the socio-political and socio-economic level of Indonesia must be carried out immediately.

1. The educational institution path, through this path, can be planted from an early age on the mainstream policies contained in sharia economics, so that the potential for human resources (HR) output will be even more superior in economic competition, with pious intellect.
2. The path of financial institutions, after inculcating mainstream Islamic economic policies through education has been well organized, through this route, the basic principles of sharia economics will be applied in an applicative manner so that the development of the real sector will be better supported because basically, the financial sector is a supporting sector for the economy. real sector.

There are several applications that can be applied in Indonesian financial institutions by taking into account the existing sharia principles, namely: banking apps, capital market and money market applications, and Islamic philanthropy apps. Centralization of the collection and distribution of zakat, infaq, alms, and waqf productivity. Path of government/legal institutions. Ratification of regulations related to sharia economics; Sharia banking bill, Sukuk bill, and follow-up to several DSN-MUI fatwas that can be applied in state policy.

4. Conclusions

The Sharia economic system is an economic system based on the principles of Islamic law derived from the Koran and al-Hadith. Therefore, any economic activity must not conflict with the established principles of Islamic law. The significance of Islamic economics in muamalah activities can be felt in the positive role of Islamic banks and non-bank Islamic financial institutions that encourage the development of the real sector, this can be seen from the increasing portion of mudharabah and musyarakah profit-sharing contracts that exist in Islamic banks even though murabahah contracts still dominate in Islamic banking. Islamic economics builds the integrity of Muslims who run the economic wheel in accordance with Islamic teachings, by adhering to the privileges of Islamic economics, namely avoiding all forms of activities that contain elements of usury that can cause harm to others. The challenge faced by the sharia economy is that people still feel confused in understanding the basic characteristics that underlie the sharia banking operational system, namely the profit-sharing system. The profit-sharing system in practice in the public's view still resembles the interest system as in conventional banks. The challenges faced also come from the products offered. Consumption products dominate Islamic products marketed, or buying and selling, whether in the form of mortgages, vehicle loans, and so on, dominate no less than 70% of existing sharia products. The driving and balancing instrument for the country's economy when viewed from the perspective of the Islamic economic system when applied to the global economy in Indonesia, it is certain that an upright and solid country with prosperous people will be formed, of course with several stages of internalization of the sharia

economy, namely the path of educational institutions, financial institutions, and strengthening through legal channels.

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