
SOCIALISATION OF SHARIA ECONOMY AND BUSINESS IN BOGOR RAYA

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ABSTRAK

Ekonomi dan bisnis Islam yang berkembang di Indonesia belum tersosialisasi dengan baik. Hal ini dibuktikan dengan berbagai penelitian yang menunjukkan rendahnya literasi ekonomi dan perbankan Islam di Indonesia. Fakta ini juga terjadi di Kota dan Kabupaten Bogor, di mana hasil penelitian menunjukkan bahwa literasi ekonomi dan perbankan Islam masih rendah di kedua daerah tersebut. Merujuk pada fakta tersebut, maka perlu adanya sosialisasi kepada masyarakat sebagai bentuk peningkatan literasi di bidang ekonomi dan perbankan syariah. Program pengabdian kepada masyarakat ini bertujuan untuk mensosialisasikan dan memberikan penjelasan kepada masyarakat tentang ekonomi dan perbankan syariah di Kota dan Kabupaten Bogor. Kegiatan dilaksanakan dengan metode ceramah, penjelasan, dan diskusi yang dilaksanakan sebanyak enam kali di Kota dan Kabupaten Bogor dengan fokus utama pada penjelasan ekonomi dan perbankan Islam. Hasil pengabdian ini menunjukkan adanya peningkatan tingkat pemahaman peserta terhadap ekonomi dan perbankan Islam, khususnya mereka yang mengikuti kegiatan ini dengan serius.

Kata Kunci: Sosialisasi, Ekonomi Syariah, Perbankan Syariah, Bogor

ABSTRACT

The Islamic economy and business that has developed in Indonesia has not been well socialized. This is proven by various studies that show the low level of economic literacy and Islamic banking in Indonesia. This fact also occurs in the City and Regency of Bogor, where the results of the study show that Islamic economic and banking literacy is still low in these two areas. Referring to this fact, there is a need for socialization to the community as a form of increasing literacy in the field of economics and sharia banking. This community service program aims to socialize and provide explanations to the public about sharia economics and banking in the City and Regency of Bogor. The activity was carried out using the lecture, explanation and discussion method which was carried out six times in the City and Regency of Bogor with the main focus being on explaining the economy and Islamic banking. The results of this service show an increase in the level of participants' understanding of the economy and Islamic banking, especially those who took this activity seriously.

Keywords: Socialisation; Sharia Economics; Sharia Banking; Bogor city; Bogor Regency

A. INTRODUCTION

Islamic economics is a just economy, it becomes a Rabbani-based economic system with the aim of human welfare. Like other Islamic laws, Islamic economics is a mercy for all nature. As Allah says "And We have not sent you, but to be a mercy to the universe." (QS. al-Anbiya: 107). This means that it is not only for Muslims, followers of other religions and beliefs will also easily accept this economic system. This is because Islamic economics is a universal economy that can be implemented by all mankind, anytime, anywhere and under any circumstances (Hasibuan et al., 2021). Only those people who hate Islam or do not Islamic economics is not compatible with the times.

Evidence that the Islamic economy is a universal economy is that the principles are based on kemashalahatan for mankind. The prohibition of maisir, gharahr, usury

and others is evidence that Islamic economics strongly upholds the value of justice and prohibits all forms of injustice (Misno and Suparnyo, 2018). This is a basic principle that will be accepted by all mankind, no one will reject it except those who follow their lusts and other worldly interests.

The existence of Islamic economics in Indonesia actually coincides with other Islamic laws, so it is as old as Islamic law itself. However, significant developments have been seen since 1992 with the operation of Bank Muamalat as the first Islamic Bank in Indonesia. Its legality is based on Law Number 7 of 1992 concerning banking, as revised in Law number 10 of 1998 and supplemented by Law Number 23 of 1999 concerning Bank Indonesia (Nurhayati, 2016). Its position is getting stronger with the enactment of Law No. 21 of 2008 concerning Islamic Banking. This legal foundation is expected to encourage faster growth of Islamic banking. The presence of Islamic banks is also expected to encourage the Indonesian economy more quickly and significantly (Rahmawaty, 2014).

Along with its development, sharia banking which exists in Indonesia consists of three types, namely Sharia Commercial Banks (BUS), Sharia Business Units (UUS), and finally Sharia People's Financing Banks (BPRS). The development of Islamic Banking in Indonesia can be seen from the number that continues to increase.

Table 1. Total number of Islamic Banking as of 2018-November 2021

Islamic Bank	Tahun			
	2018	2019	2020	2021
Islamic Commercial Bank (BUS)	14	14	14	12
Sharia Business Unit (UUS)	20	20	20	21
Islamic People's Financing Bank (BPRS)	167	164	163	163

Source: Financial Services Authority (OJK) 2021

Based on Table 1, the development of Islamic banking, namely in Islamic Commercial Banks (BUS), has decreased in 2021 from initially the number of Islamic Commercial Banks around 14 banks, but in 2021 it decreased to 12. In contrast to the Sharia Business Unit (UUS) which experienced a positive increase, where from 2018 to 2020 the Sharia Business Unit (UUS) amounted to 20, then in 2021 there was an increase in one Islamic bank unit so that the total was 21 Islamic banks. Furthermore, the Sharia People's Financing Bank (BPRS) again experienced a drastic decline, namely in 2018 there were 167 then in 2019 it decreased to 164 until finally it decreased again in 2020 2021 to a total of 163 Islamic banks.

Not only banking has become a barometer of sharia economic development in Indonesia, but also Non-Bank Financial Institutions have also experienced significant growth. The number of Sharia IKNB players registered with OJK at the end of 2016 was 127 entities, consisting of 58 Sharia Insurance Companies, 49 Sharia Financing Institutions (41 finance companies, 7 venture capital companies, and 1 infrastructure financing company), 6 Special Sharia Financial Services Institutions (4 guarantee companies, 1 pawnshop company, and the Indonesian Export Financing Agency and 14 Sharia Microfinance Institutions).

The growth in the number of business actors is partly based on the belief that the potential of the Islamic IKNB market is still large. Until the end of the 2016 period, Islamic insurance companies had a total asset value of Rp33.24 trillion, an increase

compared to the previous year of Rp26.69 trillion. While the total assets of Islamic financing companies ranged from Rp35.74 trillion, an increase of 56.55 compared to the previous year (www.ojk.go.id).

Table 2. Assets of Islamic Finance Companies

Sharia Insurance Company	45	49	49	55	58
Islamic Finance Company	34	44	44	40	41
Islamic Venture Capital Company	-	4	4	6	7
Company Financing Infrastructure	-	-	-	-	1
Sharia Guarantor Company	-	2	3	4	4
PT Pegadaian (Persero)	1	1	1	1	1
Institutions Financing Agency Export Indonesia (LPEI)	1	1	1	1	1
Sharia Microfinance Institutions	-	-	-	5	14
Number of Sharia IKNB Actors	81	101	102	112	127
Growth Rate (yoy)	37.29%	24.69%	0.99%	9.80%	13.39%

This development deserves appreciation, considering that the economic situation in Indonesia since 1995 has not shown a significant increase.

The Financial Services Authority (OJK) noted that until July 2020 the number of Sharia Financial Institutions Banks and the Sharia Non-Bank Financial Industry continued to grow, both in terms of numbers and assets. Here is the table:

IKNB Syariah	110,29
Sharia Institutions and Branches	
- Insurance	63
- Financing Institutions	41
- Pension Fund	7
- Specialised Islamic Financial Services Institutions	14
- Islamic Microfinance Institutions	75
- F i n a n s i a l T e k n o o g i S h a r i a h	11
Islamic Mutual Funds	63,52
- R e - s s a d a S h a r i a h P r o d u c t s	282
Syariah Sukuk	922,42
- Total Sukuk Outstanding	64
- J u m l a h S u k u k K o r p o r a s i O u t s t a n d i n g	147
Syariah Stock Market Capitalisation (ISSI)	3.015,15
- Number of Islamic Shares	467

Islamic economics has now entered the real estate and finance technology sectors, the existence of sharia-based minimarkets and sharia fintech is evidence that Islamic economics has entered its second period. Sharia tourism that lowers various services such as hotels, resorts, restaurants and other travelling fields is a new business in the scope of sharia business. Not only in Muslim countries, secular countries such as

Singapore, South Korea, Japan and others have developed Islamic tourism services with the tag line Muslim friendly tourism.

Halal Industry and Halal Lifestyle are new trends in the world of Islamic economics and business, covering various economic and business sectors related to Islamic principles. Some sectors of the halal industry are; food and beverages, clothing or fashion, halal tourism, entertainment and media, pharmaceuticals and cosmetics.

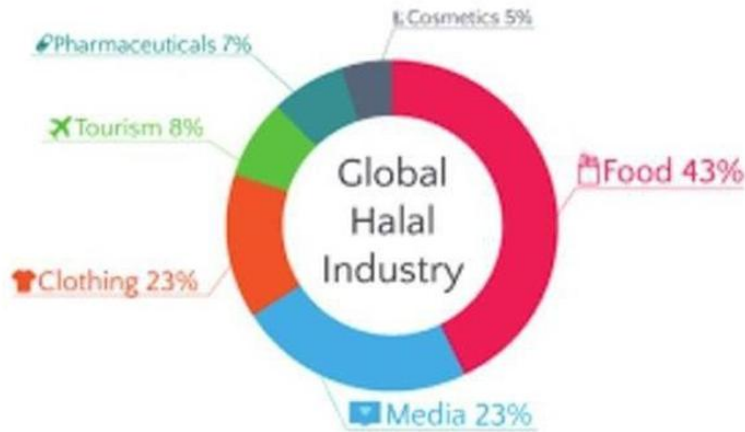


Figure 1. Percentage of Global Halal Industry

The Islamic economic trend is not only happening in Indonesia, Malaysia or other Islamic countries, it has entered the countries of China, Europe, America and Australia. London claims to be the gateway to Islamic economics in Europe, while Australia is a growing centre for Islamic economic studies.

The problem that then arises is that the level of understanding of Islamic economics has not spread properly. Not only in areas far from the city, but also the capital's buffer areas are still low. One of them is Bogor, which is close to Jakarta (Akbar, 2017).

The development of Sharia Economics in Bogor City and Regency has a unique story. Because Bogor is one of the historic cities in the progress and sustainability of the Islamic economy. In addition, Bogor is also the city that pioneered the first Islamic banking, namely Bank Muamalat. More than four thousand Islamic people of West Java were so enthusiastic to buy shares of the bank. But unfortunately there has been no encouraging development in the level of Islamic economic literacy in Bogor City and Regency.

The number of Muslims in Bogor Regency reached 97.61% in 2017, and this reflects that the potential to work on the Muslim market is still wide open and of course this condition is a land for Islamic banking activists and other Islamic financial institutions.

Based on the results of the National Survey of Financial Literacy (SNLK) in 2016, the level of financial inclusion of the Indonesian people rose to 67.82%, although 63.63% were still dominated by users of banking sector products, while the percentage of people in the well literate group rose to 29.66%. "If we look at the data from the sharia SNLK results which were only implemented for the first time in 2016, the national financial inclusion index is only 11.06% and the financial literacy index is also only 8.11%. Especially for West Java Province, it is already better, reaching 21.56%, "

Zara Fathia Muflihani and Irfan Syauqi Beik conducted research on the level of literacy of the Bogor community towards Islamic banking, showing that the majority of respondents (40 per cent) had a low level of literacy towards Islamic banking. This is based on the low understanding of micro business actors of the concept of Islamic banks, Islamic banking products and services and skills in using Islamic bank products.

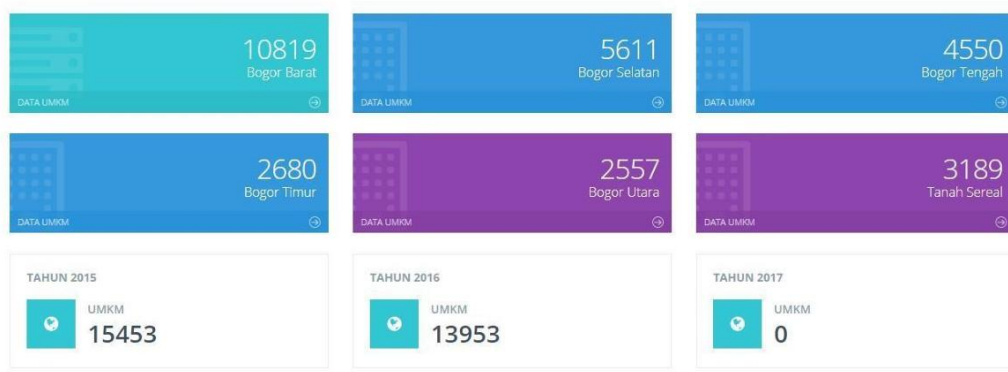
The percentage of respondents with moderate and high levels of literacy each reached a level of 28.57 per cent and 31.43 per cent. The study results also show that Islamic banks that operate based on Islamic principles are known by 59 respondents or 84.28 per cent (see Table 1). All respondents knew that bank interest is considered usury and is haram. The term profit sharing was known by 85.71 per cent of respondents, but the difference between the profit sharing system and the bank interest system was only known by 50 per cent of respondents. This means that half of the respondents did not know the difference between interest and profit sharing.

Research on waqf has also been conducted by Akbar and Hafidz, the results show that in general the level of understanding, who really understand about waqf, who really understand 2%, understand 31%, understand enough 33%, do not understand 26%, do not understand 8%.

Lack of understanding of the Islamic economy, causing many people who do not care about the Islamic economy. There are so many people who think that "There is no difference between conventional economics and Islamic economics" why can this happen? This is one proof that people are very unfamiliar with Islamic economics. They often say that the Islamic economy is more expensive, more difficult in the process, less advanced in the field of technology, because of the limited ATM machines and frequent disruptions.

Referring to this phenomenon, the socialisation and improvement of public understanding of fiqh Muamalah and Islamic economics must continue to be improved. One of them is the massive introduction of Islamic economics in the community, especially business people who are involved in the business world every day.

The entrepreneurs in the scale of Small and Medium Enterprises in Bogor City and Regency reached 13953 in 2016. In detail, it can be seen in the following figure:



Data of SMEs in Bogor City and Regency

This number is certainly still small compared to the population of Bogor city and regency. As economic drivers as well as practitioners in the economic field, it is appropriate for them to understand various transactions in Islam, especially for those who are Muslim. The problem that arises is how is the right socialisation and education model so that they can understand the economy and Islamic banking correctly? This

community service seeks to implement a sharia economic education model in the City and Regency of Bogor.

Based on the background in this community service proposal, the objectives are as follows:

1. Introduction to Islamic Economics and Banking

Introducing to the wider community, especially the people of Bogor City and Regency about what Islamic economics and banking are, which aims to increase the talent and interest of all Muslims to jointly fight for the Islamic economy. because Islam is a religion of rahmatan lil alamin which regulates many aspects, and one of them is the economic aspect. Getting to know contracts in muamalah, where the goal is that people can know and apply contracts in transaction activities in everyday life. As Islam has provided clear rules in buying and selling transactions.

2. Discussion and Consultation on Islamic Economics and Banking

Discussion and consultation on Islamic economics and banking, we provide experts and activists of Islamic economics to introduce why we must fight for Islamic economics. In addition, assistance is provided, especially in the field of Islamic economics and banking. Assistance includes consultation on registration of legality of small and medium enterprises, registration of halal labels on food and beverage products and efforts to handle disputes that occur.

B. METHOD

The Community Service Program (PKM) was carried out with a focus on the socialisation and introduction of Islamic economics and banking, especially for people in Bogor City and Regency. The locations of the socialisation were Al Hijrah Mosque, Cimanggu Sub-district, Bogor City and Pamijahan Sub-district, Bogor Regency. The choice of location in Bogor City was based on the request from the mosque congregation and the community in Cimanggu who wanted to understand about Islamic economics and banking more deeply.

As for location in Pamijahan District is because this location is a sub-district where the Sahid Islamic Institute is located, so it is hoped that the people of Pamijahan District will understand more about Economics and Islamic banking.

The time of socialisation was held in May and June 2022, this coincides with the month of Ramadan 1442 H. so that their level of faith is expected to increase. level of faith is expected to increase. The time taken is Saturday with the argument that on weekends some of them are not too busy, making it easier to invite them to the location that has been determined.

The implementation of the socialisation was carried out using the lecture method, the delivery of material by the speaker using a laptop and projector was somewhat more interesting for the participants. At the end of the presentation of the material, it was continued with discussions and consultations related to the economy and Islamic banking in Indonesia.

The materials used in this socialisation included their understanding of the correct Islamic aqidah, introduction to fiqh muamalah, Islamic economics and Islamic banking. In more detail the material presented is as follows:

The first is Islamic Worldview (Aqidah Shahihah), which is to provide an understanding to the public about the importance of Islamic aqidah implemented in

economic, business and financial activities. In this case, how every Muslim has a firm belief so that he understands the obligation to implement all Islamic law including in the fields of economics, business and Islamic finance.

Secondly, Islamic Economics, an introduction to Islamic economics which begins with the definition of Islamic economics, the sources of Islamic economics, the principles of Islamic economics, the character of Islamic economics, the fields of Islamic economics and their differences with capitalist and liberal economies. It was also given an understanding of the development of Islamic economics that has entered the real business sector such as cooperatives and Islamic retail.

Thirdly, Islamic banking, socialisation was carried out by providing an understanding of the history of Islamic banking, contracts in Islamic banking, the character of Islamic banking, Islamic banking management and its differences with conventional banking.

This Community Service (PkM) was carried out in the first semester of 2021, with the following details:

First, the socialisation in Bogor City was held at Al Hijrah Cimanggu Mosque, which was held on Saturdays three times with Dr Misno, MEI as the speaker. The material presented was about sharia economy with the following details:

Table 4. Activities at Al Hijrah Cimanggu Mosque

No	Date of Implementation	Socialisation Material	Presenter
1	Saturday, 08 May 2021	Islamic Worldview and Economics	Dr Misno, MEI
2	Saturday, 15 May 2021	Sharia Design Build Sharia Economy	Dr Misno, MEI
3	Saturday, 22 May 2021	Islamic Banking	Dr Misno, MEI

Second, socialisation in Bogor District was conducted in Pamijahan Sub-district three times with the following details:

Table 5. Activities in Pamijahan Sub-district

No	Date of Implementation	Socialisation Material	Presenter
1	Saturday, 05 June 2021	Islamic Worldview and Economics Sharia	Dr Misno, MEI
2	Saturday, 12 June 2021	Design Build Sharia Economics	Dr Misno, MEI
3	Saturday, 19 June 2021	Islamic Banking	Dr Misno, MEI

The participants of the socialisation were the community around Al Hijrah Cimanggu Mosque, Bogor City, with around 25 people per meeting. They were very enthusiastic in participating in this activity. The socialisation in Pamijahan Sub-district was conducted with Micro, Small and Medium Enterprises (MSMEs) and the general public. There were approximately 40 participants consisting of men and women.

C. RESULT AND DISCUSSION

Pengabdian kepada masyarakat merupakan usaha untuk menyebarluaskan ilmu pengetahuan dan teknologi kepada masyarakat. Kegiatan yang dilakukan harus mampu memberikan suatu nilai tambah bagi masyarakat, baik dalam kegiatan Pendidikan, hukum, ekonomi, kebijakan, dan perubahan perilaku (sosial). Uraikan bahwa kegiatan pengabdian telah mampu memberi perubahan bagi individu/masyarakat maupun institusi baik jangka pendek maupun jangka panjang.

The socialisation activities went well, both at the Al-Hijrah Mosque in Bogor City and in Pamijahan District, Bogor Regency. The activity process was carried out within 6 times on every Saturday from 08 May 2021 to June 2021. The activities carried out during the activity are as follows:

First, Socialisation in Bogor City in May 2021:

The activities carried out at the 1st meeting are as follows:

1. Participant registration
2. Submission of material by Dr Misno, MEI with the title of Islamic Worldview and Sharia Economics material
3. Discussion and consultation on Islamic Worldview, economics and Islamic banking.

The 2nd meeting was held with the following agenda:

1. Registration of participants
2. Submission of material by Dr Misno, MEI with the title of Islamic Economic Design material.
3. Discussion and consultation on design, economics and Islamic banking.

The 3rd meeting was held with the following agenda:

1. Registration of participants
2. Submission of material by Dr Misno, MEI with the title of Islamic Banking material.
3. Discussion and consultation on Islamic banking.

Second, Socialisation in Bogor Regency in June 2021, carried out three times with the following details:

1. Participant registration
2. Submission of material by Dr Misno, MEI with the title of Islamic Worldview and Islamic Economics material
3. Discussion and consultation on Islamic Worldview, economics and
4. Islamic banking.

The 2nd meeting was held with the following agenda:

1. Registration of participants
2. Submission of material by Dr Misno, MEI with the title of Sharia Economic Design material.
3. Discussion and consultation on design, economics and Islamic banking.

The 3rd meeting was held with the following agenda:

1. Registration of participants
2. Submission of material by Dr Misno, MEI with the title of Islamic Banking material.
3. material.
4. Discussion and consultation on Islamic banking

The result of this activity was an increase in insight and understanding of the people of Bogor City and Regency about the economy and Islamic Banking, especially those who attended the socialisation at the Al-Hijrah Mosque, Cimanggu District, Bogor City and the community of Pamijahan District, Bogor Regency in detail. This was proven by several questions asked by the speaker at the end of the presentation session. As the determination of the results to be achieved in this service programme, the results of this socialisation are in more detail as follows:

1. Introducing the people of Bogor City and Regency to Sharia economy and banking in detail.
2. Sharing knowledge with the people of Bogor City and Regency about the concept of Islamic economics and banking and current issues.
3. Introducing Islamic economics and the role of Islamic banking, basic principles and comparison of Islamic and conventional banking.
4. The socialisation participants can understand Islamic banking correctly so that they can apply it by having an account at an Islamic bank. can be applied by having an account at an Islamic bank.
5. The participants of the socialisation of questions and answers and discussions about Islamic economics and banking were more enlightened with an interactive and non-patronising model so that they could understand correctly.

Based on the socialisation programmes that have been carried out in Bogor City and Regency, such programmes will continue to be carried out in various places in the same location with a choice of different places so that people in Bogor City and Regency understand more about Islamic economics and banking in Indonesia. So that the level of literacy that is still lacking will slowly increase and people choose Islamic economics and banking as the main choice and do business and other economic and financial activities.

CONCLUSION

Based on the implementation of the Community Service (PkM) activities that have taken place on the socialisation of Islamic economics and banking amid the Covid-19 Pandemic in the community of Bogor City and Regency, there are several conclusions that the author can convey: First, this activity is very useful for participants in the socialisation of Islamic economics and banking in the midst of the Covid-19 Pandemic, the community needs additional knowledge about the correct application of Islamic economics and banking according to Islamic teachings.

Second, this community service activity also helped the participants of the socialisation of Islamic economics and banking, the basic concepts of Islamic banking, the functions of Islamic banking, the role of Islamic banking, principles and comparisons Islamic and conventional banking.

Third, increasing the knowledge of the community that with the current Islamic economy and banking can help the community in staying away from haram and prohibited acts in Islam, to provide fair and equitable services in improving the economy of the entire community.

Fourth, the socialisation participants understand the role of the economy and Islamic Banking. Fifth, all socialisation participants from the community elements of Bogor City and Regency who participated in the socialisation of economics and Islamic

Banking had a thorough discussion and questions about economics and Islamic Banking.

The author would like to thank the Institut Agama Islam Sahid Bogor for providing this community service grant so that this programme can run well. The author also expresses his gratitude to all the people of Bogor City and Regency, especially the Jama'ah of Al Hijrah Mosque, Bogor City and Pamijahan District, Bogor Regency.

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