

The Concept of Production and Environment in the Perspective of Islamic Economic

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Abstract

This study aims to describe the concept of production and the environment in the perspective of Islamic economics. The methodology used is qualitative-library-descriptive. The conclusion obtained is that the role of humans, which in Islam is called caliph, is actually a creature delegated by Allah Swt. to prosper the earth. Nature has been designed by Allah Swt. to submit to human interests, designed intended to meet human welfare. The motive for maximizing profit is seen as not wrong in Islam. Efforts to seek profit is a logical consequence of one's production activities because profit is a sustenance given by Allah Swt. to humans. In the view of Islam, production is not just a worldly activity, but also a means to seek happiness in life in the hereafter. For this reason, the motivation of producers in maximizing profits must be carried out in ways that are in line with the objectives of sharia (*maqasid sharia*). Maintenance of the environment and its preservation is the same as efforts to perfect the objectives of the sharia. The rules of production in Islam cover many things with the aim of benefiting human life, including: producing halal goods and services; preventing damage on earth; meeting the need to achieve prosperity; the independence of the people; and improving the quality of human resources.

Keywords: *production; environment; Islamic economic*

Abstrak

Penelitian ini bertujuan untuk mendeskripsikan konsep produksi dan lingkungan dalam perspektif ekonomi syariah. Metodologi yang digunakan adalah kualitatif-kepuustakaan-deskriptif. Kesimpulan yang didapat adalah peran manusia, yang dalam Islam disebut khalifah, sejatinya adalah sebagai makhluk yang didelegasikan Allah Swt. untuk memakmurkan bumi. Alam telah dirancang oleh Allah Swt. untuk tunduk pada kepentingan manusia, dirancang dimaksudkan untuk memenuhi kesejahteraan manusia. Motif untuk memaksimalkan keuntungan dipandang tidak salah dalam Islam. Upaya untuk mencari keuntungan merupakan konsekuensi logis dari aktivitas produksi seseorang karena keuntungan itu merupakan rezeki yang diberikan Allah Swt. kepada manusia. Dalam pandangan Islam, produksi bukan sekedar aktivitas yang bersifat duniawi, tetapi juga merupakan sarana untuk mencari kebahagiaan hidup di akhirat kelak. Untuk itu motivasi produsen dalam memaksimalkan keuntungan harus dilakukan dengan cara-cara yang sejalan dengan tujuan syariah (*maqasid syariah*). Pemeliharaan terhadap lingkungan dan pelestariannya sama dengan upaya penyempurnaan tujuan-tujuan syariat. Adapun kaidah dalam memproduksi dalam Islam meliputi banyak hal dengan tujuan kemaslahatan hidup manusia, diantaranya: (1) Memproduksi barang dan jasa yang halal; (2) Mencegah kerusakan di muka bumi; (3) Memenuhi kebutuhan untuk mencapai kemakmuran; (4) Kemandirian umat; (5) Meningkatkan kualitas sumber daya manusia.

Kata Kunci: *produksi; lingkungan; ekonomi syariah*

1. Introduction

Economics is the study of how people make choices under condition of scarcity and of the results of those choices for society (Frank & Bernanke, 2009). It is understandable that economic behavior is faced with choices in conditions of scarcity (resources) and the outcomes of their choices for society.

Humans must make choices to meet the needs of goods that are limited in number. How to make these choices can only be done by economic people with economic rationality. So in general, economics is the study of rational economic people (Al-Arif & Amalia, 2010).

Rationality is closely related to efficiency in the economy (Munir & Djalaluddin, 2014), and in the theory of economics (Wijaya, 1997), rationally, economic humans are required to be able to use these limited goods efficiently.

There is a change in human philosophy in industrialization (Wikipedia, 2022), where humans change the view of their social environment to be more rational (actions are based on consideration, efficiency, and calculation, no longer referring to morals, emotions, habits, or traditions) (Wikipedia, 2022). In addition, the concept of high effectiveness also raises new problems. The environment which was initially seen as one aspect of life that is always maintained to meet human needs, has now turned into an object to fulfill human desires. This shift in thinking is the starting point for changing the way humans live side by side with the environment. Economic activity continues to increase. However, this increase was not matched by environmental conservation. Natural resources that continue to be exploited and the negative impact of industrial products produced have resulted in the worsening of environmental conditions leading to destruction.

Industrialization not only has a positive impact on a country, but also has a negative impact, namely the weakening of the agricultural sector, the uprooting of local values and wisdom, economic disparities, the mastery of strategic assets in the hands of certain groups, encouraging new style imperialism, exploitation of natural resources and labor (Beik & Arsyianti, 2016). Agricultural land that was originally used for farming is decreasing in number and has begun to turn into residential, industrial, and trade areas. People began to perceive that the industrial sector could provide greater benefits than the agricultural sector. As a result, people are competing to continue to increase their profits (income), so that local values and wisdom turn into materialism. Beginning to form economic classes in society (the existence of a lower class society and an upper class society). Strong economic groups continue to develop and control strategic assets while weak economic groups are mostly positioned as workers. Under these circumstances, the weak economic group inevitably follows the economic policies of the strong economic group. In a worse situation, imperialism in the economy is an option to maintain the strongest position. This imperialism not only has an impact on the exploitation of labor, but the environment is also exploited without considering the sustainability of the environment afterwards. These are some of the negative impacts of industrialization.

In general, many large industries produce many useful products as well as create jobs, but then disrupt environmental sustainability. The resulting waste pollutes the air, pollutes the water of rivers and lakes, and pollutes the earth in the truest sense (Aedy, 2011). These things then cause the entropy of the environment (El-Diwany, 2003), which is characterized by the declining quality of the environment. Environmental entropy can be interpreted as increasing disorder in the environment from time to time leading to environmental damage.

The increase in environmental entropy was also accelerated by technological discoveries that occurred in the nineteenth and twentieth centuries (El-Diwany, 2003). Environmental damage is currently felt to be very high, and the industrial world has contributed to this environmental destruction (Fahmi, 2014). Environmental problems are important in the global economy because they can cause serious economic disputes and can even escalate into political disputes. Erosion and environmental degradation occur as a result of uncontrolled economic development activities and dynamics in many developing countries. In addition, this is also caused by the extravagant lifestyles and greed of developed industrial countries (SIPIMK, 2013).

Clean economy has the understanding that there is a reciprocal relationship between economic development and the sustainability of environmental functions in supporting the realization of sustainable development. Sustainable development is vital. According to IPCC (Intergovernmental Panel on Climate Change), future resilience depends not only on climate change but also on the ability to pursue development. With sustainable development, environmental resilience is enhanced and to make it successful the adaptation process should be applied in the context of national and international sustainable development planning (SIPIMK, 2013).

Sharpening the spiritual potential of humans is the only possible way to save the biosphere (environment) and humans themselves from destruction due to greed which has been equipped with extraordinary abilities (Toynbee, 2007). As long as the increase in entropy (environmental damage) borne by the earth is ignored, it is the same as not appreciating the value of environmental quality itself (El-Diwany, 2003).

Production and the environment have a very close relationship. Ideally, increasing production should also be balanced with environmental conservation, not polluting the environment, and protecting the environment (both ecological and social). Departing from the

things above, this study aims to describe the concept of production and the environment in the perspective of Islamic economics.

2. Methods

This study uses a qualitative, descriptive, and literature methodology. This research is more of a follow-up research to complement things that may not have been discussed in previous research (Sup et al., 2020), especially regarding the concept of production and the environment in the perspective of Islamic economics. Based on this method, the data collection uses the documentation method (Sup, 2021b). The data obtained is then processed by editing and data organizing methods, then analyzed by the deduction method (Sup, 2021c), the aim is to get as complete a description as possible regarding the concept of production and the environment from a sharia economic perspective. The analysis process is carried out continuously from beginning to end. The analysis process in question includes data interpretation, language translation, word editing, and compiling it in a logical systematic way, so that the resulting description can become a complete concept building that is easy to understand (Sup, 2021a).

3. Results and Discussion

Production is a human activity to produce goods and services which are then used by consumers. Technically, production is the process of transforming inputs into outputs. M. N. Siddiqi argues that production is the provision of goods and services by paying attention to the value of justice and the benefit of society (Rozalinda, 2016). In Indonesia, production and environmental activities are linked through *Amdal (Analisis Mengenai Dampak Lingkungan Hidup)* or EIA (Environmental Impact Assessment).

EIA is a study of the possible major and significant impacts of a planned business and/or activity on the environment. Because in its implementation, the EIA study covers various aspects, both biogeophysical (biology, geology, and physico-chemistry) as well as social, economic, cultural, and public health, the results of this study are very good to be used as material for making decisions about whether a plan is feasible or not, business and/or activity to be built or implemented (Sucipto & Asmadi, 2011).

Environmental impact analysis is a whole process that includes: (1) *Kerangka Acuan (KA)* or Term of Reference (TOR); (2) Andal or environmental impact analysis; (3) *Rencana Pengelolaan Lingkungan (RKL)* or environment management plan; (4) *Rencana Pemantauan Lingkungan (RPL)* or environmental monitoring plan (Darsono, 1995). Scope of impact handling: (1) Control of sources of impact, for example through pollution quality standards and safety quality standards; (2) Health service development (Kristanto, 2013).

The existence of this EIA device can at least guarantee environmental sustainability based on the applicable laws and regulations. On the other side, on the worldview side, considering that the majority of Indonesians are Muslim, it is also important to describe the concepts of production and the environment from a Islamic economic perspective. The hope is the formation of a holistic perspective, both as a Muslim person and as a good citizen, so that the production activities carried out can bring great benefits to the community and the state.

The role of humans, which in Islam is called caliph, is actually a creature delegated by Allah Swt. to prosper the earth. Contextualization of the caliph's role is the first step in preserving the environment (Kemenag, 2012).

In the Qur'an surah al-Baqarah verse 30, Allah Swt. said:

وَإِذْ قَالَ رَبُّكَ لِلْمَلَكَةِ إِنِّي جَاعِلٌ فِي الْأَرْضِ خَلِيفَةً قَالُوا أَتَجْعَلُ فِيهَا مَنْ يُفْسِدُ فِيهَا وَيَسْفِكُ الدِّمَاءَ وَنَحْنُ نُسَبِّحُ بِحَمْدِكَ وَنُقَدِّسُ لَكَ قَالَتْ إِنِّي أَعْلَمُ مَا لَا تَعْلَمُونَ

Humans are expected to intervene in processes to change the world from what it is to what it should be. In line with the enactment of natural law (*sunatullah*), nature has been designed by Allah Swt. to submit to human interests, designed intended to meet human welfare (Aravik, 2016).

In conventional economic theory, the term "*economics*" is known, which is the study of how people use their scarce resources to produce as many goods and services as possible in order to achieve maximum satisfaction from their unlimited needs. Economics is also defined as the science of efficiency in using resources in the best possible way (Wijaya, 1997).

The paradigm of limited resources has also given rise to the principle of efficiency in economics, namely using as little capital or labor as possible to get as much output as possible. This economic principle has been proven to have given birth to economic behavior that tends to be illogical, justifies any means, and is very vulnerable to all forms of exploitative action (Munir & Djalaluddin, 2014).

In conventional economics, the purpose of macro production is to meet the needs of society in achieving the national prosperity of a country. On a micro level, production objectives include maintaining the company's business continuity by continuously improving the production process, increasing company profits by minimizing production costs, increasing the quantity and quality of production, obtaining satisfaction from production activities, and meeting the needs and interests of producers and consumers. It can be seen that among the goals of production in conventional economics is to obtain the maximum profit (Idri, 2016).

Efforts to maximize profits make the conventional economic system very deified of productivity and efficiency when producing. This attitude often makes them ignore externality problems, or the detrimental impact of the production process, which usually afflicts a group of people who have nothing to do with the products they make, both as consumers and as part of the factors of production (Nasution, 2012).

In general, many large industries produce many useful products as well as create jobs, but then disrupt environmental sustainability. The resulting waste pollutes the air, pollutes the water of rivers and lakes, and pollutes the earth in the truest sense (Aedy, 2011).

The biggest problems in the world are actually relatively unchanged from time to time, especially regarding economic issues. These problems are mainly related to the fulfillment of basic human needs (Natadipurba, 2016). One of the biggest problems in the world is environmental damage.

In the concept of preventing pollution from destroying the environment, the term clean production is known. Clean production is an effort to continuously implement an integrated and preventive environmental management strategy for processes and products to reduce risks to humans and the environment (Djajadiningrat, 2014).

Economic barriers will arise if the business community does not feel the need to benefit from the implementation of clean production. No matter how small the implementation of clean production, if it is not profitable for the company, it will be difficult for management to make decisions about implementing clean production (Djajadiningrat, 2014).

The motive for maximizing profit is seen as not wrong in Islam. Efforts to seek profit is a logical consequence of one's production activities because profit is a sustenance given by

Allah Swt. to humans. Islam views that production activities are in order to maximize the satisfaction and profit of the hereafter (Rozalinda, 2016).

In the Qur'an surah al-Qashash verse 77, Allah Swt. said:

وَابْتَغِ فِيمَا آتَاكَ اللَّهُ الدَّارَ الْآخِرَةَ وَلَا تَنْسَ نَصِيبَكَ مِنَ الدُّنْيَا وَأَحْسِنْ كَمَا أَحْسَنَ اللَّهُ إِلَيْكَ وَلَا تَبْغِ الْفَسَادَ فِي الْأَرْضِ إِنَّ اللَّهَ لَا يُحِبُّ الْمُفْسِدِينَ

In the Qur'an surah Ibrahim verse 32-34, Allah Swt. said:

اللَّهُ الَّذِي خَلَقَ السَّمَوَاتِ وَالْأَرْضَ وَأَنْزَلَ مِنَ السَّمَاءِ مَاءً فَأَخْرَجَ بِهِ مِنَ الثَّمَرَاتِ رِزْقًا لَكُمْ وَسَخَّرَ لَكُمُ الْفُلْكَ لِتَجْرِيَ فِي الْبَحْرِ بِأَمْرِهِ وَسَخَّرَ لَكُمُ الْأَنْهَارَ وَسَخَّرَ لَكُمُ الشَّمْسَ وَالْقَمَرَ دَائِبِينَ وَسَخَّرَ لَكُمُ اللَّيْلَ وَالنَّهَارَ ۗ وَآتَاكُم مِّنْ كُلِّ مَا سَأَلْتُمُوهُ وَإِن تَعُدُّوا نِعْمَتَ اللَّهِ لَا تَحْصُوهَا إِنَّ الْإِنْسَانَ لَطُلُومٌ كَفَّارٌ □

The world and its contents were created by Allah Swt. for the benefit of mankind. Many verses of the Qur'an specifically encourage humans to take advantage of every particle that exists in this universe. So taking advantage of this is the ideological goal of Muslims. This is a religious obligation for humans to this world and is directly rooted in the Islamic view of humans and nature. Islamic teachings also teach the importance of production, prohibition of stopping production even for the sake of worship or prayer, and prevention of laziness and insincerity (Munir & Djalaluddin, 2014).

In the view of Islam, production is not just a worldly activity, but also a means to seek happiness in life in the hereafter. For this reason, the motivation of producers to maximize profits must be carried out in ways that are in line with the objectives of sharia (*maqasid sharia*), namely realizing the benefit of life for humans and the environment as a whole. Thus, the producer is a problem maximizer. Producers can carry out production activities to gain profits in the context of realizing economic benefits while maintaining the benefit of humans and the environment (Rozalinda, 2016).

Producers' efforts to obtain maximum *mashlahah* can be realized if producers apply Islamic values. In other words, all production activities are tied to an Islamic moral and technical value order, as in consumption activities. Starting from the activities of organizing the factors of production, the production process, to marketing, and service to consumers, everything must follow the morality and technical rules justified by Islam (P3EI, 2015).

The real purpose of production in Islam cannot be separated from the purpose for which humans were created and sent down to earth, namely as the caliph of Allah Swt. on earth (Aravik, 2016). In the Qur'an surah al-Baqarah verse 30, Allah Swt. said:

وَإِذْ قَالَ رَبُّكَ لِلْمَلِكَةِ إِنِّي جَاعِلٌ فِي الْأَرْضِ خَلِيفَةً قَالُوا أَتَجْعَلُ فِيهَا مَنْ يُفْسِدُ فِيهَا وَيَسْفِكُ الدِّمَاءَ وَنَحْنُ نُسَبِّحُ بِحَمْدِكَ وَنُقَدِّسُ لَكَ قَالَتْ إِنِّي أَعْلَمُ مَا لَا تَعْلَمُونَ

This means that humans are expected to interfere in processes to change the world from what it is to what it should be. In line with the enactment of natural law (sunatullah), nature has been designed by Allah SWT. to submit to human interests, designed intended to meet human welfare (Aravik, 2016).

The rules of production in Islam include many things with the aim of benefiting human life, including: (1) Producing halal goods and services; (2) Preventing damage on earth; (3) Fulfilling the need to achieve prosperity; (4) Independence of the people; (5) Improving the quality of human resources (Nasution, 2012).

Maintenance of the environment and its preservation is the same as efforts to perfect the objectives of the sharia. All efforts to destroy, pollute and deplete natural resources and eliminate the principles of their ecosystem are the same as eliminating the objectives of the sharia and tarnishing the principles of interest included in it (Al-Qaradhawi, 2002).

4. Conclusion

The role of humans, which in Islam is called caliph, is actually a creature delegated by Allah Swt. to prosper the earth. Nature has been designed by Allah Swt. to submit to human interests, designed intended to meet human welfare. The motive for maximizing profit is seen as not wrong in Islam. Efforts to seek profit is a logical consequence of one's production activities because profit is a sustenance given by Allah Swt. to humans. In the view of Islam, production is not just a worldly activity, but also a means to seek happiness in life in the hereafter. For this reason, the motivation of producers in maximizing profits must be carried out in ways that are in line with the objectives of sharia (*maqasid sharia*). Maintenance of the environment and its preservation is the same as efforts to perfect the objectives of the sharia. The rules of production in Islam include many things with the aim of benefiting human life, including: (1) Producing halal goods and services; (2) Preventing damage on earth; (3) Fulfilling the need to achieve prosperity; (4) Independence of the people; (5) Improving the quality of human resources.

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