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# The Concepts Of Islamic Production

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#### ABSTRACT

Production was thought to play important role in economic activities. It was impossible to do other economic activities such as consumption, distribution or trading without the production itself. This study explained the concept of production in Islamic perspective. This study was purposed to give the explanation about the Islamic principles of production. The approach used in this study is a qualitative approach in the form of descriptive analysis. The use of qualitative approaches is deemed appropriate in reviewing this research because it aims to understand the concept of production in Islam. This type of data consists of general words and cases, written data sources, and analysis is qualitative research. The Qur'an and the hadith and some concepts regarding production in Islam are the main data sources. As the results in this study, described how the production concept is in accordance with Islamic teachings. In conventional term, production was limited as a process to make or create something, such as product, etc. It had placed profit over everything. On the other hand, in Islamic perspective, the production had been placed on the spirit of Islam itself. It contained fairness, benefit for either the producer or consumer.

Key words: Islamic production, concept, Islamic economy, equity priciple, economic system.

#### **INTRODUCTION**

Production is the key of economic activities. There will never be a distribution, consumption activity or any goods and service trades without being preceded by a production activity. Production is a process for generating goods and services or a process of improving the utility (value) of an object. In economic terms, production is a cycling process of economic activities to produce certain goods or service by using some production factors (charities/works, capital, estate) in a certain time.

However nowadays, often the main items, right in times of major holidays, make the producers or traders intentionally hoard goods so they can rise at that time. Or can the producers abolish their production such as events in Jakarta that were once crowded in the media, whether printed or electronic regarding the sale of pork meatballs, then the price of beef in the market is expensive, meatball producers choose cheaper pork. Related to Tempo Online, it means that the meat traders are proven to sell boar meat disguised as beef to be used as raw material for meatballs. After agreeing to the sample received in the laboratory, the head of the supervision and supervision section of the West Jakarta livestock and fisheries department, Manurung firmly stated that this was a positive result of raw material for meatballs produced from pork. Another case, it was indicated that "Kickers" shoes made from pig skin. Then finally the shoe manufacturer Kickers acknowledged that one of his products was made of pig skin, so the next manufacturer included a sticker that read pig lining, which means the skin layer in shoes made of pig skin.

This condition is a cause of concern; people's needs are increasingly consumptive, because they are used by irresponsible producers to reap profits from businesses that violate Allah's provisions, without considering halal and haram. In addition to the problems that are troubling the community, production activities also often do not heed environmental issues, resulting in the emergence of floods and landslides, the extinction of flora and fauna that have high ecological values, and pollution that disrupts air circulation.

In fact, all humans crave prosperous life. Prosperous phisically and mentally. But in its journey, because of greed, injustice, injustice, fraud, crime, crisis, poverty, underdevelopment, business competition, and inequality forced people to live in poverty. This situation can actually happen anytime, anywhere and to anyone, especially to disadvantaged groups of people. This group is considered very vulnerable to direct impact, because it does not have access to economic resources, especially capital, natural resources (SDA), technology, health and education, besides being unable to participate in development and productive economic activities.

For example, in Indonesia, the lower class does not have access to real development results and economic growth. According to Kuncoro, 40% of the poorest groups of society only enjoyed an economic share of 20.92% and decreased by 19.2% in 2006. While 20% of the richest group enjoyed a share of economic growth of 42.19% in 2000 and up 45.72% in 2006.

According to Syahatah, one of the things that caused this problem was the influence of materialistic concepts that were greater than spiritual concepts in business and economics. These concepts affect more people, especially business people. This is what inspires Muslim scholars and economists to fight for and apply Islamic concepts and values / ethics in business as a solution to the welfare of the people. By doing business and producing in an Islamic manner, mutual benefit will be achieved, justice will be evenly distributed, the development process and economic growth will occur, so as to create prosperity.

Islam encourages its followers to seek halal sustenance and blessings in the framework of worshiping Allah SWT, both in the real and monetary sectors. As Yusuf Al-Qaradawy said, which was quoted by Jusmaliani that every effort made by a Muslim for his world life on the other hand is final. Islam encourages every deed to produce certain products or services that benefit humanity, or that bring prosperity and shared prosperity.

If this phenomenon is related to conventional economic theory, it is assumed that the fundamental problem in the economy is due to unlimited human needs, while the tools to satisfy needs are very limited or termed, "Fundamental economic problems", namely the occurrence of scarcity. However, this assumption does not fully apply in Islam. Islam views, not a means of satisfying limited needs, but greedy and greedy humans. That is why Hendri Tanjung in his presentation explained that economic problems arise not because of limited resources, but because of human greed. Then he strengthened his opinion by quoting the word of God as a truth in surah al-Qamar verse 49,

إِنَّا كُلَّ شَيْءٍ خَلَقْنَاهُ بِقَدَرِ Verily all things have We created in proportion and measure. (QS. Al-Qamar (54) : 49)

The point is that Islam regulates the problem of production by stating that the earth and all its contents are created for the benefit of humans. That is, humans are required to manage all the resources that have been created by God. However, there is one condition, which is not to cause damage on the face of the earth. That is why many verses have been found stating the

prohibition on actions which can cause damage to the earth. This shows how important production behavior does not cause damage to the earth. In other words it is important to know, study and understand the concept of production in Islam.

Based on the problem of scarcity, greed, and destruction of nature, then Islam is present as a solution, so this paper will explain the concept of production and its purpose in Islam.

#### LITERATURE REVIEW

The word "production" has become Indonesian after being absorbed into economic thought in conjunction with the word "distribution" and "consumption". According to Kamus Besar Bahasa Indonesia (The Dictionary of Standard Language of Indonesia), production is defined as the process to produce results or earnings. In "English – Indonesia Dictionary" arranged by Echols and Sadily, the word "production" is linguistically stated as manufacture. Then Lipsey defined it as an action in making commodities, goods or services.

In conventional theory, Karim mentions production theory aimed at providing an understanding of the behavior of companies in buying and using inputs for production and selling outputs or products. Further mentioned the production theory also provides an explanation of the behavior of producers in maximizing their profits and optimizing their production efficiency.

Pracoyo (2006) define production as a process of changing the combination of various inputs into output. The definition of production is not only limited to the manufacturing process, but also as storage, distribution, transportation, packaging back to marketing. The term production applies to goods and services. Each producer in carrying out production activities is assumed with the aim of maximizing profits. The main problem faced by producers in conducting production activities is what output must be produced and how to combine various inputs (production factors) to produce output efficiently.

From the above definition could be pointed that production is an activity that is not only oriented to goods and services, but a process of changing input combinations into output. Which focuses on achieving maximum profits.

Production does not mean physically creating something that does not exist, because no one can create things. In the sense of an economist, what humans can do is to make things useful called 'produced'. Economists define production as generating wealth through human exploitation of sources of environmental wealth, or conventionally, production is the process of generating or adding value to the use of goods or services by using existing resources.

In Islam, according to Abidin, the production terminology was not found in texts, both the Qur'an and Hadith. However, there are two terminologies that can be used to explain the meaning of this production, namely "*al-kasab*" or "*al-intaj*". Dr. Muhammad Rawwas Qalahji gives the equivalent of the word "production" in Arabic with the word *al-intaj* which is interpreted as *ijadu sil'atin* (manifesting or doing something). The same thing was also explained by Dr. Abdurrahman Yusro Ahmad in his book *Muqaddimah fi'llm al-lqtishad al-Islamiy*. Abdurrahman further explained that in carrying out the production process, the main measure is the utility value taken from the production. Production in his view must refer to the utility value and is still in the frame of halal value and does not endanger a person or a group of people.

According to Al-Syaibani as quoted by Arifin that the productive business (*al iktisab*) is an effort to produce wealth through means that are permissible for the Shari'a (halal). Indirectly this understanding has provided a boundary between Islamic production theories and conventional production theories that are free of values and norms. Whereas in Islamic economics, value is a key that cannot be negotiable, because Islam itself is a source of value in all aspects of life, including the economy. So the value of Islamic Shari'a becomes a spirit in the epistemology of Islamic economics.

The production of an item or service, as stated in economics, is done because the goods or services have a utility (use value). Islam views that an item or service has use value if and only if it contains benefits. As explained by Imam Asy-Syatibi, benefit is only achieved by maintaining the five basic elements of life, namely religion, soul, mind, lineage and wealth. Thus, a Muslim is motivated to produce every item or service that has that problem. This means that the concept of maslahat is an objective concept of producer behavior, because it is determined by the goal (*maqashid*) of shari'ah, which is to safeguard human benefit in the world and the hereafter.

Production as defined by Muhammad Abdul Mun'im 'Afar and Muhammad bin Sa'id bin Naji Al Ghamidi is any form of activity carried out by humans to realize benefits or add it by exploring the economic resources provided by Allah *Subhanahu wa Ta'ala*, so that become a problem to meet human needs.

Thus it can be concluded that production in Islamic definition is different from conventional production. Islamic production emphasizes efficiency optimization and profit optimization. It is clear that Islamic production is not merely seeking profit (*profit eriented*), but to (*ibadah oriented*) so that whatever goods are produced then an Islamic producer will emphasize ethics in production.

The production ethics referred to is by not using commodities that can only be used for things that are forbidden, or the majority of those items are used to sin, even though a small portion of these commodities can be used for things that are permitted. Because, a small part and this rare thing cannot be used as a basis for a law. For example cannabis production, narcotics and other illegal drugs. According to Qardhawi, if a production can be used to do good and bad at the same time, such as a 'you can see' clothes worn by women at home to entertain husbands and not halal worn outside the home, then it is not prohibited.

Among the products that are strictly forbidden from circulation in Islam are products that damage human faith, ethics and morals, such as products related to pornography and sadism, both in opera, film, music, print or electronic media. Because the negative effects of products like this are more dangerous than marijuana and narcotics, even though victims who fall due to narcotics are very visible. Because pornography and sadism damage the soul, while marijuana and narcotics are dangers that are always monitored and monitored, while pornography and sadism circulate freely.

Such things will make production in line with the goals of Islamic production itself. Because according to Imam As Syaibani the main goal of productive business is not just to gain profits and market products to consumers. These objectives are only short-term, worldly goals. There is a long-term goal to be addressed from production activities, namely for the purpose of *ukhrawi*, recalling the main purpose of creating jinn and humans is to worship Allah and not associate with anything. And all our activities are inseparable from this central theme, which is to refer to God.

### Activities and Principles of Production in Al-Quran

In Islamic teachings found a number of verses of the Qur'an and hadith, either implicitly or explicitly explained the importance of production activities for the benefit of humans, both felt individually or in society. Among the verses and hadith are:

### Surah Hud (11) verse 37

وَاصْنَعِ الْفُلْكَ بِأَعْيُنِنَا وَوَحْنِنَا وَلا تُخَاطِبْنِي فِي الَّذِينَ ظَلَمُوا إِنَّهُمْ مُغْرَقُونَ "But construct an Ark under Our eyes and Our inspiration and address Me no (further) on behalf of those who are in sin: for they are about to be overwhelmed (in the Flood)." (QS Hud: 37)

In the commentary as-Sa'di mentioned "*But construct an Ark under Our eyes and Our inspiration*" That is, under our supervision, our care, and the pleasure of us.

This verse gives an example of a command from Allah to make a boat which will later be used by Noah and his faithful people to sail. God's command to Noah to make a boat under his supervision. Making a boat is included in the category of the production process because it manages natural resources (SDA) that have been provided on this earth to become goods that provide benefits or added value. Initially it was still in the form of a board or beam, but when it was processed and combined, it formed a ship that could sail and save Noah and his ummah from the adoration of Allah.

Another lesson is the purpose of making the boat is not just sailing, but to save Noah and his ummah from disaster. So not only short-term goals that must be achieved but also for the long term. In its economic context, according to Al-Syaibani, as quoted by Abidin, the main purpose of productive business is not just to gain profits and market products to be consumed by the public so that there will be an increase in physical well-being. This goal is a short-term, worldly goal. But it is more than just a short goal, which must be worth the hereafter, worth worship as the main purpose of the creation of human beings is to worship Allah Almighty Wa Jalla solely.

### Surah Al-Anbiya (21) verse 80

وَ عَلَّمْنَاهُ صَنْعَةَ لَبُوسٍ لَكُمْ لِتُحْصِنَكُمْ مِنْ بَأُسِكُمْ فَهَلْ أَنْتُمْ شَاكِرُونَ It was We Who taught him the making of coats of mail for your benefit to guard you from each others violence: will ye then be grateful? (QS. Al-Anbiya : 80)

Allah Azza Wa Jalla taught the Prophet David how to make armor. This is according to surah Saba verse 11, (*Commanding*) "Make thou coats of mail balancing well the rings of chain armor and work ye righteousness; for be sure I see (clearly) all that ye do." That is, make a plate that is not too large so that it does not scrape the connecting nails, and make flexible nails to strengthen the plates. Therefore Allah Ta'ala said "benefit to guard you from each others violence: will ye then be grateful?" for the various blessings of Allah bestowed upon you. For He taught David the making of armor, so teach that method to others.

From this verse it can be concluded that the knowledge of making direct armor was taught by Allah Ta'ala to the Prophet David. This production process is directly taught by God as the owner of the knowledge of the Knower. The purpose of the production of armor in this verse as a protector when war occurs (used in the context of jihad fi sabilillah), then the Prophet David was instructed to thank God for teaching the science of making armor and then teaching to others.

### Surat Al-Qashshash (28) verse 38

وَقَالَ فِرْعَوْنُ يَا أَيُّهَا الْمَلا مَا عَلِمْتُ لَكُمْ مِنْ إِلَهٍ غَيْرِي فَأَوْقِدْ لِي يَا هَامَانُ عَلَى الطِّينِ فَاجْعَلْ لِي صَرْحًا لَعَلِّي أَطَّلِعُ إِلَى إِلَهِ مُوسَى وَإِنِّي لأَظُنُّهُ مِنَ الْكَاذِبِينَ

Pharaoh said: "O Chiefs! no god do I know for you but myself: therefore O Haman! light me a (kiln to bake bricks) out of clay and build me a lofty palace that I may mount up to the god of Moses: but as far as I am concerned I think (Moses) is a liar!" (QS Al-Qashas : 38)

Pharaoh told his prime minister, Haman, to make him a tall tower. Haman built a tower that had never existed like a building that high. Pharaoh wanted to show Moses' lies to his people who said there was a God other than himself.

From this verse it can be concluded that the way to make bricks has been around since the time of Prophet Moses a. Then the first tall tower built was a tower made by Haman for Pharaoh which was used to see the Lord Moses in the sky. This is a motive for production which is contrary to God's law.

### Surah Al-Hadid (57) verse 25

وَأَنْزَلْنَا الْحَدِيدَ فِيهِ بَأُسٌ شَدِيدٌ وَمَنَافِعُ لِلنَّاسِ وَلِيَعْلَمَ اللَّهُ مَنْ يَتُصُرُ هُ وَرُسُلَهُ بِالْغَيْبِ إِنَّ اللَّهَ قَوِيِّ عَزِيزً We sent aforetime our apostles with Clear Signs and sent down with them the Book and the Balance (of Right and Wrong) that men may stand forth in justice; and We sent down Iron in which is (material for) mighty war as well as many benefits for mankind that Allah may test who it is that will help unseen Him and His apostles; for Allah is Full of Strength exalted in Might (and able to enforce His will). (QS Al-Hadid : 25)

Allah Azza Wa Jalla has made iron to frighten people who reject the truth and oppose it, after the evidence is presented to him. That is why the Prophet sallallaahu 'alaihi wasallam settled in the city of Mecca after 13 years of prophethood, which had been revealed to him Makkiyah suras, all of which were arguments against idolaters, enlightenment and explanation of tawhid. After the jury is upright in front of the opposing people, Allah commands the hijrah and instructs him to fight with the sword, decapitate the neck and head of anyone who opposes, denies and defies the Qur'an. That is why Allah says, *"The one with great strength*", what is meant is weaponry, such as swords, spears, javelins, armor and so on. *"And various benefits for humans*" that are useful for their lives, such as plows, axes, pickaxes, saws and tools for weaving, farming, cooking, making bread, and all human life will not be directed except by using the tool.

From this verse it is discussed about God creating iron which is very useful for humans, which from iron can be used to make war equipment such as swords, spears, javelins and so on. In this case, iron can be used to make production equipment such as agricultural equipment and household furniture, all of which are very helpful in the process of processing raw materials into finished materials (production processes). And this iron material is also used to fight for the religion of God.

#### Principles of Production Activities Tauhid Principle (at-Tawhid)

Islamic economics is an economy based on divinity. It has a starting point from God and has a final goal in God. This economic goal helps humans worship their God. The Godhead principle

makes a Muslim not take things that are not his property and will not eat property that is not his right. This is because there is always a feeling of being watched (*dhamir*).

The principle of tauhid is the fundamental principle of Islam. This principle says that producers carry out their activities because of their submission to Allah SWT and are motivated to worship Him. Based on this principle, Allah SWT has set limits, rules, and laws for production activities carried out by humans, affirming their obligations to Allah SWT, to fellow humans, and the universe. Based on this principle, humans are freed from materialistic fetters even though they are absolutely not rejected.

The principle of tauhid places the highest position in the manifestation of submission to the khalik, so that production activities are a manifestation of human submission to its creator. Every economic actor wants to carry out production activities so it is appropriate that he refers to the principle of tauhid, so that his actions do not bring harm.

Production activities are manifestations of submission to Allah as The Creator. The implementation of the principle of monotheism in production activities is realized from the production of halal and good products. By paying attention to ethics in production, discussed sources of capital obtained from halal, not sourced from illegitimate ones such as ribawi processes, *gharar, maisir*, or *riswah*. Not only in terms of input, production activities are carried out in a way that symbolizes submission to the khalik as is done by employees in payment of wages and intensive, giving the company rights fairly and proportionally. In terms of output, besides providing benefits (benefits) for users of goods and services, they can also support the nobility of human existence and build human civilization. As a result of motivation to worship, profit maximization is only the sole purpose of production activities.

# Humanity Principle (al-Insaniyyah)

The principle of humanity, first is the obligation of humans to worship Allah SWT and prosper the earth (Q.S. Hud (11) : 61)

وَإِلَى ثَمُودَ أَخَاهُمْ صَالِحًا قَالَ يَا قَوْمِ اعْبُدُوا اللَّهَ مَا لَكُمْ مِنْ إِلَهٍ غَيْرُهُ هُوَ أَنْشَأَكُمْ مِنَ الأَرْضِ . وَاسْتَعْمَرَ كُمْ فِيهَا فَاسْتَغْفِرُ وهُ ثُمَّ تُوبُوا إِلَيْهِ إِنَّ رَبِّي قَرِيبٌ مُجِيبٌ

To the Thamud People (We sent) Salih one of their own brethren. He said: "O my people! worship Allah: ye have no other god but Him. It is He Who hath produced you from the earth and settled you therein: then ask forgiveness of Him and turn to Him (in repentance): for my Lord in (always) near ready to answer." (QS. Hud: 61)

Secondly, there are differences between humans abilities, where differences become a test of increasing community capacity. Based on this principle, production activities are not solely economic activities but also a form of human service to the Creator and the relationship between humans and nature. Humans also have an obligation to help each other. In addition, Islam is a universal religion that is revealed to enhance human welfare and save his life in the world and in the hereafter.

In production activities, humanitarian principles are widely implemented, where all humans have the right to actualize their productive abilities to increase their welfare capacity. This is because humans have specific needs, become managers and beneficiaries of economic resources, and are able to engineer social justice for community members.

The implementation of humanitarian principles includes:

- A) Production activities are directed at improving human well-being, not just some people.
- B) Management and utilization of economic resources are the rights of all humans whose implementation can be prepared by public or state policies.
- C) Production activities are manifestations of submission to Allah, as a way worshipping Him.
- D) Increasing the welfare of individuals and the community becomes the goal of humanitarian-based production activities.

### Equity Principle (al-'Adl)

This principle affirms that being fair with anyone will increase production capacity and quality of life for humans. This principle, for example in the letter Al-Maidah verse 8, the word *'adl* is an attitude that is close to piety.

The principle of justice is the implementation of human relations based on belief in God. Because humans are created based on rights, obligations and responsibilities, the principle of justice seeks justice in all life contexts, besides justice or balance is the character of the universe and human character that is implemented in his life. One form of distributing wealth (Zakat), optimizing the supply of labor, paying attention to the rights of workers and companies, setting production prices in accordance with the ability of consumers. In activities in the Islamic world of work requires to do justice and it is no exception to those who are not liked (QS Al-Maidah: 8)

يَا أَيُّهَا الَّذِينَ آمَنُوا كُونُوا قَوَّامِينَ لِلَّهِ شُهَدَاءَ بِالْقِسْطِ وَلا يَجْرِمَنَّكُمْ شَنَأَنُ قَوْمٍ عَلَى أَلا تَعْدِلُوا اعْدِلُوا هُوَ أَقْرَبُ لِلَتَّقُوبَوَاتَقُوا اللَّهَ إِنَّ اللَّهَ خَبِيرٌ بِمَا تَعْمَلُونَ

O ye who believe! stand out firmly for Allah as witnesses to fair dealing and let not the hatred of others to you make you swerve to wrong and depart from justice. Be just: that is next to Piety: and fear Allah for Allah is well-acquainted with all that ye do. (QS Al-Maidah : 8)

Implementation of the principle of justice can increase production capacity with the aim of increasing the volume of human welfare in general. In the concept of Islamic production, the form of justice is distributive which has two meanings. First, the parties involved get the portion of welfare in accordance with the input given proportionally. Second, the rights of the community and consumers as production stakeholders must be met by producers.

The first definition relates to employee relations and the owner of the means of production. The concept of Islamic production explains the relationship with a fair scheme. For example in shifting, working hours and intensive arrangements and workers' social security. Implementation is also not only for humans but also for the exploitation of the natural environment. Proportional and efficient exploration of natural resources is a manifestation of fairness in preserving the natural environment. The continuity of sustainable production is related to the extent to which this principle of justice is implemented.

An understanding of the development and implementation of the principle of justice produces a production value system that has high social implications for people's lives, economic growth, and economic independence. The implementation includes:

- A) Production activities aim to initiate economic resource equality (SDE) to realize economic independence.
- B) Production activities are the foundation for improving the welfare of the community through the output and distribution of profits that it produces.
- C) Production activities initiate environmental sustainability efforts.

- D) Manufacturers pay attention to the level of welfare of their employees proportionally.
- E) Producers pay attention to the needs and interests of the community by being involved in community empowerment programs.
- F) Control and problem solving in production involves management in decision making.

### **Benefaction Principle (al-Maslahah)**

This principle confirms the understanding that humans must do as much virtue as possible in their lives. This principle has vertical and horizontal implications. In the vertical dimension, this principle is God's command and every virtue will be rewarded. While the horizontal dimensions of goodness are done to fellow humans and their natural environment.

In the principle of benefaction, there is a principle that by managing (SDE), in fact humans have actualized their goodness as servants of Allah and His caliphs that are actualizing their natural potential optimally to put their functions in the world and glorify the commands of Allah SWT. Based on this, searching for world livelihoods through production activities and doing good to other human beings is a command and obligation of humans.

In general, this principle is the basis of production activities in Islam, namely increasing the quality of human life collectively. Islam attracts production activities not only in the economic sphere, but also has broad implications in society and the state. Benefaction becomes a general parameter when producers implement their production activities, the obligation to pay zakat and issue alms.

In applying the principle of virtue in this production. Manufacturers cannot arbitrarily exploit and explore natural resources, unless accompanied by maintenance measures and because production activities are related to people's lives, developing the principle of virtue becomes the main mission so that the implications can be felt by the community. Therefore it is a virtue for humans to optimize their thinking and reasoning to develop efficient and balanced methods of exploration, distribution and production output.

Implementation of the principle of virtue in production activities has these following consequences:

- A) Producers only produce goods and services that are lawful and do not damage the nobility of human dignity.
- B) Producers pay great attention to production stakeholders, especially the surrounding community in the form of social responsibility.
- C) Producers are required to maintain natural resources and other economic resources. In order to stabilize production activities on an ongoing basis. Manufacturers treat their employees proportionally and accountably to improve their performance and productivity through the implementation of positive values in the corporate culture.

#### Independence Principle (al-Hurriyah) and Responsibility (al-Fardh)

Islam recognizes and respects human freedom because the creation of humans has a clear purpose (QS Ali Imran 190-191) that is, not submit to anything but Allah (Lukman : 32)

وَإِذَا غَشِيَهُمْ مَوْجٌ كَالظُّلَلِ دَعَوُا اللَّهَ مُخْلِصِينَ لَهُ الدِّينَ فَلَمَّا نَجَاهُمْ إِلَى الْبَرِ فَمِنْهُمْ مُقْتَصِدٌ وَمَا يَجْحَدُ بِآيَاتِنَا إِلا كُلُّ خَتَّار كَفُور

When a wave covers them like the canopy (of clouds) they call to Allah offering Him sincere devotion. But when He has delivered them safely to land there are among them those that halt between (right and wrong). But none reject Our Signs except only a perfidious ungrateful (wretch)! (QS. Luqman : 32) In production activities, the principle of freedom and responsibility is inherent. Production activities take advantage, explore, and manage SDE along with damaging and responsible prohibitions to preserve it. This indicates that the principle of freedom and responsibility is meaningful to become a human being, so that every human free action must have moral and psychological implications, namely responsibility to self, society and Allah.

وَانْكُرُوا إِذْ جَعَلَكُمْ خُلَفَاءَ مِنْ بَعْدِ عَادٍ وَبَوَّأَكُمْ فِي الأَرْضِ تَتَّخِذُونَ مِنْ سُهُولِهَا قُصُورًا وَتَنْحِتُونَ الْجِبَالَ بُيُوتًا فَانْكُرُوا آلاءَ اللَّهِ وَلا تَعْتَوْا فِي الأَرْضِ مُفْسِدِينَ

"And remember how He made you inheritors after the Ad people and gave you habitations in the land: ye build for yourselves palaces and castles in (open) plains and carve out homes in the mountains; so bring to remembrance the benefits (ye have received) from Allah and refrain from evil and mischief on the earth." (QS Al-A'raf: 74)

This concept frees mankind from servitude to other than Allah which can make him trapped in the entanglement of the lusts he commands. Every human being is granted the freedom to do production accompanied by the responsibility to carry out production well and distribute property. The principle of responsibility is a variant that limits human freedom so that it is not arbitrary. With this principle, humans must be responsible for their actions as a consequence of their mission as *caliph fi al-ard's* mission.

The implementation of the independences principles and responsibility includes:

- A) Every human being is given the freedom by Allah to actualize various ways of living according to his nature but in each free choice will be held accountable in the last day.
- B) Every producer is given the freedom to carry out production activities along with responsibilities to maintain the overall human dignity, religious values and environmental preservation. The implication is that every production activity must have a positive influence on survival, economic growth, and general welfare improvement.
- C) The responsibility of producers is a logical consequence of their freedom to develop their production capacity. Responsibility has an eschatological meaning, namely the responsibility before Allah even though its implementation relates to fellow human beings and their environment.

The principles of production ethics are imperative because they demand enforcement in production activities. The implementation of this principle has a real influence on the mechanism and performance of the production sector in order to achieve its objectives, the welfare of human life.

### METHODOLOGY

The approach used in this study is a qualitative approach with a method in the form of descriptive analysis. The use of qualitative approaches is deemed appropriate in reviewing this research because it aims to understand the concept of production in Islam. This type of data consists of general words and cases, written data sources, and analysis is qualitative research. The Qur'an and the hadith and some concepts regarding production in Islam are the main data sources. In this study, described how the production concept is in accordance with Islamic teachings.

The data obtained from this study will then be analyzed using qualitative descriptive data analysis, which provides an interpretation of the data obtained rationally, the objectives are arranged, sorted and grouped by giving the code and categorizing. Then describe the

relationship between variables one with the other variables studied in order to be able to describe certain phenomena in concrete and detailed. (Moleong, 2012: 190).

## RESULTS

#### **Implementation of Islamic Production Activity**

In Islamic production activities, the target is not only oriented to profit, but also to society and Allah. For example, increasing the intensity of zakat, alms, infaq or Corporate Social Responsibility (CSR) funds, which are believed to bring good luck to their business. The first step to link Islamic values and production activities is to incorporate moral principles. The minimum target in ethical enforcement in production is that producers implement positive values, so that production activities run in the right corridors. There are two components that producers try to achieve in Islam. First, the benefits of production goods (physical and non-physical). Second, the blessing of the goods produced. Manufacturers in Islam are prohibited from exploiting labor and are obliged to fulfill workers' rights. In this case the sharia governs the problem, the producers are prohibited from making efficient production costs by reducing wages. By not doing so, it means that producers issue higher wages. The benefits to be gained are not merely financial benefits but the emergence of productivity, maintaining ethos, and labor loyalty. Besides that, consumer appreciation arises to the company so that a positive image of the company can be developed. In this section we will present a model for implementing the principles of production activities.

### Implementation of Tauhid Principle

This has become the basis for economic actors in carrying out Islamic production activities. Where producers avoid themselves from business contrary to the Shari'a so that the wages in doing production are based on seeking Allah's pleasure. From the input side, the producer will look for halal sources of capital, he will avoid the acquisition of sources of capital originating from gharar, riba or maisir. He will not do the proselytizing to establish business cooperation. Specifically, the implementation of the principle of monotheism can be done through: (a) Producers not only seek profit but also gain profit from worship, provide benefits to others, and actualize their abilities as servants of Allah; (b) Motivation for worship provides as much benefits to consumers.

In the Islamic production system, monotheistic awareness becomes an ontological basis for directing economic activity to its original purpose, namely the welfare of human life. People will not accumulate wealth and he believes the absolute owner of property belongs to Allah. Humans are only given the mandate to manage these assets well. Specifically, implementation, the principle of tauhid in production activities is carried out by: (1) Producing goods and services that are halal and good; (2) Develop good corporate governance to produce healthy business growth and sustainability; (3) Carry out the mechanism of production with the principle of effective and efficient, through business feasibility analysis, risk management, business analysis and so on; (4) Paying zakat, alms and infaq (ZIS) both by producers and employees at various levels; (5) Carry out CSR programs and other humanitarian programs that are useful for stakeholders of the company including the surrounding community; (6) Treating employees and other stakeholders fairly and proportionally.

### **Implementation of Humanity Principle**

The implementation of humanitarian principles affirms human relations based on a framework of needs and social justice. The production sector in this case is directed to meet the needs of tiered people regardless of ethnicity, religion, race and class and nation. A Muslim producer in the field of goods or services is obliged to fulfill basic needs in his environment. The enactment of humanitarian principles gives rise to the following consequences: (a) Providing broad opportunities for every human being to actualize his economic abilities; (b) A producer produces goods and services based on the category of human needs to facilitate life in the world; (c) Maximizing profits must be accompanied by efforts to maximize social returns, especially for groups in need; (d) Prohibition of producing goods and services that cause harm, haram and destroy the overall dignity of human beings; (e) Maintaining brotherly brotherhood; (f) The principle of humanity is the goal of production activities, to glorify human dignity and values as servants of Allah.

# Implementation of Equity Principle

The implementation equity principle in production activities means to uphold the rights, obligations and responsibilities of every human being in accordance with their respective capacities.

The implementation of the equity principle is realized by: (a) fulfilling workers' rights in accordance with their capacities, while taking into account the overall human dignity; (b) Paying (ZIS) and CSR for disadvantaged groups; (c) Implement profit sharing mechanisms (*mudharabah* and *musyarakah*) in the capital transaction and funding system; (d) Carry out conservation and preservation of natural resources; (e) Engineering the dull-employment production sector to alleviate unemployment and poverty.

The principle of justice in Islam is universal, so that it can be implemented by mankind. The interest of Islam to eliminate interest transactions is a manifestation of the principle of justice. Because riba (usury) is very detrimental to humanity, exploiting workers with the principle of justice, the usury system must be eliminated.

# Implementation of Benefaction Principle

In production activities, the implementation of a comprehensive policy touches all elements and levels of every human being. A manager can arrange strategic policies in improving the quality of HR in the company through training activities, opening libraries, or transforming knowledge in accordance with their fields. *Top management* can formulate a human culture that is humanist, responsible, or consumer focus to improve the performance of its subordinates. All nuances of virtue, so the principle of virtue opens the door to intensive and transparent cooperation and coordination to overcome problems.

Producers carry out their production activities with virtues starting from the management of capital, processes and production results. The virtues carried out provide many benefits for all parties involved. In terms of capital, producers only manage the sources of capital that are halal and good, so as to bring benefits to all parties involved, namely Sohibul Mall (Journalist) and Mudarib (excess assets). In terms of the process, respect for performance, employees, management and transparent and neat, how to make decisions (problem solving), strategically develop businesses, how to respond to competitors, and exploration of resources carried out with an effective and efficient scheme. While in terms of output and distribution of wealth tend to pay attention to the halal and goodness of consumers and the general public, so that all parties feel all the benefits of their business existence.

# Implementation of Independence Principle

Implementation of independence and responsibility principle includes: (a) Producers are free to own assets by increasing their production capacity accompanied by the responsibility to pay ZIS and maintain environmental preservation; (b) Producers are free to strive to increase the value of their wealth accompanied by the responsibility to utilize and invest their assets in the mechanism of halal transactions; (c) Producers are free to develop their business accompanied

by an obligation to pay attention to the welfare of employees, gradually increase their capabilities and empower the surrounding community with economic strategic programs; (d) Producers are free to apply their business capabilities along with responsibilities to improve economic growth, equity in wealth, alleviate poverty and provide employment for the community.

#### CONCLUSION

There are some points that can be concluded according to the explanation above:

- 1. Production in Islam refers to the human efforts to generate their wealth by exploitation of resources that has been created by Allah and by following the rules that has been permitted by Islam (*halal*).
- 2. Production in Islam is not only about getting profit or personal gain but also having social and *ubudiah* mission to be closer to Allah. As an example; Allah teaches how to make armor for struggling *fii sabilillah's* need.
- 3. Islam guides the production activities must be based on ethics principles. Production process in Islam has to do in *halal* way. Islam forbids producing *haram* goods and services because it can give bad impacts to human. Thus, a Moslem producer do not only orientate for their life but also for their afterlife in doing production activities. They are not only looking for profit but also seeking for bless and *halal* wealth in it.
- 4. There are five principles that should be followed by producer; *Tauhid* principle, humanity principle (*Al- Insaniyah*), equity principle (*Al- Adl*), benefaction principle (*Al- Maslahah*) and independence (*Al- Huriyah*) and responsibility principles (*Al- Fardh*).

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