

**THE THOUGHT OF MONZER KAHF ABOUT THE PRINCIPLE OF
SOCIO-ECONOMIC JUSTICE IN ZAKAH**

THESIS

By:

Nurdian Rahmawati Ramadhani

NIM 13220172



SHARIA BUSINESS LAW DEPARTMENT

SHARIA FACULTY

UNIVERSITAS ISLAM NEGERI MAULANA MALIK IBRAHIM

MALANG

2017

**THE THOUGHT OF MONZER KAHF ABOUT THE PRINCIPLE OF
SOCIO-ECONOMIC JUSTICE IN ZAKAH**

THESIS

By:

Nurdian Rahmawati Ramadhani

NIM 13220172



SHARIA BUSINESS LAW DEPARTMENT

SHARIA FACULTY

UNIVERSITAS ISLAM NEGERI MAULANA MALIK IBRAHIM

MALANG

2017

MOTTO

خير الناس أحسنهم خلقا و أنفعهم للناس

Sebaik-baik manusia yaitu mereka yang berbudi pekerti yang baik dan bermanfaat
bagi manusia lainnya

A minute of thought is greater than an hour of talk

John C. Maxwell

STATEMENT OF THE AUNTENTICITY

In the name of Allah,

With consciousness and responsibility towards the development of science, the author declares that the thesis entitled:

THE THOUGHT OF MONZER KAHF ABOUT THE PRINCIPLE OF SOCIO-ECONOMIC JUSTICE IN ZAKAH

is truly the author's original work. It does not incorporate any material previously written or published by another person. If it is proven to be another person's work, duplication, plagiarism, this thesis and degree as the result of this action will be deemed legally invalid.

Malang, 7 June 2017

Author,



Mutiqian Rahmawati Ramadhani

NIM 13220172

APPROVAL SHEET

After examining and verifying the thesis of Nurdian Rahmawati
Ramadhani, NIM 13220172, Sharia Business Department of The Sharia Faculty
of State Islamic University Maulana Malik Ibrahim Malang entitled:

THE THOUGHT OF MONZER KAHF ABOUT THE PRINCIPLE OF SOCIO-ECONOMIC JUSTICE IN ZAKAH

The supervisor states that this thesis has met the scientific requirements to be
proposed and to be tested by the Thesis Board of Examiners

Acknowledged by,
The Head of Sharia Business Law Department

Malang, 7 June 2017
Supervisor,



Dr. M. Mohamad Nur Yasin, S.H., M.Ag.
NIP 196910241995031003

Dr. Burhanuddin Susanto, S.H., M.Hum
NIP 197801302009121002



**MINISTER OF RELIGIOUS AFFAIRS
MAULANA MALIK IBRAHIM
STATE ISLAMIC UNIVERSITY OF MALANG
SHARIA FACULTY**

Accredited "A" SK BAN-PT Depdiknas Nomor: 013/BAN
PT/AkX/S1/VI/2007

St. Gajayana 50 Malang. Phone (0341) 551354 Fax. (0341)
572533

CONSULTATION PROOF

Name : Nurdian Rahmawati Ramadhani
Student ID Number : 13220172
Supervisor : Dr. Burhanuddin Susanto, S.H.I. M.Hum.
Department : Sharia Business Law
Thesis Title : The Thought of Monzer Kahf About The Principle
of Socio-Economic Justice in Zakah

No	Day and Date	Subject	Signature
1	Tuesday, 21 February 2017	Proposal Review	1.
2	Wednesday, 1 March 2017	Chapter I	2.
3	Wednesday, 26 April 2017	Chapter I and Chapter II	3.
4	Wednesday, 10 May 2017	Chapter 1 And Chapter II	4.
5	Wednesday, 17 May 2017	Chapter 1 And Chapter II	5.
6	Wednesday, 7 June 2017	Review All Chapters	6.

Malang, 7 June 2017

Acknowledged by,

The Head of Sharia Business Law
Department



Dr. H. Mohamad Nur Yasin, S.H., M.Ag.
NIP. 196910241995031003

LEGITIMATION SHEET

The thesis Board of Examiners states that Nurdian Rahmawati Ramadhani, NIM 13220172, student from Sharia Business Law Department of Sharia Faculty of Universitas Islam Negeri Maulana Malik Ibrahim Malang, her thesis entitled:

**THE THOUGHT OF MONZER KAHF ABOUT THE PRINCIPLE OF
SOCIO-ECONOMIC JUSTICE IN ZAKAH**

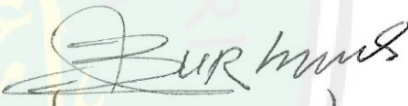
Has passed and certified with grade A (excellent).

Board of Examiners:

1. Dr. H. Nasrullah, Lc., M.Th.I.
NIP 198112232011011002


(Chairman)

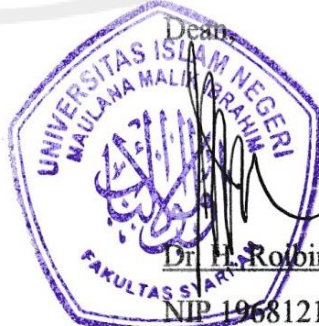
2. Dr. Burhanuddin Susanto, S.H.I. M.Hum.
NIP 197801302009121002


(Secretary)

3. Dra. Jundiani S.H., M.Hum
NIP 196509041999032001


(Main Examiner)

Malang, 13 July 2017


Dean
Dr. H. Robbin, M.HI.
NIP 196812181999031002

ACKNOWLEDGMENT

بسم الله الرحمن الرحيم

All praise due to Allah, The Lord of The Lord, The Master of The Day After. There is neither might nor power but with Allah the Great, the Exalted. With only His Grace and Guidance, this thesis entitled **“The Thought of Monzer Kahf About The Principle of Socio-Economic Justice in Zakah”** could be completed, and also with His benevolence and love, peace and tranquility of the soul. Peace be upon the Prophet Muhammad saw who had brought us from the darkness to the lightness, it is Islam.

With all supports and help, discussion, guidance and directions from all parties involved during the process of completing this thesis, the author wishes to express her gratitude to the following:

1. Prof. Mudjia Raharjo, M. Si, as the Rector of Universitas Islam Negeri Maulana Malik Ibrahim Malang.
2. Dr. H. Roibin, M.HI. as the Dean of Sharia Faculty of Universitas Islam Negeri Maulana Malik Ibrahim Malang.
3. Dr. H. Mohamad Nur Yasin, S.H., M.Ag., as the head of Sharia Business Law Department of Sharia Faculty.
4. Mr. Burhanuddin Susanto, S.HI. M.H., as the author’s supervisor also academic supervisor. The author expresses her gratitude for the guidance and directional motivation that given while completing this thesis. May Allah bless him and his family in everything.
5. Dr. H. Nasrullah, Lc.,M.Th.I., Dr. Burhanuddin Susanto, S.HI. M.Hum., and also Dra. Jundiani S.H., M.Hum, as the author’s board of examiners. The author expresses her gratitude for their advices and supervisory for making this research better.
6. All lecturers for their sincere and dedicated teaching and supervisory effort. May Allah bless them.
7. My beloved father Buhadi and my beloved mother Lamini, for their endless prayer, advice, support, and everlasting love.

8. All of International Class Program 2013 family, thanks for being my classmate and family during this 4 years, thanks for your support and togetherness, i wish we will always be solid and be one heart for several years.

Hopefully, by imparting what has been learned during the course of study in Sharia Faculty of Universitas Islam Negeri Maulana Malik Ibrahim Malang, it will benefit all readers and author herself. Realizing the fact that error and weakness are impartial to be human, and this thesis is far from perfection, the author appreciates constructive criticism and suggestion for the improvement and development of this thesis.

Malang, 7 June 2017

Author,

Nurdian Rahmawati Ramadhani
NIM 13220172

TRANSLITERATION GUIDENCE

A. General

The transliteration guide which is used by the Sharia Faculty of State Islamic University, Maulana Malik Ibrahim Malang, is the EYD plus. This usage is based on the Consensus Directive (SKB) from the Religious' Ministry, Education Ministry and Culture Ministry of the Republic of Indonesia, dated 22 January 1998, No. 158/1987 and 0543. b/U/1987, which is also found in the Arabic Transliteration Guide book, INIS Fellow 1992.

B. Consonants

ا = a	ض = dl
ب = b	ط = th
ت = t	ظ = dh
ث = ts	ع = ' (comma facing upwards)
ج = j	غ = gh
ح = h)	ف = f
خ = kh	ق = q
د = d	ك = k
ذ = dz	ل = l
ر = r	م = m

ز = z

ن = n

س = s

و = w

ش = sy

ه = h

ص = sh

ي = y

The hamzah (ء) which is usually represented by and *alif*, when it is at the begining of a word, henceforth it is transliterated following its vocal pronouncing and not represented in writing. However, when it is in the middle or end of a word, it is represented by a coma facing upwards ('), as oppose to a comma (,) which replaces the “ع”.

C. Long Vowel and Diftong

In every written Arabic text in the *latin* form, its vowels *fathah* is written with “a”, *kasrah* with “i”, and *dlommah* with “u”, whereas elongated vowels are written as such:

Elongated (a) vowel = â example قال becomes *qâla*

Elongated (i) vowel = î example قيل becomes *qîla*

Elongated (u) vowel = û example دون becomes *dûna*

Specially for the pronouncing of *ya' nisbat* (in association), it cannot represented by “i”, unless it is written as “iy” so as to represent the *ya' nisbat* at the end. The same goes for sound of a diftong, *wawu* and *ya'* after *fathah* it is written as “aw” da “ay”. Study the following examples:

Diftong (aw) = و example قول becomes *qawlun*

Diftong (ay) = ي example خير becomes *khayrun*

D. Ta' Marbûthah (ة)

Ta' marbûthah is transliterated as "t" if it is in the middle of word, but if it is *Ta' marbûthah* at the end, then it is transliterated as "h". For example: الرسالة للمدرسة will be *al-risalat li al-mudarrisah*, or if it happens to be in the middle of a phrase which constitutes *mudlaf and mudlafilayh*, then the transliteration will be using "t" which is enjoined with the previous word, for example فى رحمة الله becomes *fī rahmatillah*.

E. Definite Article

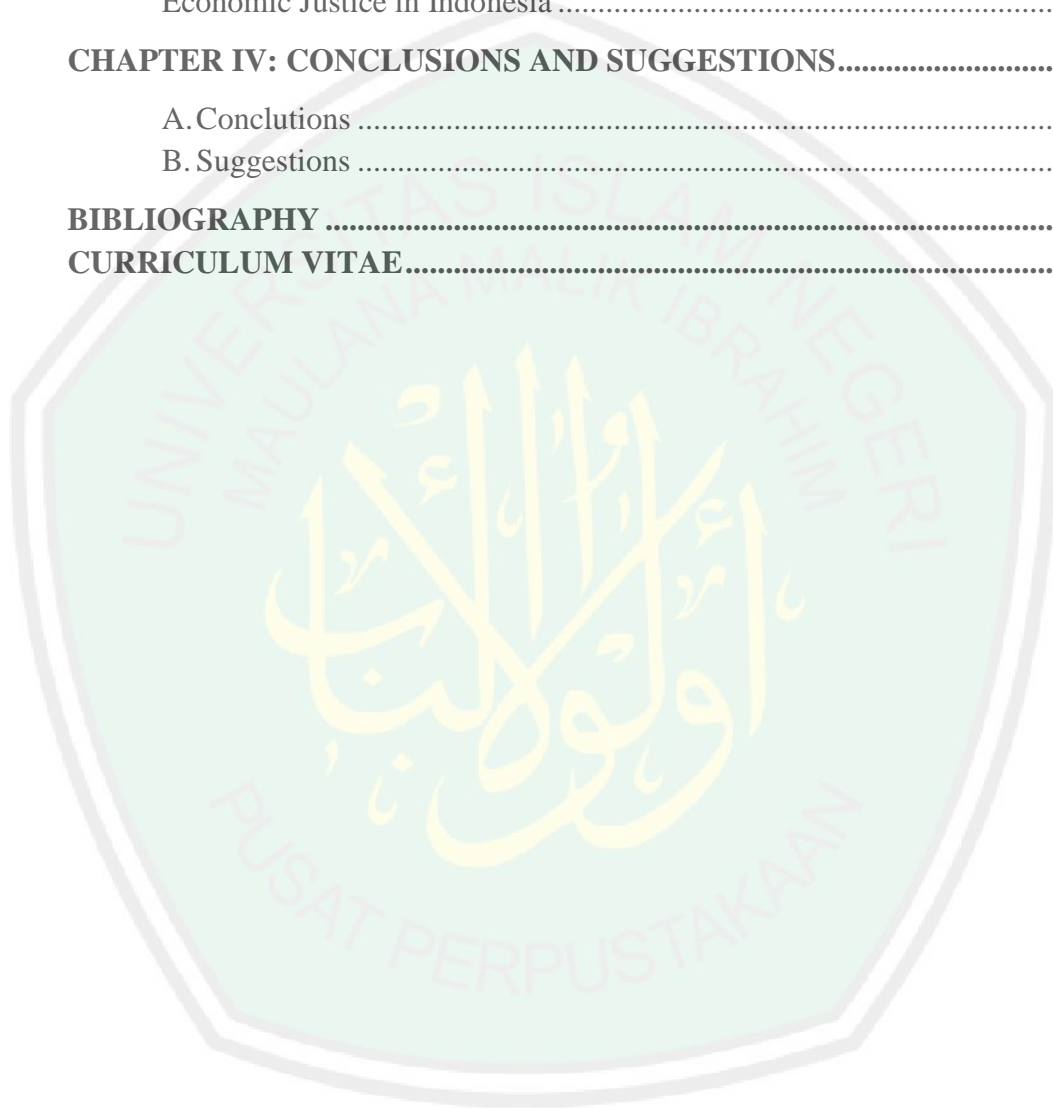
Arabic has only one article, "al" (ال) and it written in small letters, unless at the beginning of a word, while "al" in the phrase of *lafadh jalalah* (speaking of God) which is in the middle of a sentence and supported by and (*idhafah*), then it is not written. Study the following:

1. Al-Imâm al-Bukhâriy said ...
2. Al-Bukhâriy explains, in the prologue of his book ...
3. *Masyâ Allâh kâna wa mâ lam yasya' lam yakun.*

TABLE OF CONTENT

FRONT COVER	i
TITLE SHEET	ii
MOTTO	iii
STATEMENT OF THE AUTHENTICITY	iv
APPROVAL SHEET	v
CONSULTATION PROOF	vi
LEGITIMATION SHEET	vii
ACKNOWLEDGEMENT	viii
TRANSLITERATION GUIDENCE	x
TABLE OF CONTENT	xiii
ABSTRACT	xv
CHAPTER I: INTRODUCTION	1
A. Background of Research	1
B. Statement of Problem	6
C. Objective of Research	7
D. The Significance of Research	7
E. Conceptual Definition	8
F. Research Method	9
1. Kind of Research	9
2. Research Approach	10
3. Legal Sources	10
4. Methods of Legal Sources Collection	11
5. Legal Sources Processing	12
G. Previous Research	13
H. Discussion Structure	17
CHAPTER II: REVIEW OF RELATED LITERATURE	19
A. Monzer Kahf's Papers	19
B. Justice	24
1. Definition of Justice	24
2. The Legal Basis of Justice	27
3. The Kind of Justice	32
C. Socio-Economic Justice	37

CHAPTER III: FINDING AND DISCUSSION.....	41
A. The Monzer Kahf's Thought About Principle of Socio-Economic Justice in Zakah	41
B. The Relevance of Monzer Kahf's Thought About The Principle Of Socio-Economic Justice in Overcoming The Imbalance of Socio-Economic Justice in Indonesia	59
CHAPTER IV: CONCLUSIONS AND SUGGESTIONS.....	64
A. Conclutions	64
B. Suggestions	65
BIBLIOGRAPHY	66
CURRICULUM VITAE.....	71



ABSTRAK

Nurdian Rahmawati Ramadhani, NIM 13220172, 2017, *Pemikiran Monzer Kahf Tentang Prinsip Keadilan Sosial Ekonomi Dalam Zakat*, Skripsi, Jurusan Hukum Bisnis Syari'ah, Fakultas Syari'ah, Universitas Islam Negeri, Maulana Malik Ibrahim Malang.

Pembimbing: Dr. Burhanuddin Susanto S.H. M.Hum.

Kata Kunci: Pemikiran, Keadilan Sosial Ekonomi, Zakat

Zakat merupakan sebuah transfer pembayaran dari orang kaya terhadap orang miskin dengan tujuan untuk meredistribusikan kekayaan dan pendapatan. Kewajiban membayar zakat merupakan konsep dasar dari keadilan sosial dalam masyarakat Islam. Beberapa pandangan fiqh tradisional tentang zakat mungkin tidak lagi konsisten dari keadilan sosial dan ekonomi, dimana hal ini mengakibatkan semakin meluasnya kemiskinan yang ada.

Mengacu pada latar belakang di atas, terdapat dua rumusan masalah, yaitu; *pertama*, Bagaimana pemikiran Monzer Kahf tentang prinsip keadilan sosial ekonomi dalam zakat; *kedua*, Bagaimana relevansi pemikiran Monzer Kahf dalam mengatasi ketimpangan sosial dan ekonomi di Indonesia.

Penelitian ini termasuk jenis penelitian hukum normatif dengan menggunakan pendekatan konseptual. Bahan hukum yang digunakan adalah bahan hukum primer, bahan hukum sekunder, dan bahan hukum tersier. Metode pengumpulan bahan hukum menggunakan metode dokumentasi. Sedangkan tahapan pengolahan bahan hukum yang dilakukan pada penelitian ini yaitu *editing*, yaitu memeriksa kembali bahan hukum, *classifying*, yaitu pengelompokan bahan hukum yang diperoleh sesuai dengan rumusan masalah, *analyzing*, yaitu menganalisa bahan hukum yang telah dikelompokkan, dan *concluding*, yaitu menyimpulkan bahan hukum yang telah diolah.

Hasil penelitian ini disimpulkan sebagaimana berikut: (1) Zakat tidak harus dibatasi pada bentuk kekayaan dan pendapatan yang ada pada masa Rasulullah, dan cakupannya tidak harus dibatasi oleh konsep yang dipengaruhi oleh mode produksi di masa lalu. Oleh karena itu, fuqaha' diminta untuk mempertimbangkan kembali pandangan kontemporer mereka tentang bentuk-bentuk baru dari kekayaan dan pendapatan. Intervensi atau campur tangan negara memiliki pengaruh yang besar dalam distribusi pendapatan dan kekayaan (2) Ketimpangan sosial dan ekonomi yang terjadi di Indonesia dapat diatasi dengan mengimplementasikan distribusi pendapatan dan kekayaan melalui zakat. Negara harus mewajibkan pembayaran zakat tersebut.

ABSTRACT

Nurdian Rahmawati Ramadhani, NIM13220172, 2017, *The Thought of Monzer Kahf About The Principle of Socio-Economic Justice in Zakah*, Thesis, Sharia Business Law Departement, Sharia Faculty, Universitas Islam Negeri, Maulana Malik Ibrahim Malang.

Supervisor: Dr. Burhanuddin Susanto S.HI. M.Hum.

Key Words: Thought, Socio-Economic Justice, Zakah

Zakah is a transfer payment from the rich to the poor for the purpose of redistribution of wealth and income. The zakah obligation is fundamental to the concept of social justice in Islamic society. Some of traditional fiqh view of zakah may not be consistent from the point of social and economic justice which resulting in the widespread poverty.

Referring to the background of research above, there are two statement of problem; *first*, How is Monzer Kahf's thought about the principle of socio-economic justice in zakah; *second*, How is the relevance of Monzer kahf's thought in overcoming the imbalance of social and economic in Indonesia.

This research is a normative legal research with conceptual approach. The legal materials that used are primary legal sources, secondary legal sources and tertiary legal sources. Method of legal sources collection that used is documentation method. While the phase of legal sources processing that used in this research are editing, i.e. re-examining the legal sources, classifying, i.e. grouping of legal sources obtained in accordance with the statement of the problem, analyzing, i.e. analyzing the classified legal sources, and concluding, i.e. conclude legal sources which have been processed.

The results of this research are: (1) Zakah does not have to be restricted to the forms of wealth and income which existed at the time of Prophet, and its coverage does not have to be limited by concepts affected by temporal modes of production in the past. Therefore, *fuqaha'* are called upon to reconsider their contemporary views on new forms of wealth and income. The state intervention has the big impact in the distribution of wealth and income. (2) The socio-economic imbalances in Indonesia can be solved by implementing income and wealth distribution through the new forms of zakah. It payments should made into obligatory by state.

مستخلص البحث

نوردیان رحمواتی رمضانی. ۲۰۱۷. ۱۳۲۲. ۱۷۲. تفکیر متزیر کھف عن مبادئ العدالة الاجتماعية الاقتصادية في الزكاة. البحث الجامعي، قسم الحكم التجاري. كلية الشريعة. جامعة مولانا مالك إبراهيم الإسلامية الحكومية مالانغ.

تحت الإشراف: الدكتور برهان الدين سوسامتوا الماجستير.

الكلمة الرئيسية: تفكير، العدالة الاجتماعية الاقتصادية، زكاة

الزكاة هي التحويل من الأغنياء إلى الفقراء بهدف توزيع الثروة والدخل. والتزام بدفع الزكاة هو المفهوم الأساسي للعدالة الاجتماعية في المجتمع الإسلامي. وبعض آراء الفقه التقليدي للزكاة قد لا تكون متسقة بعد الآن عن العدالة الاجتماعية والاقتصادية التي أدت إلى انتشار الفقر.

يشير إلى خلفية البحث السابقة، هناك مشكلتان أولاً كيف تفكير متزير كھف عن مبدأ العدالة الاجتماعية في الزكاة الاقتصادية وثانياً كيف أهمية تفكير متزير كھف في معالجة عدم المساواة الاجتماعية والاقتصادية في اندونيسيا

ويشمل هذا البحث نوع البحوث القانونية المعيارية باستخدام نهج مفاهيمي. والمواد القانونية المستخدمة هي القانون الأساسي، ومواد القانون الثانوي، والمواد القانونية الثالثة. طريقه جمع المواد القانونية باستخدام وثائق الأسلوب. وعلي الرغم من أن مراحل تجهيز المواد القانونية تتم علي البحث الذي يجري تحريره، أي التحقق من القانون المادي، وتصنيف المواد القانونية، أي التجميع الذي يتم الحصول عليه وفقاً لمشكله الصيغة، والتحليل، أي تحليل المواد وقد تم تجهيز القوانين التي تم تجميعها وإبرامها والتي انتهت بالمواد القانونية.

وخلصت نتائج هذا البحث إلى ما يلي: (١) ينبغي ألا تقتصر الزكاة علي أشكال الثروة والدخل الموجودة وقت النبي، ويجب ألا يقيد النطاق بالمفهوم الذي يتأثر بطريقه الإنتاج في الماضي. ولذلك يطلب من الفقهاء أعاده النظر في آرائهم المعاصرة بشأن الاشكال الجديدة للثروة والدخل. وللتدخل الدولي أو تدخل الدولة تأثير كبير في توزيع الدخل والثروة (٢) ويمكن التغلب علي الاختلالات الاجتماعية والاقتصادية التي تحدث في اندونيسيا عن طريق تنفيذ توزيع الدخل والثروة عن طريق التبليط. ينبغي للدولة أن تجبر علي دفع الزكاة.

CHAPTER I

INTRODUCTION

A. Background of Research

There are several meanings of justice. According to Kamus Besar Bahasa Indonesia (KBBI), justice is the form of a fair verb, for example not exceeding or subtracting from a reasonable one.¹ Justice term in Indonesian derived from Arabic language, *al adl* and it has the same means as justice, in English. Qur'an is not only uses justice definition in the texts, but also used *al qisth* word.²

Basically, justice is putting things in its place. Justice term derived from “fair” (الْعَدْلُ). Therefore, the justice is essentially giving everybody their rights. The justice means no one-sided, equal, and impartial. Justice also means the condition when everybody gets their rights in society, nation and state to do

¹ Departemen Pendidikan Nasional, *Kamus Besar Bahasa Indonesia*, (Jakarta: Gramedia, 2008), p. 10.

² M. Dawam Raharjo, *Ensiklopedi Al Qur'an Tafsir Sosial Berdasarkan Konsep-Konsep Kunci*, (Jakarta: Paramadina, cet II, 2002) p. 369.

their obligation. Justice is giving to each what he or she is due. Functionally, justice is a set of universal principles which guide people in judging what is right and what is wrong, no matter what culture and society they live in.³ Yusuf Qardhawi said that justice definition is the balance between individual with his material and spiritual elements, the balance between individual and people, and between a community and other.⁴

The justice understanding revolved around the balance or balance condition, no discrimination in it, and giving the needs their rights or putting things in its place. The justice understanding in this concept has the implication for activities and human behavior. Allah SWT told us to do justice, as mentioned in an Nisa' (4): 48:

إِنَّ اللَّهَ يَأْمُرُكُمْ أَنْ تُؤَدُّوا الْأَمَانَاتِ إِلَىٰ أَهْلِهَا وَإِذَا حَكَمْتُمْ بَيْنَ النَّاسِ أَنْ تَحْكُمُوا بِالْعَدْلِ ۚ إِنَّ اللَّهَ نِعِمَّا يَعِظُكُمْ بِهِ ۚ إِنَّ اللَّهَ كَانَ سَمِيعًا بَصِيرًا

“Indeed, Allah commands you to render trusts to whom they are due and when you judge between people to judge with justice. Excellent is that which Allah instructs you. Indeed, Allah is ever Hearing and Seeing.”⁵

Islam is a comprehensive (*kaafah*) religion. It's because Islam has the fundamental concept in human life. It is the behavior of human relationship with God (*hablun minallah*), relation between human beings (*hablun minannas*), and human relationship with environment. Islam is derived from Allah to our Prophet Muhammad Saw as the mercy for all creatures and being the destruction of social economic inequities. The Qur'an spiritual teachings are the Islamic social reformation of justice which strengthen the weak people

³ Social Justice Review, *Curing World Poverty, The New Role Of Property*, (Missouri: 1994) p. 61-62.

⁴ Yusuf Qardhawi, *Norma Dan Etika Ekonomi Islam*, (Jakarta: Gema Insani Press, 1997) p. 228.

⁵ QS. An Nisa' (4): 48.

condition. The important of justice in Islam can be viewed from the achievement of devotion by social justice.

The justice in Islam is the solid foundation included all teachings and Islamic law. The justice problem that should be noticed is prohibition of doing injustice. The disproportion of wealth distribution now is the source of all individual and social conflicts. Therefore, the economy justice is important to achieve social welfare.⁶

One of the important aspect of justice is the economic justice which it was the logical consequence from Islamic brotherhood concept. By using economic justice, everyone should accept their rights according to their contribution. Everybody must be freed from other exploitation. The economic justice is refers into two principles. First, the justice of income distribution, and Mubyarto said that it called the social justice. Second, the equality, that requires everybody should accept the equal opportunity towards economic access.⁷

The issues of poverty could not be separated from the socio-economic imbalance matter. The socio-economic imbalances in Indonesia now are arguably still worrisome. In many cases, poverty is affected by the inequality of economic distribution, both structurally and naturally. One of the root of social conflict is the gap between the people. It must be serious attention that shoul be solved. According to Sri Mulyani⁸, the economic growth throughout 2016 in the amount of 5,02 %, assessed that it has not been able to reduce the

⁶ Rozalinda, *Ekonomi Islam: Teori dan Aplikasinya Pada Aktivitas Ekonomi*, (Jakarta: PT RajaGrafindo Persada, 2015), p.135

⁷ Azhari Akmal Taringan, *Islam Madzhab HMI*, (Cipayung: GP Press Group, 2007) p. 147.

⁸ <http://www.releaseinsider.com>, accessed on 31 May 2017

level of social inequality in Indonesia although it has been able to reduce the number of poverty and unemployment. It means that with economic growth we will find a gap between group of people or rich area with the poor one. According to her, actually both of the group or area in Indonesia now more increasing, but the speed of richer group is faster than the poor. This shows that the social and economic condition of Indonesian society is still far from the expected level of justice. Therefore, its important to think about how the best solution to overcome socio-economic imbalances, one of its solution is by implementing the socio-economic justice in Indonesia.

Monzer Kahf is a professor and expert of Islamic finance, Islamic economics, and banking. He worked as the consultant, trainer and lecturer of Islamic banking, finance, economic, zakah and waqf. He had many experiences, including the trainer of Islamic economic, zakah and awqaf, providing expertise opinion at courts and legal disputes in USA on matter of Islamic laws related to Islamic banking, finance, awqaf, inheritance, and etc. Monzer Kahf has published 29 books and booklets in English and Arabic on Islamic banking and finance, Islamic economics, zakah, awqaf, including some which have become the standard reference manuals in the field. He has more than 100 articles that published on Islamic economics, financing, zakah, awqaf, including entries for the Oxford Encyclopedia of The Modern Islamic World.⁹ One of his masterpiece is a book in title “The Principle of Socio-Economic Justice in The Contemporary Fiqh of Zakah” which attempted to show the requirements of justice and consistency that should be embodied in any

⁹ Monzer.Kahf.com/about.html, accessed on 3 March 2017

contemporary formulation of a zakah package aimed for application and to discuss the implications of these requirements with regards to Fiqhi positions on zakah. But the rest of Monzer Kahf's paper will only elaborate on the fulfillment of socio-economic justice and how it is achieved through zakah. The researcher is interesting in his thought and want to reveals it deeply, thus it will be more helpful for zakah application and development, and it will be benefit for overcoming the imbalance of social and economic in Indonesia. Therefore, the researcher decided to do this research.

It is well established that zakah is a transfer payment from the rich to the poor for the purpose of redistribution of wealth and income in the society.¹⁰ As we know that zakah is the most fundamental obligation in Islam. Zakah is a principal devotion and not included the tax. It is growth also satisfanction. Technically, zakah means to purify our wealth by its distribution from the rich into the poor. By zakah payment, the person is doing right and derived the blessing and his wealth will increase more.

The zakah obligation is fundamental to the concept of social justice in Islamic society. Payment of zakah establishes a direct link between the well-off society and those in need. Zakah is not only a means of providing for the social welfare of those at the bottom of society, but also a practical mechanism to set some limits around inequality. It used properly has the potential to foster a greater degree of equality within society, putting a floor under the living standards of the poorest member of society, but also slowing the accumulation

¹⁰ Monzer Kahf, *The Principle of Socio-Economic Justice In The Contemporary Fiqh of Zakat*, p. 13.

of wealth by those who are generating a surplus beyond their requirements and thus contributing to social equity.¹¹

Zakah as mentioned in al Qur'an is levied on camels, sheep, cows, gold, silver, agricultural output, and goods that designated for trade. In this contemporary era, we found that there are several areas in the Fiqh of Zakah that need a fresh consideration because of changing circumstances, like monetary holding and fixed assets which difficult in administration, but its normal practice for people now. Industrial, commercial, agricultural, and service holdings are now normal practice after they were exceptions in the past. Then, in order to make the distribution of zakah equally and fair and to overcome the socio-economic imbalance, we should look into the new forms of zakah and apply it. By this review, the researcher though that it's important to do research that related above, under the title "The Thought of Monzer Kahf About The Principle of Socio-Economic Justice in Zakah".

B. Statement of Problem

Based on the background of study which is mentioned above, the issues discussed in this research can be formulated as follows:

1. How is the Monzer Kahf's thought about principle of socio-economic justice in zakah?
2. How is the relevance of Monzer Kahf's thought about the principle of socio-economic justice in overcoming the imbalance of social and economic in Indonesia?

¹¹ Jennifer Bremer, *Zakat and Economic Justice :Emerging International Models and their Relevance for Egypt*, paper presented on Third Annual Conference on Arab Philanthropy and Civic Engagement, Tunis, June 4-6, 2013, p. 51.

C. The Objective of Research

From the formulation of the problems used above, this study aims to:

1. To describe the Monzer Kahf's thought about principle of socio-economic justice in zakah.
2. To describe the relevance of Monzer Kahf's thought about the principle of socio-economic justice in overcoming the imbalance of social and economic in Indonesia.

D. Significance of Research

1. Theoretical Significance

This research is may be useful for academician review in other similar research about justice and socio-economic justice and also for the contribution to the development of Sharia Business Law knowledge especially in Monzer Kahf's thought about principle of socio-economic justice in zakah.

2. Practical Significance

- a. This research is useful to achieve the Master of Law degree.
- b. This research is useful for the academician also can utilizing it to arrange the material studies or writing a journal about principle of socio-economic justice in zakat in Monzer Kahf's perspective. Especially for Sharia Bussiness Law student can utilizing it as manual or comparison material to do the research that related with this topic.

Hopefully his research is useful as positive contribution to Muslim society, especially in Indonesia for becoming alternative solution in overcoming the imbalance of social and economic in Indonesia.

E. Conceptual Definition

a) Thought

Oxford Dictionaries mentioned that thought is an idea or opinion produced by thinking¹². And Kamus Besar Bahasa Indonesia (KBBI) mentioned that thought is process, way, act of thinking.¹³ According to the definitions above, the researcher was focused on discussion about Monzer Kahf's thought in socio-economic justice in zakah.

b) Socio-Economic Justice

Social justice is putting all members of the community in the same position.¹⁴ Social justice is a situation where the people felt safe and secure because of the rules in the economic relations are based on ethical principle that obeyed by all members of society. Social welfare is material tool that must be fulfilled to achieve a sense of secure and peaceful, namely social justice.¹⁵ Socio justice now is become the urgent matter in this society, especially in achieving social welfare and curing poverty, then it's important to find the best solution to achieve this social justice. Economic justice encompasses socio justice. Economic justice is giving equal opportunity to everyone for doing production. Economic justice means that al Qur'an strongly emphasizing the egalitarianism and avoiding all forms of social inequalities that stem from economic disparity such as exploitation, greed, concentration of wealth on a handful of people, etc.

¹² Oxford University Press, *Oxford Advanced Learner's Dictionary of Current English*, (UK: 1995) p. 1243.

¹³ "Kamus Besar Bahasa Indonesia", kbbi.web.id/pikir, accessed on 1 Maret 2017.

¹⁴ Imas Rosyanti, *Esensi al Qur'an*, (Bandung: Pustaka Setia, 2002), p. 258.

¹⁵ Mubyarto, *Sistem Dan Moral Ekonomi Pancasila*, (Jakarta: LP3ES, 1990) p. 228.

c) Zakah

Zakah is the obligatory wealth from a Muslim or business entity which given to the deserving categories in accordance with sharia law.¹⁶ Zakah in language is an infinitive of the verb zakah. Zakah means to grow and to increase.¹⁷ In Sharia the word zakah refers to the determined share of wealth prescribed by God to be distributed among deserving categories. It is also used to mean the action of payment of this share. The scholars found that zakah now needs the fresh consideration because of changing circumstances, then the researcher will discuss the new zakatable items clearly based on Monzer Khaf's thought.

F. Research Method

In order to make this research runs well and derives the results that can be accounted, it needs some methods. Method (*Greece= methodos*) means the way or path. Method is the way of working to understand the knowledge as the object.¹⁸ Research method is the way to examine, to review and to analyze the object of research to get the results or specific conclusion. The methods that used in this research are:

1. Kind of Research

The kind of this research is normative legal research. Peter Mahmud Marzuki has defined the legal research as the process of finding the law,

¹⁶ "Undang-Undang Republik Indonesia No. 23 Tahun 2011 Tentang Pengelolaan Zakat", pusat.baznas.go.id/wp-content/perpu/Undang-Undang No 23 Tahun 2011 Tentang Pengelolaan Zakat.pdf, accessed on Maret 1st 2017.

¹⁷ Majma' al Lughah al Arabiyah, *al Mu'jam al Wasit*, Vol. 1, (Kairo: Maktabah al Syuruq ad Dauliyah, 2004) p. 398.

¹⁸ Kuncoroningrat, *Metode-Metode Penelitian Masyarakat*, (Jakarta: PT Gramedia, 1989), p. 7.

principles of law, or legal doctrines to face the legal issues.¹⁹ This research is conducted to understand the background of Monzer Kahf's thought on socio-economic justice principle in zakah also the point of Monzer Kahf's thought on it.

2. Research Approach

The researcher used the conceptual approach in this research. Conceptual approach used when the researcher did not move from the existing legal rules.²⁰ Then the researcher refers to the concepts of Monzer Kahf's thought on socio-economic justice in zakah.

3. Legal Sources

a. Primary Legal Sources

Primary legal source is an authoritative legal source. It consists of legislation, the official records of legal drafting, and verdicts²¹. The secondary legal sources are collected from Monzer Kahf's book under the title *The Principle of Socio-Economic Justice in The Contemporary Fiqh of Zakat* and other Monzer Kahf's papers entitled *Zakah, Introduction to The Study of The Economic of Zakah, Relatives Prices in Madina at the time of the Prophet (pbuh)* in *Review of Islamic Economics, V.1*.

b. Secondary Legal Sources

Secondary legal sources are the type of data that used as basic data supporting in the form of library materials that can provide the

¹⁹ Peter Mahmud, *Penelitian Hukum*, (Jakarta: Prenadamedia Group, 2015), p. 42

²⁰ Peter Mahmud, *Penelitian Hukum*, p.177.

²¹ Peter Mahmud, *Penelitian Hukum*, p.181.

information for strengthen the basic of data.²² The secondary legal sources are the legal materials that contains of textbooks that written by influential jurists (*de herseende leer*), law journal, judicial decision, law cases, jurisprudence, and the result of advanced symposium that related with the research topics.²³ The researcher used the secondary legal sources such as books that related to the subject matter about the justice, social justice, economic justice, and zakah.

c. Tertiary Legal Sources

Tertiary legal sources are the legal materials which provide instructions or explanations to primary and secondary legal materials such as law dictionary, encyclopedia, and etc.²⁴ To get the clear explanation, the researcher used the dictionary such as Oxford Dictionary and Kamus Besar Bahasa Indonesia (KBBI).

4. Method of Legal Sources Collection

The method of legal sources collection that used in this research is documentation method, it's conducted through written data, such as book, article, journal, scientific research, and other sources by content analysis.²⁵ The researcher used this method because the kind of this research the literary research. First, the researcher collected the secondary legal sources, it is Monzer Kahf's book under the title *The Principle of Socio-Economic Justice in The Contemporary Fiqh of Zakat*

²² Joko P. Subahyo, *Metode Penelitian Dalam Teori Dan Praktek* (Jakarta: Rineka Cipta, 1991) p. 87-88.

²³ Johny Ibrahim, *Teori Dan Metodologi Penelitian Hukum Normatif*, (Malang: Bayumedia Publishing, 2006) p. 296.

²⁴ Johny Ibrahim, *Teori Dan Metodologi Penelitian Hukum Normatif*, p. 296.

²⁵ Soerjono Soekanto, *Pengantar Penelitian Hukum*, (Cet. III; Jakarta: UI-Press, 1986) p. 21

and other related papers such as *Zakah, Introduction to The Study of The Economic of Zakah, Zakah and Prohibition of Riba in The Islamic Economic System, Zakah Estimation in Some Moslem Countries, and The Performance of The Institution of Zakah in Theory and Practice* also books that related to the discussion. Then the researcher collected tertiary legal sources from Kamus Besar Bahasa Indonesia (KBBI) and Oxford Dictionary.

5. Legal Sources Processing

This section explained about processing procedures and analysis of legal materials. Generally, data processing conducted through the levels: editing, classifying, analyzing, and concluding. The researcher did not used the statistic data, because the data are obtained from scholar's opinions and thoughts.

First step of legal sources processing is editing. The researcher re-examined the legal sources from Monzer Khaf's thought on socio-economic justice in zakah clearly and its relevance with other data. The next step is classifying, when the researcher classified the legal sources into secondary legal sources and tertiary legal sources. The researcher classified legal sources from Monzer Khaf's thought in his several papers, the books that related with the discussion, and other complementary sources such as dictionary. The next is analyzing, so the researcher analyzed the legal sources which have been classified. And the last step is concluding, when the researcher took the conclusion briefly from the results of analysis of legal sources.

G. Previous Research

1. Thesis that written by Desy Rizkayah, graduate 2015, from Aqidah Philosophy Department, Ushuluddin and Islamic Thought Faculty, Universitas Islam Negeri (UIN) Raden Fatah Palembang, under the title *“Konsep Keadilan Menurut Ibnu Khaldun Dan Relevansinya Bagi Kehidupan Modern”*. This research was a library research by descriptive qualitative method. This research discussed about the justice which became the social theory of people. The justice was the main of social theory of people. It must be implemented in human life especially in Ibnu Khaldun’s perspective. But the researcher here discussed about the principle of socio-economic justice in zakat by Monzer Kahf’s point view.
2. Thesis that written by Bhinawan, graduate 2010, from Tafsir Hadis Department, Ushuluddin, Religious Studies and Islamic Thought Faculty, Universitas Islam Negeri (UIN) Sunan Kalijaga Yogyakarta, under the title *“Penafsiran Ayat-Ayat Al Qur’an Tentang Keadilan Sosial Dan Keadilan Ekonomi (Dalam Nilai-Nilai Dasar Perjuangan HMI)”*. This research was a library research. Then the data resources used the book of the Values of Fundamental Struggle of HMI as the primary data. The socio-economic justice concept in Islamic perspective based on brotherhood teachings that beyond the limits of the geoghrapical. The social justice is the values and goals how to implement the justice. The economic justice comes and becomes the important problem when the distribution and production system possessed into political system like our state now. It’s different

from the researcher's topic, because she discussed about justice in socio-economic's view by Monzer Kahf.

3. The journal that written by Ahmad Asrof Fitri, El Hayah, Volume 01, No. 01, June 2014 under the title "*Pembangunan Sosial-Ekonomi Melalui Zakat Penghasilan Di Indonesia*". Socio-economic development in Indonesia through the zakat income becomes very important as economic support. To realize the social economic development by zakat income, the government should make the rule that combine between zakat and tax. This socio-economic development will not be realized without the legitimacy of the government. Both of researcher discussed about social and economy, but there are differences because the researcher was focused on socio-economic justice in Fiqh zakah.

Tabel 1.1 : The Similarities And Differences Of Previous Research

No.	Name/Year/Institution	Title	Similarities	Differences
1.	Desy Rizkayah /2015/ Aqidah Philosophy Department, from Ushuluddin and Islamic Thought Faculty, Universitas Islam Negeri (UIN) Raden Fatah Palembang.	Konsep Keadilan Menurut Ibnu Khaldun Dan Relevansinya Bagi Kehidupan Modern.	This thesis discussed about justice by a scholar perspective.	This thesis just discussed about the justice concept by Ibnu Khaldun and its relevances for social modern life.

				And the writer here discussed about the principle of socio-economic justice in zakah by Monzer Kahf.
2.	Bhinawan /2010/ Tafsir Hadis Department, from Ushuluddin, Religious Studies and Islamic Thought Faculty, Universitas Islam Negeri (UIN) Sunan Kalijaga Yogyakarta.	Penafsiran Ayat-Ayat Al Qur'an Tentang Keadilan Sosial Dan Keadilan Ekonomi (Dalam Nilai-Nilai Dasar Perjuangan HMI).	This thesis also discussed about social and economic justice.	This thesis discussed about the social and economic justice in its interpretation of Qur'an Verses, In the Values of Fundamental Struggle Of HMI. But the writer here

				discussed about principle of socio-economic justice in zakah by Monzer Kahf.
3.	Ahmad Asrof Fitri/ 2014/ El Hayah, Volume 01, No. 01.	Pembangunan Sosial-Ekonomi Melalui Zakat Penghasilan Di Indonesia.	This journal discussed about social economic especially in zakat income.	This journal discussed about development of social economic by zakah income in Indonesia, which Socio-economic development in Indonesia through the zakah income becomes very important as

				economic support. But the writer here discussed about principle of socio-economic justice in zakah by Monzer Kahf.
--	--	--	--	--

A. Discussion Structure

CHAPTER I Introduction, which explains *first*, background of research about the brief explanation why the researcher decided to choose this research. *Second*, statement of problem. *Third*, objective of research. *Fourth*, significance of research, which divided into two significance in theoretical and practical. *Fifth*, conceptual definition about thought, socio-economic justice, and zakah term. *Sixth*, research methods which contains kind of research, research approach, legal sources, method of legal sources collection, and legal sources processing. Then previous research and besides that the researcher also gives the brief similarities and differences of three

previous research. The last is discussion structure which described as a fundamental description that determines the content of the research.

- CHAPTER II Consists of review of introduction about Monzer Kahf's life and his great works in books, papers, journal, article, etc. He has written many papers in English and Arabic language, and all of it especially discussed about Islamic economics, Islamic finance, Islamic bank, zakah, *awqaf*, *shadaqah*, and inheritance. After describing his biography clearly, the researcher started to discuss about socio-economic justice from its definition, its Qur'an verse, its kinds, etc.
- CHAPTER III Consists of findings and discussion, about the Monzer Kahf's thought on socio-economic justice principle in zakah, and its relevance in overcoming the imbalance of socio-economic justice in Indonesia.
- CHAPTER IV Closing, that consists of brief conclusions and suggestions related to discussion about Monzer Kahf's thought on socio-economic justice principle in zakah.

CHAPTER II

REVIEW OF RELATED LITERATURE

A. Monzer Kahf's Papers

Dr. Monzer Kahf is the one of the Moslem scholars who devoted their life and attempted to develop the Islamic Economic and financial system ideas in 20th century.²⁶ He was born on 1940 at Damascus, the capital city of Syria. He is known as a consultant, trainer, lecturer of Islamic banking, finance, and economics, and expert of Islamic finance, Islamic economics, and banking. Dr. Monzer Kahf is a Syrian American professor of Islamic Economic and finance. He has made significant contributions to Islamic economics and finance.²⁷

His contributions include being a collaborating expert at the Islamic Fiqh Academy, IMF Consultant on Islamic Finance, and Resource person for

²⁶ <http://islamicconomicsbd.blogspot.co.id>, accessed on 12 April 2017.

²⁷ <https://www.hbku.edu.qa>, accessed on 12 April 2017.

IslamOnline.net and On Islam. Dr. Monzer also served as the Head of Research in IRTI-IDB, Senior Research Economist, Director of Finance in the Islamic Society of North America, and a few other positions. He is the chief of Economist Group Association of Muslim Social Scientist, USA. Dr. Monzer Kahf is also the author of 29 books and booklets, more than 100 published articles and scores of conference and encyclopedia entries on Awqaf, Zakah, Islamic finance and banking and other areas of Islamic economics including entries for the *Oxford Encyclopedia of the Modern Islamic World*. Some of his books are translated to Indonesian, Turkish and Korean languages. Some of his familiar books are *'Instruments of Meeting Budget Deficit in Islamic Economics, The Islamic Economy: Analytical Study of the Functioning of the Islamic Economic System, Economics of Zakah, The Islamic Economy: Analytical Study of the Functioning of the Islamic Economic System, International Economic Relations From Islamic Perspective, The Islamic Economy: Analytical Study of the Functioning of the Islamic Economic System* and so more.

He visited many countries including USA, Canada, and the countries of the Middle East, Europe, the Caribbean, South East Asia and Africa for the purpose of lecture in seminar, conference and as a consultant for financial institutions and delivered his lectures on Islamic Financial laws and regulations, Islamic economics and banking, Awqaf, Islamic Trusts, Islamic estate planning, charities in the Islamic Religion (Zakah), Friday Sermons in mosques and Islamic centers, etc.

He was the first one who actualizing the analysis of Islamic institution application, as zakat towards the aggregate of economic, such as saving, investation, consumption, and income. It can be viewed in his book entitled “*Islamic Economic: Analytical Study on The Function of The Economic System In Islam*”, and it published in 1978.²⁸ At the end of 70s and the beginning of 80s, Monzer Kahf’s book entitled *Islamic Economic* was the one of literature of Islamic economic contemporary in university which offers Islamic economics courses and also translated into Malay.²⁹

He has written many papers included books, articles, conference papers, and encyclopedia entries about Islamic finance, Islamic banking, Islamic economics, zakah, inheritance, and awqaf that published in English and Arabic. The papers are too much to be mentioned, thus the researcher is only mentioned several papers that related into discussion, they are:

a. Books

No.	Title
1.	<i>The Calculation of Zakah for Muslims in North America</i> . Plainfield, Indiana: Islamic Society of North America (ISNA) third revised edition, 1998.
2.	Editor, <i>Economics of Zakah</i> . Jeddah, Saudi Arabia: IRTI, 1997.
3.	<i>Zakah Management in Some Muslim Societies</i> . Jeddah, Saudi Arabia: IRTI/IDB, 1993

²⁸ Nur Chamid, *Jejak Langkah Sejarah Pemikiran Ekonomi Islam*, (Yogyakarta: Pustaka Pelajar, 2010) p. 385

²⁹ Mohamed Aslam Haneef, *Pemikiran Ekonomi Islam Kontemporer ; Analisis Komparatif Terpilih*, Ed. Suherman Rosyidi, (Jakarta: RajaGrafindo Persada, 2010) p. 88

4.	Translator, <i>Fiqh al Zakah</i> by Saikh Yusuf al Qardhawi. King Abdul Aziz University, Jeddah, Saudi Arabia: Center for Research in Islamic Economics.
5.	تحرير : اقتصاديات الزكاة, المعهد الإسلامي للبحوث والتدريب, جدة ١٩٩٧

b. Articles

No.	Title
1.	“Sharia and Historical Aspect of Zakah and Awqaf”, in Habib Ahmed, Ed. Islam and The Eradiction of Poverty, IRTI, Jeddah, 2006.
2.	“The Principle of Socioeconomic Justice in The Contemporary Fiqh of Zakah”, The Iqtisad, Indonesia: CIESD, University Islam, 1999.
3.	“Applied Institutional Model for Zakah Collection and Distribution in Islamic Countries and Communities”, in A. Al Asqhar and S. Haq, eds., Institutional Framework of Contemporary Zakah Application, Jeddah, Saudi Arabia: IRTI, 1996.
4.	“Zakah : Unresolved Issues in Contemporary Fiqh”, in The Journal of Islamics Economics, International Islamic Universities of Malaysia, Kuala Lumpur, Malaysia, Vol. 2, No. 1, Jan 1989.
5.	“Study on The Performance of Zakah and <i>Ushr</i> in Pakistan”, <i>Report Presented to The President of Pakistan</i> , 1987.
6.	“Financial Potential of Zakah and its Economic Effects in Selected Muslim Countries”, Jeddah, Saudi Arabia, IRTI, 1986.
7.	زكاة الأصول الثابتة الإستثمارية- مجلة البحوث الإقتصاد الإسلامي

8.	الفاعلية المؤسسية لعملية التجديد في الزكاة والبنوك الإسلامية والوقف, ٢٠١٠
9.	القواعد المحاسبية لتحديد المركز المالي من وجهة نظر الزكاة, ورقة مقدمة في الاجتماع السنوي السادس للهيئة الشرعية العالمية للزكاة, الكويت ١٩٩٧
10.	ميادئ وقواعد لتحديد الهيكل التنظيمي لمؤسسات الزكاة الطوعية, المعهد الإسلامي للبحوث والتدريب, جدة ١٩٩٧
11	النماذج المؤسسية التطبيقية لتحصيل الزكاة و توزيعها في البلدان والمجتمعات الإسلامية_في كتاب الإطار المؤسسي للزكاة تحرير بو علام بن جيلالي ومحمد العلمي, المعهد الإسلامي للبحوث والتدريب, جدة ١٩٩٦

c. Conference Papers, And Encyclopedia Entries

No.	Title
1.	“The Performance of the Institution of Zakah in Theory and Practice”, Presented at the International Conference on Islamic Economics, IIUM, Kuala Lumpur, Malaysia, March 1999.
2.	“Effect of Zakah on Government Budget, Presented at the Fourth International Conference of Zakah”, Dakar, Senegal, 1995.
3.	“Economics of Zakah”, Presented at The Seminar on Islamic Economics, Mermara University, Istanbul 1994.
4.	“Applied Institutional Model for Zakah Collection and Distribution in Islamic Countries and Communities”, Presented in the Third International Conference on Zakah, Kuala Lumpur, April 1991. Zakah : Unresolved Issues in Contemporary Fiqh”, in The Journal of Islamic Economics, International Islamic Universities of Malaysia, Kuala Lumpur, Malaysia, Vol. 2, No. 1, Jan 1989.

B. Justice

1. Definition of Justice

According to Kamus Besar Bahasa Indonesia (KBBI), justice is the form of a fair verb, for example not exceeding or subtracting from a reasonable one.³⁰ Etymologically, justice in Arabic language and al Qur'an derived from 'adl (أَدْل) word means determination of soul or *istiqomah*, the opposite of deviation (*al jawr*). 'Adl word mentioned 28 times with its various forms³¹. Justice as a concept expressed by *al 'adl* or *al 'idl*. These two term are close together in understanding, the first one often used with regard to everything that is known through reason (*al bashirah*), like legal issues, and the second one related to something understood through sense (*al hassah*) like scales and quantities.³²

The term of justice derived from "fair" word, it means no one-sided, impartial, siding to the right, worth, not arbitrary. From the several definitions, it can be concluded that justice is everything that related to attitude and behavior between human relationship. The justice contained the demand for giving equal rights and obligations, no favoritism in it.³³

Everyone has the right to get justice. Justice principle is the outcome of agreement and fair bargaining. One of the description of justice as fairness is looked at the various parties in the initial situation as rational and equally neutral. Justice does not always means equality. Justice is means *tawazun*

³⁰ Departemen Pendidikan Nasional, Kamus Besar Bahasa Indonesia, p. 10.

³¹ Muhammad Fuad Abdul Baqi, *al Mu'jam al Mufahras li Alfazh al Qur'an al Karim*, (Indonesia: Maktab Dahlan, t.th.), p. 569-570.

³² Al Raghīb al Asfahani, *Mu'jam Mufradat Alfazh al Qur'an* (Beirut: Dar al Fikr, t.th.), p. 336-337.

³³ Ibnu Khaldun, *Biografi Ibnu Khaldun*, (Jakarta: Pustaka Al Kautsar, 2011) p. 1080.

(balance) between individual in both moral and material. It is *tawazun* between individual and society, then *tawazun* between society and other. There is no way to get it except by returning to Allah.

According to Murtadha Muthahari, justice word used in four term³⁴:

- a. Justice means balanced, it means everything in it must exist with the proper level, not the same degree.
- b. Justice means equations and interpretations of any variant it means the necessity of looking at everything and everyone with the same view.
- c. Maintaining individual rights and giving everybody his rights. It will become ruthlessness when somebody doing violation of the rights of others.
- d. Maintaining the right to continued existence and does not prevent the continued existence. The God justice from this view interpreted as an existent, taking the manifestation and perfection in the levels which they are entitled.

The Islamic scholars gives the varied definitions about justice, they are:

1. Ibnu Arabi said that justice between Allah and his servant is put the Gods above his rights. Concerning with the pleasure of Allah than the interest of lust, then stay away from forbidden and run the commanded.³⁵
2. Imam Ali r.a. interpreted justice as *inshaf* "honesty". Whereas Ibnu Athiyyah interpreted it with *aqidah* and sharia principle in order to fulfill the mandate and leaving the injustice.³⁶

³⁴ Murtadha Muthahari, *Keadilan Ilahi Asas Pandangan Dunia Islam*, (Bandung: Mizan, 1992), p. 54-58.

³⁵ Ali Abdul Hakim Mahmud, *Fikih Responsibilities Tanggungjawab Muslim Dalam Islam*, (Jakarta: Gema Insani, 1998), p. 239.

³⁶ Ali Abdul Hakim Mahmud, *Fikih Responsibilities*, p. 239.

3. Yusuf Qardhawi said that justice definition is the balance between individual with his material and spiritual elements, the balance between individual and people, and between a community and other.³⁷
4. Sa'id Ibnu Jubair defined justice as the justice concept that mentioned in al Qur'an. It has four meanings³⁸:
 - a. Al 'adl in deciding cases (*al hukm*), in harmony with God's command in an Nisa' (4):58:

إِنَّ اللَّهَ تَأْمُرُكُمْ أَنْ تُؤَدُّوا الْأَمَانَاتِ إِلَىٰ أَهْلِهَا وَإِذَا حَكَمْتُمْ بَيْنَ النَّاسِ أَنْ تَحْكُمُوا بِالْعَدْلِ

"Indeed, Allah commands you to render trusts to whom they are due and when you judge between people to judge with justice".³⁹

- b. Al 'adl in speaking, as mentioned in Allah's command in al An'am (6):152:

وَإِذَا قُلْتُمْ فَادْلُوا وَلَوْ كَانَ ذَا قُرْبَىٰ

"And when you speak, then be just even if he is one of (one of) a near relative".

- c. Al 'adl in compensation meaning (*al fidyah*), as mentioned in al Qur'an al Baqarah (2):123:

وَاتَّقُوا يَوْمًا لَا تَجْزِي نَفْسٌ عَنْ نَفْسٍ شَيْئًا وَلَا يُقْبَلُ مِنْهَا عَدْلٌ وَلَا تَنْفَعُهَا شَفَاعَةٌ وَلَا هُمْ يُنصَرُونَ

"And fear a Day when no soul will suffice for another soul at all, and no compensation will be accepted from it, nor will any intercession benefit it, nor will they be aided".

- d. Al 'adl in meaning equating with God (*al isyrak*), as mentioned in al Qur'an al An'am : (6):1:

³⁷ Yusuf Qardhawi, *Norma Dan Etika*, p. 228.

³⁸ Abdul Aziz A. Sachedina, *The Just Ruler in Shi'ite Islam*, transl. Ilyas Hasan, *Kepemimpinan dalam Islam Perspektif Syi'ah*, (Bandung: Mizan, 1994), p. 202-203.

³⁹ QS. al Baqarah (2):123; an Nisa (4): 58; al An'am (6): 152.

الْحَمْدُ لِلَّهِ الَّذِي خَلَقَ السَّمَاوَاتِ وَالْأَرْضَ وَجَعَلَ الظُّلُمَاتِ وَالنُّورَ ثُمَّ الَّذِينَ كَفَرُوا بِرَبِّهِمْ
يَعْدِلُونَ

"[All] praise is [due] to Allah, who created the heavens and the earth and made the darkness and the light. Then those who disbelieve equate [others] with their Lord".⁴⁰

Nurcholish Majid gives the justice definition includes two things. First, justice in the Qur'an which is associated with the law of God's provision for the universe of creation.⁴¹ Second, justice as the law of God (*sunnatullah*) from the scripture. The topic is related with sharia justice for history. That history was about journey of human life in society and state.⁴² He said that *sunnatullah* is something objective and will never change. It called objective because it's exists without depending on human mind or will. And it called never change because it's applies forever without any interruption and connection. Then anyone who understands and follows it will be lucky and who interferes it will be losers.⁴³ Justice, as the *sunnatullah* that objective and never change, anyone who uphold justice will get the victory, and whoever violates it will perish.

2. The Legal Basis of Justice

The legal basis of justice are sourced from al Qur'an and Hadith. The verses that command justice are under below:

The verse about justice in the scope of law in an Nisa' (4): 58:

إِنَّ اللَّهَ يَأْمُرُكُمْ أَنْ تُؤَدُّوا الْأَمَانَاتِ إِلَىٰ أَهْلِهَا وَإِذَا حَكَمْتُمْ بَيْنَ النَّاسِ أَنْ تَحْكُمُوا بِالْعَدْلِ ۚ إِنَّ اللَّهَ نِعِمَّا يَعِظُكُمْ بِهِ ۚ إِنَّ اللَّهَ كَانَ سَمِيعًا بَصِيرًا

⁴⁰ QS. al An'am : (6):1.

⁴¹ Nurcholish Majid, *Pintu-Pintu Menuju Tuhan*, (Jakarta: Paramadina, 2008), p. 41.

⁴² Nurcholish Majid, *Pintu-Pintu*, p. 43.

⁴³ Nurcholish Majid, *Pintu-Pintu*, p. 44.

“Indeed, Allah commands you to render trusts to whom they are due and when you judge between people to judge with justice. Excellent is that which Allah instructs you. Indeed, Allah is ever Hearing and Seeing”.⁴⁴

Allah said in al A’raf (7): 29 :

قُلْ أَمَرَ رَبِّي بِالْقِسْطِ ۖ وَأَقِيمُوا وُجُوهَكُمْ عِندَ كُلِّ مَسْجِدٍ وَادْعُوهُ مُخْلِصِينَ لَهُ الدِّينَ ۚ
كَمَا بَدَأَكُمْ تَعُودُونَ

“Say, [O Muhammad], “My Lord has ordered justice and that you maintain yourselves [in worship of Him] at every place [or time] of prostration, and invoke Him, sincere to Him in religion.” Just as He originated you, you will return [to life]”.

Al A’raf: (7): 29 explained that Allah commands us to do justice.

Concretely, justice (*al qisth*) means, first concentrating attention in prayer to Allah, second giving obedience towards Allah sincerely. Concentrating attention in prayer to Allah means not draw attention to something else (*syirik*). The other meaning of justice verse earlier is giving obedient to Allah.⁴⁵

The witness is very important for law enforcement and judiciary. The witness term has the comprehensive understanding, not only in the scope of the judiciary but in other institutions in our life. The true testimony included all public resistance activity towards all forms of perversion and injustice by revealing the true facts through available channels.⁴⁶ Allah said in an Nisa’ (4):135:

⁴⁴ QS. an Nisa’ (4): 58; al A’raf (7): 29.

⁴⁵ M. Dawam Raharjo, *Ensiklopedi Al Qur’an*, p. 370.

⁴⁶ Ali Zawawi dan Syaifullah Ma’shum, *Penjelasan al Qur’an Tentang Sosial, Ekonomi, dan Politik*, (Jakarta: Gema Insani Press, 1999), p. 65-66.

يَا أَيُّهَا الَّذِينَ آمَنُوا كُونُوا قَوَّامِينَ بِالْقِسْطِ شُهَدَاءَ لِلَّهِ وَلَوْ عَلَىٰ أَنْفُسِكُمْ أَوِ الْوَالِدِينَ
وَالْأَقْرَبِينَ ۚ إِنْ يَكُنْ غَنِيًّا أَوْ فَقِيرًا فَاللَّهُ أَوْلَىٰ بِهِمَا ۖ فَلَا تَتَّبِعُوا الْهَوَىٰ أَنْ تَعْدِلُوا ۚ وَإِنْ
تَلَوْا أَوْ تُعْرِضُوا فَإِنَّ اللَّهَ كَانَ بِمَا تَعْمَلُونَ خَبِيرًا

*“O you who have believed, be persistently standing firm in justice, witnesses for Allah, even if it be against yourselves or parents and relatives. Whether one is rich or poor, Allah is more worthy of both. So follow not [personal] inclination, lest you not be just. And if you distort [your testimony] or refuse [to give it], then indeed Allah is ever, with what you do, Acquainted”.*⁴⁷

Justice words are repeated often in Qur'an after word “Allah” and “*al ma'rifah*”, approximately one thousand times. This fact showed that justice has deep and urgent means in Islam and concerning all aspects of life. Hence, justice is the fundamental also the goal of all human action in life. Then justice is the one of the principal and fundamental teachings. We will find many verse of justice in Qur'an explicitly.⁴⁸ For the example as mentioned in al Ma'idah (5) :8:

يَا أَيُّهَا الَّذِينَ آمَنُوا كُونُوا قَوَّامِينَ لِلَّهِ شُهَدَاءَ بِالْقِسْطِ ۚ وَلَا يَجْرِمَنَّكُمْ شَنَاٰنُ قَوْمٍ عَلَىٰ أَلَّا
تَعْدِلُوا ۚ اعْدِلُوا هُوَ أَقْرَبُ لِلتَّقْوَىٰ ۖ وَاتَّقُوا اللَّهَ ۚ إِنَّ اللَّهَ خَبِيرٌ بِمَا تَعْمَلُونَ

*“O you who have believed, be persistently standing firm for Allah, witnesses in justice, and do not let the hatred of a people prevent you from being just. Be just; that is nearer to righteousness. And fear Allah ; indeed, Allah is Acquainted with what you do”.*⁴⁹

In al Ma'idah verse 8 earlier, it stated that justice is a trait that is closer to piety. Justice is one of the piety elements, because we will find in it the

⁴⁷ QS. an Nisa' (4):135.

⁴⁸ Tim Pemberdayaan Perempuan Bidang Agama Departemen Agama Republik Indonesia, *Keadilan Dan Kesetaraan Jender Perspektif Islam*, 2001, p. 16-17.

⁴⁹ QS. al Ma'idah (5) :8.

definition of ability to choose between good and bad by fair consideration.

One of the dimension of justice is equilibrium. Allah said in al Isra' (17): 35:

وَأَوْفُوا الْكَيْلَ إِذَا كِلْتُمْ وَزَنُوا بِالْقِسْطَاسِ الْمُسْتَقِيمِ ۚ ذَٰلِكَ خَيْرٌ وَأَحْسَنُ تَأْوِيلًا

“And give full measure when you measure, and weigh with an even balance. That is the best [way] and best in result”.

Justice is the fundamental thing for every action or decisions in our life.

With justice, Allah told us to doing good conduct and forbid oppression, like

He said in al Qur'an an Nahl : (90):

إِنَّ اللَّهَ يَأْمُرُ بِالْعَدْلِ وَالْإِحْسَانِ وَإِيتَاءِ ذِي الْقُرْبَىٰ وَيَنْهَىٰ عَنِ الْفَحْشَاءِ وَالْمُنْكَرِ وَالْبَغْيِ يَعِظُكُمْ لَعَلَّكُمْ تَذَكَّرُونَ

“Indeed, Allah orders justice and good conduct and giving to relatives and forbids immorality and bad conduct and oppression. He admonishes you that perhaps you will be reminded.”

In Qur'an verse earlier it's explained that justice is a command. It not only applied in individuals, but it should be applied in social interaction, thus we will reach an equitable justice in the order of social life. Two Islamic concept, *al adl* and *al ihsan* shows a state of equilibrium/social alignment. As the social goals, the principle of equilibrium and alignment gives the complete translation of the basic virtues of social institution, they are law, politics, and economy. In economic fields, that principle determines the configuration of distribution, consumption and the best production activities.⁵⁰

⁵⁰ Syed Nawab Haider Naqvi, *Menggagas Ilmu Ekonomi Islam*, transl. M. Saiful Anam, Muhammad Ufuqul Mubin, (Yogyakarta: Pustaka Pelajar, 2003), p. 39

There are hadith that commands us to do justice, they are :

Imam Muslim, Nasa'i, and Ahmad are narrated with *sanad* from Ibnu Umar, he said that Rasulullah said:

إِنَّ الْمُقْسِطِينَ عِنْدَ اللَّهِ يَوْمَ الْقِيَامَةِ عَلَى مَنَابِرٍ مِنْ نُورٍ عَنْ يَمِينِ الرَّحْمَنِ، وَ كِلْتَا يَدَيْهِ يَمِينٌ،
الَّذِينَ يَعْدِلُونَ فِي حُكْمِهِمْ وَأَهْلِيهِمْ وَمَا وَلَوْ

“Those who do justice on the Day of Judgement will stand in the pulpits of the light on the side of ar Rahman, and both His hands are right, those who are fair in giving the judgement of the law, in the family and on the person being led”.⁵¹

Imam Nasa'i narrated with *sanad* from Nu'man bin Basyir r.a. he said that Rasulullah said:

إِعْدِلُوا بَيْنَ آبْنَائِكُمْ إِعْدِلُوا بَيْنَ آبْنَائِكُمْ

“Be fair among your children, be fair among your children”.⁵²

Tirmidzi narrated with *sanad* from Abi Sa'id r.a. he said that Rasulullah said:

إِنَّ مِنْ أَعْظَمِ الْجِهَادِ كَلِمَةً عَدْلٍ عِنْدَ صُلْطَانٍ جَائِرٍ

“The greatest jihad is to say justly in front of the cheating leader”.⁵³

The justice is also has implication. Then, Syafi'i Antonio viewed that the justice in Islam has two implications:⁵⁴

- a. Social justice; Islam emphasizes that the human race as one family. So every family member has the equality level before the God. Allah is not distinguish the poor one and the rich one. The things that make the differences are devotion, sincerity, ability and humanity service.

⁵¹ Imam Abi al Husaini Muslim, *Shahih Muslim*, Vol II, (Beirut Libanon: Dar el Fikr, t.th.), p. 187.

⁵² Jalaluddin as Suyuthi, *Sunan an Nasa'i*, Vol V, (Beirut Libanon, Dar al Kutub al Ilmiyah, t.th.), p. 262.

⁵³ Abi Isa Muhammad, *Sunan at Turmudzi*, Vol IV, (Beirut Libanon, Dar al Fikr, t.th.), p. 72.

⁵⁴ M. Syafi'i Antonio, *Bank Syariah dari Teori ke Praktik*, (Jakarta: Gema Insani, 2001), p. 14.

- b. Economic justice; the brotherhood concept and equality for every person in society and before the law must be balanced by economic justice. Without it, there are no means for social justice. Everyone will get his rights according to his contribution in economic justice.

3. The Kind of Justice

The understanding of justice often emphasizes on legal justice or moral justice, commutative justice and distributive justice. The following is the description of three kinds of justice:

a) Legal Justice or Moral Justice.

Legal justice or moral justice is justice that following the adjustment or the giving of one's place in society in accordance with its capabilities, and which is considered in accordance with the corresponding reply capability. Whereas Plato opined that justice and law was the common spiritual substance of the society that makes and keeps it's unity. In a fair society, everybody doing his job that suited him well. Plato's opinion is called by moral justice, while Sunoto called it as legal justice.⁵⁵

b) Commutative Justice

Commutative justice is justice that gives everyone as much as not considering personal services.⁵⁶ This justice is a fair relationship between one person and another or between a citizen and the one with other citizens. Commutative justice concerns the horizontal relationship between citizens with one another. In business, commutative justice is also called or applied as

⁵⁵ <https://aditiodoank.wordpress.com>, accessed on 30 May 2017.

⁵⁶ Arief Nugroho, Dyah Hapsari Prananingrum, *Ketidak Adilan dalam Perjanjian Jual Beli Sayur*, In Law Journal, Vol. 10 No. 2. September 2007, p. 212.

a fair exchange. In other words, commutative justice involves a fair exchange between the parties involved. The principle of commutative justice demands that all people keep what they promise, repay loans, compensate them equitably, reward or salary appropriately, and sell goods of the same quality and price.

c) **Distributive Justice**

Generally, Islam directs a spiritual moral spiritual moral-based mechanism in the maintenance of social justice in every economic activity. The background of it is because the imbalance of wealth distribution is the underlying cause of almost all individual and social conflict. Human achievement of happiness leads them to apply economic justice to end the misery on earth. It will be more difficult to achieve without any belief in both moral and discipline principle in implementing these moral principles. This is the function of interpreting moral concept as the endogenous factor in economy, so that economics ethics can beat any personal interest.⁵⁷

Therefore, in response to rate this thinking we should change the mindsets and learning about Islam, from matrealistic purpose into general welfare based on resources and risks distribution justice to achieve greater benefit for the social community. Second, we have to get rid of dependence to other. Live on personal ability as personal nor nation, doing financial obligation as demonstrated by the teachings of Islam and believe this is not the end of all. There will be another life after life in this mortal world.⁵⁸

⁵⁷ Mustafa Edwin Nasution, *Pengenalan Eksklusif: Ekonomi Islam*, (Jakarta: Kencana, 2010), p. 120.

⁵⁸ Mustafa Edwin Nasution, *Pengenalan Eksklusif*, p. 120.

There are many verses in al Qur'an that mentioned about justice, but we can't find the brief definition of distributive justice in verses of justice. However, it's definition was expressed by *birr* term as mentioned in al Baqarah (2) : 177. *Birr* word means devotions also justice. Therefore, half of substance of the verse were the explanation of devotions and half other were closer to the justice. In example giving to other our wealth and performing zakah. The justice in that verse earlier were the discussion about distribution justice which concerns the rights of the disadvantaged. The distribution justice definition was spread in various verses, for the example al Hasyr: (7):

كَيْ لَا يَكُونَ دُولَةً بَيْنَ الْأَغْنِيَاءِ مِنْكُمْ

"So that it will not be a perpetual distribution among the rich from among you."

This verse refuses concentration of wealth and requires distribution. The social structure that used for the distribution mechanism of income and wealth are zakah, *shadaqah*, and *infaq*.⁵⁹ Yusuf Qardhawi mentioned in his book entitled *Daur al Qiyam wa al Akhlaq fi al Iqtishadi al Islami* that the substance of social justice are (1) the income difference and equal opportunity; (2) the fulfillment of worker's rights; (3) *takaful al ijtim'a* or solid social solidarity; and (4) close the gap between human.⁶⁰ For the first substance, the income difference and equal opportunity means that the equal opportunity intended for income distribution. He emphasized that the justice doesn't always means equality. Then Yusuf Qardhawi said that the meaning

⁵⁹ Euis Amalia, *Keadilan Distributif Dalam Ekonomi Islam: Penguatan Peran LKM Dan UKM di Indonesia*, (Jakarta: PT Raja Grafindo Persada, 2009),, p. 132-133.

⁶⁰ Yusuf Qardhawi, *Daur al Qiyam wa al Akhlaq fi al Iqtishad al Islami*, (Kairo: Maktabah Wahbah, 1995), 1st Edition, p. 350, 365.

of justice included distinguish people according to their skills and hard work.⁶¹

The discussion about redistribution of income can't be separated from the discussion of the concept of distribution. Theory of distribution is expected to solve the problem of income distribution among the various classes in society. Muhammad Anas Zarqa⁶² said that there are several factors that form the basis of redistribution, they are exchange, need, power, social system, and ethical values. The exchange principle is suitable with the circumstance that the people receive the fair income according to his performance and contribution.

Distribution is also based on need. Someone get his salary because his work is needed by other. The power also plays an important role, when someone with authority get more distribution because of ease of access.⁶³ Anas Zarqa sees how important it is to keep smooth distribution to in order to realize the dynamic, fair and productive economic activity. He suggested several distribution principles in Islamic economic⁶⁴, it is 1) need fulfillment for every creature; 2) cause positive effects for the giver himself, such as zakah, in addition to purify themselves and *muzakki's* wealth, also to increase faith and cultivate the sharing habit with other; 3) create kindness among people between rich and poor; 4) reducing the income and wealth gap; 5) the

⁶¹ Yusuf Qardhawi, *Daur al Qiyam wa al Akhlaq*, p. 366-367.

⁶² Muhammad Anas Zarqa, "Islamic Distributive Scheme", in Munawar Iqbal *Distributive Justice and Need Fulfilment in an Islamic Economy* (Islamabad: International Institute of Islamic Economics, 1986), p. 165.

⁶³ Muhammad Anas Zarqa, "Islamic Distributive Scheme", p. 166.

⁶⁴ Muhammad Anas Zarqa, "Islamic Distributive Scheme", p. 196-197.

utilization of natural resources and fixed assets; 6) give hope to others through giving.

According to Syafi'i Antonio⁶⁵, basically Islam has two main distribution systems, first commercial distribution and following the market mechanism, and second distribution system based on social justice aspects. The commercial distribution system occurred through economic access. Yusuf Qardhawi⁶⁶ mentioned that there are four aspects of distribution justice, they are equal salary (*al ujah al mitsl*) for worker, profit sharing for those people who doing *mudhârabah* or profit sharing by *musyâraakah* mechanism, land rental costs and other production tools, and government responsibilities of its rules and policies.

For the second system, Islam has created the social justice to ensure the balance of income in the society. Not every people can involve in economic process, as we know there are orphans, the elderly and disabled who can't do it. Then Islam made the distribution for them through zakah, infaq, and *shadaqah*. The other redistribution system is inheritance. Islam wants to ensure that the assets and economic power should not be concentrated on one person, no matter how rich a person is, if the father died, then his children, wife, his parents, and other siblings will get their part. Islam also introduced the other instrument, it is waqf. Waqf is unlimited by the rich or the poor, nor kinship. Waqf is the general facility, so everyone can benefit it.⁶⁷

⁶⁵ M. Syafi'i Antonio, "Konsep Distribusi Islam", *Republika*, 5 April 2004.

⁶⁶ Yusuf Qardhawi, *Daur al Qiyam wa al Akhlak*, p. 318.

⁶⁷ Euis Amalia, *Keadilan Distributif*, p. 119-120.

C. Socio-Economic Justice

In socio-economic concept, Islamic teachings are dynamic and presumed preference for social justice is absolute. The injustice can damage the social order as well as contrary to morality. In Islamic perspective, there is way to achieve social structure, it should base on true moral philosophy.

Social justice is a situation where the people felt safe and secure because of the rules in the economic relations are based on ethical principle that obeyed by all members of society. Social welfare is material tool that must be fulfilled to achieve a sense of secure and peaceful, namely social justice. According to Farhad Nomani and Ali Rahnema, in Dawam Raharjo article, there are two opinions about social justice. First, namely moderate modernist view. The social justice in this view interpreted as the elimination of discrimination and provides equal opportunities to everyone. As the consequence, everyone should receive the same results with his abilities. The second opinion is radical view which called for revolutionary change in order to establish a classless society based on common absolute in income, wealth, and even consumption. This school believes that Islamic social justice is more approving of the concept of justice as the equity than equality. Equity means fairness. Differences in human capacity, effort, intelligence, skills, work habits, and entrepreneurship should be respected.⁶⁸

⁶⁸ Euis Amalia, *Keadilan Distributif*, p. 125-126.

Monzer Kahf said that the differences in wealth of human beings because of the potential and the work done are called the justice.⁶⁹ A reward system based on differences among people not means discrimination, because Allah said himself that there are differences while creation. In this interpretation, the justice wished the reward system based on different individual contribution. Giving the same reward for every people towards different contribution will leads to injustice. The Islamic social justice concept is focusing on equality before the law and equality of opportunity for community members.⁷⁰

Sayyid Quthb, currently Muslim scientist who is associated with the rise of radicalism in the Muslim world is talking about the social justice. He had written many great works. He did not interpret Islam as a system of morality. The social justice doesn't come from positive human law, but it had written in al Qur'an and applied in Rasulullah era. According to him, if we want to realize the social justice then we should apply Islamic government system⁷¹ which is built on three principles, justice of the ruler, people's obedience, and deliberations between ruler and people. He considered that a just society and a society in accordance with the provisions of al Qur'an successfully established in Rasulullah and first generation era. He argued that by returning to the teachings of al Qur'an, there will be different social justice from the justice concept that created by human. Because, every human life

⁶⁹ Monzer Kahf, *the Islamic Economy: Analytical Study of the Functioning of the Islamic Economic System*, p. 34.

⁷⁰ Euis Amalia, *Keadilan Distributif*, p. 126

⁷¹ Sayyid Quthb, *al Adalah al Ijtima'iyah fi al Islam*, translator Afif Muhammad, (Bandung: Pustaka, 1994), p. 125.

arrangement is set already by Allah. The social justice in Islam can be realized by zakah and *shadaqah*.⁷²

As a form of social justice, sharia law which contains the justice has set the goal of protecting human rights. According to as Syatibi⁷³, there are five basic needs (*dharuriyat*), they are the fulfillment of religious needs, mind, wealth, soul and descent. In fact, not everyone is capable in fulfillment those needs, especially for the poor. In this context, Ibnu Hazm reminded that the poverty is always grows in consumption rate situation or needs higher than income. To keep the poor's basic needs, Islam requires the rich to provide 2,5 or 20% of their income and wealth to be paid as zakah and *shadaqah* to help the fulfillment of the poor.⁷⁴ Al Qur'an mentioned in ad Dzariyat: (51):19:

وَفِي أَمْوَالِهِمْ حَقٌّ لِّلسَّائِلِ وَالْمَحْرُومِ

"And from their properties was (given) the right of the (needy) petitioner and the deprived."⁷⁵

As for the obligatory property of zakah, Ibnu Hazm expands its reach not only zakah, but there are social obligations outside of zakah that must be fulfilled by the rich. It's the awareness and social responsibility towards the poor, orphans, and the economically weak people. In short, the social justice is an important value in the Islamic economic system thinking.⁷⁶

The economic justice is refers into two principles. First, the justice of income distribution, and Mubyarto said that it called the social justice.

⁷² Sayyid Quthb, *al Adalah al Ijtima'iyah*, p. 103

⁷³ as Syatibi, *al Muwafaqat fi Ushul asy Syariah*, Vol. 2, (Kairo: Musthafa Muhammad, T.tth.), p. 374.

⁷⁴ Ibnu Hazm, *al Muhalla*, Vol. VII, (Beirut: Dar al Kutub al Ilmiyyat, 1988), p. 44.

⁷⁵ QS. ad Dzariyat: (51):19.

⁷⁶ Euis Amalia, *Keadilan Distributif*, p. 128.

Second, the equality, that requires everybody should accept the equal opportunity towards economic access.⁷⁷

Economic justice means that al Qur'an strongly emphasizing the egalitarianism and avoiding all forms of social inequalities that stem from economic disparity such as exploitation, greed, concentration of wealth on a handful of people, etc. Everyone has the same degree before the God, without any feeling more precious than other people. The equal awareness before God has to be internal awareness for every people to have the egalitarianism conception (*al musâwah*) with no distinction between people based on race, ethnicity and religion. Human can only be treated differently only on the basis of their objective qualities or from his behaviors. Then the socio-economic justice can be realized by this concept.

⁷⁷ Azhari Akmal Taringan, *Islam Madzhab HMI*, p. 147.



CHAPTER III

FINDINGS AND DISCUSSIONS

A. The Monzer Kahf's Thought About Principle of Socio-Economic Justice in Zakah.

In the last few years, several Muslim countries introduced new laws for the implementation of zakah. Some countries such as Jordan and Kuwait establish zakah funds without making the payment of zakah to these funds obligatory, while some other countries such as Pakistan and Sudan made such payments obligatory. In both cases, the actual implementation of zakah raises several issues that need attention.

These issues include the modalities of collection and distribution of zakah, it's financial versus worship aspects, management of its fund, its effect on investment and on idle funds, the geographical boundaries localization

principle in collection and distribution, the consideration of social and economic justice, etc.

From the issues above, it need solutions that should be theoretically viable from both sharia and economic points of view. Then, he opinied that the socio-economic justice in zakah is the most important issues that relates to the very essence and nature of zakah and to its validity as a major pillar of the Islamic economic system. Monzer Kahf in his paper would like to present an economic viewpoint about the contemporary fiqh opinions on zakah and to show that some of them may not be consistent from the point of social and economic justice, but he only gives his opinion in economic view, not in fiqh traditional approach.

Monzer Kahf said that the differences in wealth of human beings because of the potential and the work done are called the justice.⁷⁸ A reward system based on differences among people not means discrimination, because Allah said himself that there are differences while creation. In this interpretation, the justice wished the reward system based on different individual contribution. Giving the same reward for every people towards different contribution will leads to injustice. The Islamic social justice concept is focusing on equality before the law and equality of opportunity for community members.⁷⁹

Zakah term derived from *zaka* word, means grow with prosperous. Other meaning form *zaka* word is purification. In Islamic law books, zakah means pure, growing, and blessing. Zakah is part of the wealth that shall be

⁷⁸ Monzer Kahf, *the Islamic Economy*, p. 34.

⁷⁹ Euis Amalia, *Keadilan Distributif*, p. 126

given by every Muslim to those certain people with certain terms. Those terms are *nishâb*, *haul*, and rate.⁸⁰

Etymologically, *zakah* means holy, growing, and blessing. Terminologically, *zakah* is certain amount of wealth that distributed into those who needs under certain condition.⁸¹ *Zakah* is a part of the wealth shall be given for thus due with certain condition. *Zakah* is the third out of pillar of Islam. It is well established that *zakah* is one of the most fundamental obligations in Islam. That it is an obligation mentioned in the Qur'an thirty times, in twenty-eight of which, *zakah* is associated with prayers. Moreover, there are many other verses which mention the term *shadaqah* and its derivatives in a general meaning which covers both voluntary contribution as well as *zakah* in example obligatory contribution. In four of these verses, the term *shadaqah* is used specifically in the meaning of *zakah*.⁸² This obligation of *zakah* is also emphasized in a large number of sayings of the Prophet.⁸³

Zakah is the one of the five pillars of Islam, the elements of the faith that is obligatory for all believers. *Zakah* is the only pillar that deals with finance and also the only one that relates directly to Islamic governance. Unlike the statement of faith, the five daily prayers, fasting during Ramadhan, and the pilgrimage to Mecca, *zakah* is an obligation to society and to specific classes of individuals within that society.⁸⁴

⁸⁰ Mohammad Daud Ali, *Sistem Ekonomi Islam Zakat Dan Wakaf*, (Jakarta: Penerbit Universitas Indonesia, 2006), p. 39.

⁸¹ Muhammad Ali Hasan, *Zakat, Pajak Asuransi dan Lembaga Keuangan*, (Jakarta: RajaGrafindo Persada, 1996), p. 1.

⁸² Monzer Kahf, *Introduction to The Study of The Economics of Zakah*, p. 1

⁸³ Yusuf Qardawi, *Fiqh, al Zakat* (Arabic), 2nd ed., (Beirut: Mu'assat al Risalah, 1393 H) Vol. 1, p. 69-75

⁸⁴ Jennifer Bremer, *Zakat and Economic Justice*, p.51.

It has many objective practically, such as elevating the poor's level and helping them out from misery, solving problem of *ghârimin*, *ibnu sabîl*, and other *mustahiq*, establishing Islamic brotherhood, heart and mind purifying, developing the social responsibility sense of personal especially for richness, educating people to be disciplined to fulfill the obligation and giving the rights, and the last is income distribution tools to achieve social justice.⁸⁵

The fact that the main objective of zakah is the achievement of socio-economic justice is not disputed. Zakah is simply a transfer of a certain portion of *mal* from the have to the have not. It is however, interesting to observe that this objective is not specifically mentioned in the Qur'an. The Qur'an states that the objective of taking zakah out of their *amwâl* is *tathîr* (purification) and *tazkiyah* (sanctification). In addition to sanctification, the word *tazkiyah* means material and/or spiritual growth. Many commentators believe that this pillar of Islam is called zakah because the act of discharging of it purifies the wealth and the soul of the payers and make them grow.⁸⁶

It is well established that zakah is a transfer payment from the rich to the poor for the purpose of redistribution of wealth and income in the society. The Qur'an and the Sunnah have overwhelming evidence which indicates that the Islamic system does not like any form of concentration of wealth or income in a few hands and considers their redistribution, by means acceptable in sharia, one of the major objective of the Islamic economic system.

⁸⁵ Mohammad Daud Ali, *Sistem Ekonomi*, p. 40.

⁸⁶ Monzer Kahf, *The Principle of Socio-Economic Justice In The Contemporary Fiqh of Zakah*, p. 12.

A rich may be a person who has high income or a person who owns a lot of wealth since richness is a command on resources regardless of whether these resources are in stock or flow terms. In the past, people used to earn high income only through trade and agriculture both of which require ownership of certain wealth to start with. The distinction between income and wealth is necessary to understand the implication of social economic justice in contemporary economic context. Income is a flow of resources within certain period of time usually a year. Wealth is a stock of resources at a certain point of time. Income may either be used for consumption or it may be saved. What is saved makes an increase in wealth. Therefore, the part of income that is not consumed becomes part of wealth as defined at the point income period ends.⁸⁷

Moreover, zakah is imposed on the rich and on *mâl* regardless of whether it is a flow or a stock, income, or wealth. This distinction between flow and stock does not appear in fiqh literature because it is not an ancient distinction. But through the analysis of zakatable items one can easily trace that our *fuqaha* did not exclude richness in terms of income from their discussion. Therefore, zakatable items can be reclassified according to the concept of flow and stock or income and wealth.

The Qur'anic reference to items subject to zakah is rather general. Verse No. 9: 103 mentions the word *amwâl* and verse 2:267 mentions what you have earned and what We (God) have produced from the earth. However,

⁸⁷ Monzer Kahf, *The Principle of Socio-Economic Justice*, p. 14-15.

several sayings of the Prophet make specific reference to gold, silver, camels, sheep, cattle, things set or prepared for sale, land produce, crops, and fruit.

On the basis of such texts of Qur'an and Sunnah, scholars both classical and temporary, formulated many views, opinions and rules about subjecting items of wealth and income to zakah. The different position of *fuqaha'* on this issue may generally be categorized into three main stances as follows:⁸⁸

1. Those who believe that items object to zakah are: agricultural product, livestock (camels, sheep, and cattle), mobile assets acquired for the purpose of resale, gold, silver, and other money (currencies) on hand.
2. Those who add to the above: return generated by fixed assets and earning of human capital, be it in the form of wages, salaries or professional fees.
3. Those who add to the items mentioned in 1 and 2 the fixed assets themselves, in other word they talk about net worth on the day zakah is due.

As any general classification overlooks details, we must notice that there are minute differences of opinions within each category as well as between the three categories. For instance, in group 1 above, there are many differences about the objectivity of items such as jewelry, debts on others, honey, lumber, wood, vegetables, and other product of the land, domesticated animals other than livestock, etc. By the same token within the views in group 2, there are opinions that include gross return of fixed assets and other that focus on the net return only.

⁸⁸ Monzer Kahf, *Zakah*, p. 2.

The Qur'an and the Sunnah impose the levy of zakah on *mâl* that covers wealth and income. Hence, in the society of Madinah at the time of Prophet, it became clear that zakah is levied on camels, sheep, cows, gold, silver, agricultural output, and goods designated for trade. Certain items were clearly exempted. This exemption included things used for personal purposes such as cloth and furniture. Then, Monzer Kahf in his paper tried to make a list, as comprehensive as possible of the justice related principles that can be derived from Qur'an and Sunnah. On the basis of the Qur'an and the Sunnah, the following levy related principles of zakah can be derived:⁸⁹

1. Items object to this levy are:

- a. Major kinds of wealth known at the time, such as livestock, inventory of trade, gold and silver (all these are stock).
- b. The part of income (flow) which is saved during the year so that it becomes an increment in the above mentioned items of wealth, such as income which is saved in the form of any of the mentioned kinds of wealth regardless of its source. For instance, this includes the increments in the trade assets, livestock, gold and silver, etc.
- c. Agricultural products, namely output of agriculture (flow).
- d. Found treasures and minerals extracted from the ground (flow).

2. Items excluded from zakatability are:

- a. Human skills and human resources.
- b. Income used for consumption regardless of its sources.

⁸⁹ Monzer Kahf, *The Principle of Socio-Economic Justice*, p. 17-19.

c. Items of wealth used for personal and family purposes whether such items are perishable or not. These include horses, slaves, personal weapons, residence, etc.

d. Trivial things not meant as trade inventory such as laborers' tools.

There was no machinery and equipment at that time and prices of craftsman tools were generally not expensive.

Items included in 3 and 4 indicate that not all the personal net worth is object to zakah.

3. The criterion of zakatability is set at two hundred Dirham, or its equivalent for stock items and their increments and at 300 *sha'* (approximately 653 kg) for agricultural output. According to Shah Waliullah al Dahlawi, either of these two amounts is sufficient for the minimum food requirement of a family of three for a year. It is obvious that this amount is below the subsistence level today since housing, clothing, and miscellaneous needs assume more weight in today's definition of subsistence level of living than they used to have in the Arabia at the time of the Prophet.⁹⁰

4. The rates of zakah were set at 2,5% for stock items, 10% for agricultural output when they are irrigated by rivers, canals, or rain, 5% for output irrigated from well water extracted by human or animal power, and 20% for found treasures and minerals.

⁹⁰ Monzer Kahf, "Relatives Prices in Madina at the time of the Prophet (pbuh)" in Review of Islamic Economics, V.1, 1411, p. 1-44.

It should be note that at the time of the Prophet in Madinah, livestock, gold and silver (whether used as money, raw materials or jewelry), trade inventory and agricultural land were the only forms of wealth (stock) people used to hold. Madinah did not have any form of capitalized industrial or service sectors. Labor-base handicrafts were considered demeaning. Slaves existed but they were not generally kept for breeding.

Monzer Kahf also gives the list for zakatable items after the Prophet as the comprehensive list earlier. In the following centuries, analytical Fiqh writings started to appear and it seems interesting to take a look at the main points of dispute among the sharia scholars in an attempt to discover certain guidelines which would help in suggesting criteria of zakatability of new forms of wealth and income. These points include the cases of debts, jewelry, horses, and other domestic animals, herds sustained on fodder, honey and other animal products, agricultural products other than those mentioned in the authentic Sayings, income, and fixed assets which are not designated for personal use. These lists are:⁹¹

1) Debts

For debts which are on the person, that is a liability item on the balance sheet, there are three views about their deduction from the zakah base. First; debts are always deductible. Second; debts are deductible except from agricultural output. Third; debts are deductible except from the apparent items whose zakah is usually collected by the state. Besides that, debts that owned by the person, as an item of the payer's stock of wealth are zakatable if they

⁹¹ Monzer Kahf, *The Principle of Socio-Economic Justice*, p. 19-24.

are in good standing. Then what matters for zakatability is being a real part of the net wealth of the payer.

2) Jewelry

The views about jewelry can be summarized in four as follows: (a) Jewelry whose use is prohibited is zakatable. (b) Permissible jewelry is not included in the zakah base if it is not in excess of customary or normal personal use and it is not very excessive. (c) All permissible jewelry is zakatable. (d) All jewelry is not zakatable. In addition to quoting the Prophet's sayings, the arguments for and against these views center on the concept of customary or normal personal use and its boundaries, whether holding jewelry is tantamount to holding an item of wealth. For example, jewelry becomes subject to the levy if it is excessive, not customary or its use is not recognized in sharia.

3) Horses

The controversy about the zakatability of horses and other domestic animals reveals the following points, first whether horses are used for personal purposes or as a stock of wealth, and second, their similarity or lack of similarity to zakatable livestock.

4) Fodder Livestock

Herds sustained on fodder are zakatable according to Malik and some others on the ground that they are included in the general texts of zakah on animals. These scholars argue that the descriptive adjective "being fed by free pasture" which appears in some sayings of the Prophet is a general description of what used to be most common at the time of Prophet. It is not intended as a

determinant of zakatability. Consequently, it is not meant to exclude fodder herds.

5) Honey

The argument in favor of zakatability of honey is mainly based on the general texts of zakah on farm products since the few sayings on honey itself are controversial. Yusuf Qardhawi⁹² argues that there should be a levy on the product of anything whose substance itself not made subject to zakah, accordingly not only honey but eggs and natural silk must be zakatable too.

6) Other Agricultural Product

As far as agricultural product are concerned, there are differences about the extent of the coverage of these products by the levy of zakah. While the restrictive views derive support from certain sayings which mention by name zakatable products, opinions which extend the coverage to other products are founded on ground of consistency, that is all kinds of land produce and fruit are similar from the point of view of being products of the land, therefore they should equally be covered by the general texts of zakah on agricultural products.

7) Income

There are four income items which are subject to zakah: (1) Income from trade, (2) The increase in the number and value of zakatable livestock, (3) Gross output of agriculture, which is in a sense, gross agricultural income, and (4) All other income including labor compensation, professional income, income from financial and other asset, grants, inherited assets, etc.

⁹² Yusuf Qardhawi, *Fiqh al Zakah*, Mu'assasat al Risalah, (Beirut: 2nd ed., 1973), p. 426, and p. 431.

The first three categories of income are zakatable according to the majority of scholars while charging the fourth one is only the opinion of a few *fuqaha*'. However, that out of the first two categories income income that is consumed during the year is not included in the zakah base. The main reasons given by those who believe in the zakatability of other forms of income (item 4 above) are summarized in the following: (1) Texts of zakatability are general and exclusive. (2) Excluding this category of income is not consistent with levying zakah on agricultural income as well as on the other kinds of zakatable income. (3) Exempting this category results in relieving many of the rich persons while low-income merchants and others are charged zakah. (4) Charging this category zakah is consistent with the general principles of justice at large and its application to zakah in specific.⁹³

8) Business Fixed Assets

The controversy about business fixed assets is rather contemporary. It seems that those who believe in their zakatability founded their view on the fact that these assets are a source of income like trade inventory. They argue that a fixed asset may be exempted only if it is devoted for personal use but it must be subject to zakah when it is made a source of income because they are wealth and owned by the rich and rich people should not stay out of the reach of zakah. On the other hand, opponents of zakatability of fixed assets argue that they are not intended to sale and are similar to the small tools of labor workers such as harbors, carpenters, and blacksmith.

⁹³ Yusuf Qardhawi, *Fiqh al Zakah*, p. 487-520.

The tremendous change in the modes of production which took place in the last two centuries created new forms of wealth and changed the scope of many old forms. Industrial, commercial, agricultural and service holdings are now normal practice after they were exceptions in the past. Additionally, high skills and technological knowledge are outcome of long and very costly process of education and training. All this created a new structure and distribution of wealth and income in the society which calls for the reconsideration of the old pattern of zakatability in order to make it suit this new structure of wealth and income.

Monzer Kahf gives the list of contemporary views of sharia scholars for the new forms of wealth and income in the following:⁹⁴

- a. The majority of contemporary scholars hold to the traditional opinion and disregard the structural changes in wealth and income. Consequently, they exempt labor compensation and business fixed assets from zakah. This is evident in the Fatwa given by the OIC Fiqh Academy in its second annual session, held in Jeddah, November 1985, regarding zakah on buildings equipment and machinery. Scholars who subscribe to this opinion add that if the return on those assets is kept in cash form for a full year it becomes zakatable like any other cash holdings.
- b. Some scholars believe that only the return of exploited fixed assets is zakatable at the rate of 2,5%. This zakah on income is due upon its receipt.

⁹⁴ Monzer Kahf, *The Principle of Socio-Economic Justice*, p. 25.

- c. Abu Zahrah, Khallaf, Hasan, and later Qardhawi suggest that the return on fixed assets (income) should be zakatable at 5% on gross or 10% on net.
- d. Yusuf Qardhawi adds labor compensations to the zakatable items.

In Monzer Kahf point of view, the first opinion does not take the principle of justice in zakatability into consideration. It virtually keeps the majority of rich in any contemporary Muslim society out of reach of zakah while charging the poor agricultural population at a rate of 5% or 10% with a zakatability criteria that does not even exempt a minimum provision of grain alone to the average peasant family in any contemporary muslim country.

The second and third views lack consistency that requires treating equally those who are equal in wealth and/or income. These views also suffer from another shortcoming in their rationale. The differential treatment they suggest for the different kinds of business assets (fixed and mobile) is not founded on solid grounds since circulating and fixed assets contribute on the same footing to the production process, as each of them is indispensable for achieving the objective of any investment.⁹⁵

Furthermore, the second and third opinions hold that fixed assets should be zakah free if they are kept idle or did not produce return. This seems contradiction that cash money is zakatable even when it is kept idle or did not produce return, and that trade inventory is also zakatable if it is kept idle, results in a zero net return or even makes a loss at the end of the zakah year as long as the principal remains *nishab* or above. And the difficulty feared by

⁹⁵ Monzer Kahf, *The Principle of Socio-Economic Justice*, p. 26.

Qardhawi about the indivisibility of fixed asset which makes payment of zakah out of fixed assets difficult, does not really exists today.

The conditions of growth is repeatedly used in the fiqh literature to justify certain exemption from zakah especially with regards to fixed assets, debts, and inventory held by merchants for several years. This condition means that any zakatable item must be actually or potentially, growing, and an item that is not growing, actually or potentially is not zakatable.⁹⁶

The meaning of this condition seems to have passed through certain evolution because it is said to have been derived from the sayings which exempt from zakah items designated for personal use, usually called items of *Quniah* which literally means acquisition. Then from concept of *Quniah*, a condition of growth was derived. But a reexamination of the texts upon which the condition of growth is based may suggest giving this condition a different meaning.

Firstly, the exemption of items devoted for personal use is not the same as the exclusion of business fixed assets known in today's world since the latter is devoted to make profit, that they are in this sense, growing. Secondly, the intention to sell that is mentioned in one saying of the Prophet with regard to trade merchandise, is not more than an intention to make profit from business and should not be restricted to literal sale especially that some items, for example livestock are zakatable even if they are held for *Quniah* not for sale. Consequently the use of the term *Quniah* which is coined by the

⁹⁶ Monzer Kahf, *The Principle of Socio-Economic Justice*, p. 28.

fuqaha’ as it did not appear in the sayings of the Prophet was responsible for extending the concept of acquisition from personal items to business assets.⁹⁷

There are two views that usually known among Muslim economists about the extent of the coverage of zakah. The first is that zakah should be applied as it is suggested in traditional fiqh position with minimum contemporary rethinking and any injustice that may arise can always be corrected by additional taxes. The second is that as a sacred pillar of Islam and its economic system, zakah can not be conceived of as an unjust and inconsistent institution especially that its Qur’anic verses and main sayings emphasize its coverage of the *amwâl* and the rich persons.⁹⁸

Monzer Kahf also gives the explanation how speed which zakah can achieve the objective of redistribution of income and wealth in a contemporary society. He argues that zakah spending is not limited to providing subsistence living for the poor but it rather aims at the poor’s enrichment, and it influences the short and long run redistribution of income. In his study, he found that if zakah is imposed in accordance with the traditional fiqh view, the potential proceeds of zakah will be a lot less than most Muslim economists may think. It process would run between 0,9% and 2% of gross domestic products, except in Sudan where it is estimated at 4,3% of GDP. For the information, Sudan has made zakah payment in obligatory manner and its estimation increases than the state that does not made it obligatory. Consequently, under normal conditions, the traditional fiqh view of *fuqaha*’ does not yield more than say 1 to 2% of GDP. Even all the

⁹⁷ Monzer Kahf, *The Principle of Socio-Economic Justice*, p. 29.

⁹⁸ Monzer Kahf, *The Principle of Socio-Economic Justice*, p. 33.

estimated zakah is given to the poor, it will not be sufficient to provide them with minimum biological sustenance let alone enrichment which is always talked by fuqaha'. Moreover, he found at the sectoral distribution of the estimated zakah according to the traditional view that in many of these Muslim countries most of the estimated zakah comes from monetary holdings and stock in trade where the actual collection of zakah is costly and difficult to manage⁹⁹.

Zakah on monetary holdings constitutes a big portion of the estimation (16 to 71% in six of the eight countries covered in the study). Practically, this sort of zakah is difficult to collect in obligatory manner by the state because its assessment and collection are intricate and administratively very expensive. As for the zakah on stock in trade, it is estimated to make 3% to 17% in six of the eight Muslim countries for whom zakah is estimated. But if we go beyond the traditional fiqh position, the percentage of estimated zakah proceeds to GDP increases. Two other estimations are made on the basis of Qardhawi's opinion where the levy covers salaries at rate of 2,5% and net returns of fixed assets at a rate of 10%; and the other on a similar basis to that of Qardhawi except that zakah is calculated on fixed assets and their net return together at a rate of 2,5%¹⁰⁰.

In conclusion, Kahf opined that the state intervention has a big impact in the collection and distribution of zakah, especially if the zakah payment made into obligatory manner. There are several considerations that may limit the degree of state involvement in the collection and distribution of zakah,

⁹⁹ Monzer Kahf, *The Principle of Socio-Economic Justice*, p. 37.

¹⁰⁰ Monzer Kahf, *The Principle of Socio-Economic Justice*, p. 38.

such as management cost, letting certain margin for casual deserving causes, economic incentives, choice of degree of government interference in the private affairs of individuals, availability of other resources for supporting the poor, local, political, social, and religious consideration, etc, which affect the selection of zakatable items that the state desires to cover by obligatory collection. Zakah does not have to be restricted to the forms of wealth and income which existed at the time of Prophet, and its coverage does not have to be limited by concepts affected by temporal modes of production in the past. Therefore, *fuqaha*’ are called upon to reconsider their contemporary views on new forms of wealth and income.

Table 1.2. The Points of Monzer Kahf Thought on Socio-Economic Justice in Zakah

No.	The Points of Thought
1.	Monzer Kahf would like to present an economic viewpoint about the contemporary fiqh opinions on zakah and to show that some of them may not be consistent from the point of social and economic justice.
2.	Zakah does not have to be restricted to the forms of wealth and income which existed at the time of Prophet, and its coverage does not have to be limited by concepts affected by temporal modes of production in the past. Therefore, <i>fuqaha</i> ’ are called upon to reconsider their contemporary views on new forms of wealth and income.

3.	Zakah effect on eradication of poverty in the muslim countries is higher if the new forms of wealth and income especially in the sectors of industry, commerce, finance and services are considered zakatable, that if sizable proceeds can be collected and distributed.
4.	The state intervention has a big impact in the collection and distribution of zakah, especially if the zakah payment changed into obligatory manner and managed by state.

B. The Relevance of Monzer Kahf's Thought About The Principle Of Socio-Economic Justice in Overcoming The Socio-Economic Inequality in Indonesia

In recent years, Indonesia has experienced strong economic growth. This achievement has reduced the poverty rate and increased the number of middle class. However, the benefits of this growth are more enjoyed by 20% of rich people, while 80% of the remaining community still can not enjoy these benefits.

Poverty is one of the complex problems in Indonesia because it involves various other aspects such as social gap, unemployment, criminal, and ignorance. In Indonesia itself, the point of problem is not only in poverty, but also inequality of income distribution which leads to social inequality.

The level of inequality in Indonesia is relatively high and rising more rapidly than many other East Asian countries. A survey of public perception in 2014 on inequality shows that most Indonesians rate the distribution of

income in Indonesia as unequal. The respondents also demanded the government to take immediate action. Because if it is not followed up, this problem will be widen and slow down economic growth and poverty alleviation along with the increased risk of conflict.¹⁰¹

There are two theories of inequality. First, it departs from the terms of human cooperation and arrives at deductive conclusions that the inequality of social status is always important. Second, this theory is based on the assumption that the conflict or solidarity which caused reduced inequality and therefore concluded that by increasing solidarity, inequality can be reduced or eliminated.¹⁰² The researcher in this research only picked the second theory, because it related into the discussion.

Social inequality can be interpreted as an imbalance or distance that occurs in the middle of society due to differences in social, economic, or cultural status. Social inequality may be caused by inhibiting factors, so preventing a person from taking advantage of access or available opportunities. According to Andrinof A. Chaniago, inequality is the fruit of development only focuses on economic aspects and forget the social aspects. Jonathan Houghton and Shahidur R. Khandker said that social inequalities are forms of injustice that occur in the development process. And Roichatul Aswidah said that social inequality is often seen as a residual impact of the process of economic growth. So, the conclusion is that social inequality is defined as an injustice perceived by society in status and position.

¹⁰¹ <http://www.worldbank.org>, accessed on 2 June 2017.

¹⁰² Kaare Svalastoga, *Diferensiasi Sosial*, trans. Alimandan. (Jakarta: PT Bina Aksara, 1989), p. 5.

The inequality in Indonesia has been discussed by an observer of Indonesia's economy, Faisal Basri. According to him, the magnitude of the gap is also seen in the control of the rich in the banking sector. If referring to the report of the World Bank titled Indonesia's Rising Divide (2015), explained that there are at least four main drivers of inequality in Indonesia:¹⁰³

- a. Inequality opportunities. Poor children often do not have a fair start to their lives, reducing their ability to succeed in the future. At least one-third of the imbalances are caused by factors beyond the control of the individual.
- b. Uneven work. The labor market is divided into highly skilled workers whose wages are increasing, and workers who do not have the opportunity to develop such skills are trapped in low-productivity, informal, and low-paid jobs.
- c. The high concentration of wealth. A handful of Indonesians make profits through the ownership of financial assets that are sometimes acquired through improper means such as corruption, thus pushing the inequality higher now and in the future.
- d. Low economic resilience. Natural disasters are increasingly common and greatly affect poor households, thus eroding their ability to earn an income and invest in the health and education needed to improve their economic degrees.

¹⁰³ <https://kumparan.com>, accessed on 2 June 2017.

From several issues above, it indicates that Indonesia is really in a worrisome state, so it needs the best solution to overcome this social and economic inequality. When we referred into the theory that said by increasing solidarity, the inequality can be reduced or eliminated, it concluded that solidarity among people is important in this case.

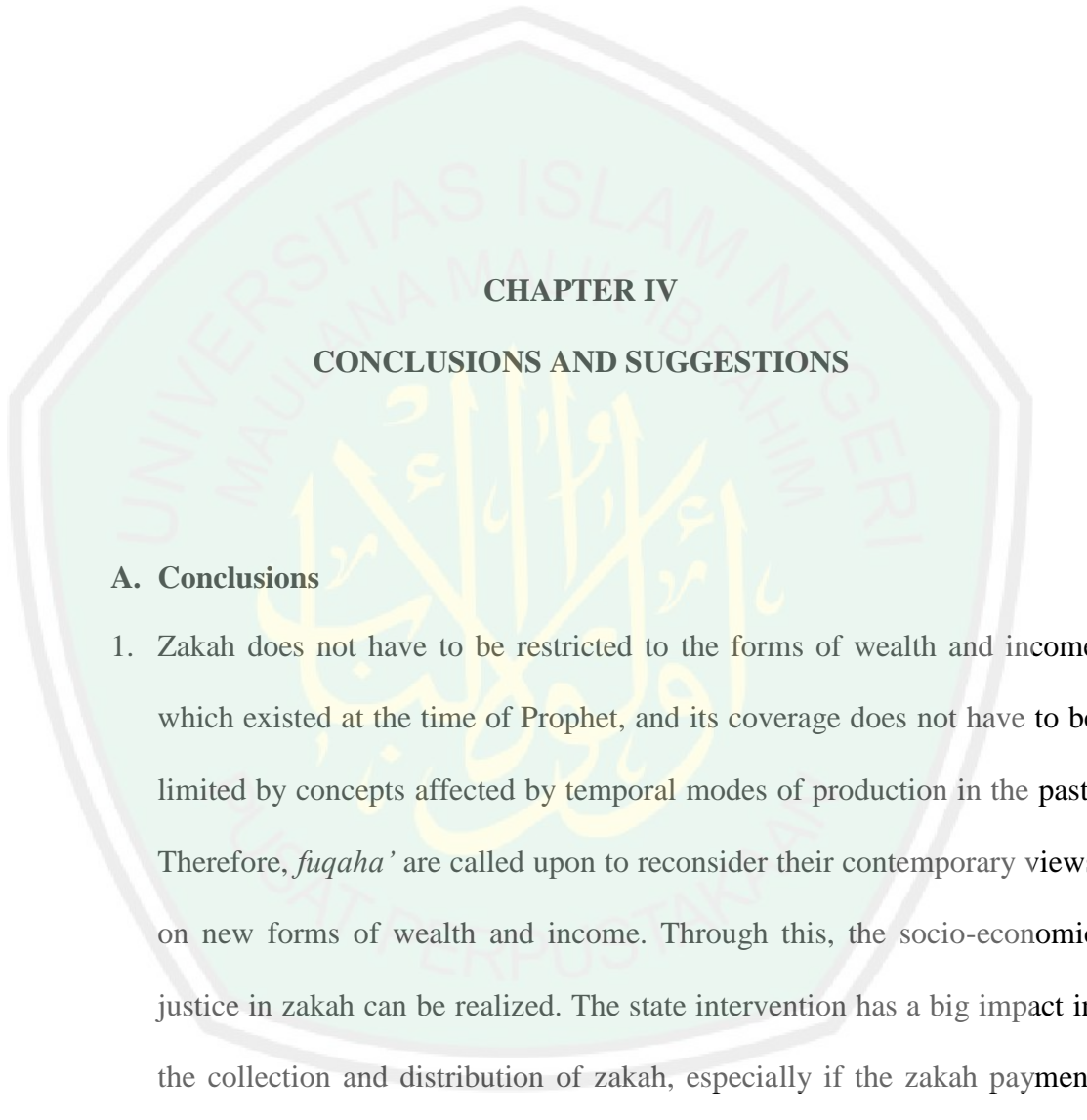
The various social and economic inequalities that occurs in Indonesia such as poverty, lack of distribution of wealth and income that is concentrated only in certain rich or economically well-off people, wage inequality where high skilled workers earn relatively greater wages than workers and the decline in the proportion of labor in agriculture can be solved by several solutions. The main solution that discussed in this discussion was income distribution. It becomes the complex issues, because it related with socio-cultural values. Some people looked at income distribution as a worthy goal to achieve because it involves issues of social justice. Direct and indirect income equity policies are implemented to reduce poverty.¹⁰⁴

The income distribution can be implemented by distribution of income and wealth through zakah, where the distribution of zakah itself becomes the goal of the application of social economic justice. In addition to benefiting the recipient, zakah is also beneficial to the payer in the purification of self and soul. However, the application of zakah distribution is less efficient if only focused on items of zakah that existed at the time of the Prophet. It because there were many changes that occurred from the object of zakah. Then, by the reconsideration of new forms of wealth and income and

¹⁰⁴ <https://akhmadaliyunus.files.wordpress.com>, accessed on 6 June 2017.

implementing income and wealth distribution through zakah, we can overcome the socio-economic imbalances that occur in Indonesia. The state intervention in zakah collection and distribution is important for sure. The government should make the socialization and introduce the new forms of zakatable items to the society and made such payments obligatory.





CHAPTER IV

CONCLUSIONS AND SUGGESTIONS

A. Conclusions

1. Zakah does not have to be restricted to the forms of wealth and income which existed at the time of Prophet, and its coverage does not have to be limited by concepts affected by temporal modes of production in the past. Therefore, *fuqaha* are called upon to reconsider their contemporary views on new forms of wealth and income. Through this, the socio-economic justice in zakah can be realized. The state intervention has a big impact in the collection and distribution of zakah, especially if the zakah payment made into obligatory manner by state.
2. We can overcome the socio-economic imbalances that occur in Indonesia by the reconsideration of new forms of wealth and income and implementing income and wealth distribution through zakah. The

government should work together with Islamic scholars in Indonesia and then introduce the new forms of zakatable items to the society and made such payments obligatory.

B. Suggestion

From the result of conclusions above, the researcher gives a recommendation:

1. There should be the socialization of Monzer Kahf's thought in order to make his thought realized and implemented properly.

BIBLIOGRAPHY

A. Book

Al Qur'ân al Karîm

al Asfahani, Al Raghîb. *Mu'jam Mufradat Alfazh al Qur'an*. Beirut: Dar al Fikr, t.th.

Ali, Mohammad Daud. *Sistem Ekonomi Islam Zakat Dan Wakaf*. Jakarta: Penerbit Universitas Indonesia, 2006

Amalia, Euis. *Keadilan Distributif Dalam Ekonomi Islam: Penguatan Peran LKM Dan UKM Di Indonesia*. Jakarta: PT Raja Grafindo Persada, 2009

Antonio, M. Syafi'I. *Bank Syariah dari Teori ke Praktik*. Jakarta: Gema Insani, 2001

Baqi, Muhammad Fuad Abdul. *al Mu'jam al Mufahras li Alfazh al Qur'an al Karim*. Indonesia: Maktab Dahlan, t.th.

Bremer, Jennifer. *Zakat and Economic Justice: Emerging International Models and their Relevance for Egypt*. paper presented on Third Annual Conference on Arab Philanthropy and Civic Engagement. Tunis. June 4-6, 2013

Chamid, Nur. *Jejak Langkah Sejarah Pemikiran Ekonomi Islam*. Yogyakarta: Pustaka Pelajar, 2010

Departemen Agama RI. *al Qur'an dan Terjemahnya*. Jakarta: Yayasan Penterjemah al Qur'an, 1982-1983

Direktur Pengembangan Zakat Dan Wakaf. *Peraturan Perundang-Undangan Pengelola Zakat*. Jakarta: Bagian Proyek Peningkatan Zakat Dan Wakaf, 2002

Haneef, Mohamed Aslam. *Pemikiran Ekonomi Islam Kontemporer ; Analisis Komparatif Terpilih*. Ed. Suherman Rosyidi. Jakarta: RajaGrafindo Persada, 2010

Hasan, Muhammad Ali. *Zakat, Pajak Asuransi dan Lembaga Keuangan*. Jakarta: RajaGrafindo Persada, 1996

Hazm, Ibnu. *al Muhalla*. Vol. VII. Beirut: Dar al Kutub al Ilmiyyat, 1988

- Ibrahim, Johny. *Teori Dan Metodologi Penelitian Hukum Normatif*. Malang: Bayumedia Publishing, 2006
- Khaldun, Ibnu. *Biografi Ibnu Khaldun*. Jakarta: Pustaka Al Kautsar, 2011
- Kuncoroningrat. *Metode-Metode Penelitian Masyarakat*. Jakarta: PT Gramedia, 1989
- Kahf, Monzer. *the Islamic Economy: Analytical Study of the Functioning of the Islamic Economic System*
- Kahf, Monzer. *Introduction to The Study of The Economics of Zakah*
- Kahf, Monzer. *the Islamic Economy: Analytical Study of the Functioning of the Islamic Economic System*
- Kahf, Monzer. *The Principle of Socio-Economic Justice In The Contemporary Fiqh of Zakat*
- Kahf, Monzer. *Zakah and Prohibition of Riba in The Islamic Economic System*
- Listiyono, Santoso. *Epistimologi Kiri*. Yogyakarta: Ar Ruz Media, 2003
- Mahmud, Ali Abdul Hakim. *Fikih Responsibilities Tanggungjawab Muslim Dalam Islam*. Jakarta: Gema Insani, 1998
- Mahmud, Peter. *Penelitian Hukum*. Jakarta: Prenadamedia Group, 2015
- Majid, Nurcholish. *Pintu-Pintu Menuju Tuhan*. Jakarta: Paramadina, 2008
- Majma' al Lughah al Arabiyah, al Mu'jam al Wasit. Vol. 1. Kairo: Maktabah al Syuruq ad Dauliyah, 2004
- Mubyarto. *Sistem Dan Moral Ekonomi Pancasila*. Jakarta: LP3ES, 1990
- Muhammad, Abi Isa. *Sunan at Turmudzi*, Vol IV. Beirut Libanon, Dar al Fikr t.th.
- Muthahhari, Murtadha. *Keadilan Ilahi Asas Pandangan Dunia Islam*. Bandung: Mizan, 1992
- Muslim, Imam Abi al Husaini. *Shahih Muslim*. Vol II. Beirut Libanon: Dar el Fikr, t.th.
- Naqvi, Syed Nawab Haider. *Menggagas Ilmu Ekonomi Islam*. transl. M. Saiful Anam, Muhammad Ufuqul Mubin. Yogyakarta: Pustaka Pelajar, 2003
- Nasution, Mustafa Edwin. *Pengenalan Eksklusif: Ekonomi Islam*. Jakarta: Kencana, 2010

- Qardawi, Yusuf. *Fiqh, al Zakat* (Arabic), 2nd ed. Beirut: Mu'assat al Risalah, 1393 H Vol. 1
- Qardhawi, Yusuf. *Norma Dan Etika Ekonomi Islam*. Jakarta: Gema Insani Press, 1997
- Qardhawi, Yusuf,. *Daur al Qiyam wa al Akhlak fi al Iqtishadi al Islami*. Kairo: Maktabah Wahbah, 1995
- Quthb, Sayyid. *al Adalah al Ijtima'iyyah fi al Islam*. translator Afif Muhammad. Bandung: Pustaka, 1994
- Raharjo, M. Dawam. *Ensiklopedi Al Qur'an Tafsir Sosial Berdasarkan Konsep-Konsep Kunci*. Jakarta: Paramadina. cet II. 2002
- Rozalinda. *Ekonomi Islam: Teori Dan Aplikasinya Pada Aktivitas Ekonomi*. Jakarta: PT RajaGrafindo Persada, 2015
- Sachedina, Abdul Aziz A. *The Just Ruler in Shi'ite Islam*. transl. Ilyas Hasan. *Kepemimpinan dalam Islam Perspektif Syi'ah*. Bandung: Mizan, 1994
- Silalahi, Gabriel Amin. *Metode Penelitian Dan Studi Kasus*. Sidoarjo: CV. Citra Media, 2003
- Social Justice Review. *Curing World Poverty. The New Role Of Property*. Missouri: 1994
- Soekanto, Soerjono. *Pengantar Penelitian Hukum*. Cet. III; Jakarta: UI-Press, 1986
- Subahyo, Joko P. *Metode Penelitian Dalam Teori Dan Praktek*. Jakarta: Rineka Cipta, 1991
- Svalastoga, Kaare. *Diferensiasi Sosial*, trans. Alimandan. Jakarta: PT Bina Aksara, 1989
- as Suyuthi, Jalaluddin. *Sunan an Nasa'i*. Vol V. Beirut Libanon: Dar al Kutub al Ilmiyah, t.th.
- as Syatibi. *al Muwafaqat fi Ushul asy Syariah*. Vol. 2. Kairo: Musthafa Muhammad, T.th.
- Taringan, Azhari Akmal, *Islam Madzhab HMI*, (Cipayung: GP Press Group, 2007)
- Tim Pemberdayaan Perempuan Bidang Agama Departemen Agama Republik Indonesia. *Keadilan Dan Kesetaraan Jender Perspektif Islam*, 2001

Zarqa, Muhammad Anas, Islamic Distributive Scheme. in Munawar Iqbal *Distributive Justice and Need Fulfilment in an Islamic Economy* Islamabad: International Institute of Islamic Economics, 1986

Zawawi, Ali dan Syaifullah Ma'shum. *Penjelasan al Qur'an Tentang Sosial, Ekonomi, dan Politik*. Jakarta: Gema Insani Press, 1999

B. Regulation

Undang-Undang Republik Indonesia No. 23 Tahun 2011 Tentang Pengelolaan Zakat

C. Thesis

Rizkayah, Desy. 2015. Konsep Keadilan Menurut Ibnu Khaldun Dan Relevansinya Bagi Kehidupan Modern. Palembang: Universitas Islam Negeri (UIN) Raden Fatah

Bhinawan. Penafsiran Ayat-Ayat Al Qur'an Tentang Keadilan Sosial Dan Keadilan Ekonomi (Dalam Nilai-Nilai Dasar Perjuangan HMI). Jogjakarta: Universitas Islam Negeri (UIN) Sunan Kalijaga

D. Journal

El Hayah. Volume 01. No. 01. June 2014. Fitri ,Ahmad Asrof . Pembangunan Sosial-Ekonomi Melalui Zakat Penghasilan Di Indonesia

Nugroho, Arief, dan Dyah Hapsari Prananingrum. *Ketidak Adilan dalam Perjanjian Jual Beli Sayur*. In Law Journal. Vol. 10. No. 2. September 2007

E. Dictionary

Oxford University Press. *Oxford Advanced Learner's Dictionary Of Current English*. UK: 1995

Departemen Pendidikan Nasional. *Kamus Besar Bahasa Indonesia*. Jakarta: Gramedia, 2008

F. Website

<https://aditiodoank.wordpress.com>, accessed on 30 May 2017

<https://akhmadaliyunus.files.wordpress.com>, accessed on 6 June 2017

<http://islamicconomicsbd.blogspot.co.id>, accesed on April 12th 2017

<https://kumparan.com>, accessed on 2 June 2017

Monzer.Kahf.com/about.html, accessed on 3 March 2017

kbbi.web.id/pikir, accessed on 1 Maret 2017

<https://www.hbku.edu.qa>, accessed on April 12th 2017

<http://www.releaseinsider.com>, accessed on 31 May 2017



CURRICULUM VITAE



Name : Nurdian Rahmawati Ramadhani
 Birthday : Jayapura, 23 February 1995
 Address : Pemda Permai jl. Buper No.
 A57 Waena Distrik Heram
 Abepura Jayapura, Papua
 Address at Jl. Simpang Sunan Kalijaga
 Malang : No.11
 No.HP : 081247447758
 Email : diankuch@gmail.com
 Religion : Islam

A. Educational Background

Formal	TK Pembangunan V Yapis	2000-2001
	SD Pembangunan V Yapis	2001-2006
	Pondok Modern Darussalam Gontor Putri 1	2007-2012

B. Achievement

No	Achievement	Period
1	The 1 st winner of bilingual demo in MSAA	2013
2	The 1 st winner of traditional dance in MSAA	2014

C. The Experience of Organization Leadership

No	Organization	Occupation	Period
1	<i>Mudabbiroh</i> in Pondok Modern Darussalam Gontor Putri 1	Language Section	2011
2	Gudep 17-32 in Pondok Modern Darussalam Gontor Putri 1	Scout Trainer	2011-2012
3	Kopma Padang Bulan	General Administration (Secretary)	2015-2016

D. The Experience of Agenda Committee

No	Agenda Committee	Position	Period
1	PBR (Panitia Bulan Ramadhan)	Cleaning Section	2011
2	PBS (Panitia Bulan Syawal)	Cleaning Section	2011
3	PKA (Pekan Perkenalan Khutbatul Arsy)	Accommodation Section	2011
4	PG (Panggung Gembira)	Dancer	2011
5	Muwadda'ah MSAA	Dancer	2014
6	Bimbingan Tes (Bimtes) Permada	Exchequer	2014
7	Panitia Diklatsar Kopma Padang Bulan XV	Public Relation	2014
8	Panitia Harlah XIX Rayon Radikal Al Faruq	Secretarial	2014
9	Orientasi Jurusan HBS	Escort of Group	2014