

## ROWING IN THE FLOW OF KHALAF; INDONESIAN SALAFISM RESPONSE TOWARDS CONTEMPORARY ISLAMIC ECONOMICS

Mukhlis Rahmanto

Dept. of Islamic Economics and Banking, Faculty of Islamic Studies, Universitas Muhammadiyah Yogyakarta, Indonesia.  
Email: mukhlisindunisi@gmail.com

Article History: Received on 25<sup>th</sup> July 2019, Revised on 31<sup>st</sup> August 2019, Published on 06<sup>th</sup> October 2019

### Abstract

**Purpose:** This article is the beginning research of Salafism Islamic economics thought to start from their responses to the entity of Sharia banking as a practical and institutional part of Islamic economics in the Indonesian contemporary Islam context.

**Methodology:** A qualitative approach had used to sculpt and construct Salafism responses from the various documents published by Salafi preachers and scholars and then validated with their doctrinal scholar named Ibn Taimiyya who known as prolific scholar including Islamic economics thought.

**Result:** The results of the research are: first, strengthening thesis as before that Salafism especially da'wa faction was Scriptura list and textualist movement generally. Even though the problems were response both are the economy and business –in Islamic term as a part of mu'amalat duniyawiyyah- that there is a slogan accepted by almost scholars of Islamic law as the door of ijihad was opened largely; second, the spectrum of Salafism Islamic economics thought still circulated in the area of fiqh (law) of economy while their doctrinal scholar Ibn Taimiyya did not only in the area of fiqh economy but also in analyzing the micro and macro-economic variables ([Ali, K. \(2015\)](#)).

**Applications:** This research can be used for universities, teachers, and students.

**Novelty/Originality:** In this research, the model of rowing in the flow of Khalaf; Indonesian Salafism response towards contemporary Islamic economics is presented in a comprehensive and complete manner.

**Keywords:** *Salafism, Islamic economics, sharia banking, mudharaba (partnership contract), Murabaha (deferred payment sale).*

### INTRODUCTION

One of Islamic contemporary movement has gotten the most noticeable by the academicians after 9/11 was Salafism. Even it was acknowledged with radicalism, actually, Salafism is the Islamic movement rose from theology polt to preserve their color of orthodoxy. By their orthodoxy, Salafism penetrates the global boarder on economy, social, politic and becoming the trans-national and global movement. Positioning themselves as an alternative ideology for Muslims nowadays, when Muslims still in searching solutive guidance to face modernity that has come and introduced by Western to the Islamic world at the beginning of the nineteenth century. Comparing with other Islamic movements, Salafism's promotion of a specific Muslim identity, which is infused with claims to authenticity ([Afifuddin, M., & Churrany, M. 2017](#); [Bahremand, A. 2015](#));).

The genealogy of Salafism refers and deriver from the Arabic word "salaf", which means the past, opposite to word "Khalaf" which means the present and contemporaneity. When entering the Islamic history context, salaf illustrates periodically of first three golden Islamic ages that covered in the Qur'an and Hadith until the last of fourth Islamic chalipates. The first raising of Salafism is referring to a group of muhaddithun in the late Abbasid chaliphate that were concerning Hadith to minimize theology discourse. It was formulated in doctrine by Ahmad ibn Hanbal (780-855) and Ibn Taimiyya, then rejuveniled and spread by Wahhabi movement, a reformation movement initiated by Muhammad ibn Abdul Wahab (1703-1792) in Nejd, Kingdom of Saudi Arabia currently. Another Salafism pattern is associated with Muhammad Abduh (1849-1905) and Rasyid Ridha (1865-1935). Salafism for their followers is a methodology approach in understanding Islam and referrer to the methods and practices of the first three Islamic ages.

As a methodology, Salafism built on some of the basic teachings considering: (a) turn backing to beliefs and practices of Salaf al-Salih (the pious forefather); (b) stressing on three tauhid doctrines (the oneness of God) e.g : rububiyah, uluhiyah; asma wa al-sifat; (c) struggling for erasing of syirk; (d) The Qur'an, Hadith and Ijma' (consensus of scholars) are the main reference of Islamic law; (e) cleaning bid'a (heresy) in the body of ummah; (e) prioritising textual exegesis towards the Qur'an and Hadits as guidance Muslim life ([Kenan, K. X. 2018](#); [Razavi, S. M., Nasirian, M., & Afkhami, I. 2015](#)). This basic of beliefs, mainly believe to be guidance for most Salafism da'wa and quite different rather than another kind of Salafism that well known as Rasyid Ridha's and Muhammad Abduh Salafism which elaborated with ijihad. The implication of this manhaj has become Salafism as scripturalist and felt the most representing Islam **because** their understanding of Islam is the true one rather than the other understandings.

The scriptura pattern of Salafism making them "sexist " object studies, moreover it was becoming a global phenomenon. Their main concentration is not only in the field of theology purification but includes a social and politic field that going to becoming reality surrounding their activities as medium to develop the movement. Include their economic aspect which

few scholars pay attention to this side. The number of scholars has researched Salafism's economy community as main funding of this movement ([Ali, K. \(2015\)](#)).

Salafism economy communities did not separate from entrepreneurship and another kind of trades as Ali Adraoui's read in the case of France Salafism. It was as an exit strategy to face the realities even contradict with the manhaj. The consumers indeed did not member of group, they did not see them from the kuffar and muftadi's view but as patronage and client. Thus, one side of modernity, in the form of mass consumption, has been unwittingly adopted as it is believed to be unable to tarnish their purity. In funding, Salafism in all around the world used the advantages of oil boom in the middle east that institutionalized by government and non-government philanthropy organizations to fund their movement ([Mambile, C., & Machuve, D. 2018](#)).

The aim of this article is beginning research about Salafism economic thought which started from their response to the raising of Islamic or Sharia banking as a part of Islamic economics practice in the Islamic contemporary world within the Indonesian context. A qualitative approach was applied to construct and carve the responses of Salafism preachers which were spread among the Salafism medias and their books were published to cover the whole understanding. Then validated with the general Salafism manhaj and confirmed by their doctrinal authority in a holistic thought of Ibn Taimiyya.

### **THE DEVELOPMENT OF INDONESIAN SALAFISM; YOGYAKARTA AS CATALYST**

As a part of global Salafism, Indonesian Salafism has raised firstly by Padri movement (1803-1820) in Minangkabau who the figures were in Mecca when Wahhabi dominated the city. Then that figure spread Wahhabism around West and north Sumatra until raised the Padri war. It mean, the change of socio-politics of the Middle East brought Salafism into Nusantara. The sound of Islamic renewal by Muhammad Abduh and Rasyid Ridha was responded with the establishment of Muhammadiyah, Al-Irsyad and Persatuan Islam. These Islamic modern organizations become main players in developing and spreading of Salafism in Indonesia (Nusantara) which the slogan was back to the Qur'an and Hadith and also eradication of local beliefs practice including bid' an ([El Fadl, K. A. \(2014\)](#)).

These organizations with Nahdlatul Ulama, traditional wings that have another pattern of Salafism in the period of Orde lama (old order), established Masyumi, the biggest Islamic political party then diffused in the period of Orde baru (new order) by Soeharto. After Masyumi collapsed, the figures established Indonesia Da'wa Council (DDII) with Muhammad Natsir is the main figure who have special Islamic Middle East networking, especially Saudi Arabia that brought him to catch some of important position. Then he had sent the first group of students to Saudi Arabia included names are Abu Nida', Ahmad Asifudin, and Ainurrafiq Ghufron as first generation. They came back in 1980 and lived in Yogyakarta. Abu Nida' taught Salafism in Gajah Mada University as advicer of Jamaah Shalahudin. From this polt, Salafism spread over the country. In Jakarta, established Lembaga Ilmu Pengetahuan Arab-Islam (LIPIA) also initiated by Muhammad Natsir and become the minaret of Salafism. In 1990, Yazid Abdul Qadir Jawwas, Yusuf Usman Baisa, and Ja'far Umar Thalib as second group sent to Saudi Arabia came back and strengthening da'wa has established by Abu Nida', especially the last name ([El Fadl, K. A. \(2014\)](#)).

Abu Nida', Ahmad Asifudin and Ja'far Umar Thalib developed Salafism in Yogyakarta beyond the As-Sunnah foundation. The beginning crash started when Abdurrahman Abd Khaliq, a salafi preacher of Ihya at-Turats foundation, from Kuwait came to Indonesia in 1996 and gave fund helping to As-Sunnah. Ja'far judged Abdurrahman Khaliq as sururi Salafism, a faction at haraki Salafism then Ja'far established pesantren Ihya at-Turats in Degolan, Sleman after separated with Abu Nida' and starting his adventure in the field of Salafi da'wa until become the main figure between 1990-2000, especially with Salafi internal discourses that he was raised and the most monumental is a dramatic Laskar Jihad when he became the main commander.

Sururi, Haraki and Yamani Salafism issues which blow-up by Ja'far did not erase Salafism da'wa (purist) as the most faction followed by Indonesian Salafism. Abu Nida's da'wa becomes strength beyond the At-Turats al-Islami foundation which has Islamic centre in Piyungan Bantul as the centre of Salafism and nurturing Salafis cadres around Yogyakarta. Other centre of Salafism in Java are: Solo lead by Ahmad Asifudin; Gresik lead by Ainurrafiq Ghufron; Bogor lead by Yazid Abdul Qadir Jawwas; Jember lead by Lukman Ba'abduh; and Cirebon lead by Muhammad Umar as-Sewed. From this centres, Salafism strengthened and getting larger spread by दौरa (training), books published, magazines, special network of radio and television, and the internet where Salafism Islamic discourse have dominated with their sites ([Suleri, J., & Cavagnaro, E. 2016](#)).

### **ISLAMIC ECONOMICS AND ROLE OF DOCTRINAL SALAFISM ULAMA; A HOLISTIC THOUGHT OF IBN TAIMIYYA**

Islamic economics as a modern science branch reborn again in the last 1970. But the Islamic economics thought has raised since the age of prophet because of the main source itself is the Qur'an and Hadith. It was impacting the scientific truth in Islamic economics which based on two things both are the absolute truth depend on Islamic revelead (the Qur'an-Hadith) and relative-factual (the universe phenomenon), both are must be in one polt. The Islamic economics reborn was an alternative system from the economy systems before it, both are capitalism and socialism which introduced three sectors of economy i.e market, society and government. All third sectors must be active to create "falah" (holistic wealth) here and

hereafter. Then Islamic economics can be defined as a branch of science to see and research and solve the problems of economy with Islamic method ([Bhatti, M. \(2018\)](#)).

The Islamic economics paradigm above inspired many of Muslim intellectuals to construct Islamic economics building. One of these scholars is Ibn Taimiyya, an Islamic prolific intellectual and an expert on Islamic laws and the doctrinal constructor of Salafism. His thought included The Qur'an, Hadith, theology, philosophy, and economy that has become itself the most influent scholar in Islamic world until now. Abdul Azhim Islahi summarized his Islamic economics thought from the philosophy of Islamic economics, market mechanism, the price theory which almost include macro and microeconomics aspects. The space of his thought not only stopped in the stage of fiqh of the economy but also analyzed of economic variables, mainly in his monumental books; *Al-Siyasah Asy-Syar'iyah fi Ishlahi Al-Ra'i wa Al-Ra'iyah* and *Al-Hisba fi Al-Islam* ([Bhatti, M. \(2018\)](#)).

The books were written reflected the holistic economics ideas. He studied the main role of free market, the role of market supervisor and role of the government. In the resource of economy ownership, his theory represented the middle extreme between capitalism and socialism. Even the stressed the importance of the free market, but the government should be limit and block excessive individual ownership. The collective interest should be the main goal in economic development. On the other hand, many of macro aspect were studied such as the burden of indirect taxes can move to the buyer in the shape of higher purchase price. The infield of monetary, he remained about the risk when using the double metal standard, later known as Gresham's law in Western. He studied the role of demand and supply related to price-fixing and the concept of equivalent price which were become the basis of reasonable profit determination. This equivalent price also used in determining of level of wages ([Nurgaliyeva, S., Zeynolla, S., Tulenova, U., Zulkarnayeva, Z., & Yespolova, G. 2018](#)).

### **SALAFISM AND CONTEMPORARY ISLAMIC ECONOMICS; STARTING POINT FROM SHARIA BANKING**

One of the discourse have responded and developed by Indonesian Salafism for two decades until now was Islamic economics from aspect of institutional economic practically. The developing discourse was covered mostly with fiqh of economy or especially Islamic commercial law (fiqh al-mu'amalat) to measure, did the all of practices available with the principle of Sharia (sharia compliance) in the corridor of Salaf al-Shalih which it was believed by Salafism. Even in the late year, there is a topic replacement larger than before form fiqh of economy to the Islamic economics landscape generally. One magazine rubric published by Salafi has title "fikih muamalat" and changed become new one with title "Ekonomi Islam". But the content was same. In addition, Salafism's response also found and documented in some of books published by Salafi scholars i.e "Riba dan Tinjauan Kritis Perbankan Syariah" by Muhammad Arifin Badri and "Harta Haram Muamalat Kontemporer" by Erwandi Tirmizi ([Ruthven, M. \(2012\)](#)).

Generally, Salafism neglected the entity of Sharia bank because it was similar to the entity of conventional bank which covered by riba-interest with its camouflage. One of Salafi scholar commented that the Sharia Bank is crueler rather than conventional bank with some reasons consider as: (a) Sharia bank call itself with Sharia; (b) the interest got from the customer is biggest rather than conventional bank got it; (c) The interest gave to the customers was bigger rather than conventional bank got it. This cruelty represented by the basic contracts that the product was offered such as mudharaba and murabaha ([Bhatti, M. \(2018\)](#)).

Nowadays, the mudharaba system practiced in Sharia bank by Salafi did not correct by Sharia measurement especially in their understanding. Their judgments can be divided in to two-part are: (A) Mudharaba contract between customers and the bank which raised two problems: (a) this kind of contract is riba jahiliyya because that lending contains riba on profit sharing, whereas the customer is the true and right one as lender to the bank with interest requirement from profit sharing percentage; (b) The implication of bank gain loss relate to the responsibility of Sharia bank to guarantee the customer fund. By referring to the rules of Indonesian government number 66 of 2008, it was task of Indonesian Deposit Insurance (LPS), whereas every bank should insuring all of saving funds of customers to LPS by paying premium insurance and the nominal guarantee will be pay maximum for customer is two billion. For Salafi, this kind of business insurance practice is forbidden because there is uncertainty (gharar) relate to the premium and loss compensation while the contract happens. (B) Rising problem on mudharaba contract between the borrower customer and the bank which consists of: (a) the source of capital financing that financed and landed by Sharia bank did not come from the customers which made bank as Shahib al-mal but as immediator or customer representatives. It can not for the bank to get mudharaba profit but the wage or rent cost which the bank involved or did not; (b) the mudharib (fund manager) should guarantee the fund that gave by the bank from all forms of loss. By Salafi, this is the most controversial form of practical of mudharaba known as mudharaba musytaraka. Because there is a basic different between mudharaba (partnership contract) and qardh (loan) which in mudharaba, the capital did not guarantee while in loan, transaction the capital should back intactly. In this case by Salafi, there is a hidden-cover of riba-interest in practical of mudharaba in Sharia bank ([Ruthven, M. \(2012\)](#)).

The murabaha (deferred payment sale or installment credit sale) system was considered by scholar of Islamic law for it allowing can not free from Salafi's critic especially that practiced in Sharia bank nowadays which they judged it as full of riba (one hundred percents of riba). Riba indicated in the disobedient of Sharia bank in murabaha corridor as considered by Islamic scholar that is: (a) The goods are bought officially by the second seller (bank); (b) the goods have handover and transferred to the bank and becoming bank's responsibility; (c) the murabaha contract can not happen between the bank

and customer before happening the handover the goods from the first seller to the bank. Practically, in this case there is two models as illustrates: First, A (customer) came to the bank to buy the house then the bank surveyed the house (not to buy). After that, the bank set an expensive price than offered the number of money represent the price of the house to the customer to buy that house. This kind of transaction violated two of Sharia rules because of: (1) the bank sold the goods did not their own; (2) actually, the bank just rendering or lending the money to the customer and did not sell the house. While the customer obligates to turn back the money with the additional. This case in Salafi's view is pure of riba-interest. The second illustration is A (customer) came to the bank to buy the house. Then bank transferred the money represents the price of house to the developer. After that the house sold to the customer with higher price rather the bank received from the developer. This kind of transaction violated the Sharia rule because of: (1) The bank sold the goods that did not handover or transfer and this transaction violated the Hadith as basic legal for murabaha requirement; (2) The bank took the advantages from goods selling which did not the bank's responsibility. It was the developer's responsibility when the house was sold to the customer.

The Salafi's view of Sharia bank judged it by containing one hundred percent of riba-interest. Then the things relate and lead to the entity of Sharia bank in Salafi's view have similar judging as riba-interest and prohibited by Sharia. There is an interesting fatwa assigned by Muhammad Afifudin, one Salafi's scholar and preacher that similar to the fatwa assigned by Lajna al-Daimah (the institution of research and fatwa) Kingdom Saudi Arabia that working in bank which contained with riba-interest was forbidden. Even saving and depositing the money in the bank contained with riba also forbidden except for some reason of emergency (dharurat) so that allowed the rukhsa (relief). Another reason to forbid was there is some element in helping that bank in transaction with riba and strengthening them in expanding the riba-interest networking.

### CONCLUDING REMARK

To sum up, the plots above concluded as follows: **First**, strengthening thesis as before that Salafism especially da'wa faction is scripturalist movement generally. Nowadays, in Indonesian Salafism context, it can be seen from their religious textual perspective in analyzing many phenomena that were read by textual-literary with avoiding the ijthad (independent reasoning) that offered by other Salafism patterns like Muhammad Abduh and Rasyid Ridha. Their pattern in responding to the entity of Sharia bank almost refers to the fatwas was produced by Lajna al-Dai'mah (The institution of research and fatwa) Saudi Arabia which reflected the networking of global salafism. Even though the problems were responded are the economy and business –in Islamic terms as a part of mu'amalat duniyawiyyah- that there is a slogan accepted by almost Islamic law scholars as the door of ijthad was opened largely ([El Fadl, K. A. \(2014\).](#)).

In Indonesian Salafism context that they were fragmented to many fractions, their responses –almost individual fatwas- did not strength and quite legal officially comparing with the fatwas assigned by institutions that applied ijthad jama'iy (collective ijihad) such as National Board of Sharia of Indonesian Ulama Council (Dewan Syariah Nasional Majelis Ulama Indonesia), Majelis Tarjih and Tajdid Muhammadiyah, Bahtsul Masa'il Nahdhatul Ulama and Hisbah Council, Persatuan Islam. In the contemporary fiqh of economy (mu'amalat) world, Salafism with their textual approach felt on the wind in front of Muslim public because offered the pure and authentic Islam represented with sentence such as “most Islamic” and a sentence “this is the most Islamic mortgage” written as the title of article in one of Salafi magazine published. This pattern colored their responses to the entity of Sharia bank. **Second**, the spectrum of Salafism Islamic economics thought still circulated in the area of fiqh of economy that is the effort to derivate the law of economy from The Qur'an and Hadith. Even we found explanation and the whole of Islamic economics thought include analysis of economic variables in their doctrinal scholar named Ibn Taimiyya. But nowadays, the Salafism generation did not follow their predecessor because the principle of “da'wa Salafism” that concentrate to the theology purification and education (tarbiya), also stay away from politic (hizbiya) made Salafism hit this their principles when they have discussed the macroeconomic variables moreover will be manifest in the state or government spectrum.

### ACKNOWLEDGMENT

The author confirms that the data do not contain any conflict of interest.

### BIBLIOGRAPHY

1. Afifuddin, M., & Churrany, M. (2017). Shear behavior of fiber foam reinforced concrete beams. *Procedia engineering*, 171, 994-1001. <https://doi.org/10.1016/j.proeng.2017.01.423>
2. Bahremand, A. (2015). The concept of translation in different teaching approaches and methods. *UCT Journal of Social Sciences and Humanities Research*, 3(1), 5-9.
3. Kenan, K. X. (2018). Seeing and the Ability to See: A Framework for Viewing Geometric Cube Problems. *International Electronic Journal of Mathematics Education*, 13(2), 57-60. <https://doi.org/10.12973/iejme/2695>
4. Razavi, S. M., Nasirian, M., & Afkhami, I. (2015). The effectiveness sleep hygiene training on the job performance of employees Shift or rotating shifts parvadeh tabas coal companies in. *UCT Journal of Management and Accounting Studies*, 3(1), 5-7.
5. Mambile, C., & Machuve, D. (2018). Web based Approach to overcome the Market Information Gap between poultry farmers and potential buyers in Tanzania. <https://doi.org/10.31219/osf.io/94dw8>

6. Suleri, J., & Cavagnaro, E. (2016). Promoting pro-environmental printing behavior: The role of ICT barriers and sustainable values. *International Journal of Education and Development using ICT*, 12(2). <https://doi.org/10.20897/lectito.201638>
7. Nurgaliyeva, S., Zeynolla, S., Tulenova, U., Zulkarnayeva, Z., & Yespolova, G. (2018). Features of institutional autonomy of the Kazakhstan's universities. *Opción*, 34(85-2), 302-336.
8. Taji-Farouki, S., & Nafi, B. M. (Eds.). (2004). *Islamic thought in the twentieth century*. IB Tauris.
9. Duderija, A. (2016). *Constructing a Religiously Ideal, Believer, and, Woman, in Islam: Neo-traditional Salafi and Progressive Muslims' Methods of Interpretation*. Springer.
10. Bhatti, M. (2018). *Islamic Law and International Commercial Arbitration*. Routledge. <https://doi.org/10.4324/9780429468612>
11. El Fadl, K. A. (2014). *Reasoning with god: Reclaiming Shari 'ah in the modern age*. Rowman & Littlefield.
12. El-Ghazaly, Y. (2018). *Moral and cultural discourses surrounding women athletes in Egypt*.
13. Ali, K. (2015). *Sexual ethics and Islam: feminist reflections on Qur'an, hadith and jurisprudence*. Oneworld Publications.
14. Ruthven, M. (2012). *Islam: A very short introduction*. OUP Oxford. <https://doi.org/10.1093/actrade/9780199642878.001.0001>
15. Cook, D. (2007). *Martyrdom in Islam* (Vol. 4). Cambridge University Press. <https://doi.org/10.1017/CBO9780511810688>
16. Kersten, C. (2011). *Cosmopolitans and heretics: New Muslim intellectuals and the study of Islam*. Hurst.
17. Kersten, C. (2011). *Cosmopolitans and heretics: New Muslim intellectuals and the study of Islam*. Hurst.
18. Salah, O. (2010). Islamic finance: the impact of the AAOIFI resolution on equity-based sukuk structures. *Law and Financial Markets Review*, 4(5), 507-517. <https://doi.org/10.1080/17521440.2010.11428146>
19. Kersten, C. (2009). Islam, Cultural Hybridity and Cosmopolitanism: New Muslim Intellectuals on Globalization. *Journal of International & Global Studies*, 1(1).
20. Masud, M. K. (2007). Iqbāl's approach to Islamic Theology of Modernity. I: *Al-Hikmat*, 27, 1-36.
21. Kersten, C. (2011). From Braudel to Derrida: Mohammed Arkoun's rethinking of Islam and religion. *Middle East Journal of Culture and Communication*, 4(1), 23-43. <https://doi.org/10.1163/187398611X553733>
22. Russon, J. (2017). *Sites of exposure: art, politics, and the nature of experience*. Indiana University Press. <https://doi.org/10.2307/j.ctt2005vg5>
23. Powell, R. (2013). Evolving views of islamic law in Turkey. *Journal of Law and Religion*, 28(2), 467-487. <https://doi.org/10.1017/S0748081400000114>
24. Powell, R. (2013). Evolving views of islamic law in Turkey. *Journal of Law and Religion*, 28(2), 467-487. <https://doi.org/10.1017/S0748081400000114>
25. Simonsen, J. B. (2016). *Hvad er islam*. Lindhardt og Ringhof.
26. Poljarevic, E. (2012). *Exploring individual motivation for social change: mobilization of the Muslim brotherhood's youth in prerevolutionary Egypt* (Doctoral dissertation).