



ECONOMIC MODERATION BUILDING MODERATION REASONING IN ECONOMIC ACTIVITIES.

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Abstract:

This research aims to integrate the aspect of wasatiyyah in economics. Islamic wasatiyyah is a religious concept that is highly relevant in every dimension of life, including the economic dimension. In the context of economics, wasatiyyah plays a significant role because through its application, it can build economic activities based on inclusive Islamic values and in favor of justice, thus positively impacting societal welfare. This research brings novelty in the form of wasatiyyah Iqtishadiyah as an effort towards economic justice, which has not been previously explored by researchers. The research findings indicate that Religious moderation is a highly important principle in economics inspired by the Islamic conception of Wasatiyyah. In this context, economic moderation refers to a balanced approach between the worldly and spiritual dimensions, a balance between the divine and human dimensions, a balance between worship and transactions, and a balance between religious dimensions and the economic needs of society. The implementation of Wasatiyyah Iqtishadiyah values will help create an economic system that is fair, transparent, and promotes social justice. The conclusion of this research is that the concept of wasatiyyah is not something new, but rather it is born alongside the teachings of Islam itself. In Islam, the principle of wasatiyyah resides at the core of every aspect of Islamic teachings, whether in the realm of belief, law, spirituality, or transactions. The concept of wasatiyyah also exists in religious, social, political, and economic affairs. In economic activities, there are several fundamental values of wasatiyyah, including the balance between the worldly and the hereafter, the balance between worship and transactions, the balance between the divine and human dimensions, and the balance in meeting needs.

Keywords: *Moderation, Economic Moderation, Economic Justice*

INTRODUCTION

The development of Islamic Economics in Indonesia does not always receive a positive response from the community, which is triggered by the dilemma of society towards Islamic Economics. Some groups consider Islamic economics merely as a facade for stakeholders to advance their business or job missions, even to the extreme level of viewing Islamic economics as an outdated concept that will lead to backwardness in fostering economic progress and justice. On the other hand, another group interprets Islam as a sacred religion that should not be contaminated by worldly influences.

The research results conducted by the researchers indicate that there are several perspectives within the community regarding economic activities, including: Firstly, the general public perceives economic activities as limited solely to worldly matters

and having no connection to matters of the hereafter. This claim impacts their behavior in conducting economic activities, as they feel exempt from Islamic teachings in regulating economic activities.

Secondly, sustenance is a responsibility of Allah, so for them, working is not something important to do, and they express resignation towards the existing conditions. This claim potentially perpetuates poverty and laziness in carrying out economic activities. Thirdly, there is no connection between worship and transactions; for this group, worship and transactions are separate entities. This claim is similar to the first claim, but in this claim, it gives birth to two generations: the first generation, who during their lifetime, enjoy doing business without caring about worship, while the second is a group whose daily life only revolves around worship and neglects the duty of providing for themselves and their families.

Islam has distinctive characteristics that differ from other religions, among them being Islam's characteristic of moderation, justice, and balance. These three terms can be summarized into one expression, which is "wasathiyah". (Muhajir, 2018). In economic activities, the attitude of moderation needs to be developed to address the economic issues of society. Moderation becomes crucial to be applied in the economic context so that society's livelihood becomes stable and fosters balance in fulfilling rights and obligations.

Konsultasi Tingkat Tinggi (KTT) on 1-3 May 2018 in Bogor stated that modern civilization is currently experiencing uncertainty, chaos, and the accumulation of global damages triggered by the remnants of colonialism, poverty, and injustice.. (Abdul Azis, A. Khoirul Anam, 2012). Such conditions significantly disrupt human stability, thus necessitating the values of moderation as the core of Islamic economic principles and teachings.

This research aims to integrate the aspect of moderation in economics. Islamic moderation is a religious belief that is highly relevant in every dimension of life, including the economic dimension. In the economic context, moderation plays a crucial role because through its application, it can build economic activities based on inclusive Islamic values that advocate for justice and can have a positive impact on the welfare of society. The goal of this research is to strengthen the value of moderation in the practice of community economics, thus becoming the individual's character and the true identity of Islamic economics.

Economic moderation is important for several reasons. Firstly, because we are currently facing post-secularism, which involves maintaining distance or separating religion from worldly affairs or life. Economic moderation provides a solution to the issues of life that have experienced progress and development. Therefore, this article provides a literal explanation of the term and concept of moderation in economics, which ultimately becomes a lifestyle pattern for the community in economic activities.

RESEARCH METHODS

The research is conducted by reviewing and analyzing existing literature on moderation. Primary data in this study are obtained from books about moderation, while secondary data are obtained from library studies through literature such as journals and other sources relevant to this research.

In literature research, data collection is done by gathering data from literature. (Bambang Sunggono, 2009). Therefore, data collection is determined by reviewing relevant literature and bibliographic materials related to the research problem. The validity of the data in this research is tested by assessing credibility through source triangulation.

RESULTS AND DISCUSSION

Moderation

Islam is understood as a comprehensive and universal religion because its teachings encompass all aspects of human life, both worldly and spiritual. At the same time, the universality of Islam reflects the values of balance and moderation. (Yasid, 2022).

Historically, moderation is not a new doctrine or ideology that has colored life in the twentieth century, but moderation itself has existed since the revelation of Islamic message to the Prophet Muhammad fourteen centuries ago. Moderation in Islam has become the aspiration of every Muslim group after being shocked by two streams of thought that claim to represent Islam, namely the new Khawarij and the new Mu'tazilah. The new Khawarij offers the concept that Islam is a religion that adheres strictly to the scripture and is constant; this group refuses anything new beyond the scripture, resulting in a negative impact on Islam as a rigid, non-humanistic, and intolerant religion. Meanwhile, the new Mu'tazilah, with its rationalistic approach, tends to go too far in exploring Islamic teachings; the inclination to rationalize Islamic teachings impacts the view that Islam is a fair religion towards all cultures and developments of the time. (Zikwan, 2022).

Etymologically, "wasathiyyah" is derived from the root word *وسط*, but terminologically, moderation is a perspective, attitude, and behavior of taking a position in the middle, acting justly, and avoiding extremism on both the right and left sides. Wasathiyyah is a mindset in action and behavior characterized by moderation, balance, and justice. (Muhajir, 2018). In the view of Imam al-Shatibi, moderation is a characteristic of Islamic teachings, namely the choice of a middle position between intensification (making things difficult) and facilitation (making things easy). Moderation or the moderate approach in Islam has strong arguments, including in Surah Al-Baqarah, verse 143.

وَكَذَلِكَ جَعَلْنَاكُمْ أُمَّةً وَسَطًا لِتَكُونُوا شُهَدَاءَ عَلَى النَّاسِ وَيَكُونَ الرَّسُولُ عَلَيْكُمْ شَهِيدًا ۗ وَمَا جَعَلْنَا الْقِبْلَةَ الَّتِي كُنْتُمْ عَلَيْهَا إِلَّا لِنَعْلَمَ مَنْ يَتَّبِعِ الرَّسُولَ مِمَّنْ يَنْقَلِبُ عَلَى عَقْبَيْهِ ۗ وَإِنْ كَانَتْ لَكَبِيرَةً إِلَّا عَلَى الَّذِينَ هَدَى اللَّهُ ۗ وَمَا كَانَ اللَّهُ لِيُضِلَّ إِيْمَانَكُمْ ۗ إِنَّ اللَّهَ بِالنَّاسِ لَرءُوفٌ رَحِيمٌ

"And thus We have made you a median (just) community that you will be witnesses over the people and the Messenger will be a witness over you. And We did not make the qiblah which you used to face except that We might make evident who would follow the Messenger from who would turn back on his heels. And indeed, it is difficult except for those whom Allah has guided. And never would Allah have caused you to lose your faith. Indeed Allah is, to the people, Kind and Merciful." (Q.S. Al-Baqarah: 143).

In the verse, after the word "Washata," Allah continues with the mention of "syuhada," which means witnesses. Therefore, the word "washat" leans more towards the understanding of honesty or fairness, because in Islamic teachings, a witness must

possess the qualities of fairness and honesty. Besides this, the Prophet Muhammad (peace be upon him) interpreted the word "wasatha" as meaning justice, as he had elucidated in a narration:

عَنْ أَبِي سَعِيدٍ قَالَ قَالَ رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ يُدْعَى نُوحٌ يَوْمَ الْقِيَامَةِ، فيقول: لَبَّيْكَ وَسَعْدَيْكَ يَا رَبِّ، فيقول: هلْ بَلَغْتَ؟ فيقول: نَعَمْ، فيقالُ لِأُمَّتِهِ: هلْ بَلَغْتُمْ؟ فيقولون: ما أتاَنَا مِنْ نَذِيرٍ، فيقول: مَنْ يَشْهَدُ لَكَ؟ فيقول: مُحَمَّدٌ وَأُمَّتُهُ، فَتَشْهَدُونَ أَنَّهُ قَدْ بَلَغَ: {وَيَكُونُ الرَّسُولُ عَلَيْكُمْ شَهِيدًا} فَذَلِكَ قَوْلُهُ جَاءَ ذِكْرُهُ: {وَكَذَلِكَ جَعَلْنَاكُمْ أُمَّةً وَسَطًا لِتَكُونُوا شُهَدَاءَ عَلَى النَّاسِ وَيَكُونَ الرَّسُولُ عَلَيْكُمْ شَهِيدًا} وَالْوَسْطُ: الْعَدْلُ.

From Abu Sa'id, he said; the Messenger of Allah (peace be upon him) said: "(On the Day of Judgment) Prophet Noah, peace be upon him, will be called by Allah. Then Allah the Exalted will say: 'Have you conveyed (the message)?'. Prophet Noah, peace be upon him, replied: 'Yes, my Lord'. Then Allah asked his people: 'Is it true that he has conveyed to you?'. They answered, 'No. No prophet has come to us'. Then Allah said to Prophet Noah, peace be upon him: 'Who will testify for you?'. Prophet Noah, peace be upon him, said: 'Muhammad, peace be upon him, and his ummah (followers)'. So we bear witness that Prophet Noah, peace be upon him, has conveyed the message entrusted to him to his people. That is as Allah the Most High said (Q.S. Al-Baqarah verse 143), ("And thus We have made you a median (just) community that you will be witnesses over the people"). Al-washath means al-'adl (fairness) (HR. Bukhari, Hadith No. 3091 and HR. Ahmad, Hadith No. 10646).

Besides the hadith, some scholars also interpret the word "wasath" in Surah Al-Baqarah 143 to mean "just," as expressed by Imam Muhammad bin Ahmad bin Abi Bakar bin Farah al-Anshari al-Qurthubi.

المعنى: وَكَمَا أَنَّ الْكَعْبَةَ وَسَطُ الْأَرْضِ كَذَلِكَ "جَعَلْنَاكُمْ أُمَّةً وَسَطًا" وَالْوَسْطُ الْعَدْلُ، وَالْأَصْلُ هَذَا أَنَّ أَحْمَدَ الْأَشْيَاءِ أَوْسَطُهَا-
Qurthubi, 1964)

The meaning of the verse is: just as the Ka'bah is the center of the earth, similarly, the meaning of the verse "we have made you a just community" while the word "wasath" means just. This is based on the understanding that the best thing is to be in the middle.

Therefore, "wasathiyyah" is a concept in thinking and acting for Muslims that will bring peace because "wasathiyyah" is a fair and balanced attitude..

1. Economic moderation

Humans as social beings or economic creatures cannot be separated from economic activities, which involve fulfilling their livelihood needs, whether done in a lawful (halal) or unlawful (haram) manner.(Eko Zulfikar 2021). Economic activities serve as a means to fulfill life's needs. Although Allah has guaranteed sustenance for every living being in the Quran, every living being still strives to obtain it. Humans will endeavor by working to attain this sustenance.

وَمَا مِنْ دَابَّةٍ فِي الْأَرْضِ إِلَّا عَلَى اللَّهِ رِزْقُهَا وَيَعْلَمُ مُسْتَقَرَّهَا وَمُسْتَوْدَعَهَا كُلٌّ فِي كِتَابٍ مُبِينٍ

"And there is no creature on earth but that upon Allah is its provision, and He knows its place of dwelling and place of storage. All is in a clear register." (Q.S. Hud:6).

This verse is Allah's guarantee of sustenance for every living creature on earth. However, to obtain sustenance, every living being must strive for it. Therefore, in Islam, economic activities are not the primary means of attaining sustenance; rather, they are merely intermediaries that still require effort from every individual.

The concept of Wasathiyyah, as a characteristic of religion, is always ingrained in every aspect of life, including the economic aspect. In Islam, the goal of economic activities is the happiness in both the worldly life and the Hereafter. (Anindya Aryu Inayati 2013). Worldly happiness is achieved through the fulfillment of one's worldly needs, while happiness in the Hereafter entails being saved from the torment of Hellfire. Economic moderation is an individual's perspective in conducting economic activities, which should be driven towards the middle path to avoid extremism, injustice, and excessiveness. Therefore, economic activities must maintain a balance in fulfilling both worldly and Hereafter needs. There are several characteristics of Wasathiyyah in economics aimed at creating a mindset for individuals to make economic activities a means to attain happiness in both worlds. These characteristics also differentiate between capitalist and socialist economic principles. Among the characteristics of Wasathiyyah in economics are as follows:

a. Moderate between the worldly life and the Hereafter

In Islam, there are two interconnected dimensions of life: worldly life and the Hereafter. The worldly life is closely related to the Hereafter. In this regard, Islamic teachings regulate both dimensions. Islam prohibits individuals from neglecting worldly life in the name of the Hereafter and vice versa. Islam forbids neglecting the Hereafter by focusing solely on worldly affairs due to disbelief in the rewards and punishments in the Hereafter. Therefore, Islam teaches the concept of balance between worldly life and the Hereafter, as stated in Surah Al-Qasas, verse 77.:

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

"And seek, [O believers], the forgiveness of Allah and His mercy, and strive for the Home of the Hereafter, and do not forget your portion of worldly life. And do good as Allah has done good to you. And desire not corruption in the land. Indeed, Allah does not like corrupters." (Q.S. Al-Qasas: 77)

This verse provides normative guidance for every Muslim in living their social life. There are several implicit messages conveyed in the verse. Firstly, "وَابْتَغِ" means to seek the rewards of the Hereafter by using the wealth that Allah has given to you for obedience to Allah and drawing closer to Him through various acts of worship, which will earn you rewards in the Hereafter. Secondly, "الدُّنْيَا مِنْ نَصِيبِكَ تَنْسَ وَلَا" means not to forget your share of the world, including the permissible food, drinks, clothing, homes, and marriages that Allah has allowed. For your Lord, yourself, your family, and your visitors, there are rights that must be fulfilled, so give everyone their due rights. Thirdly, "إِلَيْكَ اللَّهُ أَحْسَنَ كَمَا وَأَحْسِنَ" means to do good to others as Allah has done good to you. Fourthly, "الْأَرْضِ فِي الْفُسَادِ تَبْغِ وَلَا" means not to seek corruption on the earth through transgression and injustice.

b. Moderate between the dimensions of worship and transactions.

As perfect beings, humans have two main tasks in this life. Firstly, as servants of Allah created to worship Him, as stated in Surah Az-Zariyat, verse 56.:

وَمَا خَلَقْتُ الْجِنَّ وَالْإِنْسَ إِلَّا لِيَعْبُدُونِ

"And I did not create the jinn and mankind except to worship Me." (Q.S. Az-Zariyat: 56).

This verse confirms that the task of human beings is to worship Allah. Secondly, humans have a duty to fulfill their worldly needs, including economic needs and others. Therefore, a Muslim is obliged to work to meet their worldly needs. However, the obligation to work in Islam does not mean neglecting the needs of the Hereafter, as the Prophet Muhammad (peace be upon him) said:

أصلحوا دنياكم ، و اعملوا لآخرتكم ، كأنكم تموتون غدا

"Make provision for this world as if you will live forever, and prepare for the Hereafter as if you will die tomorrow."

Working is part of improving life in this world. Islam encourages its followers to improve their economic conditions individually. However, the orientation in Islamic economics is not solely material fulfillment. In economic activities, a Muslim does not separate economic activities from worship. This is reflected in the Quran, Surah Al-Jumu'ah, verses 9-10:

يَا أَيُّهَا الَّذِينَ آمَنُوا إِذَا نُودِيَ لِلصَّلَاةِ مِنْ يَوْمِ الْجُمُعَةِ فَاسْعَوْا إِلَىٰ ذِكْرِ اللَّهِ وَذَرُوا الْبَيْعَ ، ذَلِكُمْ خَيْرٌ لَكُمْ إِنْ كُنْتُمْ تَعْلَمُونَ ﴿٩﴾ فَإِذَا قُضِيَتِ الصَّلَاةُ فَانْتَشِرُوا فِي الْأَرْضِ وَابْتَغُوا مِنْ فَضْلِ اللَّهِ وَاذْكُرُوا اللَّهَ كَثِيرًا لَعَلَّكُمْ تُفْلِحُونَ ﴿١٠﴾

"O you who have believed, when [the adhan] is called for the prayer on the day of Jumu'ah [Friday], then proceed to the remembrance of Allah and leave trade. That is better for you, if you only knew. And when the prayer has been concluded, disperse within the land and seek from the bounty of Allah, and remember Allah often that you may succeed." (Q.S. Al-Jumu'ah: 9-10)

These verses depict the attitude that must be possessed by individuals in fulfilling their duties. On one hand, a person must work to fulfill their worldly needs, while on the other hand, they must worship Allah to fulfill their obligations to Him. However, these verses teach the attitude that every person must have. A person engaged in economic activities must pause momentarily to engage in worship to Allah. After worship has been performed, the person is allowed to resume economic activities.

c. Moderation between the dimensions of divinity and humanity.

Islam as a comprehensive religion does not only teach the principles of divinity, but also encompasses teachings of humanity that relate to the daily interactions and lives of humans. In the teachings of divinity, there is a constant connection with belief and faith in Allah SWT, which shapes the character of individuals and directs their activities towards Allah SWT. Therefore, the values of faith can reflect the values of humanity in social and communal settings.

In the context of economics, the teachings of divinity form a principle known as the principle of divinity (mabadi ar-Rabbaniyyah). The principle of divinity is a manifestation of surrendering oneself to the Creator, Allah SWT. In economic activities, every participant must adhere to the principle of divinity, as it serves as a guideline for economic agents to conduct their activities in accordance with the teachings of Islam. This principle becomes a value of moderation in economics, where a servant not only fulfills social needs but also has the obligation to fulfill

their needs as a creation of Allah SWT. Therefore, all economic activities undertaken by an individual must be accompanied by the values of divinity.

d. Moderation in meeting life's needs.

Humans as social beings cannot escape the issue of meeting their needs. Generally, there are three categories of needs: primary needs (dharuriyah), secondary needs (hajjiyah), and tertiary needs (tahsiniyah). Primary needs (dharuriyah) are basic needs that every human must fulfill in order to survive and lead a decent life, both in this world and in the hereafter.

Secondary needs (hajjiyah) are needs that, if not met, will not directly threaten a person's safety, but if left unfulfilled, may cause difficulty in performing activities. These needs come after primary needs (dharuriyah). Meanwhile, tertiary needs (tahsiniyah) are prestige-related needs. These needs are only fulfilled after primary (dharuriyah) and secondary (hajjiyah) needs have been met. In practice, the fulfillment of tertiary needs (tahsiniyah) aims to maintain prestige in society.

Islam teaches the principle of moderation in addressing human needs, including the balance between the concepts of taqtir (stinginess) and israf (extravagance). This means that humans should not be too miserly nor too wasteful in meeting their needs, but rather seek a balance between frugality and extravagance in their consumption.

وَالَّذِينَ إِذَا أَنْفَقُوا لَمْ يُسْرِفُوا وَلَمْ يَقْتُرُوا وَكَانَ بَيْنَ ذَلِكَ قَوَامًا

And [they are] those who, when they spend, do so not excessively or sparingly but are ever, between that, [justly] moderate. (Q.S. al-Furqan: 67)

وَلَا تَجْعَلْ يَدَكَ مَغْلُولَةً إِلَىٰ عُنُقِكَ وَلَا تَبْسُطْهَا كُلَّ الْبَسْطِ فَتَقْعُدَ مَلُومًا مَّحْسُورًا

And do not make your hand [as] chained to your neck or extend it completely and [thereby] become blamed and insolvent. (Quran, al-Isra': 29)

CONCLUSION

Islam, as a religion of mercy to all worlds, has a distinctive principle known as the principle of moderation (wasathiyyah), which serves as the foundation for humanity in their daily activities. The concept of moderation is not something new but was born alongside the teachings of Islam itself. In Islam, the principle of moderation is found at the core of every aspect of its teachings, including beliefs, law, mysticism, and transactions. The concept of moderation also extends to religious, social, political, and economic affairs. In economic activities, there are several fundamental values of moderation, including the balance between the worldly and the Hereafter, the balance between worship and transactions, the balance between the divine and the human dimensions, and the balance in meeting needs.

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