

The Application of Islamic Environmental Resource Economics on Welcoming Sustainable Development

Denizar Abdurrahman Mi'raj, Elvita Febriani, Wijyaning Puspo Arum, and Ari

Prasetyo Department of Islamic Economics, Faculty of Economics and Business,

Universitas Airlangga, Surabaya, Indonesia

denizar.a.m@feb.unair.ac.id

Article Info

Volume 83

Page Number: 3639 - 3644

Publication Issue:

March - April 2020

Article History

Article Received: 24 July 2019

Revised: 12 September 2019

Accepted: 15 February 2020

Publication: 23 March 2020

Abstract:

Environmental problem is a very complex matter, and human beings as leaders on earth are forced to preserve the resources and take responsibility on the sustainability of the ecosystem. This research provides information using library research that is sourced from related literature and research that have been conducted in the past. So, this type of research is qualitative using library research methods and analysis. The aim of this research is to know about the application of Islamic environmental resources economics on welcoming sustainable development. A sustainable application points to policies that have been made by human beings as leaders on earth, in form of government system such as government economic policy that is used for a better, sustainable development.

Keywords: *Islamic environmental resource economics, economic policy, political policy, leadership.*

I. Introduction

Environmental problem is a very complex problem. Human beings take responsibility on the sustainability of ecosystem as they are made to be leaders [1]. Human beings are gifted with minds, senses, and the highest degree to be able to be leaders on earth. Related to their task as leaders, human beings are forced to preserve the resources. However, the greater environmental damages are not caused by the environment itself that is getting older, but from the hands of human beings who always take it for granted, they are often exploiting without paying attention to the damages caused [2]. The growth of an advanced industry is proportional to the rise of pollution generated from the industrial production process such as production waste that can increase air and water pollution at dangerous levels [3]. The company's decision

to exploitation or exploration industry is influenced by environmental conditions [4]. As an example detailed study which analysed over 10 million hectares of peatland in Sumatra and Kalimantan found that most was degraded. Less than 4% was covered by pristine peat swamp forests and just 11% or 1 million hectares were covered by relatively intact forests [5]. In the other side, the composition effect affects positively the environmental offsetting the undesirable effects with structure of the economy moving from agricultural to industrial and then to service damaging eventually less the environment [6]. The Indonesian National Board for Disaster Management has recorded 1,692 natural disasters [7]. This is one example of human neglect of their responsibility in protecting the environment.

Indonesia is a wealthy country with various natural resources. To fulfill the needs of its people, sometimes a country might do the act of mass exploitation on them. This brings bad impact on life sustainability of its people. Natural resources are gifts that must be protected. Law of the Republic of Indonesia no. 32/2009 article 1 verse 2 on Environmental Protection and Management Law is a systematic effort made to preserve the environmental function and prevent pollution and othe environmental damages, including planning, using, controlling, maintenance, supervising, and law enforcement. It has implemented a moratorium against deforestation with the strong encouragement of Norway, established a national REDD agency (Reducing Emissions from Deforestation and Forest Degradation), and issued regulations to protect remaining forests [8]. The Quran 30:41 mentions that human beings are forbidden to make damages on environment and are obliged to keep and preserve it. "Corruption has appeared throughout the land and sea by [reason of] what the hands of people have earned so He may let them taste part of [the consequence of] what they have done that perhaps they will return [to righteousness]." (Quran 30:41) [9].

Good governance has close links with successfully managing socio-economic development, leading to poverty alleviation, and livelihoods sustainability. Sustainable utilization of natural resources and the environment has crucial implications for poverty reduction. The reason is that the most of the economic costs of environmental degradation generally fall on the poorest due mainly to their inability to take remedial actions, engage in alternative livelihoods, and provide themselves with alternative sources

of income and employment [10]. In developing countries, the majority of the population lives in rural area and is highly dependent on natural resource-based economies. Livelihoods can be made more resilient and sustainable when good governance becomes the bedrock of environmental natural resource management. Islam has a set of values that can regulate this so that good governance can run as expected. Therefore, the purpose of this study is to know about the application of Islamic environmental resources economics on welcoming sustainable development.

II. Methods

This research is basically based on library research. It will use analytical and descriptive methods to analyse the data. Some conclusive information is also collected from studies. Data are reviewed and investigated in three stages; general, explorative, and focused learning. This is a comprehensive material in an effort to summarize the findings and summarize the results.

III. Discussion

3.1 Human beings as Leaders on Earth

Islam, as a way of life, has arranged all the aspects in life. Monotheism is manifested in every acts of human beings, including how human beings are supposed to keep and preserve the nature that belongs to Allah subhanahuwata'ala. The study on Fiqh on managing environment is still very limited. There are a lot of studies from the Ulama' that mention about the relationship between human beings and their God, the relationship among the human beings themselves, but rarely mention about the relationship between human beings and the nature. Even

if there is any, it is still has not properly codified. However, nowadays there are discussions about the fiqh on this issue.

Studies on environmental resource economics in Islamic perspective must be balanced with the implementation strategy. On a discussion about sustainable economic development, there needs to be an implementation of a sustainable Islamic environmental resource economics as well. One important thing on this implementation is the understanding of human beings as God's successors and leaders on earth. The implementation from the government's side will not work if the people themselves have not understood about this essential understanding. As an example, government has warned the citizens about saving the electricity and water, but they do not do it because they do not understand about their tasks on earth.

In Islam's perspective, all the things that are on land and in the sky belong to Allah subhanahuwata'ala. Humans are allowed to manage and given the authority to use and obtain the resources from nature. We may know that humans have strong desire that tends to making damages, but God has gifted minds and senses and freedom that is still bounded by faith to the human beings[11] This authority of managing the natural resources cannot be used carelessly and arbitrarily. There is responsibility that has to be taken on the Judging Day. Therefore, managing humans on earth cannot be separated from faith. Humans' faiths will guide them on how they are supposed to behave.

Watsiqotul et al [12] have found at least two of the roles of human as leaders on earthon ecological perspective that is according to Islam teachings: 1) it is the task of the leader

to protect people and to preserve the nature (ecosystem), so the leaders and their people must unite and love each other to live lives based on Islamic shari'a and survival. Nature and all the things inside it that Allah have created, include the ones that are on the land and in the sky; (2) humans as leaders on earth have tasks that are mentioned in the holy Qur'an as imaratulardh (prospering the earth), and ibadatullah (to worship Allah). God has created humans to live on earth and give them tasks to prosper the earth by keeping and preserving the nature.

When people understand these tasks, the implementation of environmental resources economy in Islam's perspective will go on sustainably. Not only the government or corporates who will be held accountable in the afterlife, but every individuals will be held accountable for every single behavior that have been done while living as leaders on earth.

3.2 Economic Policy

According to Mudhiyah, on Rasulullah's era, the economical problems were done after finishing political and constitutional matters. Rasulullah put the country's economic system and fiscal based from the teachings from the holy Qur'an [13]. When trading, Rasulullah forbadeobtaining wealth in illegal and immoral ways [14]. Another opinion from Ahram Khan about Islamic economics (or sharia economics) is "Islamic economics aims the study of human well-being achieved by organizing the resources of the earth on the basic of cooperation and participation".

Indonesian development began with the validity of Law of the Republic of Indonesia no. 4/1982 regarding basic provisions of the environment, that gave the guideline so there was an even understanding between the stakeholders on environment. The policy of

managing environment in Indonesia had some changes by the validity of Law of The Republic of Indonesia no. 32/2009 regarding the protection and management of environment. This law became valid as the damages of the environment became greater, so there was the need of a regulation that was not only managing but also protecting the environment [15]. This policy was created with the hope of changing the paradigm of development that only focus on economic interests, to focus on sustainable development. This change guided the government to pay more attention to environment management as source of guarantee of the sustainable development [16].

Environment management is a very important thing, as humans are the ones who have always wanted a rapid development and have to sacrifice the environment. Government intervention role is the key of the community development. Low on morality will change the economic agents into greedy and inefficient ones, and the environment will be damaged [17].

3.3 Government Political Policy

Politics and policy have their own definitions. Solichin Abdul Wahab stated that the essence of policy is actions that are patterned and interrelated, guiding to certain objective [18]. Meanwhile according to F. Isjwara, politics is defined as a “fight to gain power or as a technique to wield powers.” Kartini Kartono (1996:64) stated that politics can be defined as activity, behavior, or process that uses power to enforce regulations and legitimate decisions that are valid in the community. Political policy is the things that are done by the government with their power to give the best to fulfill the community’s needs and serve the country.

Law of the Republic of Indonesia no. 32/2009 article 1 explains the regulations regarding the protection and management of environment. Environment is defined as a space with all the things, power, conditions, and living things inside, including human beings and their actions that affect the environment itself, continuity of life, and human and other living things’ welfare. Environmental economic instrument is a set of economic policy to encourage government, local government and every individuals to preserve the environment. The second part of article 3 mentions the aims of protection and management of environment: to protect the country from pollution and/or environmental damages, to guarantee the survival of living things and the preservation of the ecosystem and to control the using of natural resources wisely to conduct a sustainable development. The holy Qur’an mentions the earth as a place for human beings to live, the sky as the roof, and the pouring rain and fruits as blessings. It is also mentioned in the Qur’an that God has made everything within the earth for human beings to consume. Therefore, natural resources are there to support humans’ lives on earth and as the source of livelihood. The function of natural resources never changes, but because of how important its roles are in humans’ lives, natural resources can be the source of conflict. Moreover, a country that has lots of natural resources might invite other countries to invade them. Therefore, the regulations are made to help the country solve the conflicts. Here is the model of our concept in Islamic economic natural resources.

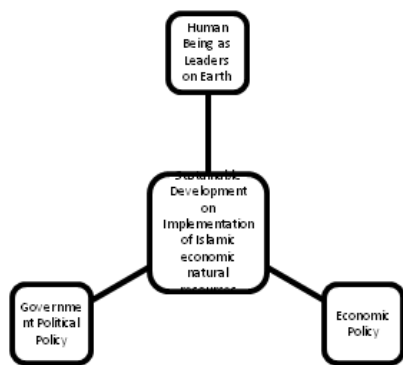


Figure 1. Model of sustainable development on implementation of Islamic economic natural resources

3.4. Natural Resources Management on Caliphate Era

In Caliphate system, the domestic politics was obeying the Islam laws while the foreign policy was spreading the Islamic teachings to all over the world. The spreading of Islam with jihad was done to free the countries that had been untouched by Islam. This was different from colonialism that had been done by western countries, as Islam is created as a blessing, good news, and also a warning. This kind of politics forced Caliphate to be a strong country on military to prevent imperialist countries to invade the areas that had been covered by Islam and natural resources that were available within them.

Rasulullah once made a policy to give Abyadh bin Hammal al-Mazni a mine site, but then revoked after acknowledging that the mine was giving so much resources. From that policy, individuals were allowed to dominate the mine sites when they were wide and only had small deposits. One-fifth of the resources an individual obtained from the exploitation would be deposited to Baitul Mal (financial institution responsible for the administration of taxes in Islamic states) as a part of fai (wealth taken peaceably from an enemy, either under the terms of a peace

settlement or after fighting has ended). For resources that are unlimited individuals could not dominate the mine site, as they are part of public property and are deposited to Baitul Mal. Rasulallah said: "Muslims have common share in three (things): grass, water, and fire." (HR Abu Dawud). This hadith also confirmed that what was included into public property was natural resources which nature or formation blocked individuals to dominate it. Therefore, the management of natural resources done by the country will not only contribute on the safety on the supplier of primary commodity for the needs of national economics and security, but also as a source of the country's income on public property.

IV. Conclusion

Environmental problems are caused by human behavior. Natural resources as fulfillment of human needs in facing crisis. Several community leaders try to use the environment. Various conflicts are caused by mass exploitation carried out by humans. Trying to use natural resources to enrich themselves. Public ownership is claimed as private ownership. The government has a role to control the behavior of its people, so that resources are not controlled by certain figures but are used and used for the community, by reminding the important task of humans as caliphs on earth, hopefully will be able to control greedy human behavior for natural resource ownership. Economic policies are intended for people who try to do illegal actions in order to enrich themselves. Political policy is used to provide rules about restrictions on behavior that might harm other communities. Carrying out development by taking into account environmental impacts will reduce the amount of consumption of

resources consumed so that natural sustainability is maintained

V. References

- [1] Abdul Wahab, Solichin. 2012. Analisis Kebijakan: Dari Formulir ke Penyusunan Model Model Implementasi Kebijakan Publik. Jakarta: PT. Bumi Aksara
- [2] Abu 'Ubaid al-Qasim. 2006. Ensiklopedia Keuangan Publik (al-Amwal), cetk. I, alih bahasa Setiawan Budi Utomo. Jakarta: Gema Insani
- [3] Al-Quran dan terjemahannya. 2019. Surabaya: Department Agama RI
- [4] Arikunto, Suharsimi. 1998. Prosedur Penelitian Suatu Pendekatan Praktek. Jakarta: PT. Rineka Cipta
- [5] Badan Nasional Penanggulangan Bencana. 2019. <http://dibi.bnppb.go.id/dibi/>.
- [6] Depag RI. 2008. Terjemahan dan Transliterasi Al- Qur'an. Bandung: Fajar Utama Madani
- [7] Ernawati dan Setiyati, Ritta. 2017. Wawasan Qur'an tentang Ekonomi (Tinjauan Studi Penafsiran Tematik al-Qur'an). Jurnal Ekonomi. 8 2.
- [8] Fadjar, A. Malik. 2005. Holistika Pemikiran Pendidikan. Jakarta: Raja Grafindo Persada.
- [9] Hizbut Tahrir. 2006. Struktur Negara Khilafah (Pemerintahan dan Administrasi); Terjemahan oleh Yahya Abdurrahman, dari Ajhizah Daulah al-Khilafah (2005). Jakarta: HTI-Press.
- [10] Karim, Adiwarmanto. 2002. Sejarah Pemikiran Ekonomi Islam. Jakarta: Te International Institute of Islamic Thought (IIIT).
- [11] Mudhiyah, Kharidatul. Analisis Sejarah Pemikiran Ekonomi Islam Masa Klasik. Jurnal Iqtishadia. 8 2 196 2015.
- [12] Nahdi, Maize Said. Konservasi Ekosistem dan Keanekaragaman Hayati Hutan Tropis syarakat. Jurnal Kaunia 42 59-72 2008.
- [13] Purnaweni, Hartuti. Kebijakan Pengelolaan Lingkungan Di Kawasan Kendeng Utara Provinsi Jawa Tengah Jurnal Ilmu Lingkungan 12 1 54, 2014.
- [14] Sumarni. "Intervensi Pemerintah" Antara Kebutuhan Dan Penolakan Di Bidang Ekonomi. Jurnal Ekonomi, 1 2 45, 2013.
- [15] Tahrir Indonesia, 2004 300.
- [16] Undang-Undang RI Nomor 32 Tahun 2009 Tentang Lingkungan
- [17] Agustia Dian & Sawarjuwono Tjiptohadi & Dianawati W. (2019). The mediating effect of environmental management accounting on green innovation - Firm value relationship. International Journal of Energy Economics and Policy 9 299-306. 10.32479/ijeep.7438.
- [18] Winarno WA. & Tjahjadj, B 2017 The Moderating Effect of Industry Environments on the Relationship between IT Asset Portfolios, Efficiency and Innovation in the ERP Context. European Research Studies. XX 2A 3-15