

CORPORATE SOCIAL RESPONSIBILITY PRACTICES IN ISLAMIC STUDIES IN INDONESIAN

Indra Prasetyo, Universitas Wijaya Putra
Nabilah Aliyyah, Universitas Wijaya Putra
Rusdiyanto, Universitas Airlangga Indonesia
Nawang Kalbuana, Politeknik Penerbangan Indonesia Curug
Arif Syafi'ur Rochman, Universitas Gresik

ABSTRACT

This research to reveal the study of the theory about Corporate Social Responsibility. The research process uses a review of research from several corporate social responsibility studies, by conducting an in-depth and intensive review of documentation, the research seeks to explore the details of a corporate social responsibility in Islamic studies, and the theoretical study of corporate social responsibility is interpreted as being related with the Qur'an and Al-Hadith. Research results have shown successfully revealed that the theory about corporate social responsibility all already exists on the Qur'an and Al-Hadith. Implementation of a corporate social responsibility, masalah and maqasid al-Shari'ah is a fiddun-ya wal akhirat scale. In Islamic theory, Corporate social responsibility requires to prioritize the interests of al-dharuriyyah first, followed by al-hajiyah and al-tahsiniyyah, corporate social responsibility can be divided into three concepts: Spiritual Concept, Rahmatan Lil 'Alamin, Ukhuwah Islamiah.

Keywords: CSR, Islam, Theory

JEL Classification: O10, O14, A12, C11, C12

INTRODUCTION

The issue of corporate social care becomes important in the study of theoretical studies of corporate social responsibility. Islam strongly requires the social benefit of society and the environment. Islamic social corporate responsibility is one way to achieve the objectives of Islamic economics, namely economic prosperity, fair income distribution, justice, and freedom of the individual in social welfare. Concern for environmental aspects and social responsibility has been shown throughout the last ten years. Companies that care about environmental aspects and social responsibility continue to get appreciation from the community. Furthermore, companies are also encouraged to make non-financial reporting, one of which is sustainability report. The term of triple bottom line is increasingly understood by the business world. The business world does not only pay attention to the financial statements of companies, but also includes aspects of social finance and the environment which are commonly called the triple bottom line. The synergies between these three elements are keys to the sustainable report concept.

Previous research related to corporate social responsibility exists from public insistence on corporate behavior that does not pay attention to social responsibilities such as environmental destruction, irresponsible exploitation of natural resources (Suhayati, 2nd edition). One develops of corporate responsibility, Corporate Social Responsibility towards the community which emphasizes that the company owner has responsibility for the community and the environment. Corporate social responsibility is increasingly popular and becomes an important measure in assessing the success of companies in their operations in the world. Concept of the social responsibility of corporations in Islamic economic history warmly welcomes corporate social responsibility

activities. Economic actors in Islam are responsible for caring for the community and caring for the surrounding environment. Social activities need the concept of Islam, so that it is aligned with the objectives of Islamic economics. Corporate social responsibility in Islam is one way of achieving the objectives of Islamic economics, namely economic prosperity, Justice, fair income distribution, personal freedom in social welfare. The concept of corporate social accountability encourages organizations to have a balanced social responsibility to customers, employees, the community, the environment, and other stakeholders (Suhayati, n.d.).

In Indonesia, the discourse about corporate social responsibility in the banking community is quite developed. After the enactment of the 2007 Law No. 40 article 74 concerning the necessity of Limited Liability Social and environmental responsibility companies, companies in Indonesia are obliged to implement a corporate social responsibility program. If the Corporate Social Responsibility program isn't implemented, the government can impose sanctions in accordance with provisions of the law applicable (article 74, paragraph 3). Compliance with corporate social responsibility based on legal orders is one of the encouragements of companies to conduct Corporate Social Responsibility (Yasir, 2010).

This is because social responsibility in Islam is not a common thing; it has been there and practiced since 14 centuries ago. The Qur'an discusses social responsibility. The Qur'an always links business success with economic growth strongly influenced by the morale of business people in carrying out economic activities. The Qur'an gives very serious attention to always maintaining harmony and environmental preservation. On the side of generosity and virtue Islam strongly recommends social generosity to people who need and are less able to work through sadaqah and benevolent loans (Yasir, 2010).

THEORITICAL REVIEW

Corporate Social Responsibility and Theory Development

Corporate Social Responsibilities are described as a commitment to improving the standard of living of the community by taking into account trade practices and the contribution of business sector resources; social responsibility refers to companies' engagement in the performance of practices and contributes to the community through actions (Wayuddin, 2014). With regard to corporate social responsibility, the component needs to get the focus of attention, on a primary scale, companies or commercial institutions respect the religion of the community, lest the interests of the community towards their religion be ignored, such as companies that ignore or interfere with the worship of other citizens. The company or commercial institution should be able to develop its business spirit with Islamic spirituality, in the context of Corporate Social Responsibility; maqashid as-yari'ah is intended so that business actors or companies are able to determine the priority scale of their most important needs. These needs are not only oriented for the short term, but also the long term in achieving God's blessing. Economic activities not only involve the material aspects, but also the quality of the faith of a servant to Allah almighty (Lahuri, 2013).

World Bank as a global financial institution views Corporate Social Responsibility as "The purpose of companies to contribute with sustainable economic development by working in partnership with employee the quality of life representatives for local communities and society" (IFC, 2002). While Corporate Social Responsibility disclosure is defined as a process of providing information designed to address issues around social accountability, which this action can be accounted for in socially oriented annual reports, Corporate Social Responsibility disclosure as a management method that can interact with society at large to influence people's perceptions of an organization or company (Rakhiemah, 2011). Based on article 74 of the Limited Liability Company Law, the Company must carry out Corporate Social Responsibility as a form of obligation. Law

passed in plenary session of the House of Representatives (Siregar, 2007). Disclosure of corporate social responsibility is one mechanism that can be used to communicate the company with stakeholders. The theoretical framework which has been studied for several years to explain why organizations carry out voluntary reporting related to the environment is the theory of legitimacy, where organizations express their environmental performance in various components to get a positive reaction from the corporate environment (Achmad, 2011).

A company can realize Corporate Social Responsibility well if it is able to implement its obligations in a balanced manner between the interests of Stakeholders primary and secondary. Primary stakeholders are groups that directly affect the company's ability to achieve its main goal of providing goods or services to the community, while secondary stakeholders are all groups in the community that can be directly or indirectly affected by the secondary impact of company operations. The company is able to create a balance of interests between the two stakeholder groups, the result of which can lead to social conflict. Social conflict occurs because Corporate Social Responsibility is not implemented properly by the company, especially the act of not caring about secondary stakeholders, namely the surrounding community. We can mention several examples of corporate social conflicts in Indonesia, such as: PT Freeport in Jaya Pura, PT Exxon Mobil in Loksumawe Aceh, and the mud case at PT Lapindo Brantas in Sidoarjo, East Java. From the data obtained on Indonesia Stock Exchange website, www.idx.co.id particularly industrial companies of consumer goods, namely 51.4% of which do not include Corporate Social Responsibility in the financial statements of company. This proves that not all companies in the consumer goods industry are able to make positive contributions directly to the community and tend to contribute negatively to the impact of the operational activities of the company (Satria, 2015).

The application of Corporate Social Responsibility develops in Indonesia, with state regulations in Article 74 of Law 40 of 2007 in respect of companies with limited liability, that corporate social responsibility activities are activities that are required and carried out based on propriety and fairness in accordance with government regulations. The main focus in the law is in article 74, requiring a business activity in the area of natural resources related to to carry out Corporate Social Responsibility activities (Sari, 2012). Corporate Social Responsibility must combine social and environmental aspects care in business operations in voluntary interaction with stakeholders. Corporate Social Responsibility must be able contributing to improved economic development the working people's quality of life and its families and communities (Mutiarra, 2015). Corporate Social Responsibility is mandatory for certain company criteria as Declared in 2007, Law No 40 concerning Limited Liability Company article 74 states: Social and environmental responsibilities are required of companies conducting business in the field of natural resources. Social and environmental responsibility is the responsibility of the company to be assessed and calculated as its cost in its implementation with due regard to compliance and fairness. Companies not fulfilling their obligations in relation to social responsibility shall be punished according to legal provisions (Cheng, 2009).

RESEARCH METHODOLOGY

The method of this research was conducted by the method of reviewing several journals relating to corporate social responsibility. The selection of this method by considering the focus of a review study between theory and practice, namely revealing Developing corporate social responsibility theory in Islam, this study will reveal the problem of developing Islam's corporate social responsibility theory from the perpetrators. Therefore, the search will be conducted by researcher starting with several journals related to theory Corporate Social Responsibility (Luwihono et al., 2021; Prabowo et al., 2020; Rusdiyanto & Agustia, et al., 2020; Rusdiyanto &

Hidayat et al., 2020; Shabbir et al., 2021; Susanto et al., 2021; Juanamasta et al., 2019; Rusdiyanto & Narsa, 2019; Gazali, Kusuma, Aina, Bustaram, Amar et al., 2020; Syafii et al., 2020; Lamtiar et al., 2021; Gazali, Kusuma, Aina, Bustaram & Risal, 2020; Rusdiyanto & Sawarjuwono, 2020; Shabbir, 2021; Susanto, 2021; Luwihono, 2021; Rahayu et al., 2020; Utari, 2020; Prabowo, 2020; Astanto, 2020; Rusdiyanto, 2020; Rusdiyanto & Sawarjuwono, 2020; HIDAYAT, 2020; Rusdiyanto & Narsa, 2020; Ulum, 2020; Rusdiyanto, 2019; Hidayat, 2020; Zainurrafiqi, 2020; Zainurrafiqi, 2020; Hadi-Susanto, 2021; Woro-Utari, 2020; Susanto, 2021).

RESEARCH RESULTS AND DISCUSSION

As stated above, this research is a study that reviews several journals related to the focus of research. The consideration of this research led to the study of a Corporate Social Responsibility theory that is inseparable from the Qur'an and Al-Hadith. Because of the researchers' belief that corporate social responsibility theory must be related to the emergence of everything that can be indicated by practice, this study begins by looking for a starting point on which to begin this research. As explained in the theoretical basis, this study reviews a number of journals that can ensure that the theory about corporate social responsibility research is found in the Al-Qur'an and Al-Hadith as Allah said in Al-Qur'an Surat Al-Baqaroh 177:

* لَيْسَ الْبِرَّ أَنْ تُوَلُّوا وُجُوهَكُمْ قِبَلَ الْمَشْرِقِ وَالْمَغْرِبِ وَلَكِنَّ الْبِرَّ مَنْ آمَنَ
بِاللَّهِ وَالْيَوْمِ الْآخِرِ وَالْمَلَائِكَةِ وَالْكِتَابِ وَالنَّبِيِّينَ وَآتَى الْمَالَ عَلَىٰ حُبِّهِ ذَوِي
الْقُرْبَىٰ وَالْيَتَامَىٰ وَالْمَسَاكِينَ وَابْنَ السَّبِيلِ وَالسَّائِلِينَ وَفِي الرِّقَابِ وَأَقَامَ
الصَّلَاةَ وَآتَى الزَّكَاةَ وَالْمُوفُونَ بِعَهْدِهِمْ إِذَا عَاهَدُوا وَالصَّابِرِينَ فِي الْبَأْسَاءِ
وَالضَّرَّاءِ وَحِينَ الْبَأْسِ ۗ أُولَٰئِكَ الَّذِينَ صَدَقُوا ۗ وَأُولَٰئِكَ هُمُ الْمُتَّقُونَ

“Not showing your face to the east and west is a virtue, but the truth is that virtue is faith in God, the Day Later, angels, books, prophets and give the treasure he loves to his relatives, orphans, poor people, travelers (who need help) and people who beg; and (liberating) the slave, setting up prayer, and giving alms; and those who keep their promises when they promise, and those who are patient in the narrowness, suffering and war. They are the people who are righteous (their faith); and they are the people who fear Allah” (QS. Al Baqarah: 177).

From the above verse, Islam is one of the religions that also emphasizes on social values; without neglecting prayer, the Qur'an integrates the purpose and meaning of prayer in social values. In addition to being given the value of faith in God, His Book, and the Last Day, the Qur'an also emphasizes that faith is not perfect if it does not carry out social practices in the form of care and service to relatives, the poor, and travelers, orphans, ensures the welfare of those in need. In Islamic corporate social responsibility, a business practice which has ethical responsibility in Islam is a business practice. The company includes Islamic religious norms that are marked by a sincerity commitment to maintain social contracts in their operations. Thus, business practices within the framework of Islamic corporate social responsibility include a series of business activities social responsibility towards the community. Although this is not only on services and benefits, the amount of product ownership, how to obtain and use it has been limited by the rules of halal and haram by sharia. Corporate social responsibility in an Islamic perspective is all activities carried out

Islamic financial institutions as intermediate financial for individuals and institutions, fulfilling religious, legal, economic, moral, and discretionary responsibilities.

According to Islam, corporate social responsibility is carried out aimed at creating virtues that are not by activity that includes elements of usury, but also in the practice of zakat, infaq, sodakoh and wakaf commands of Allah Almighty.. Corporate Social Responsibility must also prioritize the value of generosity and sincerity. This deed is more beloved by Allah than mahdhaah worship. Rasulullah SAW said, “To fulfill the needs of a believer, Allah loves more than twenty pilgrimages and on each pilgrimage hundreds of thousands of dirhams and dinars are given”. In another hadith, Rasulullah peace be upon him also said, “If a Muslim goes to meet the needs of fellow Muslims, it is better for him than doing seventy times of thawaf in Baitullah. Corporate social responsibility implementation in Islam is also an effort to reduce social problems that occur in the community by encouraging community productivity to maintain a balanced distribution of wealth in the community. Islam requires the circulation of wealth to occur in all members of society and to prevent the circulation of wealth to only a handful of people. Allah says in the Qur'an Al-Hasyr: 7

مَا أَفَاءَ اللَّهُ عَلَى رَسُولِهِ مِنْ أَهْلِ الْقُرَى فَلِلَّهِ وَلِلرَّسُولِ وَلِذِي الْقُرْبَىٰ وَالْيَتَامَىٰ
وَالْمَسَاكِينِ وَابْنِ السَّبِيلِ كَيْ لَا يَكُونَ دُولَةً بَيْنَ الْأَغْنِيَاءِ مِنْكُمْ ۚ وَمَا آتَاكُمْ
الرَّسُولُ فَخُذُوهُ وَمَا نَهَاكُمْ عَنْهُ فَانْتَهُوا ۚ وَاتَّقُوا اللَّهَ ۚ إِنَّ اللَّهَ شَدِيدُ الْعِقَابِ

مَا أَفَاءَ اللَّهُ عَلَى رَسُولِهِ مِنْ أَهْلِ الْقُرَى فَلِلَّهِ وَلِلرَّسُولِ وَلِذِي الْقُرْبَىٰ
وَالْيَتَامَىٰ وَالْمَسْكِينِ وَابْنِ السَّبِيلِ كَيْ لَا يَكُونَ دُولَةً بَيْنَ الْأَغْنِيَاءِ
مِنْكُمْ ۚ وَمَا آتَاكُمْ الرَّسُولُ فَخُذُوهُ وَمَا نَهَاكُمْ عَنْهُ فَانْتَهُوا ۚ وَاتَّقُوا اللَّهَ
إِنَّ اللَّهَ شَدِيدُ الْعِقَابِ

“Any spoils (fai-i) that Allah gave to His Messenger from possessions that came from the inhabitants of the cities, then to Allah, to the Apostles, relatives, orphans, the poor and the poor on the way, so that the treasure does not circulate among the rich among you. What the Apostle gave you, then accept it. Leave what he forbids. And fear Allah. Surely Allah is severely punished.” (QS. Al hasyr: 7).

Islamic business ethics is stressed by the practice of corporate social responsibility in Islam. The company's operations must be free of various forms of corruption and provide maximum service guarantees throughout the operational sphere, include each trusted service of its products. This is expressly stated in the Qur'an (QS. al-A'raf ayat 85) Allah Almighty said:

وَالِي مَدْيَنَ أَخَاهُمْ شُعَيْبًا ۗ قَالَ يَا قَوْمِ اعْبُدُوا اللَّهَ مَا لَكُمْ مِنْ إِلَهٍ غَيْرُهُ ۗ قَدْ جَاءَتْكُمْ بَيِّنَةٌ مِنْ رَبِّكُمْ ۗ فَأَوْفُوا الْكَيْلَ وَالْمِيزَانَ وَلَا تَبْخَسُوا النَّاسَ أَشْيَاءَهُمْ وَلَا تُفْسِدُوا فِي الْأَرْضِ بَعْدَ إِصْلَاحِهَا ۗ ذَٰلِكُمْ خَيْرٌ لَكُمْ إِنْ كُنْتُمْ مُؤْمِنِينَ

And we have sent to the inhabitants of Madyan, their brother, Shu'aib. He said: " O my people, worship Allah, there is no god for you but Him. Surely you have come to have concrete proof from your Lord. Then complete the measurements and the scales, and don't reduce them to the people of the measure and the scales, and do not make damage on the earth after the Lord has repaired them. That is better for you if you are truly a believer ." (QS. al-A'raf verse 85).

In addition, social activity in society is emphasised, Islam also commands the practice of environmental corporate social responsibility. One of the core lessons of Islam is the environment and its preservation. The Prophet Muhammad teaches the fundamental principles that shape the philosophy of environmental virtue, peace is on it, and belief in the interdependence between beings and Allah SWT. Because Allah Almighty created the universe in a measurable way, both quantitative and qualitative can be seen in the Qur'an QS. Al Qamar: 49:

إِنَّا كُلَّ شَيْءٍ خَلَقْنَاهُ بِقَدَرٍ

"Indeed, we create everything according to size ".

And in a balanced condition seen in the word of God almighty Al-Qur'an in the verse QS. Al hadid: 7:

آمَنُوا بِاللَّهِ وَرَسُولِهِ وَأَنْفَقُوا مِمَّا جَعَلَكُمْ مُسْتَخْلِفِينَ فِيهِ ۗ فَالَّذِينَ آمَنُوا مِنْكُمْ وَأَنْفَقُوا لَهُمْ أَجْرٌ كَبِيرٌ

"Have faith in Allah and His Messenger and spend part of your treasure that Allah has made you to master. Then those who believe among you and spend part of their wealth will receive a great reward.

The nature of interdependence between living things is a nature from Allah almighty, The principle is that if Allah's creation is corrupted by man, it will harm man himself.. Allah Almighty says in the Qur'an verse of QS. Ar Rum: 41:

ظَهَرَ الْفَسَادُ فِي الْبَرِّ وَالْبَحْرِ بِمَا كَسَبَتْ أَيْدِي النَّاسِ لِيُذِيقَهُمْ بَعْضَ الَّذِي عَمِلُوا لَعَلَّهُمْ يَرْجِعُونَ

"It has been seen that damage on land and at sea is caused by the deeds of human hands, so that Allah feels to them part of their actions, so that they return (to the right path)." (QS. AR Rum: 41)

From the explanation of the paragraph above shows that Islam has set so clearly about the basic principles contained in corporate social responsibility, whereas the issue of corporate social responsibility only began in the 20th century. Corporate Social Responsibility is to meet the targets of sustainable development such as environmental issues, human rights, labor practices, consumer

protection, corporate governance, fair operational practices, and community development. These principles are representations of various commitments that can synergize with the practice of Islamic life principles.

Corporate Social Responsibilities in Islamic Perspective

The view of Corporate Social Responsibilities based on the Qur'an and Sunnah teachings is contained in a spiritual bond. This spiritual bond illustrates the commitment to moral standards and social norms based on Sharia. Because in Islam what we want to achieve is not based on material needs alone, but it contains the principle of human welfare, stressing the concept of fraternity and of social and economic justice, and spiritual for every human being. These principles are fair sharing, rahmatan lil alamin a blessing for all nature, and maslaha (community interests); this principle has a strong link with the economic objectives of Sharia which prioritize the interests of the community at large. Corporate Social Responsibility in Islam is not something new. Social responsibility is very often mentioned by Allah almighty in the Qur'an Al-Baqarah 2:205.

وَإِذَا تَوَلَّى سَعَى فِي الْأَرْضِ لِيُفْسِدَ فِيهَا وَيُهْلِكَ الْحَرْثَ
وَالنَّسْلَ وَاللَّهُ لَا يُحِبُّ الْفُسَادَ

And when he turns away from you, he walks the earth to do damage to it, and destroy crops and livestock, and God does not like destruction (Al-Baqarah 2:205).

Corporate Social Responsibility in an Islamic perspective is a social system in the distribution of wealth based on ways of life and human relations that exist between fellow Muslims, and also between Muslims and non-Muslims (Hablun Min al-Nas). Corporate Social Responsibility in Islam must be in accordance with the maslahah and maqasid al-Shari'ah, Islam requires that the interests of al-dharuriyyah be achieved first, followed by the interests of al-hajiyyah and al-tahsiniyyah. The achievement of these three interests is not something that applies consecutively, but the achievement of these three pyramid maslahahs is a guide for company managers in deciding which Corporate Social Responsibility programs are appropriate and right on target. Corporate Social Responsibility principles actually illustrate the relationship between humans and their creator, namely Allah Almighty. Corporate Social Responsibility principles share fairly, rahmatan lil alamin a blessing for all nature, and maslahah community interests. Corporate Social Responsibility principles have strong links with Sharia economic goals that prioritize the interests of the whole community.

Spiritual Concept

The spiritual concept is to understand the concept of Corporate Social Responsibility from an Islamic perspective, obedience to Allah SWT is a reflection of the spiritual. The spiritual principles of aqeedah, worship, and morals are all mentioned in devotion and monotheism. An important element for understanding and carrying out Allah's commands, the main key to understanding Islamic Sharia is born of devotion, namely obedience to Allah almighty. The concept of Corporate Social Responsibility and the theory of Syariah Enterprise is a theory of enterprises that is internalized with Islamic values to produce an appropriate theory that is more concerned with human society. Enterprise theory is a theory that recognizes responsibility not only to the owner of

the company but to the community. Syariah Enterprise Theory is not only concerned with the interests of individuals in terms of shareholders, but also other parties. Allah almighty is the highest party and becomes the sole purpose of human life. By placing Allah Almighty as the highest stakeholder, the connecting rope so that the concept of shariah continues to aim at raising the divine awareness of its users is guaranteed. The importance of establishing Allah Almighty as the sunnatullah is the most important stakeholder as the principle for shariah concept development. Placement of Allah Almighty as the highest stakeholder, Allah Almighty said in verse of Al-Baqarah 2: 29:

هُوَ الَّذِي خَلَقَ لَكُمْ مَا فِي الْأَرْضِ جَمِيعًا ثُمَّ اسْتَوَىٰ إِلَى
السَّمَاءِ فَسَوَّاهُنَّ سَبْعَ سَمَوَاتٍ وَهُوَ بِكُلِّ شَيْءٍ عَلِيمٌ ﴿٢٩﴾

It is He (Allah) Who made for you All that is on earth, then He goes With His will toward heaven (ingredients), then made seven heavens Perfectly; and he knows everything (Al-Baqarah 2: 29).

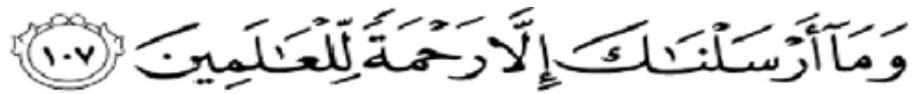
This verse explains to humans that everything on earth and its contents including everything that humans have is actually the property of Allah almighty as the ultimate owner. Human ownership is temporary and in the form of trust, when Allah Almighty is the eternal owner of everything. The second stakeholder of the Shariah Enterprise Theory is humans, divided into two groups, namely direct-stakeholders and indirect-stakeholders. Direct stakeholders are parties who directly contribute to the company, both in the form of financial and non-financial contributions (Wayuddin, 2014).

The last stakeholder of the Shariah Enterprise Theory is nature; nature contributes to the death and life of the company. Formed companies are established on earth, use energy spreading in nature, produce by means of natural resources, and provide services by means of energy readily available to other parties. Spirituality in Corporate Social Responsibility also contains the meaning of taqwa, the relationship between humans and God; human to human; and humans with the environment. If it is carried out in commercial activities, then the activity is carried out not only to satisfy material needs, but rather to fulfill religious obligations and achieve non-material goals, such as the need for social security or what is called social responsibility, a concept in Islam that starts from the concept of brotherhood and social justice. Social justice will protect Muslims from illicit acts, while Brotherhood is a concept that states that fellow Muslims are brothers, so that fellow Muslims are mutually responsible, especially towards people who cannot afford (Wayuddin, 2014).

Rahmatan Lil 'Alamin

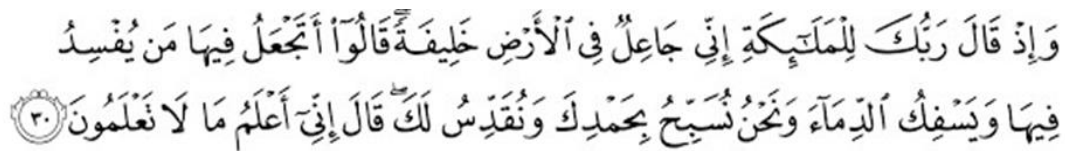
The Principle of Rahmatan Lil'alamin means that humans should be of benefit to other creatures of God. As a religion that is rahmatan lil'alamin, Islam is full of values of brotherhood, unity, love, and compassion among humans. Islam strongly recommends caring for each other and caring for fellow human beings. This includes preserving the natural environment and protecting the lives of fellow humans. Improving the welfare of stakeholders is part of the effort to become Rahmatan Lil'alamin and achieve the main goals in the Islamic economy. The intended welfare is material and spiritual well-being (nafs, faith, intellect, posterity, and wealth). Prosperity in Sharia objectives is stated not only for capital owners, but also for the interests of all stakeholders

(maslahah). This concept is in harmony with rahmatan lil-'alamin which is taken from one of the verses of the Qur'an in the verse Anbiya' 21: 107:



And we do not send you (Muhammad), but to be a mercy for all of nature (Anbiya' 21: 107)

In the above verse, "Rahmatan Lil-'Alamin" is explicitly related to the apostleship of the Prophet Muhammad peace be upon him. This means that Allah Almighty did not make the Prophet Muhammad peace be upon him as an apostle, except because His Majesty's apostolate is a mercy to the universe. Therefore the grace given by Allah SWT to the universe is associated with the apostleship of the Prophet Shall Allahu 'Alaihi wa Sallam, then human beings in receiving some of these graces differ. There are those who receive the grace perfectly, and some who receive the grace imperfectly. The concept of rahmatan lil-'alamin is also related to the verse the role of humans as the caliph of Allah on this earth in the verse of Al-Baqarah 2: 30



And (remember) when your Lord said to the Angels; "Verily I want to make a caliph on earth ". they ask (about the wisdom of God's decrees by saying): "Are You (O our Lord) wanting to make on earth a person who will cause disaster and spill blood (kill), even though We always glorify By praising You and sanctifying You?". The Lord said: "Verily, I know that which you do not know" (Al-Baqarah 2: 30).

This concept is an explanation that humans are created not only for worship in terms of ta'budi, but many things are imposed on Islam to become an Islamic Muslim. One of them is the caliph. The responsibility of the caliph is enormous for the creation of prosperity in life in this world and the hereafter. Two very important roles performed by humans are the first as a servant of Allah and the second as the caliph of Allah on earth. As servants, humans must worship the god of their creator, seek the ease of God, obey all the rules and guidelines that have been set, do good to fellow creatures and not do damage on earth. As Caliph, humans are responsible for strengthening Islamic Sharia in all aspects of their lives, ensuring harmony, security and welfare in life. Give a clear picture of the obligation of every human being to be responsible to Allah almighty as a representative of humans and the natural environment to create harmony in life. This responsibility requires humans to take care of the management of nature and all its contents in the right conditions for the sake of human safety and the preservation of other gods so that they are not classified as kufr of pleasure (Wayuddin, 2014).

The position of Corporate Social Responsibility can be understood in the context of understanding Islamic teachings as one of the obligations and functions of human creation. Corporate Social Responsibility is one of human's important tasks which are a mandate from Allah Almighty. One side is a form of obedience to Allah almighty, on the other hand it functions as a human responsibility as the caliph of Allah almighty on the face of the earth. Allah Almighty has given advantages and a high position for humans. The gift given by Him, humans can help the weak

groups to ease the burden borne in seeking the truth and majesty of God besides getting sustenance (Wayuddin, 2014).

Ukhuwah Islamiah and Al-'Adl

In the Qur'an it has been explained that it must be fair and behave nobly for the sake of the creation of a good Islamic brotherhood in running an economy that will condemn an economic system that is concerned with profit solely without undermining the misery of others, then social justice will be realized closely on the basis of ukhuwah Islamiyah so as to realize equality between humans without thinking of skin color, race, language, and position in the community of God said in the Qur'an surah Al-Hujarat 49: 10:

إِنَّمَا الْمُؤْمِنُونَ إِخْوَةٌ فَأَصْلِحُوا بَيْنَ أَخَوَيْكُمْ وَاتَّقُوا اللَّهَ لَعَلَّكُمْ تُرْحَمُونَ ﴿١٠﴾

Actually the believers are brothers, then reconcile between your two brothers (who are fighting); and fear Allah so that you may have mercy (Al-Hujarat 49: 10).

Indeed Ukhuwah Islamiyah has made the whole Arab nation as a new people, and made Islam broader so that it encompasses the whole nature and is not limited to Arab lands. The brotherhood also gave birth to a feeling and awareness of responsibility towards society and its interests in each individual. Besides that, it is necessary to realize feelings and awareness of responsibility towards the interests and benefit of individuals in Islamic society. A responsibility in the form of material and spiritual salvation that ultimately strengthens the ukhuwah of Islam. Apostle explained in the hadith of all cases that may lead to the power of ukhuwah Islamiyah.

الْمُسْلِمُ لِلْمُسْلِمِ كَالْبُنْيَانِ يَنْدُ بَعْضُهُ بَعْضًا

This means that the Islamic community must be like a solid uniform. This is closely related to social life in the world, because social justice is a way to fight and fight tyranny. Therefore, Islam is a religion that is just and emphasizes its people to apply justice in life described in the Word of God in the surah of Al-Maidah 5:8:

يَتَأْتِيهَا الَّذِينَ آمَنُوا كُوفُوا قَوْمِيْنَ لِلّٰهِ شُهَدَاءَ بِالْقِسْطِ وَلَا يَجْرِمَنَّكُمْ شَتَانُ قَوْمٍ عَلَىٰ أَلَّا تَعْدِلُوا أَعْدِلُوا هُوَ أَقْرَبُ لِلتَّقْوَىٰ وَاتَّقُوا اللَّهَ إِنَّ اللَّهَ خَبِيرٌ بِمَا تَعْمَلُونَ ﴿٨﴾

O believers, let all of you always be those who uphold justice because Allah, again explains the truth; and never hate you for something that people push you to not do justice. you should behave fairly (to anyone) because fairness is more like Taqwa. And fear Allah, surely Allah is well aware of what you are doing (Al-Maidah 5:8).

Guided by the philosophy of monotheism, the Koran recommends that the principle of al-'adl wal ishsan (justice and muafakat) be the main principle in compiling and building a state society of God almighty said in surah An-Nahl 16:90:

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

Verily, God commands to be fair, and do well, and give help to relatives; and forbidding from committing heinous and unjust acts and wrongdoing. He teaches you (with His commands and prohibitions), so that you take the warning to obey Him (An-Nahl 16:90).

The principle of justice is the principle for regulating and carrying out social affairs in the state. Fellow humans need a strong foundation in order to uphold the value of humanity. A state social system based on a spirit of justice can create an atmosphere of harmony in which all individuals can function positively and serve. By taking an Islamic approach in developing and building a state society, the government needs to give priority to the social justice strategy (Al'adl al ijtima'iyah) in developing the country. Understanding of social justice in Islam we correctly understand the Islamic tasawur about divinity, the universe, life and humans because justice is a small branch of the four main components. Social justice in Islam is strongly influenced by the concept of monotheism of God. The Islamic view of human life in the world is closely related to social justice which means human justice in all fields of life. It can be understood that social justice is associated with the concept of faith and deep faith in the oneness of Allah almighty. Justice and brotherhood in Islam emphasize the community regarding the needs of the principle of needy and poor people.

The concept of social justice ensures that every individual in society gets their rights. Assets in the community should be distributed to each individual so that the assets are not only for one group. This concept is referred to as social responsibility and justice, and only in accordance with Islamic transactions of Islamic commerce. Commercial activities aren't only carried out to satisfy material needs and desires, they are also carried out to fulfill religious responsibilities and to achieve material goals such as protecting social needs (Wayuddin, 2014). Corporate Social Responsibility in Islam is a moral and religious initiative, Corporate Social Responsibility in Islam refers to the community towards commerce not to bring harm to others.

Companies may make profits based on what has been produced, but they should be encouraged by ethical and moral means to achieve company goals. Responsibility towards society needs to be given attention to guarantee their relationship with Allah almighty, the relationship between human beings and also beings and also creatures of Allah almighty. A good relationship with God will encourage transactions and interactions based on the values of trust, determination, kindness, obedience to the law and other pure values (Wayuddin, 2014).

The Interests of Corporate Social Responsibility

Benefits of Coporate Social Responsibility that can be obtained by the surrounding community, including expansion of employment, better public infrastructure, such as health services, education, and various other fields depending on the form of Corporate Social Responsibility undertaken by the company. Corporate Social Responsibility also provides benefits by creating and preserving the environment and existing resources in a better direction. But implemented Corporate Social Responsibility provides benefits to the community and the

environment, and also benefits companies. The benefits of Corporate Social Responsibility for companies include maintaining or boosting the reputation and brand image of the company, deserving a social license to operate, reducing company business risk, expanding access to human resources, expanding access to the market, reducing costs, improving relations with stakeholders, improving relations with regulators, increase employee morale and productivity, provide opportunities to get rewards, and several other benefits. In implementing Corporate Social Responsibility, companies need to have a view that Corporate Social Responsibility is an investment in the future. This means that Corporate Social Responsibility is not seen any more as a cost center, but as a future profit center.

The company's operations should be free of different practices corruption and provide a guarantee of good service, including services that are trusted for each of its products. This is expressly explained by Allah almighty in the Qur'an (QS. al-A'raf ayat 85):

وَإِلَىٰ مَدْيَنَ أَخَاهُمْ شُعَيْبًا ۗ قَالَ يَبْنَؤُمْ أَعْبُدُوا اللَّهَ مَا لَكُمْ مِنِّي غَيْرُهُ ۗ
 قَدْ جَاءَ تَكْمٌ بَيِّنَةٌ مِّن رَّبِّكُمْ ۖ فَأَوْفُوا الْكَيْلَ وَالْمِيزَانَ وَلَا تَبْخَسُوا
 النَّاسَ أَشْيَاءَهُمْ وَلَا تُفْسِدُوا فِي الْأَرْضِ بَعْدَ إِصْلَاحِهَا ذَٰلِكُمْ خَيْرٌ
 لَّكُمْ إِن كُنتُمْ مُّؤْمِنِينَ ﴿٨٥﴾

To the inhabitants of Madyan (We send) their brothers the Prophet Syauib. He said: " O people of the Worship you will be Allah, actually there is no God for you but thereof. Verily, the Lord has revealed to you the truth. Therefore, complete your activities and scales, and do not reduce to man the things and things which belong to him; and do not cause damage to the earth after God has made it prosperous regularly. That is better for you if you are a true believer (QS. al-A'raf verse 85). Nature can affect the achievements of a company; the issue of social care also becomes an important note in the study of Islamic Corporate Social Responsibility such as: Corporate Responsibility for the Environment Community, public notification of company activities, as well as community development activities and social virtue activities, such social awareness activities mandated in Al-Hadith:

إِنَّ الْمَصْدِقِينَ وَالْمَصْدَقَاتِ وَأَقْرَضُوا اللَّهَ قَرْضًا حَسَنًا يُّضَاعَفُ
 لَهُمْ وَلَهُمْ أَجْرٌ كَرِيمٌ ﴿١٨﴾

Indeed the men who give alms and the women who give alms, and they give loans to Allah, as good loans (sincere), will be multiplied in return (with multiple numbers), and they will also get a noble reward (Al-Hadith).

The three principles of caring of the company to carry out Corporate Social Responsibility are profit, people, and planet (3P) or Triple Bottom Lines. So Corporate Social Responsibility is the way an organization achieves progress in business, and helps the progress and development of the company operate.

CONCLUSION

This research succeeded in revealing the study of Corporate Social Responsibility theory, all of which are in the Qur'an and Al-Hadith, searches from several Corporate Social Responsibility journals. With this research, the meaning of Corporate Social Responsibility theory is relevant to the context of the formation of Islamic Corporate Social Responsibility practices in Indonesia. To achieve the ultimate goals in carrying out Corporate Social Responsibility programs, the company is not just carrying out the obligations that have been ordered by law, but is implemented in the Qur'an and Al-Hadith in corporate social responsibility is a form of accountability to God almighty, through humans and nature. The implementation of Corporate Social Responsibility gives a positive impression in resolving and alleviating social problems, both those that occur within companies and communities; especially to improve the people's economy and long-term corporate stability sustainability is important rather than merely profitability.

The theory of Corporate Social Responsibility is part of accounting practices that are already in the Qur'an and Al-Hadith. The theory of Corporate Social Responsibility is needed as a foundation in developing the theory of corporate social responsibility. A correct understanding of Corporate Social Responsibility theory will encourage the development of Corporate Social Responsibility theory towards Corporate Social Responsibility practices that are in accordance with the Islamic principles outlined in the Qur'an and Al-Hadith. The theory of Corporate Social Responsibility is needed to explain the various basic assumptions that underlie the theory of Corporate Social Responsibility in Indonesia and explain the implementation of Corporate Social Responsibility that has been running and the foundation in the development of the theory of Corporate Social Responsibility in the future.

REFERENCES

- Al-Qur'an & Al-Hadits Translate.
- Achmad, B. (2011). Corporate governance mechanism, fundamental factors, Corporate Social Responsibility (CSR). *Disclosure of a Natural Resource and*, 3(1), 38–54.
- Astanto, D., Rusdiyanto, M.F., Khadijah, S.N., Rochman, A.S., & Ilham, R. (2020). Macroeconomic impact on share prices: Evidence from Indonesia. *Solid State Technology*, 63(6), 646–660.
- Cheng, M.C.Y.J. (2009). *The effect of corporate social responsibility disclosure on abnormal return*, 24–36.
- Kusuma, G.A., Aina, M., Bustaram, I., Amar, S.S., Rusdiyanto, T.H., & Panjilaksana, S.D.D. (2020). The effect of financial performance on stock prices: A case study of Indonesian. *Talent Development and Excellence*, 12(1), 40074016.
- Kusuma, G.A., Aina, M., Bustaram, I., Risal, Z., Purwanto, R., & Tjaraka, H. (2020). Work ethics of Madura communities in salt business: A case study Indonesian. *Talent Development and Excellence*, 12(1), 3537–3549.
- Hadi, S., Indra, P., Trisa, I., Aliyyah, N., Rusdiyanto, H.T., Nawang, K., ... & Z. (2021). The impacts of earnings volatility, net income and comprehensive income on share Price: Evidence from Indonesia stock exchange. *Accounting*, 7(5), 1009–1016.
- Hidayat, W., Soetedjo, S., Tjaraka, H., Septiarini, D.F., Herli, M., Ulum, B., ... & Rahayu, D.I. (2020). The effect of macroeconomics on equity prices: An Indonesian case study. *ESPACIOS magazine*, 41(17).
- Hidayat, W., Tjaraka, H., Fitriasia, D., Fayanni, Y., Utari, W., Indrawati, M., ... & Elan, U. (2020). The effect of earning per share, debt to equity ratio and return on assets on stock prices: Case study Indonesian. *Academy of Entrepreneurship Journal*, 26(2), 1–10.
- Juanamasta, I.G., Wati, N.M.N., Hendrawati, E., Wahyuni, W., Pramudianti, M., Wisnujati, N.S., ... & Umanailo, M.C.B. (2019). The role of customer service through Customer Relationship Management (CRM) to increase customer loyalty and good image. *International Journal of Scientific and Technology Research*, 8(10).

- Lamtiar, S., Arnas, Y., Rusdiyanto, A.A., Kalbuana, N., Prasetyo, B., Kurnianto, B., ... & Utami, S. (2021). Liquidity effect, profitability leverage to company value: A Case study Indonesia. *European Journal of Molecular & Clinical Medicine*, 7(11), 2800–2822.
- Luwihono, A., Suherman, B., Sembiring, D., Rasyid, S., Kalbuana, N., Saputro, R., ... & Asih, P. (2021). Macroeconomic effect on stock price: Evidence from Indonesia. *Accounting*, 7(5), 1189–1202.
- Mutiara, S.H. (2015). Influence Corporate Social Responsibility (CSR) against the level of corporate profits (Empirical study on several companies). *Scientific Journal of Efficiency*, 15 (The Effect of Corporate Social Responsibility (CSR) on the level of Corporate Profit), 109–118.
- Prabowo, B., Rochmatulaili, E., Rusdiyanto, & Sulistyowati, E. (2020). Corporate Governance and its impact in company's stock price: Case study [Corporate Governance and its impact on company stock prices: Case study]. *Utopia and Latin American Praxis*, 25(10), 187–196.
- Rahayu, D.I., Ulum, B., Rusdiyanto, S.M., Pramitasari, D.A., & Tuharea, F.I. (2020). Fundamental impact on share prices: Evidence from Indonesia. *PalArch's Journal of Archaeology of Egypt/ Egyptology*, 17(6), 9090–9104.
- Rakhimah, A.N.A.D. (2011). *The effect of environmental performance on Corporate Social Responsibility (CSR) disclosure and financial performance of manufacturing companies listed on the Indonesia stock exchange*, 1–31.
- Rusdiyanto, A.D., Soetedjo, S., & Septiarini, D.F. (2020). The effect of cash turnover and receivable turnover on profitability. *The effect of cash turnover and accounts receivable turnover on profitability*, 36(Special Ed), 1417–1432.
- Rusdiyanto, H.T., Mufarokhah, N., Al'asqolaini, M.Z., Musthofa, A.J., Aji, S., & Zainab, A.R. (2020). Corporate Social Responsibility practices in Islamic Studies in Indonesian. *Journal of Talent Development and Excellence*, 12(1), 3550–3565.
- Rusdiyanto, H.W., Tjaraka, H., Septiarini, D.F., Fayanni, Y., Utari, W., Waras, ... & Imanawati, Z. (2020). The effect of earning per share, debt to equity ratio and return on assets on stock prices: Case study Indonesian. *Academy of Entrepreneurship Journal*, 26(2), 1–10.
- Rusdiyanto, & Narsa, I.M. (2020). The effect of company size, leverage and return on asset on earnings management : Case Study Indonesian. *Espacios*, 41(17), 25.
- Rusdiyanto, R., Agustia, D., Soetedjo, S., Septiarini, D.F., Susetyorini, S., Elan, U., ... & Rahayu, D.I. (2019). *Effects of Sales, Receivables Turnover, and Cash Flow on Liquidity*.
- Rusdiyanto, R., & Narsa, I.M. (2019). The effects of earnings volatility, net income and comprehensive income on stock prices on banking companies on the Indonesia stock exchange. *International Review of Management and Marketing*, 9(6).
- Rusdiyanto, S.T., & Tjaraka, H. (2020). Interpret The Shari' ah accounting practice In Indonesian. *Talent Development and Excellence*, 12(3), 2420–2433.
- Sari, Y.D. (2012). *Implementation Corporate Social Responsibility (CSR) towards Community Attitudes in Company Programs. Implementation of Corporate Social Responsibility (CSR) on Community Attitudes in Company Programs*.
- Satria, P.A. (2015). *Nominal Journal/ Volume Iv Number 2/ 2015 The Effect of Corporate Social Responsibility on Company Profitability (Empirical Study on Consumer Goods Industrial Sector Companies Listed on the Indonesia Stock Exchange 2010-2013) Anggara Sa. Nominal Journal, IV (The Influence of Corporate Social Responsibility on Company Profits)*, 88–110.
- Shabbir, M.S., Mahmood, A., Setiawan, R., Nasirin, C., Rusdiyanto, R., Gazali, G., ... & Batool, F. (2021). Closed-loop supply chain network design with sustainability and resiliency criteria. *Environmental Science and Pollution Research*.
- Suhayati, E. (n.d.). *Implementation of Corporate Social Responsibility to improve the image of the University*, (2nd edition). *Unikom Scientific Magazine*, 7(2), 157–166.
- Susanto, H., Prasetyo, I., Indrawati, T., Aliyyah, N., Rusdiyanto, R., Tjaraka, H., ... & Zainurrafiqi, Z. (2021). The impacts of earnings volatility, net income and comprehensive income on share Price: Evidence from Indonesia Stock Exchange. *Accounting*, 7(5), 1009–1016.
- Syafii, M., Ulum, B., Rusdiyanto, Suparman, P., Rahayu, D.I., & Syasindy, N.B. (2020). The effect of financial performance on the company's share price: A case study Indonesian. *European Journal of Molecular and Clinical Medicine*, 7(8), 1055–1071.
- Ulum, B., Rusdiyanto, M.S., Rahayu, D.I., & Pramitasarisari, D.A. (2020). Profitability impact on company share prices: A case study Indonesian. *Solid State Technology*, 63(6), 1672–1683.
- Utari, W., Setiawati, R., Fauzia, N., Hidayat, W., Khadijah, S.N., Pramitasari, D.A., & Irawan, H. (2020). *The effect of work discipline on the performance of employees in compensation mediation : A case study Indonesia*. 17(9), 1056–1073.
- Wayuddin. (2014). *Islamic Corporate Sosial Responsibility*. 0651, 42–65.

- Zainurrafiqi, G.N.Q.N.H. (2020). The effect of organization learning capability and organizational innovation on competitive advantage and business performance. *Russian Journal of Agricultural and Socio-Economic Sciences (RJOAS)*, 3(99), 9–17.
- Ria, R.Z., Devi, L.P.P., Enza, R., Widyastuti, E., & Qaiyim, A.R.W.H. (2020). The determinants and consequents of competitive advantage based of local wisdom at the micro, small, and medium enterprise : Evidence from Indonesia. *Solid State Technology*, 63(6), 1604–1620.