

AL-KAWAKIBI'S PERSPECTIVE ECONOMIC DESPOTISM A STUDY OF THE THABAI'ULIL ISTIBDADI WA-MUSHORI'UL ISTI'BAADI

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ABSTRACT. This dissertation aims to discuss first, as a study of the concept of economic despotism and the impacts that occur as a result of despotism. The second, methods or solutions to reduce economic despotism so that people are not supported in tyranny that destroys social order. The method used in this study is purely qualitative which produces descriptive data in the form of written and oral words from people and observable behavior. While the research source is the written data source of *al-Kawakibi's* work namely *Thabai'ulil istibdadi wa-mushori'ul isti'baadi* and *Umm al-Qura*. To understand the concept of *Istibdad* with various derivatives using the method of content analysis or "content study". This research found/produced that the form of government with one ruler, both individual and oligarchs, who ruled with absolute political power (absolute without limits). The author also supports and supports *Montesquieu's* thesis which states that despotism is the worst thing humans have ever done that must be replaced if they want society to be prosperous and prosperous, one side of this phenomenon can damage the social system to make society's level not harmonious. Then the writer rejects and refutes Adam Smith's opinion which states that the free market system is permissible and the government is not entitled to intervene even though there has been a monopoly that causes tyranny (despotic).

Keyword: Despotism economy; perspective; politics.

DESPOTISME EKONOMI PERSPEKTIF AL-KAWAKIBI STUDI ATAS KITAB THABAI'ULIL ISTIBDADI WA-MUSHORI'UL ISTI'BAADI

ABSTRAK. Disertasi ini bertujuan membahas despotisme ekonomi dan dampak yang terjadi akibat dari aksi despotisme. Kedua, Metode atau solusi dalam mengurangi despotisme ekonomi sehingga masyarakat tidak terkukung dalam tirani yang merusak tatanan sosial. Metode yang digunakan dalam penelitian ini adalah kualitatif yang menghasilkan data deskriptif berupa kata-kata tertulis dan lisan dari orang-orang dan perilaku yang dapat diamati. Sedangkan sumber data primer penelitian adalah sumber data tertulis karya *al-Kawakibi* yaitu *Thabai'ulil istibdadi wa-mushori'ul isti'baadi* dan *Umm al-Qura*. Untuk memahami konsep *Istibdad* dengan berbagai derivasinya menggunakan metode content analysis. Penelitian ini menemukan bahwa bentuk pemerintahan dengan satu penguasa, baik individual maupun oligarki, yang berkuasa dengan kekuatan politik absolut (mutlak tanpa batas). Penelitian juga mendukung dan menguatkan tesisnya *Montesquieu* yang menyatakan bahwa despotisme itu hal yang terburuk yang pernah dilakukan manusia yang harus diganti jika menginginkan suatu masyarakat menjadi makmur dan sejahtera, satu sisi fenomena ini dapat merusak sistem sosial sehingga membuat tataran masyarakat menjadi tidak harmonis. Kemudian penelitian ini menolak dan membantah pemikiran Adam Smith yang menyatakan bahwa sistem pasar bebas diperbolehkan dan pemerintah tidak berhak campur tangan walaupun telah terjadi monopoli yang menyebabkan adanya tirani (despotis).

Kata Kunci: Despotisme ekonomi; perspektif; politik.

INTRODUCTION

Al-Kawakibi in his book *Thabai'ulil istibdadi wa-mushori'ul isti'baadi and Masari' al-Istib'ad* (The characteristics of despotism (Hindi, 2010) discusses one of the causes of the retreat of Muslims in various fields is despotism or tyranny made by the authorities (Abū-Ḥamdān, 1992) Despotism, in general, can be interpreted as totalitarianism that is not based on good morals and is egoistic. This totalitarian attitude is used for personal, individual, or family interests by harming others. The main elements of despotism are power madness (*plenitude potestas*) and aji mumpung (kleptocracy) when in power. (Soetrisno, 2008) In addition, the book

Tabai' al-Istibdad is a book criticizing the attitude of despotism and tyrannical rule, especially the Ottoman Khilafah government during the leadership of Sulthan Abdul Hamid, although the book does not explicitly mention it directly, on the one hand, it advocates the importance of independence or freedom. (*al-hurriyah*) for humans. Freedom is the most important pillar in life, which everyone must seek. While despotism or tyrannical attitude is very contrary to human nature (*Thabi'ah bashariyah*). (Abū-Ḥamdān, 1992)

His study of economic despotism was incorporated into his study of property despotism (*al-istibdad wa al-mal*). (Al-Nawawi, 2000). *Mal* by *al-Kawakibi* is interpreted by various activities related

to the joints of life, for example, strength is a treasure, time is a treasure, the reason is a treasure, knowledge is a treasure, rank is a treasure and so on which includes *al-iqtisad mal* (economics). is property). (Al-Kawakibi, 2011)

An economic system will be good and there will be no despotism if it is based on, first; there is a belief regarding the distribution of wealth through the theory of *'usyur*, zakat, and its distribution. Second, each individual must seek lawful sustenance with his abilities, not begging others. Third, there is the concept of owned land that can be worked on together and the results can be enjoyed by the cultivators and there is a tax to the Baitul mal. Fourth, there is a need for an Islamic state that can maintain a strict Islamic economic system. Islamic countries here are independent countries, not a unitary state of the whole world like the caliphate. (Al-Kawakibi, 2011).

The economic concept was written by *al-Kawakibi* also criticized the economic system that had been implemented by Ireland at that time, China, Russia, and other countries that limited the economic system of their people. This seemingly simple concept is common in various economic systems, including in Indonesia, wherewith this liberalization system has begun to show signs of an extraordinary gap between the rich and poor, an unhealthy trading system, and so on.

Furthermore, in general, the writing in this study is first, to strengthen *Montesquieu's* thesis which states that despotism is the worst thing that humans have ever done that must be replaced if a society wants to be prosperous. Second, to strengthen Muhammad Shahrur's opinion, that despotism is a phenomenon that destroys the social system to make people's gazes disharmonious, and despotism is a social phenomenon that must be eliminated and part of God's command. (Fairbank, 1986) Third, agree with Karl Marx's thought which states that capitalism has elements of despotism that must be removed and replaced with the idea of socialism. (Strauss & Cropsey, 2012) It's just that *al-Kawakibi* sees socialism as an economic ideology that is not the same as the pattern of Karl Marx's view purely. But modified socialism. Fourth, refuting Adam Smith's opinion which states that the free market system is allowed and the government has no right to intervene even though there has been a monopoly that causes tyranny. (Smith, 2000).

On another aspect, *al-Kawakibi's* thoughts, in general, have become a debate for scientists, for example regarding the first, Muhammad 'Imarah which states that *al-Kawakibi* is not a secular person

in many ways including economics, but he is a follower of teachings that make religion the main basis. This thesis reverses direction with John Dayat who alleges that *al-Kawakibi* was a pure secular man who had to separate religion and world affairs if he wanted a developed society. (Imarah, 2008)

Second, Haim stated that the thought developed by *al-Kawakibi* in Umm al-Qura was influenced by Blunt's book *The Future of Islam*, (Haim, 1976) while *al-Kawakibi's* writings in *Tabai' al-Istibdad* use Alfieri's framework of thought in his book *Della Tirannide*. However, on the contrary, this paper strengthens Husry's opinion, which refutes Haim's view because *al-Kawakibi* cannot speak English to read Blunt's works, as well as Alfieri's which is written in Italian, although he may have read the Turkish translation. (Houroni, 1983) Thinking like this can be used as part of the study.

This research is also intended to look at *al-Kawakibi's* solution regarding how to solve a despotic/tyrannical economy which is then to be applied in Indonesia theoretically if the problem is found. This research only focuses on the study of the political-economic system of a country which is portrayed from *al-Kawakibi's* thoughts, not studying *al-Kawakibi* in general, but his thoughts on economics which are then applied to contemporary economic phenomena today.

Economic Despotism

Economic despotism in this paper is a system of regulation that is carried out arbitrarily by the authorities in terms of the community's economy. (Yuliadi, 2007), (Yani, 2011) The real economy aims to achieve a prosperous society; an economy that respects the right of ownership of a business that is recognized as a lawful business and is used for a lawful one, and an economy that does not have a fraudulent nature and is not related to usury. (Suhrawardi, 2000) (Hubaib, 2020) If an economy still emphasizes the business aspect of usury, not for the welfare of the world and the hereafter, then the economic system is still considered part of despotism.

Meanwhile, in research on despotism in the perspective of *al-Kawakibi* is despotism in terms of property (*mal*). (Al-Kawakibi, 2011) If Montesquieu considers the reign of the Ottoman caliphate as an example of a despotic government, then *al-Kawakibi* provides a more specific description of the despotic system in several governments with various basic characteristics. For example, governments that limit the ownership of property for their people, such as China, Russia, and Ireland at the time, were part of a politically despotic economy. (Al-Kawakibi, 2011).

Despotism in the economy is governed by a single authority, be it a person or a group of people who become the leader. The system of despotism was successfully built on the great civilizations of the past on this system. But along with the times, this system is not able to overcome the increasingly complex problems faced by mankind. That's why this system became extinct. At least, this system exists only at a limited level of society.

Despotism in the economic field, by *al-Kawakabi*, equated with Despotism in the field of finance *al-mal*. (Al-Kawakibi, 2011) However, *al-Kawakabi* also explained that actually everything is considered *mall*. For example, money is considered a mall, knowledge is a mall, the position is a mall and all activities are malls. On another aspect, *Kawakabi* explained in detail about the mall in an economic sense (*iqtiṣhād*).

If viewed from the economic aspect, the forms of economy that are not approved by religion are economic forms that are considered despotic. The following are some of the economies considered to be despotic:

- (1) **Riba (interest)**, in essence, is forcing an addition to the destitute debtor, which should be helped, not exploited, and forcing business results to always be positive. This is contrary to the principles of Islamic teachings which are very concerned with lower socio-economic groups so that these groups are not exploited by rich people (owners of funds). Because the teachings of Islamic economics carry out the mission of humanism, social order and reject the existence of injustice and tyranny whose links have an effect on poverty. (Darojat, 2018)
- (2) **ihṭikar**, is the aspect of holding and storing (*al-habs wa al-iddikhar*). If there is no this aspect, then the item is not called ihtikar. While other aspects such as food are not the main aspect but only become part of that aspect. Therefore, it is natural that differences regarding goods are considered ihtikar, but there is an agreement regarding their storage. (Rushd, 2000).
- (3) **gharar**, is ignorance of the consequences of a case, events/events in trading or buying and selling transactions, or the lack of clarity between good and bad.
- (4) **Maysir**, is a form of a game that contains elements of betting and the person who wins in the game is entitled to the bet.
- (5) **Consume property in transactions**, In Islamic economics anyone can do business, however, he is not allowed to do *ikhtikar*, namely taking profits above-normal profits by selling fewer goods for

high prices. Pricing by the government is needed when market conditions do not guarantee a profit for either party. The government must regulate prices, for example, if there is an increase in the price of goods above the community's ability, the government will make arrangements with market operations. Meanwhile, if the price drops too much to the detriment of the producer, the government increases purchases of the producer's product from the market.

The government's role applies when there are extreme problems so that the government needs to monitor market conditions at all times to see if there is a need for price regulation. The government is also responsible for taking action against market players who tend to be destructive, by eliminating the practice of hoarding goods, piracy, black markets, and the like. If hoarding can be eliminated, people can consume goods at a stable price level. If piracy can be abolished, producers will find comfort in producing, people will also enjoy quality goods.

As for *gharar* in determining the prevailing price is the imposition of prices from producers or people who pay a price for temporary profit. For example, what happens when the price of necessities rises sharply before Eid and goods are hidden so that they become scarce. This is part of the *gharar*.

So, the despotic that appears in politics can also be part of the economy. An economic system that is not by good market traditions and violates general rules is part of the despotic. If one examines the economic system of society and then finds irregularities and resembles the practices of *Pharaoh*, *Hamman*, and *Qarun*, then the system is part of a despotic system.

METHOD

In this study, the author uses a qualitative method with a research approach using the study of *al-kawakibi's* despotism or research on the history of human thought that cannot be separated from the socio-political society when this character lived. Meanwhile, the main topic is the study of written texts written by *al-Kawakibi*. Sources of written research data in the form of words sourced consisting of primary sources and secondary sources. Primary data sources are Al-Qur'an and Sunnah, also compare with *Thabai'ulil istibdadi wa-mushori'ul isti'baadi* and *Umm al-Qura*. The secondary data source is another article that discusses *al-Kawakibi*, a book that deals with philosophical economics and political economy issues, not in the aspect of applicative economics. The

books in question are the work of Alfieri, the work of Karl Marx, the work of Baqir al-Sadr, and several other works. Data collection techniques using content analysis techniques. The process of data analysis in this study begins by examining the available data. The final stage of the data analysis process is to check the validity of the data. After completing this stage, the data interpretation stage begins in processing the provisional results into a substantive theory using certain methods.

RESULT AND DISCUSSION

The Relevance and Public Opinion of Al-Kawakibi Pemikiran's Thoughts

In discussing the fundamental issues in the economy (*al-Musykilah al-Iqtishadiyah*), *Al-Kawakibi* begins his discussion by citing the views of capitalists and Marxists on the emergence of economic problems. The capitalists, as quoted by *Al-Kawakibi*, view that the basic problem of the economy is the limited resources to meet unlimited human needs and desires. Meanwhile, socialists argue that economic problems arise because the sources of production are not in line with the distribution process.

Al-Kawakibi's thoughts on the responsibility of the State in the economic field cannot be separated from his thoughts on the Islamic State. Islam is a religion that guarantees the establishment of *da'wah* in regulating all aspects of life, including in the economic field. The role of the state is indispensable in implementing Islamic teachings in the economic field as well as in other fields. Because, as stated above, Islamic economics is not a value-free conventional economy, but an economy that is closely related to moral values. Moral values in society, especially in economic life, must be upheld through the participation of all parties and this is where the role and intervention of the State are needed to ensure and monitor the actions and attitudes of the people. State responsibility in the economic field is also closely related to the principle of ownership where state ownership is one form of ownership under the principle of Multiple Ownership. The responsibilities or functions of the government in the economic sector are, among others, related to the first, providing for the implementation of Social Security in the community, secondly about achieving social balance, and thirdly related to government intervention in the economic sector.

The science of the relationship and government policies with economic development today is known as Political Economy. *Al-Kawakibi's* thoughts about the need for the state to intervene in economic

affairs are the opinion of the majority of Islamic scholars. Even this thought can be traced from the thinking of classical Muslim scientists. This can be seen, among other things, in Imam al-Ghazali's *Ihyâ' Ulum al-Dîn*, while al-Mawardi says that the exercise of leadership is absolute power and its formation is a must for the maintenance of religion and the management of the world. Ibn Khaldun said that sharia will not be enforced if it is not through the role of the state or ruler, the state will not run well without the implementation of sharia law. The state or government will not run well without the people (caliphate). The sustainability of people will not run without capital/wealth (*al-mâl*). Wealth is obtained from significant development (*imârât*), and development will not run without justice, and justice is one of the criteria for humans to be judged by Allah SWT. So, according to Ibn Khaldun, the application of sharia in the state will not be upright without being based on justice in the social and economic fields. (Imaduddin, nd).

Al-Kawakibi's thoughts on state responsibility in the economic field are very different from what is believed in the capitalist and socialist economic systems, but his thoughts in this regard have similarities, although not as a whole, with the theories that have been put forward by John Maynard Keynes. Keynes, for some experts, is considered the savior of capitalism. He rejected ideas about the nationalization of the economy, the establishment of wage-price controls, intervention in supply and demand, and other theories put forward in the socialist system. However, Keynes himself also disagreed with pure capitalism. According to Keynes, capitalism is inherently unstable and does not tend towards Full Employment. (Skousen, 2016).

The Relevance of Al-Kawakibi's: a Capitalist, Socialist and Islamic Synthesis

Economic doctrine is something that exists in society in solving the economic problems it faces. Likewise, theories in economics often depart from the doctrines that are believed in the community. The suggestion of birth control is one example of the solution offered by Thomas Robert Malthus to solve the economic problems that will be faced by mankind in the future, this suggestion departs from the doctrine he believes about the growth of mankind.

In the Indonesian context, the economic doctrine is contained in the 1945 Constitution which is the embodiment of the ideals of the founding of the Nation. The 1945 Constitution is an economic constitution that becomes a reference doctrine for running the national economic system in ensuring the

welfare of the people, through the implementation of an Indonesian economic system based on people and justice for the wider community. This is confirmed again by the fourth amendment to the 1945 Constitution which changed the title of Chapter XIV of the 1945 Constitution from the original title "Social Welfare" to "National Economy and Social Welfare". With this title, the 1945 Constitution affirms itself as an economic constitution as well as a political constitution.

In the Pancasila economy as a typical system of the Indonesian economy, we will find some similarities and conformity with the economic doctrines that have been put forward by Al-Kawakibi. We can trace this in the Preamble to the 1945 Constitution and the precepts of Pancasila. In paragraph three of the Preamble to the 1945 Constitution, four main objectives of the Indonesian nation are formulated. These objectives are, First, to protect the entire Indonesian nation and the entire homeland of Indonesia, Second, to promote public welfare, Third, to educate the nation's life, and Fourth, to participate in implementing world order based on freedom, eternal peace, and social justice. This goal, if its relevance is drawn to the conception of Islamic economics as offered by Al-Kawakibi,

In the Indonesian context, *Al-Kawakibi's* statement regarding the state's obligation to guarantee social welfare is agreed upon by the Republic of Indonesia's constitution as stated in Chapter XIV of the 1945 Constitution, in this case, it is clearly explained the responsibility of the state in ensuring the welfare of the people. In the fourth amendment in 2002, article 34 paragraph 2 clearly states: "The state develops a social security system for all people and empowers the weak and incapable by human dignity".

The economic reality of the Ummah is currently experiencing a slump, this can be proven by the fact that there are still many people below the poverty line, people only become consumptive, so manual labor and employees of foreign companies whose majority of entrepreneurs or shares are controlled by foreigners, they get abundant profits. from the Muslim community. If we look further, almost all Muslim countries are under the influence and colonization of Western countries, both in terms of culture, politics, and economy, which results in the condition of Muslims from day to day getting more and more in trouble and downturn. Islamic rules to their rules, ranging from behavior, civilization to the economic system, and unknowingly the Muslims themselves have been carrying out practices that are not by the rules and the Islamic economic system, we prefer the capitalist, socialist, and even communist style

of the economy rather than the Islamic system itself which has been guaranteed by Allah for its success, which in the end the ummah Islam continues to be colonized with economic policies that are contrary to Islamic teachings and norms. This is in line with the statement by M. Faruq Nababan.

This problem can be understood that the problems of Muslims do not only come from outside parties but also come from Muslims themselves who are reluctant to care in carrying out Islamic teachings that are by a just Islamic system, even though the Islamic system has recorded success in the past. Previous Islam with its glory and brilliance, such as what has been practiced at the time of the Prophet Muhammad SAW. Where the Apostle himself became the main actor, also at the time of the companions and *tabi'tabi'in*. (Majid, 2003).

The economy is very important in building the economy of the people, the progress and retreat of a nation in addition to progress and high morale and civilization, is also very dependent on economic progress. Several things are very important to note in the effort to develop the people's economy, including:

1. Islamic Economic System Islamic economic system is the only system that can boost and encourage people from backwardness and economic downturn to economic glory and glory based on high aqidah and morals. Even some European scholars admit that the western economic system is in line with the awareness of thinking in the Islamic world, as an example of what has been stated by Jacques Auestervi in his book Economic Development. (Ash-Shahid, 2002)
2. Building the Spirit of Entrepreneurship, to build the economy of the people, the first thing that must be built in the entrepreneurial nature of entrepreneurs, namely perseverance, sincerity, and patience in carrying out a business no matter how small it is, this is quite important to invest, because no matter how much capital is given without an entrepreneurial spirit well, then the capital will be lost in vain and cannot be used, in this case, the Prophet Muhammad SAW always taught us to always work and become entrepreneurs. As he said:

Meaning: "*A person who carries ropes to a hill and brings back a bundle of firewood then sells and enjoys the proceeds of the sale and gives the excess, which is better than asking people to give or refuse.*" (Narrated by Bukhari Muslim).

And in the Qur'an itself, many verses encourage Muslims to work and not just perform religious rituals, among these verses as the word of God. QS. 62: 10.

Meaning: "*When you have finished worshipping Allah (prayer), then scatter on the surface of*

the earth in search of life, and seek the pleasure of Allah and always remember him, hopefully, you will become a successful person”.

3. Unity of the Ummah, Unity, and unity is not only needed in maintaining *aqidah* values, in doing business there is a need for a spirit of togetherness, which in business is often referred to as a network/ NetWork, building a network is also important in developing a business and business. awakened, any business will stagnate. We can see this in the electronic business in Indonesia which is controlled by the Chinese, which the indigenous people often complain about because it is difficult to compete with them because they have a strong network, this is in line with the importance of building networks in building businesses and the economy of the people. . (Adi Sanoso, 1998).
4. Ruler/Government policies, to expedite the process of improving the people's economy, government policies are needed because only the government has the ability and power from a political and economic perspective to encourage and make policies and rules that are by Allah's *shari'ah*. which has been recorded in history during the heyday of Islam. (Sasono, 1998).

The view of *Al-Kawakibi* also reveals that a person must live in prosperity and not depend on others, so that he can fulfill several obligations and obligations or obedience in his religion. This is the obligation of a State to help its population to be able to achieve a higher level of welfare/benefit from a financial perspective.

Public Opinion Perspective (Contemporary Economic Thinkers and Figures)

Former Vice President Jusuf Kalla, in an academic speech conferring an Honorary Doctorate (Honoris Causa) in Economics and Business Thought at the Faculty of Economics and Business, Universitas Brawijaya Malang on October 8, 2011, said that Indonesia's economic growth, which has been based more on conglomeration, has caused various the inequalities that prevent the Indonesian people from improving their economy and welfare, this kind of economic condition cannot be maintained continuously, on the contrary, it must be improved by empowering the people's economy. One of them is by increasing the role of cooperatives. However, he continued, the challenge for the Indonesian nation in the future is to develop cooperatives that are strong, healthy, able to live sustainably, and can compete with other economic forces. Therefore,

According to (Abbas, 2010), in his book, "Bung Hatta and Islamic Economics states that a

society based on justice and truth, which perfects the people's ideals has the right to determine its destiny. So what makes democracy in Indonesia not affect the economy of its citizens if the nation's founders already have their concept? First, democracy is a tough thing, perhaps even the most complicated form of government. There is a lot of tension and conflict, and it requires the persistence of the organizers to be successful. Democracy is not designed for efficiency, but accountability; a democratic government may not be able to act as quickly as a dictatorial government, but one that can take action, there is certainly public support for this step.

Especially at this time, our main enemy is the imperialists who have become a great power that will continue to colonize the nation. What should not be forgotten is that among the imperialists there are their own nation's children who are loyal accomplices of the foreign imperialists, such as. Some of these accomplices have direct relations with foreign big capital and some do not, and those who do not have this direct relationship usually get special funds from the imperialists.

The imperialists' entry strategy into this country was to use their tricks, namely by borrowing funds at very high-interest rates when the government was in constant need of money. Of course, this free loan will have a long-lasting negative impact on the country's development process. The interest payments on these loans are high enough to take up a portion of the state budget, after reaching the imperialists they return them to the country by investing the money in regions in the form of industrial capital, which is attracted to untouched natural resources. In addition, we must also know what imperialism is and its characteristics. Is it true that our nation is in the shadow of imperialism? According to John Perkins,

1. Exploiting the resources of the dominated State,
2. It drains resources in an amount that is disproportionate to its population when compared to other nations.
3. Having a large military force to enforce its policies when subtle efforts fail,
4. Spread the language, literature, art, and so on to all the places that are under its influence,
5. Collect taxes not only from its citizens but also from people in other countries,
6. Encouraging the use of its currency in the countries under its control.

Solutions to Eliminate Despotism according to al-Kawakibi

For al-Kawakibi, the main cause of the breakdown of the system and the emergence of

despotism is first, underestimating religious affairs. The low opinion of religious teachings is that there has been a loss of critical thinking power towards religion. (Al-Kawakibi) The scholars only make symbols but do not contribute to good thinking in solving community and religious problems. This incident, according to al-Kawakibi, had occurred during the mid-Abbasid period.

Second, the cause of despotism is a lot of differences of opinion. The difference of opinion referred to by *al-Kawakibi* is the difference in various forms of thought that cause disharmony between one opinion and another, causing people to make disputes between them. This difference mainly has an impact on political issues.

Third, stupidity. Ignorance is part of what causes a lot of despotism. In ignorance causes a person to become an infidel and act unjustly. On another aspect, *al-Kawakibi* also personally discussed how to overcome *istibdad* with several assumptions; first: not all communities are affected by despotism; second, despotism cannot be fought with violence, but must be fought gently and gradually; third: before changing the pattern of despotism, it is necessary to prepare alternatives. (Al-Kawakibi, 2011).

The despotism of the Economic System in Indonesia and its Solutions

The problem of democracy is often discussed and discussed in countries that live up the principles of democracy, because the people of the state will not be separated from the concept and system of democracy, because a country without a sense of democracy will destroy the government system and vice versa, democracy without a state will not be able to run optimally.

Economic democracy cannot be separated from its discussion with political democracy, because political democracy will be realized when a country has established democratic order. This means that the government or other elements in the political system are agents in implementing democracy in practice. To be able to organize efforts that are democratic, of course, the agent must be able to be controlled or monitored continuously by the people as the party who gives trust. The elements of the political system, therefore, are always maintained to carry out various businesses that carry the people's mandate. (Mutis, 2002).

1. Free fight liberalism system that fosters exploitation of humans and other nations which in its history in Indonesia has created and maintained the structural weakness of Indonesia's position in the world economy.

2. A system of etatism in which the state and its state economic apparatus are dominant and urge and kill the potential and creative power of economic units outside the State Sector.
3. The concentration of economic power in one group in the form of a monopoly is detrimental to society.

The three negative characteristics above are certainly well understood by Sri Edi Swasono because they are an obstacle to the development of economic democracy which is currently being fought for.

From some of Sri Edi Swasono's ideas above, it can be concluded that; 1) The economic democracy system is identical to the Pancasila economic system which refers to the word referred to in the Elucidation of Article 33 of the 1945 Constitution. (Raharjo & Hadi, 1997) Cooperatives have several principles that support their operations, including the principle of togetherness, kinship, cooperation, and having high social sensitivity. 3) Cooperatives are a means to achieve shared prosperity and welfare that adheres to an economic democratic system because cooperatives are the pillars of the Indonesian economy.

Economic democracy as described is an economic system based on the principles of kinship, cooperation, togetherness, and for the benefit of the people. This is actually what is reflected in the concept of Islamic law:

- a. Helping each other is something that human beings deserve to do, especially in terms of the economy, in an economy, this system will help the weak economic actors a lot.
- b. Togetherness, in running the economy togetherness between economic actors is very necessary, togetherness will bring the company forward.
- c. Family, family systems in running the economy will have a positive impact on the progress of a company.

From some of the opinions above, it seems very clear that the economic democracy system is very in line with the concept of Islamic law, which puts forward a people's economy, namely an economy built on the principles of togetherness, kinship, and cooperation because the cooperative economy is an economic building built from the people. the people, and for the people.

Economic democracy (cooperatives) is a manifestation of Syirkah Ta'awuniyah, namely an alliance in the economic field. Syirkah Ta'awuniyah (Islamic cooperative) is commonly called a cooperative because in its concept and system it is

the same as the cooperative economic system, if you may say that Syirkah Ta'awuniah is an Islamic cooperative system (Suhrawardi, KL, 2000). Due to the existence of syirkah Ta'awuniah, the forms and types of syirkah are increased by one, so that the types of syirkah become five, namely; Syirkah Abdan, Syirkah Mufawadhah, Syirkah Wujuh, Syirkah 'Inan and Syirkah Ta'awuniah.

A cooperative company agreement formed based on willingness is legal, establishing a cooperative is permissible according to Islam without any doubt about it, as long as the cooperative does not commit usury or illicit income. Likewise, mutual assistance is a commendable act according to Islam, one form of mutual assistance in establishing a cooperative, so establishing and becoming a member of a cooperative is a commendable act according to Islam.

From the information above, it is clear that in this cooperative there is no element of tyranny and extortion, its management is democratic and open and it divides profits and losses to members by applicable regulations.

Some of the Islamic economic systems described above are economic systems developed in the concept of Islamic economics. For this reason, it can be concluded that:

- a. The conventional economic system will be good if it uses the framework or reference of Islamic norms, why is that? Because the Islamic economic system is far from commendable acts or eating other people's goods in a way that is not lawful.
- b. Justice and Comprehensive Brotherhood, Islam aims to form a society with a solid social order. In that order, each individual is bound by brotherhood and affection like one family.

The reallocation of resources needed for equitable development will not work, as stated above, without a realignment of the economy covering all aspects of the economy, including private consumption, government finance, capital formation, and production. (Chapra, 2000).

The description above inspires the author to argue that the Economic Democracy system proposed by Sri Edi Swasono is by the Islamic democratic system, where this democratic system is solely for the welfare of the people.

CONCLUSION

Based on the study of *al-Kawakibi's* Despotism, it can be concluded that *Al-Kawakibi* explained the concept of economic despotism as a form of government with one ruler, both individual and oligarchic, who rules

with absolute political power (absolutely without limits). Despotism exercise their power without being limited by law by violating the rights of their citizens by allowing them to be in ignorance and passivity and denying their rights to take an active role in the economic life of the community.

The solution to be able to improve economic despotism is an economy that aims to achieve a prosperous society in the hereafter; an economy that respects individual ownership rights that are recognized as lawful businesses and used for lawful ones, and an economy that does not have a fraudulent nature and is not related to usury. Despotism in the economic field also occurs in its determination to limit the rights of others or the economic system that is considered contrary to the Islamic economic system by imposing the concepts of usury, ihtikar, gharar, and so on.

The impact of this despotism is the destruction of the economic system and society will be destroyed in the economic field. In addition, with despotism, the state is not trusted by the people and causes the country to quickly collapse.

The solution is to eliminate the despotism economic system, then the solution offered by the first *al-Kawakibi*, is *ishtirakiyah* (socialism) based on Islam, not pure socialism. This means that socialism is concerned with the economy of small communities that are adapted to the teachings of Islam. second, in the system of government using the economic aristocracy system. Third, in the form of economic transparency, the government uses *Demokratiyyah al-Idariyah* (Administrative Democracy).

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