Financial Inclusion Acceleration through Islamic Social Economic Activity

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Abstract

Financial services are an important condition for public involvement in the economic system, but the fast growing financial industry is not necessarily accompanied by adequate access to finance. This paper states the importance of the role of inclusive finance in the success of the development of a country and how inclusive finance can be achieved by community participation in social economic activities, both individually by utilizing the local wisdom of arisan (social gathering), and organizationally in the form of CSR. Writing is done using descriptive qualitative methods. It can be concluded that arisan and CSR are Islamic social economic activities, both of which can be utilized as a strategy towards financial inclusion.

Keyword: arisan (social gathering), CSR, Islamic social economy, financial inclusion, social marketing
JEL: O35, O38, Z12, Z13

A. Introduction

Financial inclusion is access to suitable financial products including credit, savings, insurance, and payments, the availability of quality access including comfort, affordability, suitability and by paying attention to consumer protection, and the availability is also given to everyone. The public is also expected to get information and be able to make good financial management decisions. In addition, no less important is the diversity of service providers and competitive markets with strong infrastructure and clear regulatory framework. (*Center for Financial Inclusion*, 2016)

The third National Financial Literacy Survey conducted by the Financial Services Authority (OJK) in November 2019 showed that the financial literacy index reached 38.03% and the financial inclusion index 76.19%. This figure is increasing compared to the results of the 2016 OJK survey, namely the financial literacy index 29.7% and the financial inclusion index 67.8%, the financial inclusion index target launched by the government through Presidential Regulation Number 82 of 2016 concerning the National Financial Inclusion Strategy of 75% in 2019 has been reached.

Financial literacy and inclusion indexes in addition to the national scale can also be described based on the respondent cluster. Financial literacy and inclusion indexes based on respondents' clusters are a description of the level of public financial literacy and inclusion in each community classification. In the 2016 Survey, respondents were classified into 6 (six) clusters based on sex, stratum, occupation, age, education level and expenditure level (National Literacy and Financial Inclusion Survey, 2016).

The inclusive financial system is realized through public access to financial services so that it can increase economic capacity and ultimately open the way to escape poverty and reduce economic inequality. Wider access to financial services is important in efforts to increase participation of all levels of society in the economy (PP No. 82, 2006). Financial inclusion is an approach that can be used to help people become financially independent and can meet their own needs (Yoo, 2017), so an increase in the financial inclusion index must be continuously carried out to meet perfect values so that the positive correlation can reach greater values and spread evenly across all circles, or in other words a small gini coefficient value.

In line with inclusive finance, Mannan (1993) argues that economic activity in Islam also has a basic concept of multidimensional development. Islam has several dimensions including moral, social, political and economic dimensions. Sharia business institutions basically base on the basic philosophy of the Koran and the Sunnah in interacting with the environment and each other (Ahmad, 2010). More specifically, Coleman in an article entitled "Social Capital in the Creation of Human Capital" (1988) introduces social capital as a conceptual tool to understand the theoretical orientation of social action by linking components from a sociological and economic perspective. In this way he uses principles in economics to analyze social processes. The Bourdieu (1986) defines social capital as a whole of both actual and potential resources associated with ownership of a fixed network of institutional relationships based on mutual recognition and mutual recognition.

Another thing that is almost similar is social marketing, Andreasen (1994) defines social marketing as the process of applying marketing techniques that are used to solve various social problems, such as health problems, the environment, and other problems that will later be able to bring a positive impact on social change. Like commercial marketing, social marketing also aims to change the behavior of its target audience. If in commercial marketing the emphasized aspect is on product sales, brand recognition or market share¸ then on social marketing the emphasis lies on the success of improving the lives of individuals and society (Dibb, 2014).

Talking about economic and social collaboration, there is an Indonesian culture called arisan. Winning arisan members, who have a turn to receive collected social gathering money, have an obligation to make a meeting attended by arisan members. Arisan is an activity outside the formal economy. It can be said that arisan is a system of saving money as well as social activities because there are elements of meetings that are coercive, because members are required to pay before the arisan is drawn or submitted the results of the collection of money (Rozikin, 2018).

On the other hand at the organizational level, the increasing practice of corporate social responsibility and global, regional and national discussion about Corporate Social Responsibility (CSR), makes the use of the term corporate social responsibility or CSR increasingly popular (Adiwoso and Suprapto, 2006). In general, CSR can be defined as the responsibility carried out by companies to stakeholders to behave ethically and fulfill all aspects of the economy, social and environment well for sustainable development (Wibisono 2007).

Arisan as the Rotating Savings and Credit Association (ROSCA) is a form of microfinance (Martowijoyo, 2014), besides that improving the standard of living of the community in the economic field is also an important concern of every CSR policy stakeholder. Increasing economic income can be implemented by developing Microfinance Institutions, capital assistance to small entrepreneurs, and empowering farmers (Suharto, 2010). Thus, optimizing social gathering and CSR can be a real step to support financial inclusion programs. With innovations that combine something traditional and modern in many other economic fields, it is hoped that the touch of financial access will be up to, easily accepted, and liked by all levels of society.

B. Literature Review

Hiqmah (2019) in the Social Marketing Approach to Enhance Financial Inclusion for the Underprivileged People is able to explore financial inclusion programs carried out through the distribution of non-cash food assistance by the Ministry of Social Affairs, Bank Indonesia, and OJK. The distribution of non-cash food aid enables underprivileged communities who previously had no access to financial services at all, to finally be able to have their own bank accounts, ATM cards, and also carry out non-cash transactions through certain designated stalls. However, the application of this program also faces several obstacles, especially in terms of technology adoption that must be demonstrated by beneficiary families. Through a social marketing approach, it is hoped that the financial inclusion program in Indonesia will be able to get a more appropriate strategy. Social marketing itself has long demonstrated its effectiveness in efforts to change behavior, especially for the initiation of health and poverty alleviation. By conducting an analysis process using a social marketing approach, the results of this study show that facilitating conditions, interpersonal communication, and intense socialization play an important role in the success of financial inclusion programs, as it is a way to overcome the obstacles faced by beneficiary families when making changes behavior in terms of financial activities.

Amini (2018) in the Influence of the Corporate Social Responsibility (CSR) Program on Increasing Community Welfare in the Islamic Economy Perspective (Study on CSR Implementation of PT Pertamina Geothermal Energy (PGE) Pagar Alam Village and Ngarip Village Ulubelu Subdistrict Tanggamus Regency stated that CSR is a group of CSR the obligation of the organization to protect and advance the community where the organization is located. Implementation of CSR in the perspective of Islamic economics is the goal of Islamic law (maqassid al syari'ah) or maslahah because business is an effort to create maslahah, not just for profit. This is in accordance with the CSR principle of "triple buttom line" which consists of profit (profit), preserving the environment (planet), and improving the welfare of the people (people). Based on the results of the study showed that the variable CSR Program has a positive and significant effect on improving the welfare of the community, thus the contribution of the influence of the variable (X) CSR program on the variable (Y) Increasing Community Welfare is 35% in Pagar Alam village and 40% in Ngarip village and the rest is influenced by other variables not included in this research model. While in the perspective of Islamic economics the implementation of CSR of PT. pertamina's Ulubelu Geothermal Energy Area is in accordance with its principle of balance and responsibility in business.

Ratnasari (2019) in the Review of Islamic Law on Arisan Declining (Study in Cipondoh Sub-District, Cipondoh Sub-District, Tangerang City) stated that humans are born with all their needs. To meet these needs, namely by muamalah.

Muamalah there are various kinds, including buying and selling, accounts receivable or other debt. One form of muamalah that is often done by the community also has a social gathering. Arisan is the activity of collecting money or goods of the same value by several people and then drawn among them to determine who gets it, the lottery is held in a meeting periodically until all members get it. However, Arisan which is currently becoming trendy in society is Arisan declining, ie each participant or member deposits a different amount.

Yulianita (2008) in "Corporate Social Responsibility (CSR) as a Social Marketing Public Relations Activity" suggests that CSR in corporate social marketing activities needs to be implemented ethically by avoiding several factors that lead to failure in its implementation. There are so many forms of CSR which generally include programs in the fields of religion, education, economy, environment, culture, natural disasters, cleanliness and health, partnerships and environmental development, and humanity, where companies have CSR forms in accordance with their creativity each.

Whereas Syahra (2003) in his work Social Capital: Concepts and Applications depart from an understanding of how the concept of social capital can be applied in an effort to accelerate the improvement of community empowerment as one of the important steps to achieve successful development in the economic field. The basic principle of social capital is that only community groups that have a set of social and cultural values that value the importance of cooperation can advance and develop on their own. It is not enough for a community group to rely solely on outside assistance to overcome economic difficulties, but they themselves must jointly think about and take the best steps to overcome the problem by mobilizing all their potential and resources. Thus social capital emphasizes the need for independence in overcoming social and economic problems, while external assistance is seen as a complement to trigger initiatives and productivity that emerge from within the community itself. As a sociological concept, social capital is an increasingly intensive approach used in overcoming the problem of poverty in many countries, including in Indonesia.

C. Method

This writing uses a descriptive qualitative method through a literature study with correlational studies whose activities include data collection, data analysis, data interpretation, and ultimately produce conclusions that refer to the analysis conducted.

D. Result and Discussion

:: Financial Inclusion

The success of development is marked by the creation of a financial system that is stable and benefits all levels of society. In this case, financial institutions play an important role through their intermediary functions to encourage economic growth, income distribution, poverty alleviation and financial system stability achievement. It's just that the financial industry that is growing very rapidly is not necessarily accompanied by access to adequate finance. In fact, access to financial services is an important condition for public involvement in the economic system (Department of Financial Access Development and UMKM BI, 2014).

World Bank (2016) define financial inclusion as access to financial products and services that are useful and affordable in meeting the needs of the community and its business in this case transactions, payments, savings, credit and insurance used responsibly and continuously.

Inclusive finance is an entire effort aimed at eliminating all forms of price and non-price barriers to public access to financial services. Inclusive finance is a national strategy to encourage economic growth through income distribution, poverty alleviation and financial system stability (Department of Financial Access Development and UMKM BI, 2014).

The objectives of Financial Inclusion are: (a) Increased public access to formal financial institutions, products and services; (b) Increased supply of financial products and / or services in formal financial institutions; and (c) Increased utilization of financial products and / or services in accordance with the needs and abilities of the community (POJK No.07, 2016).

To increase financial inclusion in Indonesia, it was chosen in a comprehensive manner by compiling a national strategy jointly drawn up by Bank Indonesia (www.bi.go.id), the vice president's office (the National Team for the Acceleration of Poverty Reduction / TNP2K) and the Ministry of Finance called National Inclusive Financial Strategy:

Pillar 1: Financial education, is a policy strategy to improve capabilities in managing finances that starts with increasing understanding (knowledge) and public awareness about financial products and services. The scope of financial education includes: a) knowledge and awareness of a variety of financial products and services, b) knowledge and awareness of risks related to financial products, c) customer protection, and d) financial management skills.

Pillar 2: Public financial facilities, the strategy in this pillar refers to the ability and role of the government in providing public financial financing both directly and conditionally to encourage community economic empowerment. Some of the initiatives in this pillar include: a) subsidies and social assistance, b) community empowerment, and c) MSME empowerment.

Pillar 3: Mapping financial information, this pillar aims to increase the capacity of the community, especially those that were previously categorized as unfit to be feasible or from unbankable to bankable in obtaining financial services by formal financial institutions. Initiatives carried out in this pillar include: a) capacity building (through the provision of training and technical assistance), b) alternative guarantee systems (simpler but still paying attention to related risks), c) simpler credit service provision, and d) customer identification potential.

Pillar 4: Policies / regulations that support, the implementation of inclusive financial programs require policy support from both the government and Bank Indonesia to improve access to financial services. Initiatives to support this pillar include, among others: a) policies that encourage the socialization of financial service products that are in accordance with the needs of the community, b) develop product schemes that are in line with the needs of the community, c) encourage changes in regulations while taking into account the principle of prudence in a proportional manner, d) drafting regulatory mechanisms for channeling aid funds through banks, e) strengthening the legal basis to improve the protection of consumers of financial services, and f) compiling studies related to financial inclusion to determine the direction of policy in a sustainable manner.

Pillar 5: Intermediary facilities & distribution channels, this pillar is intended to increase financial institution awareness of the existence of potential segments in the community while looking for alternative methods to improve the distribution of financial products and services. Some aspects of this pillar include: a) facilitation of intermediation forums by bringing together financial institutions with productive community groups (feasible and unbanked) to overcome asymmetric information problems, b) increasing cooperation between financial institutions to increase business scale, and c) exploring various possibilities innovative products, services, services and distribution channels while still paying attention to the precautionary principle.

Pillar 6: Consumer protection, this pillar aims to ensure that the public has a sense of security in interacting with financial institutions in utilizing the financial products and services offered. Components that are in this pillar include: a) product transparency, b) handling customer complaints, c) mediation, and d) consumer education.

:: Islamic Social Economics (*Islamic Social Responsibility*)

The basis of human nature is that it cannot live without the help and assistance of its siblings. Nobody has everything that is needed. Therefore, borrowing has become a part of life in this world. Islam is a religion that is very concerned about all the needs of its people. Therefore, borrowing has become a part of life in this world. No exception in the form of social gathering muamalah, in this case the provision of property to others who can be billed or asked to return or in other words lend without expecting anything in return. In classical fiqh literature, qardh is categorized in aqad tathawwui or mutual help agreements and not commercial transactions (Antonio, 2001).

A qardh contract is a tool that facilitates lending a number of funds without charging interest or funds borrowed by the customer. The qardh transaction is basically a social transaction because it is not followed by taking profits from the funds lent (Yaya, 2013).

The benefits obtained by the deceiving party in the social gathering system do not do the same except to get the same benefits as the beneficiary. So, in this system there are benefits for both parties. There is no additional benefit received by the deceiving party that is detrimental to the party being charged. Unlawful benefits in the qardh contract are benefits that, if only enjoyed by the party that is damaging, and are not enjoyed by those who are in debt. As for the benefits enjoyed by both parties, then this is okay. The Shari'ah never forbids anything that gives benefit to its servants who do not contain any element of harm to others. So, the law is the same as the law saftajah/suftajah/bill of exchange (Rozikin, 2018).

On a broader social scope, CSR is the implication of the concept of distribution in the Islamic economic system, there are several principles that underlie the distribution process in the Islamic economy which was born from the QS. al-Hasyr (59): 7, which means "that the treasure should not only circulate among the rich among you". Noor (2013) stated that principle namely:

- Fairness in distribution

  Justice in distribution is a condition that does not favor one or a certain group in the economy, so creating justice is an unavoidable obligation in Islamic economics. Fairness in distribution is defined as a distribution of income and wealth, fairly in accordance with norms of fairness that are universally accepted. The right social condition is a condition that prioritizes equality, which is characterized by a high level of income alignment (wealth) in the social system. As well as providing equal opportunities in business, guaranteeing the realization of rules that guarantee everyone gets their rights based on their productive efforts. Besides that, no less important is ensuring that the production structure must guarantee the creation of fair results. Distribution justice in Islamic economics has a goal, namely that wealth so that wealth does not accumulate in a small part of society, but always circulates in society. Distribution justice guarantees the creation of a fair share of prosperity, thus contributing to a better quality of life.
- The concept of ownership in Islam

  Islam recognizes the right of private ownership of property and justifies the ownership of property carried out in a lawful manner, is part of human motivation to try to fight for prosperity for himself and prosper the earth, as an obligation for a caliph. On the contrary, it does not justify the free use of his personal property without limits and his will. Ownership of assets does not cover the obligation not to forget the rights of the poor contained in these assets (Q.S. Az-Zariat (51): 19). When people realize that in their possessions there are rights of others, directly opening a horizontal relationship and narrowing the gap in the middle of society between the rich and the poor. Basically the owner of the property is the holder of God's mandate because all wealth and property basically belongs to God and humans hold it only as a mandate, which will be held accountable for the property. When that awareness has grown, then the person who is not only thinking creates individual welfare, but is also responsible for creating social welfare. This is in line with the task of a caliph who has the responsibility to create prosperity for all.
- Prohibition of piling up treasure

  Islam justifies private property, but does not justify the accumulation of private property to the extent that it can damage the social foundation of Islam, because the accumulation of excessive assets is contrary to the public interest, which impacts on the destruction of the social system by the emergence of classes that are self-interested. In addition, the accumulation of excessive assets can weaken the purchasing power of the community and hamper the market mechanism to work fairly, because assets are not distributed in the community. If such happens, it is justified for the government with its power to forcibly take the property for the benefit of the community through the zakat instrument. Policies to limit private property can be justified and carried out to ensure the creation of healthy social conditions and the realization of a foundation of fair distribution in society.

:: Social Marketing Approach

Rangun and Karim (1991) states that there are two important things in social marketing, namely: (1) changes in attitudes and beliefs, as well as individual or organizational behavior for the good of the community, and (2) promotions / campaigns carried out by social marketing focus on the occurrence of change social. Andreasen (1994) mentions that social marketing is the adoption of commercial marketing techniques for programs aimed at influencing behavior change.

Andreasen (1994) defines social marketing as the process of applying marketing techniques that are used to solve various social problems, for example health problems, the environment, and other problems that will later be able to bring positive impacts on social change. Like commercial marketing, social marketing also aims to change the behavior of its target audience. If in commercial marketing the emphasized aspect is on product sales, brand recognition or market share¸ then on social marketing the emphasis lies on the success of improving the lives of individuals and society (Dibb, 2014). Social marketing ideas and discourses can be applied in various aspects and populations both globally, nationally, in communities, or at the individual level (Andreasen, 2006).

The success of social marketing is strongly influenced by the processes and patterns of communication that are carried out (Dann, 2010). To change a person's behavior requires an effort to build effective communication, where an understanding of the needs and perceptions of certain target audiences is needed (Andreasen, 1995). Understanding of what is known, believed, and what is expected by the target audience for the communication process carried out, is also one of the keys to successful communication (Jardine, 2003). In other words, social marketing is inseparable from external factors that influence its development, in line with this, social marketing, one of which requires social capital as a combination of components that facilitates coordination and cooperation to get mutual benefits.

Hanifan (1916) said that social capital is not capital in the usual sense such as assets or money, but rather contains figurative meaning, but it is an asset or real capital that is important in social life. In social capital including good will, friendship, mutual sympathy, and social relations and close cooperation between individuals and families who form a social group.

Bourdieu (1986) defines social capital as a whole of both actual and potential resources associated with ownership of a fixed network of institutional relationships based on mutual recognition and mutual recognition. In other words, by becoming a member of a group of people will get support from the capital owned collectively. He further said that the amount of social capital owned by a member of a group depends on how far the quantity and quality of the network of relationships that can be created, and how much volume of economic, cultural and social capital owned by everyone in the network of relations.

Coleman in an article entitled "Social Capital in the Creation of Human Capital" (1988) introduces social capital as a conceptual tool for understanding the theoretical orientation of social action by linking components from a sociological and economic perspective. In this way he uses principles in economics to analyze social processes. Coleman discusses how social capital is formed and highlights social capital in three different forms. Coleman argues that the notion of social capital is determined by its function. Even though there are actually many functions of social capital but he said that basically they all have the same two elements, namely: first, (1) social capital includes a number of aspects of social structure, and (2) social capital makes it easy for people to do things in the framework of the social structure. He stresses two aspects of social structure that are very important in facilitating the creation and development of social capital in various forms. First, aspects of social structure that create confinement in a social network that makes everyone interconnected in such a way that obligations and sanctions can be imposed on everyone who is a member of the network. Second, there are social organizations that can be used to achieve common goals.

Next Coleman identifies three main elements which are the pillars of social capital. First, obligations and expectations arising from a sense of trust in the social environment. He took the example of the arisan system which was popular in the community in many Southeast Asian countries, including Indonesia. The social gathering system carried out by a group of people who have friendship, neighbors or kinship relationships is a clear example of how important the meaning of trust is. The second pillar of social capital according to Coleman is the importance of a smooth flow of information in the social structure to encourage the development of activities in society. The flow of information that is not smooth tends to cause people to become ignorant or hesitant so they do not dare to do something. The third pillar is the norms that must be obeyed with clear and effective sanctions. Without a set of norms that are agreed upon and obeyed by all members of the community, what emerges is an anomie situation where everyone tends to act according to their own wishes without feeling attached to others. There is also no mechanism to impose sanctions because there are no mutually agreed norms relating to sanctions. Thus the development of social capital is basically intended to build the three pillars in question.

Social capital plays a role in strengthening the capacity of organizations that facilitate economic activity. Social capital considered an asset in economic development can be seen from the capacity and performance of community-based organizations, companies, non-profit oriented non-profit organizations and government agencies. Various forms of community development institutions and other community-based organizations, for example, have played a major role in the economic development of poor communities in many developing countries. Key factors contributing to the success of these community development institutions include management skills, ability to make technical plans and the ability of personnel members to manage projects, and the ability to establish good relations with community members (Gittel 2001).

Success in programs in the form of physical development, such as the construction of buildings, roads, bridges and so on, and even more service programs, is only possible if each stakeholder makes an optimal contribution in accordance with their respective positions. It is not enough for the public to only demand and wait for officials or related services to provide services in the fields of health, education, social assistance, and so on, because without the activities they carry out themselves in relation to these services, the results achieved will not be optimal. No matter how smart a teacher is in giving lessons, for example, it will not mean much to the progress of education if students themselves are lazy to learn, parents do not pay enough attention to the educational needs of children, and so on. So, in other words the success of this social capital linking lies in the awareness to show active participation and optimal contribution from each stakeholder. The process of achieving a common goal carried out through the active participation of all stakeholders in the social capital literature is called co-production (Robinson, 2002).

:: Arisan as Inclusive Local Wisdom

Arisan is defined as the activity of collecting money or goods of the same value by several people and then drawn among them to determine who gets it, the lottery is held in a periodic meeting until all members get it (Rozikin, 2018). The benefits obtained by those who are deceiving in the social gathering system do not get the same benefits as those that are paid. So, in this system there are benefits for both parties (Rozikin, 2018).

Varadharajan (2004) explains that social gathering is a social gathering that takes place in a fixed time interval, with the location of the gathering usually held in each arisan's home in rotation. The winning arisan receives payment from all members, and provides food at the meeting. Arisan can be used for various purposes, a form of credit for poor social environments, financing businesses, marriages, large purchases, or solely social gatherings for socialites. As one source of finance, arisan is an alternative to debt to banks or other forms of credit. In general there is no pull of interest in the social gathering system. In a number of cases, social gathering does not stand out as a social element but reflects the circulation of money among members.

Arisan is muamalah which is allowed based on the text of iqradh (repeating) which contains the irfaq (helping) element in muqtaridh. Muqtaridh on arisan owes assets to be used for a certain period of time, then returned without addition or reduction. So this is a fact of qardh. Nash-nash pointed out the qardh was in the shari'ah and the scholars agreed on his ability. This muamalah contains the element ta'awun ‘alal birri wattaqwa. Therefore, generally related to the technical aspects of who gets the arisan first, many arisan groups take precedence to the last level that needs the least (Rozikin, 2018).

:: Strategize CSR Activities

The implementation of activities listed in the National Financial Inclusion Strategy (SNKI) in the context of increasing Financial Literacy as intended can be part of PUJK Corporate Social Responsibility (CSR) NUMBER 76 / POJK.07/2016). CSR activities at this time have become mandatory menus for companies, like it or not, as has been legislated by Law No. 40 of 2007 concerning Limited Liability Companies under Article 74. Beyond the obligation to follow the rules, CSR should be carried out by companies with their own awareness and are voluntary. The implementation of CSR so far has only been based on the company's awareness and commitment. Whereas the commitment and awareness of each company must be different and very dependent on the policies of each company (Wibisono, 2007).

The national economy is organized based on economic democracy with the principles of togetherness, fair efficiency, sustainable, environmentally friendly, independent, and by maintaining a balance of progress and national economic unity, it needs to be supported by solid economic institutions in order to realize the welfare of society. Based on Article 5 paragraph (1), Article 20 and Article 33 of the 1945 Constitution of the Republic of Indonesia, the Republic of Indonesia Law No. 40 of 2007 concerning Limited Liability Companies is the legal basis for Corporate Social Responsibility (CSR) activities . In general terms it is stated that Social and Environmental Responsibility is the Company's commitment to participate in sustainable economic development in order to improve the quality of life and the environment that is beneficial, both for the Company itself, the local community, and society in general (Law No. 40, 2007).

Government Regulation Number 47 of 2012 Concerning Social and Environmental Responsibility of Limited Liability Companies that carry out the provisions of Article 74 of Law Number 40 of 2007 concerning Limited Liability Companies, this Government Regulation regulates social and environmental responsibility aimed at realizing sustainable economic development in order to increase quality of life and the environment that is beneficial to the local community and society in general as well as the Company itself in order to establish harmonious, balanced, and in accordance with the environment, values, norms and culture of the local community. This provision emphasizes that basically every Company as a form of human activity in the business sector, morally has a commitment to be responsible for the creation of a harmonious and balanced Company relationship with the environment and local communities in accordance with the values, norms, and culture of the community (PP No 47, 2012).

The company is a legal entity which in legal actions is represented by its organs or management, so it does not rule out the possibility of causing oversight and negligence that must be accounted for, among others, in the sense of responsibility in terms of moral or ethical responsibility or developed in the form of corporate social responsibility (Azheri) , 2012). Conceptually CSR is "an approach whereby a company integrates social care in the company's business operations and in the company's interactions with stakeholders based on the principle of volunteerism and partnership" (Suharto, 2009). Hendrik in his book Corporate Social Responsibility defines CSR is the commitment of the company or the business world to contribute to the development of a sustainable economy by paying attention to corporate social responsibility and focuses on the balance between attention to economic, social, and environmental aspects (Untung, 2008). Some concepts about CSR can be explained by looking at the opinions of several experts based on several studies of several companies. One of the concepts mentioned about CSR is a business commitment to act ethically, operate legally, and contribute to economic improvement along with improving the quality of life of employees and their families, local communities and the wider community (Rudiato and Famiola, 2007).

In principle, CSR is a company's commitment to the interests of stakeholders in a broad sense rather than mere company interests. Although it is morally good for the company to pursue profits, it does not mean that the company is justified in achieving these benefits at the expense of the interests of other parties concerned. Therefore, each company must be responsible for the actions and activities of its business that have a direct or indirect impact on its stakeholders and the environment in which the company conducts its business activities. So positively, this means that each company in carrying out its activities in such a way, ultimately able to improve the welfare of its stakeholders by paying attention to the quality of the environment towards a better (Azheri, 2012). Through CSR the company does not merely prioritize its goals on getting the highest profit, but instead covers economic, social, and environmental aspects (Suharto, 2009).

The company's concern itself is seen in the company's commitment to take responsibility for all impacts of its business activities in the economic, social and environmental dimensions (Triple Bottom Line (3BL)). For companies that consistently implement CSR in their activities, in the long run will benefit in the form of the trust of their stakeholders (corporate image) towards the company concerned. So that this has become a serious concern of the business community, both domestic and international. Facts show that there is a positive correlation between companies that implement CSR in their business activities in public appreciation. Therefore the application of CSR is no longer considered merely a "cost", but rather as a long-term investment for the company concerned (Azheri, 2012).

Companies that want to grow sustainably have a responsibility not only based on the Single Bottom Line, namely the value of the company that is reflected in financial conditions or profits (profit), but also faced with the Triple Bottom Line concept of economic conditions (profit), maintaining sustainability environment (planet), and improving people's welfare (people) (Situmeang, 2016). Jhon Elkington packages Corporate Social Responsibility in terms of three focus or 3P which stands for Profit, Planet, and People. A good company does not only hunt for mere economic profit (Profit), but also has concern for environmental sustainability (Planet), and people's welfare (People) (Rahman, 2011).

In 2002 the Global Compact Initiative reaffirmed Triple P as the three pillars of CSR by stating that the business objective is to make a profit, benefit the people, and guarantee the sustainability of life (Planet). These three aspects are manifested in activities that fall into social categories, such as education, training, health, housing, institutional strengthening (internally, including employee welfare), social welfare, sports, youth, women, religion, culture, and so on. Economic categories are in the form of entrepreneurship, joint venture groups / micro and small business units (KUB / UMKM), agribusiness, employment opening, economic infrastructure and other productive businesses. Then the environmental categories such as greening, land reclamation, water management, nature conservation, environmental health ecotourism, population control, and the efficient use of production and energy (Azheri, 2012).

Wibisono (2007) explains that profit is essentially an additional income used for the sustainability of the company. Hadi (2011) states that the existence of a company is intended to increase value for stakeholders, such as increasing profits, share prices, dividend payments, and others.

Mardikanto (2014) defines environmental aspects as a corporate obligation to environmental impacts resulting from operations and products, eliminating emissions and waste, achieving maximum efficiency and productivity depending on available resources, and decreasing practices that can negatively impact the country and the availability of generation resources next. Companies must be aware of all aspects of the environment directly and indirectly related to business performance, service delivery, and product manufacturing. This aspect of the environment dimension reflects where the company has an obligation to have an impact on the environment of the company's operations.

Increasing the standard of living of the community in the economic field is an important concern of every CSR policy holder. Increasing economic income can be implemented by developing Microfinance Institutions, capital assistance to small entrepreneurs, and empowering farmers (Suharto, 2010). Other benefits that arise by carrying out CSR programs regularly and continuously are (Situmeang, 2016):

1. Creating Community Empowerment

   The term empowerment means ability, power, and power, thus. Thus, literally community empowerment can be interpreted as an increase in ability, strength and power. Empowerment means helping the community with resources, opportunities, knowledge and expertise to increase the capacity of the community so that it participates in determining the future of community members. The aim of community empowerment is to increase the strength of people who are weak from the shackles of poverty which results in a situation where economic opportunities are closed to them. One of the empowerment of the community is the ability and freedom to make the best choices in determining or improving their lives.

2. Creating Community Welfare

   CSR programs are long-term investments that are useful for minimizing social risk and a means to improve the public image. One implementation of CSR programs is community development activities. Activities involving both direct and indirect efforts aimed at developing human resources, improving quality of life, healing and preventing social problems that are considered to be the creators of public welfare.

3. Creating Community Independence

   Community independence is the most important aspect in development communication. Independence is the ability to deal with problems and be responsible for themselves without harming others. One of the objectives of CSR is to create community independence as an individual attitude of a nation, society, and passion in facing challenges.

E. Conclusion

Inclusive finance is one of the tools that can be used by the state in achieving development in the economic field, including improving public welfare and financial system stability. In line with the social goals to be achieved, the Islamic social economy in the form of social gathering and CSR innovations can be a tangible manifestation of social economic contributions through social marketing and social capital.

F. Daftar Pustaka

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