



Corporate Social Responsibility – Analysis of Prophetic Law for Social Justice

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Abstract

Corporate Social Responsibility which is often known as CSR is a corporate commitment in participating in building a sustainable economy to improve people's living standards and the environment, this provision becomes a legal obligation for each company as stipulated in the laws and regulations, namely [Law](#) No. 40 of 2007 concerning Limited Liability Companies. At the level of implementation, the company carries out CSR activities based on the interpretation of the company itself, which is based on propriety and reasonableness. One of the paradigms that are developing today is the paradigm of Prophetic Law. This paradigm puts forward 3 (three) principles, namely humanization, liberation, and transcendence. So that CSR with prophetic [law](#) is expected to be able to provide a new paradigm in the implementation of CSR in Indonesia and able to realize justice and welfare for the community and the environment.

Keywords: CSR, Prophetic Legal Paradigm, Social Justice.

Introduction

Social and Environmental Responsibility which is further referred to as CSR has legally become a legal obligation that must be carried out by the company, as regulated in [Law](#) No. 40 of 2007 concerning Limited Liability Companies, in Article 74. In the article explained that CSR is a commitment of the company in participating in sustainable economic development to improve the quality of life and the environment. Currently, the business world is facing the impact of globalization, information technology advancement, and market openness, so companies must seriously pay attention to the implementation of CSR ([Marthin et al., 2017](#); [Mapisangka, 2009](#)).

The implementation of CSR is in the hope of being able to protect the company from various risks of lawsuits, loss of consumers, loss of business partners and risks to the company's image that are not enough to just obey the provisions of the laws and regulations. So that awareness and sensitivity to social symptoms that arise. CSR is expected to be able to be a liaison between the company and the community and the environment ([Gunawan & Utami, 2008](#)).

The surrounding community and the environment in the company's business environment are basically parties that need to get appreciation. This appreciation can take the form of improving the welfare of people's lives, through community empowerment activities carried out through CSR activities. While the appreciation of the environment is to protect the environment from damage and restore the main function of the environment, this activity can be implemented through CSR activities. Society, environment and company are basically an element that can maintain the sustainability of the company ([Saitri & Sunarwijaya, 2016](#); [Abidin, 2016](#)).

With the development of the dynamics of the corporate environment that runs so fast, so that it requires creation and innovation in the implementation of CSR activities, so that it can be felt optimally by the community. The company's environment can take the form of the demands of regional autonomy, so that the expectation of welfare or the ideal of realizing community welfare is higher. Even though the ability of local governments is still limited by the limitations of the regional budget for overall development. In this case, the company plays a role in efforts to realize a prosperous and equitable society in the economic field ([Hamid, 2011](#)).

Related to the implementation of CSR carried out by the company is returned to the company itself based on propriety and reasonableness. There is freedom in carrying out CSR activities, of course, the company must approach and observe first. In this case, academic circles began to glance at the concept or better known as an approach that is based on prophetic law. This paradigm puts forward the propositions and values in Islam, namely the humanization approach, liberation and transcends approach ([Sumiyati et al., 2018](#)).

The existence of this concept or paradigm can be used as one of the efforts in creating community justice, of course, the role of management in formulating various activities in CSR, so that there is a symbiotic relationship of mutualism between companies, society and the environment. In the end, CSR activities are expected to improve social justice for the community.

Problem Formula

Based on the background of the above problems, a study of social and environmental responsibility is based on prophetic in an effort to realize social justice, but this study needs to be limited by the following problem formulation:

1. What is the concept of Prophetic-based CSR?

2. What does Profane-based CSR have to do with social justice?

Results and Discussion

Concept of CSR

The existence of CSR is in an effort to strengthen the company's ability to adapt to the environment, community and stakeholders related to the company, both locally, nationally and internationally. In the implementation of CSR activities, it is expected that companies, communities and the environment are able to interact and support each other so that the programmable CSR runs in accordance with expectations and aspired ([Daniri, 2008](#)).

The concept of CSR was first conveyed by Bowen who stated that CSR is a business decision to provide good values to the community. Then Davis explained about CSR that CSR is a voluntary effort of a company to create an economic balance with the surroundings. Furthermore, the concept of CSR was redeveloped by Jhon Elkington said that CSR is a concept for organizations, especially companies that have an obligation to consider the interests of users, workers, shareholders, communities, the surrounding environment in all aspects of their operations. A good company is a company that not only hunts for economic benefits (profits) but also has concerns for environmental sustainability (planned), and community welfare (people) ([Bowen, 1953](#); [Davis, 1967](#); [Elkington, 1997](#)).

In the next development, the three concepts became a benchmark for the company in carrying out CSR activities. This benchmark becomes the foundation and basis in the implementation of CSR. The basis of profit, where the main purpose of the establishment of a company is to seek profit, and then profit becomes one of the goals in the implementation of CSR. As for the consequences of business activities engaged in natural resources, of course, it will cause environmental damage and environmental pollution; CSR activities must certainly pay attention to environmental aspects by repairing damaged environments. As for the aspect of society, the community is a community that becomes important in business activities, the community can also act as consumers of the company. So that the sustainability of the community needs support in community empowerment.

In the implementation of CSR also involves several parties who become partners, namely the company's partnership with the government, the company with the local community, to all aspects must be active and dynamic. The role of the government certainly provides regulation and regulations that are fair by putting forward legal certainty and legal justice ([Suhadi et al., 2014](#)).

Concepts and Paradigms of Prophetic Law

The prophetic idea was originally a major synthesis of debates that took place among Muslim scholars about theology. Prophetic is defined as prophet hood which places revelation (Qur'an) and Hadith (as Sunnah) as the main sources in the law. The Prophetic paradigm has 3 (three) characteristics, namely ([Ahimsa-Putra,](#)

2019) transience, humanization, and liberation. ([Astuti, 2018](#)). An understanding of these three things is directed towards finding elements relevant to the development of science, supported by knowledge and understanding through philosophy. These three characteristics are taken from the understanding of liberalism, Marxism and religion, in Islam the provisions are contained in Q.S. al-Imran (3): 110 which sing:

You are the best people who have been born for mankind, enjoining what is right, forbidding what is wrong, and believing in Allah. If the People of the Book had believed, it would have been better for them, among them are some who believe, and most of them are transgressors.

The three Charles of values in the verse uphold virtue, preventing impossibility, and believing in God, Kuntowijoyo then transformed the three principles into social science, into humanization, liberation and transcendence ([Kuntowijoyo, 2006](#); [Masduki, 2017](#)). Humanization means humanizing people, eliminating materiality which means eliminating slavery and human buying and selling, eliminating dependency which means being independent and able to empower oneself without help from others. While liberation or liberation is the implementation of nahhi munkar, while transcendence is the implementation of tu'minuna billah.

The Concept of CSR based on Prophetic Law

The concept of CSR stipulated in [Law](#) No. 40 of 2007 on Limited Liability Companies, which is explained in Article 1 number 3 that CSR is a commitment of a company to participate in sustainable economic development intended to improve the quality of life and environmental quality that is beneficial for companies, communities and the general public. When associated with the concepts of prophetic [law](#) are as follows:

CSR based on the Implementation of Amar Ma'ruf (Humanization)

Corporate commitment based on the concept of implementing Amar ma'ruf or doing well with the company is committed to humanizing people, thus focusing on improving human quality, equality, and justice in every CSR implementation carried out. CSR activities and commitment that prioritize the principle of Amar ma'ruf must certainly have a goal in realizing sustainable economic development.

Economic development in this case is interpreted as the development process carried out in order to prosper the local community. So that the company is expected to be able to commit to realizing the economic development of the local community that is able to provide prosperity for the community for the local community. This commitment in improving community development is expected to be able to change and improve the quality of life of the community and the surrounding environment. The increase is expected to have a positive impact on the sustainability of the company's business ([Purba et al., 2021](#); [Witjaksono, 2009](#)).

Implementation and policies in the CSR concept based on amar ma'ruf are expected to foster a sense of tolerance in community life, mutual respect and mutual care between companies, communities and the surrounding environment. So that the purpose of humanization implemented in the company's commitment in the implementation of CSR is able to realize human beings in total, without social or structural discrimination.

CSR based on the Implementation of Nahi Munkar (Librasi)

The company's commitment in the implementation of CSR based on nahi munkar, it is expected that the CSR concept based on human liberation from munkar (liberation) is able to create an independent, advanced and prosperous society through a commitment to sustainable economic development, which will certainly have a business sustainability impact for the company.

The existence of CSR activities based on liberation or nahi munkar is able to provide and create a good, clean and comfortable environment. Companies are required to strive to preserve environmental functions and prevent pollution and environmental damage. This CSR activity must certainly be based on environmental concerns as well as sustainable environmental development.

So that the company's participation in terms of environmental concerns can be implemented through CSR activities that are environmentally minded and local wisdom.

CSR based on Tukminuna Billah (Transcendence)

The company's commitment through CSR in addition to having to pay attention to human living standards and the environment must also form a strong foundation in building a company, not only strong in business capital, strong in employees, strong in raw materials, but the most important thing is the value of religious beliefs or values. One form of implementation of religious values can be done through CSR activities based on faith or transcendence. This commitment is built through prophetic values, namely piety, prophet hood, and science.

Prophetic-Based CSR Links in Efforts to Realize Social Justice

Companies can conduct CSR activities through three things, namely, profit, people and planet. The implementation of CSR these three things can be a unity of corporate activities that can be done simultaneously in accordance with the socio-community conditions that develop. By running CSR is expected not only to pursue profits but also can make a wise and wise contribution in improving the welfare of the community around the company ([Mapisangka, 2009](#)).

The implementation of CSR activities programs carried out by companies must be carried out systematically, structured, and periodically. The activities carried out must certainly prioritize problems that arise in the

community, or problems that are vital in improving the welfare of the community, such as activities carried out in the field of religion, in the economic field, in the field of education and social fields.

In the implementation of CSR activities carried out, of course, must be in accordance with the vision and mission of the company. So that the program carried out will cause conformity between the interests of the company and the interests of the community in an effort to improve the welfare of the community.

CSR activities based on profane with 3 (three) main bases, namely Humanization, Liberation and transcendence, must be absorbed and implemented in business activities. Whether it's on employees, or to the general public and the environment. CSR that humanizes of course the program carried out must reflect activities that are social and humanitarian, or can take the form of educational quality improvement activities.

While CSR activities that are liberation of course CSR programs carried out must be oriented to improving the economic quality of the community, increasing the ability and independence of the community in carrying out economic activities, can be in the form of mentoring business activities, can be in the form of community development in creating new entrepreneurs whose goal is to eliminate poverty and eliminate knowledge from science and technology ([Oktavia, 2014](#)).

Conclusion

Based on the results of the analysis and discussion conducted that it can be concluded that the concept of CSR can be built and based on prophetic values, as contained in Q.S. Al Imran: 110, which contains three values, namely enforcing policies, preventing imperiousness, and believing in Allah SW. The basic concept of CSR is built on these three bases.

The concept of CSR based on policy enforcement, preventing the imperiousness and faith in Allah SWT, can build a pattern of CSR implementation in an effort to realize social justice. And it is expected to be able to provide solutions in improving the welfare of the community and the environment.

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