

ACCOUNTABILITY IN THE MAQASHID SHARIA PERSPECTIVE

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ABSTRACT

This study aims to analyze accountability in the perspective of maqashid sharia. In this study using exploratory study method, namely descriptive analysis in analyzing secondary data related to these problems, by determining the theory of Islamic companies, agency theory and information asymmetry, and the philosophy of justice in Islamic law. The results of the research show that accountability is carried out by the company as a form of accountability for the trust given. The goal is to create justice and prosperity for all parties.

Keywords: **Sharia Accounting, Accountability, Maqashid Sharia.**

A. INTRODUCTION

The birth of conventional accounting comes from the western materialist "natural view", so that all forms of assessment measure everything from a material perspective and negate everything that is outside of it, in this case non-material aspects such as spiritual and soul. This western materialist view has brought the spirit of capitalism within accounting which tends to marginalize altruistic and perpetuate egoistic (Triuwono, 2015).

So it is not surprising that theoretically and conventional accounting practices are loaded with capitalistic values. Human ideology is formed from whatever view we have of this nature and as understood the epistemological basis of conventional accounting also originates from the western materialist view

(Muthahhari, 2001). It is undeniable that the movement of capitalism has penetrated and ensnared every nook and corner of human life. Accounting is also inseparable from this influence. It is nothing more than a tool used to further strengthen the power of capitalism. Accounting has even become a weapon for owners of capital to calculate capital and further improve their welfare in material terms. This system of capitalism has formed an economy that is not fair and the goals of maqashid sharia cannot be achieved.

The presence of sharia accounting should be the answer and solution to the inequality and injustice that arises from the concepts applied by conventional accounting that prioritizes egoism. Islam as an ideological basis has an important role in creating sharia accounting that is

based on the values contained in the Koran so that it becomes a separate mainstream for the established system. (Ruslan, 2013)

The process of deconstruction from conventional accounting to sharia accounting is not an easy matter considering that conventional accounting was born from a western ideology that has been ingrained for a long time and has broad power and still survives as a system that binds most countries to this day. Even capitalism will continue to evolve to be able to maintain its existence in controlling the world as expressed by Karl Marx that the only thing he most admires about capitalism is its ability to continue to evolve itself. This is what sharia accounting wants to answer, how to deconstruct accounting which has so far been loaded with capitalistic values so that a spiritual soul of accounting is formed, where accounting has so far been placed more at a practical level which has implications for accounting being confined and solely placed in an iron cage for the purpose of making decisions that are the degree of reason is only based on the interests of stockholders and creditors. Meanwhile, accounting should be used as a means of accountability not only to stockholders but also accountability to God. (Djamhuri, 2011)

Accounting as a scientific

discipline that is formed and shapes its environment must be built on a foundation based on the Al-Quran and Hadith so that the welfare of the world and the hereafter which is the ideal of the Shari'a can be achieved. Conventional accounting has so far been synonymous with accountability to stockholders so that its main motive is profit (economic profit) and makes material the only benchmark for the form of corporate responsibility to stockholders as outlined in the form of financial reports. Financial reports are a tool for business people to carry out accountability. As a result, financial reports can be modified as beautifully as possible in order to attract the attention of stockholders as a representation of the success of the accountability relationship. (Djamhuri, 2011)

Sharia accounting can be an alternative to conventional accounting accountability problems that still ignore non-material aspects. (Permitasari, N.C. & Dewi, 2011) The use of conventional financial reports as the main accountability report can lead to information distortion, a situation where accounting information is not fully capable of meeting what is expected by its users. (Djamhuri, 2011) The statement arises from the principles held by Islamic accounting. The principle is that Islamic accounting must prioritize

accountability to God because logically when companies prioritize responsibility to God, they will automatically be responsible to fellow humans and the environment.

The emergence of various organizations labeled sharia is a good sign, but the thing that needs to be paid attention to is whether the practice of implementing sharia accounting is in accordance with the sharia as contained in the Qur'an and Hadith or is the current sharia accounting just a mask for capitalism as a form of evolution through capitalization? religion which is done to quell and win the ideological battle which is starting to be threatened. (Ruslan, 2013)

Accountability as a form of corporate responsibility especially to God is an important aspect in creating a just economy and achieving prosperity. Maqashid sharia as the final goal to be achieved considers the importance of divine accountability, especially in sharia accounting in order to create justice, holistic welfare and benefit for all people. (Mulawarman, 2007)

According to Illal Al-Fasi, Maqashid Sharia is the ultimate goal to be achieved by Sharia and the mystery behind the provisions of Sharia law. (Anshori, 2009) Therefore, this paper raises the

theme "Accountability in the Maqashid Syariah Perspective" to give birth to the concept of corporate accountability policies based on the maqashid syariah approach in order to maximize the function and role of companies in achieving economic development goals and creating a just economy.

B. LITERATURE REVIEW

Maqashid sharia or commonly referred to as Islamic legal philosophy is one of the methods used to determine Islamic law on an issue by collecting various texts that have the same intent and then drawing conclusions from the texts that have been collected. (Fanani, 2011) In this case, this paper tries to find Islamic views, especially on the concept of accountability in conventional accounting as outlined in financial reports, which often do creative accounting to attract other users.

In terms of accountability in its implications, there are two discussions that underlie it, namely about Shari'ah Enterprise Theory and Agency Theory as well as Information Asymmetry. Then in the study of maqashid sharia it is closely related to the benefit and theory of justice in the philosophy of Islamic law.

The Shari'ah Enterprise Theory which is developed based on the zakat metaphor has a wider scope of

accountability than the Entity Theory. Accountability in question is accountability to God, humans, and nature. This form of accountability will create an awareness of God because accountability is carried out as a form of a high sense of responsibility to God as the Leader in the World, *khalifatullah fil ardh*. (Triyuwono, 2015)

In agency theory, agency relationships arise when one or more people (principal) hire another person (agent) to provide a service and then delegate decision-making authority to the agent. Information asymmetry is a condition where managers have access to information on company prospects that are not owned by outsiders. Agency theory implies the existence of information asymmetry between the manager (agent) and the owner (principal). (Halim, J. Meiden, C. Tobing, 2005)

The concept of “justice” starts from the discourse of divine justice, the proportion of people able to know good and evil to execute justice on earth without relying on revelation or vice versa, human. It is not possible to know good and evil only by the revelation of God. Human responsibility is not the result of free choice, a function that, according to Mu'tazilah, determines the resulting mode of action. But only Allah alone directly

creates all actions. In some actions, however, the voluntary quality of the action is replaced by God's will, making one a willing and responsible agent. Man's responsibility is therefore the result of God's will known through the guidance of revelation. Values, on the other hand, have no basis other than God's will for them. (Fanani, 2011)

In fact, the concept of natural or universal orientation has a broader meaning than demonstrating the existence of will power in the human soul, and demonstrating the responsibility of man in developing a keen sense of awareness and moral and spiritual motives. , which will lead to the establishment of justice on earth. It seems that the Quran considers all mankind as one nation due to global leadership before the specific leadership of the prophets is revealed, and thus considers them all to have a common responsibility. in upholding justice. as in the Quran Surah Al-Baqarah Verse 213:

“Humans are one people; so Allah sent Prophets, as givers of glad tidings and warners, and He sent down with them the Book in truth, to judge among people about matters over which they disputed.” (Kementerian Agama RI cq Lajnah Pentashihan Mushaf Al-Qur'an, 2019)

Based on universal guidance, the natural and ethical foundations of human

behavior can be discussed in the Al-Quran. These verses point to the universal and objective nature of morality that renders all humans equal and equally accountable before God. In other words, some moral precepts are clearly based on common human nature and are considered independent of specific spiritual beliefs, although all practical instructions ultimately come from same source, namely from God. It is therefore important to emphasize in the context of the Qur'an that the concept of theistic justice becomes consistent with the established social order, because it logically evokes justice. universal objectivity that originates from the human soul.

C. RESEARCH METHODS

The method used in this study is the library research method, namely research by collecting data and scientific writing related to the object of research discussion and or collecting data with the nature of literature, or conducting basic studies carried out to solve problems. which is basically based on critical and in-depth studies of library materials and other relevant scientific references. The study refers to books and scientific works related to accountability in sharia accounting, as well as other supporting arguments.

D. RESULTS AND AUTHOR'S ANALYSIS

Shari'ah Enterprise Theory as the basis for the development of accounting theory is the recognition of income in the form of added value, not income in the sense of profit which is capitalized in material form. The Shari'ah Enterprise Theory, which was developed based on the Zakat metaphor, basically has a balanced character. (Triyuwono, 2015) The character of the balance is a balance between egoistic and altruistic. The consequence of this balance value causes Shari'ah Enterprise Theory not only to care about individual interests but also for other parties, namely concern for wider stakeholders which include God, Humans and Nature.

According to Shari'ah Enterprise Theory, God is the highest customer and the only goal of human life. So that the responsibility (accountability) of the company towards God is a connecting link so that sharia accounting continues to aim at "raising awareness of God's consciousness". By making God the main stakeholder, accountability to fellow humans and nature will be realized automatically. (Abbasi, 2010)

The second stakeholder in Sharia business theory is the human being divided into two, namely direct stakeholders (those

who directly contribute to the business both financially and non-financially) and the stakeholders. indirect stakeholders (parties that do not contribute to the business). This accountability to humans can create prosperity because no party feels disadvantaged or exploited. (Triyuwono, 2015) The final stakeholder class of Shari'ah Enterprise Theory is nature. Nature makes a major contribution to the sustainability of the company. Because it was founded on the earth, using energy that is spread in nature and all provided by nature.

In agency theory, as agents, managers are morally responsible for maximizing the owner's (head) profits, but on the other hand, managers are also concerned with maximizing their welfare. Therefore, there is a high probability that the agent will not always act in the best interest of the trustee. There are two types of information asymmetry, the first is adverse selection; where executives and other insiders often know more than investors as outsiders, and facts that can influence shareholder decisions are not communicated to shareholders, then the second risk is moral hazard; The activities performed by the manager are not fully known to the users of the stock or the lenders, so the manager can take actions where the shareholders are in breach of contract and who, in fact, economic,

ethical or standard, may not be achieved. (Scott, 2015)

In a very important verse, the Quran recognizes the objective and universal nature of justice as equivalent to good works (moral virtues), which transcend different religious societies and warns mankind to "come out by good deeds", as the Qur'an Surah Al-Ma'idah Verse 48:

"For every ummah among you (religious) We have given rules and ways (behavior). If Allah had willed, He would have made you one people (according to that rule and way), however, (he did not do so). Allah wants to test you against His gift to you. Therefore, compete (that is, compete with one another) in doing good. Because of Allah you will all return, then He will tell you (the truth) about what you are disputing." (Kementerian Agama RI cq Lajnah Pentashihan Mushaf Al-Qur'an, 2019)

Resist an explicit assumption in this verse that all people should strive to maintain some level of objectively recognized, righteous justice, regardless of differences in religious beliefs. Interestingly, the ideal human being is said to combine this moral virtue with perfect religious submission. Even as stated in the Quran Surah Al-Baqarah Verse 112:

"Whoever submits to Allah while

he is doing good, his reward is with his Lord, and they have no fear, nor do they grieve". (Kementerian Agama RI cq Lajnah Pentashihan Mushaf Al-Qur'an, 2019)

Clearly, here we have a clear basis for distinguishing between objective justice and theistic justice, where objective justice is reinforced by religious acts that obey God. In the field of universal objective justice, people are treated equally and are equally responsible for meeting universal principles. Furthermore, it is this fundamental moral responsibility of all human beings at the level of universal instruction that makes it possible to say that the Quran points to something in common with Western thinking on natural law, which is the source of the root of positive justice in a society established by tacit consent or by formal action. These scholars argued that Divine justice was the ultimate goal of Islamic revelation, which was expressed in its initial form in the sacred Islamic laws (shari`ah).

Accountability in the Islamic View

Islam has its own point of view regarding accountability, because in Islam everything that is entrusted to humans is a mandate. Meanwhile, agency theory, which is the framework for accountability as it is today, is loaded with selfish and materialistic values, is quantitative in

nature and shackled to the capitalist system. Egoistic and materialistic values arise from the basic assumptions of agency theory put forward by Eisehardt, that is, humans are selfish, there are conflicts between organizations, efficiency is a criterion for productivity, there is an information gap between principals and agents, and information is seen as a valuable commodity. traded. Separation of owners (shareholders) and management, in the accounting literature is known as agency theory which sees the relationship based on the concept of principal and agent. (Harahap, 2011)

Selfish and materialistic nature is clearly expressed in management's actions in using accounting (financial reports) as a tool for engineering and accountability to provide information (financial reports) to the interests (ego) of capital owners (shareholders) to obtain information on the amount of profit that is their right. While parties outside the owners of capital do not seem to contribute to the survival of an organization or company, so there is no need to provide information. (Kholmi, 2012)

Both of these characteristics are getting stronger, because they get justification from the value of utilitarianism. Utilitarianism basically has the notion that the good or bad value of an

action is measured by whether there is utility (which is nothing but material) resulting from the action. As long as the action produces utility, then as long as it is an action is said to be good regardless of how the process is done. Even though it is possible that the process being carried out is contrary to the ethical values that apply in society.

The character is not without problems. This character causes dehumanization of the human self. Humans are trapped by life where everything is measured by material things and drags humans into the valley of capitalist life, like life in a jungle, whoever is strong (capital) wins. This character ultimately distances humans from the values of honesty and justice, and distances humans from God. So that not a few people (leaders) do exploitation, manipulation, abuse, abuse of authority and position, as well as corruption in this motherland (Indonesia) just to achieve pleasure in the world, even if they end up living in prison. That's a fact of life that we find today.

From an Islamic perspective, the concept of responsibility must consider the relationship between individuals and companies, with God. This concept is an extension of the basic Islamic concept of "oneness with God". (Maali, B., Casson, P.

& Napier, 2006) In Islam, all people and business people are accountable to God and Umma (Islamic society) by acknowledging other truths. Every Muslim must seek the optimal balance between material and spiritual interests, which depends on his actions in the world. (Baydoun, N. & Willett, 1997) This is different from the concept of conventional accounting accountability which only looks at material aspects, so it is not surprising that manipulation and mark-up of financial statements often occur.

Maqashid Sharia and Accountability Advice in Islam

Islamic Shari'ah is not just guidance for worship (in the sense of activities solely worshiping Allah) but contains guidance and instructions for all aspects of life, starting from things that are considered private to very public issues. Economics, politics, business, social, and various activities in world life are explained and contained in Islamic guides.

The goal in sharia is to uphold and maintain maslahah and reject mafṣadah (badness). This is in accordance with the purpose of sending the Apostle to this world, namely to bring Grace to all nature. Indeed, the presence of the Prophet is a mercy for humans because the shari'ah that is brought is perfect for maintaining the welfare of humans. If the maslahah of

humans does not exist in accordance with shari'ah, then the sending of the Messenger is not a blessing but a disaster for humans. (Dusuki, A. W., & Abdullah, 2007)

According to Al Ghazali, maintenance of the will of sharia includes five dimensions, namely: maintaining religion (*al-din*), maintaining the soul (*al-nafs*), maintaining reason (*al-'aql*), maintaining offspring (*a/-nasl*) and maintaining wealth (*al-mal*). (Yusuf, 2010) All actions and developments to create the welfare of a society must ensure the protection of the five dimensions which are the goals of Islamic sharia.

Al Syatibi also stipulates that the maintenance of welfare which is the aim of sharia is not all at one level. Al Syatibi and al Ghazali divide the benefits that sharia wants to achieve at three levels. The first is necessary (*al-hajiyah*), essential (*al-dharurriyah*), and luxury (*al-tahsaniyyah*). (1). Necessary (*al-hajiyah*) are things that if they are not there, then human life will be difficult, (2). Essential (*al-dharurriyah*) are the absolute things that are needed to build human life, while (3). Luxury (*al-tahsiniyyah*) is a complement that becomes an additional decoration in life and with the existence of *mashlahah al-tahsiniyyah* human life will become more perfect.

In the Quran Surah An-Nisa verse 85 which means "*Indeed, Allah commands you to convey the mandate to those who*

are entitled to receive it." This verse can be interpreted in the context of accounting, namely Allah SWT commands us to always be able to carry out the mandate for all related parties, namely for information users (stakeholders) and in this case the relation is fulfilling the right to obtain information from financial reports. And in other words this verse describes the principle of accountability. Accountability in a sharia perspective is a horizontal and transcendental relationship as in the Quran Surah Al-Anfal verse 27 which means "*O you who believe, do not betray Allah and the Messenger (Muhammad) and also do not betray the mandates entrusted to you, while you know it*". (Kementerian Agama RI cq Lajnah Pentashihan Mushaf Al-Qur'an, 2019)

Through this verse, it can be seen that apart from having to obey Allah and His Messenger, one must also give trust by fulfilling the mandate that has been given. And one of the implications of giving trust is accountability for the mandate that has been given. This one verse contains three aspects, namely Allah, the Messenger and those who give trust. So from this it can be concluded that the position of accountability in the Islamic view is related to the relationship of transcendental interaction with God as well as the relationship of horizontal interaction with fellow creatures. The form of

accountability must be manifested in the form of performance financial reports by disclosing and presenting every required accounting information material (full disclosure). Financial statements which are the end result of an accounting process are expected to be able to describe the implementation of Islamic entities.

E. CONCLUSION

Financial reports as a medium for corporate accountability to stakeholders are an important component in measuring company performance and the level of corporate accountability. Accountability is the provision of financial information and information about operations and financial results to interested parties, because accountability is a form of expression of obligation that explains the success or failure of a mission. mission of the relevant organization.

The concept of accountability based on maqashid sharia means that accountability is not only aimed at stakeholders but further to God as in verses and hadiths that explain the importance of accountability, especially in companies. Accountability carried out by the company as a form of accountability for the trust given can be carried out by presenting financial reports honestly and in accordance with reality (full disclosure) and taking into account the interests of

other parties based on verses relating to accountability so that justice can be created. and welfare can be achieved.

In reality, the implementation of accountability based on maqashid sharia has not been fully implemented by companies even if they are Islamic business entities. This can be seen from the company's tendency to present financial reports that contain the merits of the company and sometimes do not include the company's deficiencies. In addition, several studies also explain that the implementation of CSR in Islamic banks does not always require disclosure in annual reports. This means that disclosure is not carried out in full so that people's rights to obtain information are hampered.

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