

Muhammadiyah Organizations' Role for the Inclusion of Sharia Banking in Indonesia

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Abstract. Sharia banking in Indonesia experienced growth very well. The Muhammadiyah organization is one of the influential organizations contributing and played a role in developing Sharia banking in Indonesia. The study's purpose was to determine Sharia banking development in Indonesia and Muhammadiyah organizations' role for the inclusion of Sharia banking. This research uses a literature study using a qualitative approach. The data used is sourced from secondary data. The analysis technique used is descriptive qualitative. This study indicates that growth occurred in Sharia banking from May 2018 to May 2019; the most considerable growth in financing grew by 13 percent. Sharia banking assets grew by 11 percent, and third party funding grew by 10.57 percent. The Muhammadiyah's organization's role in developing Sharia banking inclusion included the issuance of a fatwa from the Muhammadiyah's Tarjih Council in 2006 concerning the prohibition of banking interest in conventional banking. The Muhammadiyah organization cooperates directly with several sharia banking parties related to depositing funds and financial services.

Keywords: Sharia Banking; Inclusion; Muhammadiyah

1 Introduction

The basic idea of system Sharia banking can be put forward simply. Islamic financial institutions' operation is mainly based on the PLS principle (profit-and-loss-sharing). The principle of revenue sharing in Islamic finance is highly recommended and is an appropriate and relevant solutions. It overcomes the problem of limited fund allocation, whether in the form of a loan or saving funds to manage and finance business effectively. Sharia banking does not charge interest in invites participation in the funded business sector. The deposit also shares in the profits of the bank in accord shares with a predetermined ratio. Then there is a partnership between Sharia banking and depositors on the one hand, and between investment bank customers as depositors' resource managers in various productive endeavors [1].

The characteristics of the sharia banking system that operate based on the principle of profit and loss sharing provide an alternative banking system. That is mutually beneficial to the community and banks and highlights fairness in transactions, ethical investment, promoting togetherness and brotherhood in production, and avoiding speculative activities in

financial transactions. By providing various products and various banking services with a more varied financial scheme, sharia banking becomes an alternative banking system that is credible and can be enjoyed by all Indonesian society classes without exception [2].

Profit-sharing contracts used in sharia banking are *mudharabah* and *musharakah*, commonly called with the Natural Uncertainty Contract (NUC), contracts that do not provide certainty of results. Both NUC products are referred to as product with a trust contract (*uqud al-Amanah*). The practice of moral *hazard* reflects the betrayal of the customer's trust in the bank and its trust in the customer. Trust is a factor that is highly relied upon by sharia banking as values based on Islamic teaching. Both NUC contracts are prone to customers and banking management's moral hazard practices if there is no moral commitment in carrying out the contract. Al-Qur'an prohibits us from betraying trust (Surah Al-Maidah verse 1). Therefore, Islamic banks' management needs to show a concrete commitment to maintaining trust values throughout the contract [3].

Along with the improvement and reform of the national banking system after the economic crisis, sharia banking, which is part of the national banking, began to enter a new phase of implementing the national banking system. The reform era of Sharia banking began with the approval of Law No.10 of 1998 concerning sharia banking [4]. Sharia banking is getting stronger with the presence of law number 21 of 2008 about specifically sharia banking.

Shari'ah Islamic law gives its followers an overview of the basic principles of individual economic behavior that lead to common goals (*maqashid al-sharia*), promoting people's well-being. From there, Islam provides space for scholars to conduct in-depth and severe research in many fields, including studies of the Islamic economy, to select strategies compatible with existing economic and social development stages. Islamic law gives room for contextualization (*ijtihad*) by not essentially violating it. The study was to make Islam productive (*Empirical Islam*). Islamic teachings allow Muslim scholars to conduct in-depth studies that will enable them to develop Islamic knowledge (*maslahah*) [5].

A financial banking institution's existence supports the meeting between those who need funds for working capital and investment with excess funds. The availability of financial resources for business is supported by the ease of banking mediation that encourages business expansion and eliminates unemployment funds. Sharia banking is a bank that works using a profit-sharing system, not using an "interest" ("bunga") mechanism. Sharia banking is a banking financial institution whose operations and products are developed based on the Qur'an and the Sunnah of the Prophet Muhammad SAW [6].

Sharia banking system never lends money but sell goods to customers by providing facilities to repay the price of goods. It leases goods to customers for a certain period. Sharia banking buys from suppliers of goods to obtain goods that are sold or leased to the customer. Strictly speaking, customers have never received funds in the form of loans from sharia bankings. The *modus operandi* that sharia banking cannot charge customers interest. Due to the enactment of the prohibition on lending money with interest, sharia banking does not provide funding facilities directly to customers like conventional banks, but through other *modus operandi* [7]. The financing provided is in the form of financing for sale and purchase, rental financing, and in the form of profit and loss sharing.

Sharia banking in Indonesia is an essential part of Muslims who want transactions bank by Islamic law. Sharia banking also proved could have been avoided from the storm of the crisis in 1998, which hit in Indonesia. The market share of sharia banking has penetrated 5 percent of the total national banking. Sharia banking continues to experience growth, data below:

Table 1. The Growth of Sharia Banking in 2018

No	Component	December 2017	November 2018	Growth %
1	Asset	424.181	451.202	6,37%
2	Labor	55.746	56.694	1,70%
3	Offices	2.169	2.215	2,12%
4	Funding Customers	21.692.463	24.164.548	11,40%
5	Financing Customers	4.520.667	4.863.840	7,59%

Source: Financial Services Authority,
Statistic of Sharia Banking in December 2018 (Data Processed)

The data above shows the growth in several components at sharia banking from December 2017 to November 2018. The enormous growth in is funding customers (DPK) is growing by 11.40 percent, now the number of customers has reached 24,164,548 people use sharia banking for third party funds. Growth also occurred in sharia banking assets, which grew by 6.3 percent, with total assets currently 451,202,000,000. The smallest growth in the number of workers working at Islamic banks grew by 1.70 percent. Efforts are needed to continue improving and expanding Islamic banks to continue developing, including seizing the consumer market; currently, the market share of sharia banking is only around 5.8 percent.

The vital role of community organizations becomes vital in developing sharia banking. Society organizations have congregations or members widely spread in various regions, so it has a vital role in supporting the development of sharia banking. One of the organizations that contribute to the development of sharia banking is the Muhammadiyah Organization. Muhammadiyah also followed the issuance of a decision through the *Tarjih* assembly number 8 of 2006 concerning the prohibition of banking interest, including the usury category; this will encourage followers of Muhammadiyah to be able to use sharia banking, which is already numerous and easily accessible to all levels of society.

The summary of the Muhammadiyah Council *Tarjih* (MTT) Fatwa Number 8 of 2006 concerning banking interest; *first*, Islamic economics is an economic system based on sharia values, injustice, honesty, interest-free, and commits to improving mutual prosperity. *Secondly*, for the establishment of the Islamic economy, Muhammadiyah, as the Islamic missionary movement *amar makruf nahi munkar* and *tajdid*, needs to be actively involved in developing and advocating for the Islamic economy within the framework of shared prosperity. *Third*, interest is usury because (1) is an addition to the principal of the loaned capital, in the case of Allah says, And if you repent (from taking usury), then for you the principal of your treasure; (2) the additions are binding and promised, while those that are voluntary and not promised are not usury. *Fourth*, Sharia Financial Institutions are asked to continue to improve their operational suitability with sharia principles. *Fifth*, Appealing to all ranks and members of Muhammadiyah and Muslims, in general, to pray according to sharia principles. *Sixth*, the Islamic ummah in general and Muhammadiyah people significantly increased appreciation of the economy based on sharia principles and developed an economic culture based on sharia values [8].

Another role played by Muhammadiyah organization to develop sharia banking in Indonesia is by collaborating with some sharia bankings. PT Bank Syariah Mandiri, PT Bank Bukopin Syariah, and PT Panin Bank Syariah signed a financial management cooperation agreement with the Muhammadiyah Central Board. The cooperation agreement is written in a memorandum of understanding (MoU) signed by the three banks' representatives' representatives with the Chairman of PP Muhammadiyah Haedar Nashir at the PP Muhammadiyah Jakarta Headquarters. The three banks will facilitate Sharia banking products or services through financial integration systems or cash management. Collaborative cash

management services include liquidity management solutions, contribution collection solutions, billing solutions, and payment solutions [9].

Syamsul Anwar, Chairman of MTT PP Muhammadiyah, said MTT was concerned to participate in the Islamic economy's acceleration. It focuses on Islamic economics; this was proven by 2006; MTT PP Muhammadiyah issued a fatwa on banking interest. "We want to encourage financial institutions to participate in developing Sharia banking in general and in particular. We also hope that all Muslims can be involved in Sharia banking in Indonesia. Therefore, sharia banking still has to struggle hard at this time, it must continue to be improved so that the public can increasingly trust it," Syamsul added, efforts are needed to improve the economy of the people. This is divided into several pillars: the Islamic bank itself, academics, the community, and institutions with a vision of the Islamic economy [10].

Chairman of MEK PP Muhammadiyah, Syafrudin Anhar, emphasized that the blueprint for economic was the result of MEK and economists' thinking from the deans of economics at Muhammadiyah University in Indonesia. They tried to formulate that Muhammadiyah in the 2nd century became an economic force that could make a positive and significant contribution to national economic growth. This blueprint can be a barometer for Muhammadiyah in developing the economic activities of the people. Besides, in the blueprint contents in the next ten years, Muhammadiyah will focus on developing the real sector, including building automotive, tourism, food, and marine industries that are synchronized with the Islamic financial industry. "With this blueprint, we believe that Muhammadiyah will grow thousands of businesspeople in various regions and have a significant contribution to economic growth [11].

The Muhammadiyah organization's contribution to the development of sharia banking is part of the muhammadiyah's life ideals to be achieved in terms of *Mu'amalah Duniyawiyat*. Muhammadiyah is working to implement *mu'amalat duniyawiyat* based on religion's teachings and makes all activities in this field worship of Allah SWT. Muhammadiyah invites all levels of Indonesian society who have received God's gift in the form of a homeland, which is rich in sources of national independence and the Unitary State of the Republic of Indonesia based on Pancasila and the 1945 Constitution, to jointly strive to create a prosperous nation blessed by Allah SWT [12].

Muhammadiyah etymologically means the prophet Muhammad's followers because it comes from Muhammad. Simultaneously, in terminology, it means the Islamic movement, *preaching amar ma'ruf nahi Munkar* and *tajdid*, sourced from al-Qur'an and as-Sunnah. In connection with the background of the establishment of Muhammadiyah in general, the factors causing it are; first, the subjective factor is the result of K.H. Ahmad Dahlan on the Qur'an in examining and discussing its contents. Second, objective factors can be seen internally and externally. Internally the impurities of the practice of Islam due to not making the Qur'an and as-Sunnah as the only reference by most Indonesian Muslims. Muhammadiyah is an Islamic Movement that carries the mission of *amar ma'ruf nahi munkar* with the intent and purpose of upholding and upholding the Islamic Religion so that an actual Islamic society can be realized. Muhammadiyah believes that Islam relates to all aspects of life, including aqeedah, worship, morality, and mu'amalat duniyawiyah, which are a unified whole and must be carried out in individual and collective life. By carrying out the movement's mission, Muhammadiyah can realize or actualize the Islamic Religion as rahmatan lil-'alamin in life on this earth [13].

Muhammadiyah is committed to making the economy the 3rd pillar of the organization. This economic movement is one of Muhammadiyah's priorities going forward. This is done because the organization is well aware of the economic sector's function and role in advancing the nation; with thousands of generous businesses, it is evident that Muhammadiyah, as a

social movement, is also engaged in the economy. The economy's input into the company's pillars means Muhammadiyah wants to develop further and advance its economy in particular and the people in general. The main thing is to increase Muslims' competitiveness in the economic field, which, indeed, compared to other Muslims' economic conditions, the difference is noticeable. For that, PP Muhammadiyah's Economic and Entrepreneurship Council (MEK) must take appropriate steps to develop and advance society's economic movement [14].

The Roadmap Development Sharia Financing 2017-2019 for Indonesia is to create a sharia financial services industry that grows and is sustainable, equitable and contributes to the national economy and financial system stability towards Indonesia's realization as a world center for Islamic finance. Furthermore, to achieve this vision, the primary mission to be carried out from 2017 to 2019 is (1) increasing institutional capacity and availability of sharia financial industry products that are more competitive and efficient, (2) expanding access to sharia financing product and services to meet community needs, and (3) increasing the inclusion of sharia financing product and coordinating with stakeholders to increase the share of the Islamic financial market. In carrying out this mission, there are several excellent programs undertaken to grow Islamic finance, including strengthening the institutional capacity of the Islamic financial services industry; increased availability and diversity of Islamic financial product; use of fintech in the context of expanding access to Islamic finance; expansion of the Islamic financial services network; optimization of sharia financial promotion; increasing the capacity of human resources, and improving coordination between stakeholders in the context of developing Islamic finance in Indonesia [15].

The outlook Shia banking for 2019 will be marked by changes to mitigate the domestic economy's state affected by global political economy changes. *First*, the financing period's tenor will be longer so that the customer repayment burden remains, but bank yields are high. *Second*, *ijarah* and *ijarah muntahiya tamlak* that provide yield flexibility will be more desirable than murabaha. *Third*, consumer-backed housing financing will be more attractive to banks because of lower risk weights to save on capital usage. *Fourth*, the profit-sharing funds will increase to prevent funds from escaping to other banks. The sharia banking outlook in 2019 is divided into first-semester outlook and second-semester outlook. The first semester is a crucial period for two reasons. First, externally is the peak of external pressure. Second, internally it is the beginning of changes in business, organizational, and governance policies. At the same time, the second semester is the result of adjustments made in the first semester. If the first semester's strategy succeeded in bringing the bank through the bottleneck, then the second semester, the bank will enter a period of healthy and robust growth. If, on the contrary, the bank will be burdened by three things. First, problem financing increased. Second, the ratio of operational costs increases. Third, liquidity is increasingly depressed. One solution, Islamic banks will increase financing yields while extending the term so that the customer repayments remain the same. The customer has no additional monthly installment expense; the bank gets higher yields to pay a competitive profit-sharing fund compared to conventional banking [16].

From the description above, researchers feel the need to conduct more in-depth research on Muhammadiyah organizations' role in developing Islamic banks in Indonesia. There are many forms of Muhammadiyah organization activities that show its role in the economic field, especially in developing sharia banking. To know the development of sharia banking and find out the form of the Muhammadiyah organization's role in the development of sharia banking in Indonesia.

Neneng Nurhasanah, in their research, concluded that the Muhammadiyah Ijtihad Method and the Islamic Unity Board of Persis (Persis) in issuing fatwas related to sharia banking originated in the Qur'an and Sunnah. In contrast, the Muhammadiyah Ijtihad method and the Islamic Union's Hisbah Council (Persis) in issuing fatwas related to sharia banking were sourced from the Qur'an and Sunnah. In contrast, *bahts al-masa'il NU's* decision refers to one of the four schools agreed upon by the procedure for selecting one of the opinions carried out by taking a more favorable or more substantial opinion; by considering the level of scholars. The three of them apply the *ushul* and *fiqh* rules in doing *istinbath* law. The contribution of the fatwas of the three organizations to the development of sharia banking is different. Muhammadiyah is more focused on encouraging its members to *bermuamalah* in Islamic banks, Persis by placing fatwas as sharia guards, NU in the form of providing financial instruments, and establishing sharia banking [17].

Sharia banking is an urgent need for Muslims because sharia banking is established to benefit Muslims; then, in practice, sharia banking must not conflict with Sharia religion's teachings or guidance. One of the primary deviations found in conventional banks is the interest system. This system is contrary to the principles of Islamic teachings. So in sharia banking, apply a system that does not use the interest system (*usury*). Sharia banking has a unique history. Because it has its characteristics so that it is different from conventional banking, the Sharia banking reference is not from conventional banking itself but refers to *Baitul Maal wat Tamwil (BMT)*. Historically, this institution kept its assets from *zakat*, *infaq*, *shadaqah*, tax, and others [18].

Hani Werdi Apriyanti, in her article entitled "Development of the Sharia Banking Industry in Indonesia: Analysis of Opportunities and Challenges," said the development of sharia banking should be in line with the direction of national sharia banking policies following those formulated in the Sharia Banking roadmap by the Financial Services Authority. Utilizing information technology and sufficient funding will help the Sharia banking industry develop, survive, become healthy banking, and contribute to the national economy. Sharia banking must strive to increase capital adequacy by exploiting economic growth opportunities and demographic bonuses by making efforts following Islamic values to overcome Indonesia's classic Sharia banking problems, namely difficulties in funds' liquidity. By innovating products and increasing capital adequacy, the national Sharia banking can be a healthy, contributive, and highly competitive banking [19].

The method used in this research is to use library research obtained from several sources. Resources relevant to the research theme related to the development of sharia banking in Indonesia, especially related to the development of products owned by sharia banking. As well as sources related to Muhammadiyah organizations' role in the development of sharia banking in Indonesia, this research is descriptive qualitative. In this case, is the growth of products owned by sharia banking in Indonesia and the designs the role of Muhammadiyah organizations in the development of sharia banking.

The data used by the author include theories that researchers take from various literature. In the form of theories relating to sharia banking and their development and related to Muhammadiyah organizations' existence. Retrieval of data from the results that have been presented from an institution. Among them are data obtained from the Financial Services Authority and other data sources. Data collection techniques required in this paper are to use several methods, namely: Literature Study; this method is used to explore the fundamental theories related to Islamic banks, the products they have, and their development. Likewise related to Islamic economics. Then about the organization of Muhammadiyah. Observations, Every data obtained from various sources is observed and analyzed concerning the growing

conditions of the components owned by a growing sharia banking. Related data about the role and form of contributions from Muhammadiyah organization activities related to Islamic banks' development in Indonesia, sharia banking continues to grow and develop, behind that there is the role of the Muhammadiyah organization.

The data analysis method used is to use a descriptive qualitative approach that is by describing the development of the components owned by Islamic banks. The development is analyzed from the data obtained and describing and analyzing the roles and contributions of Muhammadiyah organizations related to the development of sharia banking. Every form of role from Muhammadiyah organizations related to Islamic banks will be analyzed for these roles.

2 Results and Discussion

Table 2. The Development of Sharia Banking in Indonesia

No	Component's	May 2018	May 2019	Growth
1	Asset	425.906	472.404	11 %
2	Funding Product	339.749	375.665	10,57 %
3	Financing Product	292.932	331.010	13 %
4	Offices	2.175	2.251	3 %
5	Labor	54.777	54.334	- 0,81 %

Source: Financial Services Authority,
Statistic of sharia banking in May 2019 (Data Processed)

From the data above shows the development of sharia banking in the period May 2018 to May 2019, the largest growth in the financing component, which grew by 13 percent, then the Asset component, which grew by 11 percent, while the components that experienced a decline in the number of workers decreased by 0,81 percent. The Role of Muhammadiyah's Organization for the Development of sharia banking Inclusion in Indonesia.

2.1 The Presence of Fatwa Tarjih Muhammadiyah Concerning the Prohibition of Bank Interest

Muhammadiyah Organization Through Fatwa Muhammadiyah Tarjih Assembly Number 8 of 2006 concerning the prohibition of bank interest in Sidoarjo East Java, interests conventional banking is forbidden. This fatwa complements the existing fatwa issued by the Indonesian Ulema Council Number 1 of 2004 concerning bank interest prohibition.

President Director of KARIM Business Consulting, Adiwarmar Karim, assessed the Muhammadiyah leadership's firmness who concluded that bank interest was haram aimed as an appeal to Muhammadiyah organizations that still use conventional banking products. "So Muhammadiyah appealed to its business entities and internal organizations that "interest" ("bunga") is haram," Adiwarmar said. The assertiveness of that attitude is considered slower than the Indonesian Ulema Council (MUI), which has issued an unlawful fatwa on bank interest in MUI Fatwa Number 1 of 2004. However, the firmness of this attitude was judged to be issued at the right time. "In the MUI Fatwa, it is explained that bank interest is usury and usury is forbidden as long as there are offices serving sharia banking products," he said. "At present, there are many sharia banking so that the solution to avoid bank interest is increasing," he said. Adiwarmar assessed that the firmness of Muhammadiyah's attitude strengthened each other's fatwa with the Ulema Council. Previously, the Tarjih Council and

the Central Board of Muhammadiyah's Tadjid issued recommendations related to banking interest law. Based on conclusions in the plenary session of the 27th National Conference of Tarjih, which was held in the General Administration Bureau of the University of Muhammadiyah Malang, East Java, it was decided the interest of conventional banking law was forbidden [20].

The second-largest Islamic organization in Indonesia, Muhammadiyah, decided to place all of its funds in Sharia banking as a follow-up to the usury fatwa for conventional banking interest. Sharia banking was appointed to manage the funds Muhammadiyah as many as seven banks. "We chose these seven banks after there was a fatwa from the Muhammadiyah Tarjih Council that bank interest is usury and forbidden. This fatwa applies to all Muhammadiyah members, including those abroad, so that the funds will be transferred to the seven banks," explained Muhammadiyah Head of Tarjih, Tadjid, and Islamic Thought, Yunahar Ilyas at a press conference in Jakarta [21].

2.2 Memorandum of Understanding of Muhammadiyah Organizations with Sharia Banking

Muhammadiyah, as a large community organization, has played a role as a contribution to the development of Islamic bank literacy through collaborative activities with sharia banking. Bank Muamalat Indonesia, as the first sharia bank, strengthens the fabric of cooperation with PP Muhammadiyah. One of them is in financing education and health services in institutions under the auspices of Muhammadiyah. The agreement was reached during a visit by PT Bank Muamalat Indonesia to PP Muhammadiyah on Friday, June 28, 2019. The visit was attended by Chief Commissioner Ilham A Habibie and Managing Director Achmad Kusna Permana. The leadership of the Bank Muamalat was received by the Chairman of PP Muhammadiyah Haidar Nashir, General Secretary of PP Muhammadiyah Abdul Mu'ti, and Treasurers of PP Muhammadiyah Suyatno and Marpuji Ali. Bank Muamalat's Managing Director Achmad Kusna Permana said that the cooperation with Muhammadiyah had begun a long time ago. In the future, this collaboration will continue to be strengthened. Bank Muamalat targets financing of Rp500 billion. "We have been working with Muhammadiyah for a long time until the end of this year we plan to add another half a trillion," he said. Muhammadiyah said Permana has a consolidated and structured network of Bisnis Amal Usaha (BAU) organizations. If there is a problem with the Muhammadiyah business charity business, its leaders will immediately resolve it. "Muhammadiyah is quite active in that regard. So we are not too worried about the risk of this financing, "

Bank Muamalat hopes that this collaboration can be continued and developed more broadly. "This collaboration is part of Bank Muamalat's strategic initiatives going forward. We have succeeded in East Java and will become a pilot for other regions," said Ahmad Kusna Permana. General Treasurer PP Muhammadiyah Suyanto welcomed the collaboration with Muamalat Bank. According to him, the Bisnis Amal Usaha (BAU) Muhammadiyah is very guaranteed and can be developed. In terms of accountability, PP Muhammadiyah has a Muhammadiyah Assets and Inspector Institution, which professionally oversees all Muhammadiyah business charities. Muhammadiyah and Bank Muamalat will expand cooperation to Bali. This step was taken to increase the people's economic empowerment; this is expected to bring benefits to society and ultimately contribute to the nation and civilization's advancement.[22]

The director of Business BNI Syariah, Dias Widhiyati, said BNI Syariah, as a BNI subsidiary, completes the parent's banking services. Previously, BNI had collaborated with

universities since the 1970s. "At present, there are many academics who want sharia services," According to him, the BNI Group is currently working on BNI Incorporate services where all transactions are served by the BNI Group as much as possible. BNI Syariah utilizes loopholes that have not been served by the parent. Dias explained that cooperation with universities included several things. Among other things, financing Umrah and halal tourism, incentive financing from salaries, consumer financing, and savings. "We also offer tuition payments and registration. So there are alternatives to traditional sharia," he explained. BNI Syariah began collaborating with universities since 2015, then cooperating with universities under the auspices of Muhammadiyah, including Muhammadiyah University Jakarta, Banjarmasin Muhammadiyah University, Muhammadiyah University Semarang, Makassar Muhammadiyah University, Cirebon Muhammadiyah University, Muhammadiyah University Riau, and Palembang Muhammadiyah University. "The impact of our DPK has experienced an increase, especially in education. Another impact is the Flexi financing, namely unsecured employee loans," she explained.[23]

PT Bank Syariah Mandiri strengthens cooperation with Muhammadiyah by signing a memorandum of understanding regarding Cooperation in the Use of Banking Services and Products based on sharia principles. The cooperation includes line facility financing worth Rp1 trillion. The memorandum of understanding was signed by BSM President Director Agus Sudiarto and PP Muhammadiyah Chairperson Haedar Nashir. This cooperation includes cash management services in the form of liquidity management solutions, receivable solutions. Also, payment/expense solutions (payable solutions), utilization of fund products such as institutional mudharabah savings, institutional wadiah demand deposits, and deposits, utilization of financing products, until the opening of the Payment Point Online Bank counter (PPOB).[24]

In order to improve sharia banking services, PT Bank Syariah Bukopin (BSB) signed a Parent Cooperation Agreement (PKS) with the Muhammadiyah University of Jakarta (UMJ) regarding the use of BSB's sharia banking product and services; Riyanto, President Director of BSB stated this. "With this PKS, BSB will work together with the UMJ campus in the use of products and services owned by banks," he said. Riyanto continued; later, UMJ would collaborate with BSB, which could be utilized by the campus for payment of student lectures (payment Online), making student cards (CO-Branding), payroll services, and virtual accounts. "In the future, we plan to build BSB outlets in this campus with ATM facilities and sharia banking laboratories in the form of Mini Sharia Banking," he explained. Previously, the PKS was signed on the use of BSB products and services, which was signed by the Director of BSB, Riyanto, and UMJ Rector Dr. H. Syaiful Bakhri, S.H., MH, and witnessed by UMJ Deputy Rector II Dr. Haris Sarwoko, S.E.Ak., M.Sc. "This collaboration is a continuation of the collaboration that has taken place with the Muhammadiyah Central Leadership, where UMJ is one of the Charity Enterprises owned by Muhammadiyah, which is engaged in education," Riyanto said.[25]

The collaboration of seven sharia bankings with one of the largest Islamic organizations in Indonesia aims to provide banking services. Muhammadiyah's commitment to remain strict with its forbidden fatwa concerning usury made the seven Islamic banks interested in working together. The seven banks are; Bank Muamalat, BNI Syariah Bank, Mandiri Syariah Bank, Danamon Syariah Bank, Bukopin Syariah Bank, BRI Syariah, and BTN Syariah. The seven Islamic banks' cooperation agreement with PP Muhammadiyah was held at the Muhammadiyah Da'wah Center Building. "This collaboration is a symbol of the synergy of Sharia banking with Islamic mass organizations and the millions of Muslims who are members of it," said A. Riawan Amin, Chair of the Indonesian Sharia Bank Association. On

occasion, seven Islamic banks hoped that the commitment with PP Muhammadiyah could be a significant step for Sharia banking in increasing market share. Besides, the benefits (benefits) that can be taken with this collaboration, millions of PP Muhammadiyah members can take advantage of 1,349 Sharia Commercial Bank office networks and 300 Sharia business office units spread across the country. As is known, Muhammadiyah currently has 172 universities, more than 400 hospitals/maternity hospitals, and more than 1,000 schools and 140 with a total membership of 20 million people, all of which can be facilitated by shariah banking.[26]

The role of the Muhammadiyah organization in increasing the inclusion of sharia banking in Indonesia has made a significant contribution. Muhammadiyah organization, as a large community organization, has supported sharia banking. Many activities have been carried out by Muhammadiyah organizations in supporting Sharia banking inclusion, both directly and indirectly. The number of Muhammadiyah Charitable Enterprises that have used the services of sharia banking. The Muhammadiyah organization spread widely, making many Islamic banks want to collaborate with Muhammadiyah organizations. This collaboration also led Muhammadiyah residents to be able to use sharia banking services. Muhammadiyah's universities also use the services of sharia banking; this is very beneficial to both parties. In addition to enhancing and contributing to the development of sharia banking, it is done not only in the form of cooperation but also in some Muhammadiyah universities that have opened sharia banking study programs, concerned with producing quality resources for Sharia financial institutions, especially sharia banking.

3 Conclusion

Sharia banking in Indonesia continues to experience profitable growth, as can be seen from the May 2018 period's data until the May 2019 period showing growth. Islamic bank assets grew by 11 percent. Simultaneously, the immense growth occurred in financing in Islamic banks, which grew by 13 percent. Then growth also occurred in Third Party Funds, which grew by 10.57 percent.

The Role of Muhammadiyah Organizations for the Development of sharia banking Inclusion is vast and can be seen from what it has done. Muhammadiyah has issued a 2006 Fatwa of the Muhammadiyah Tarjih Council on the prohibition of bank interest in conventional banking. This led the Muhammadiyah organization and many of its followers to use sharia banking services. Also, Muhammadiyah directly saved a large number of funds to several sharia bankings. Then many universities owned by Muhammadiyah collaborated and brought sharia banking directly into the campus environment.

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