

The Influence of International Accounting Experts Towards the Birth of Islamic Accounting Civilization in Indonesia

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Abstract—The aim of the research is to look at the differences between international accounting experts about the birth of a substantial Islamic accounting civilization, because accounting must change itself or introspection. If the accounting does not want to be returned or included in the museum of civilization. One thinks the need for accounting to shift the function of the decision making facilitation function into accountability. The research method uses descriptive qualitative literature study, to get a complete understanding and study of the phenomenon of sharia accounting library. Accounting for Islamic research shows its history. It is impossible for Muslims who were once rulers or superpowers in this world and who have had and mastered advanced technology in their time without Islamic management accounting. Islamic accounting has begun to come to the attention of accounting experts not only from Muslims but also from non-Muslims. The influence of international accounting experts on the birth of Islamic accounting civilization in Indonesia is a contradictory evidence. Islamic accounting civilization starting from the concept and content of Islamic accounting itself is complete, with various historical, social, values, and harmonization points of view.

Keywords— *international accounting experts, the birth of Islamic accounting civilization*

I. INTRODUCTION

Society now has a tendency to return to pay attention to the teachings of its religion. Why does this happen, many factors, for example because it turns out that what humans have done so far, to find their own pleasure with their own patterns do not bring happiness. The behavior of hedonism, free sex, happies, machievillis, materilis, liberal does not bring substantial happiness. This phenomenon is true if we observe the reality of the development of society both in our country and at the international level, especially the phenomenon of Islam. In several Western universities, many centers of Islamic studies have been opened both by themselves and under the auspices of Eastern studies. In Rome, the world's Catholic center, a mosque was recently inaugurated. In Europe, in the United States Islam is increasingly visible even in Britain, the Netherlands, France has become a second religion. Prince Charles himself once sponsored Western and Islamic dialogue. Even in the political field the power of Islam is increasingly taken into account. In America Muslims have already become members of congresses, mayors, even army priests who specifically foster the spirituality of the Islamic

army have been appointed by the Pentagon. In Britain there are already Islamic parties which have participated in the elections.

The phenomenon of Muhammad Ali, Abdul Karim is the best NBA basketball player and the biggest boxer like Malil Abdul Aziz (formerly Mike Tyson), rock singer Cat Steven and many more do not hesitate to show his Islamism: Isshadu anni Muslim. Likewise, in other countries both in the majority Muslim countries and Islam as a minority of religious awareness is increasingly thick. Indeed, for countries where minority Muslims still have to struggle bitterly to achieve their rights and freedoms in the midst of these civilized societies such as Kashmir, Bosnia, Chechnya, Moro, Palestine, Cyprus, Turkey, and so on.

In Indonesia the strong potential of Islam began to emerge. The religious spirit stands out especially among the upper middle class. In the past, people were afraid to claim to be Muslim today. Many people were not afraid and were even proud to become Muslims even though they were ministers, generals, artists, conglomerates, who were previously reluctant or afraid of being labeled Islam which is identical with old-fashioned. Indonesia in state practice is increasingly hearing and paying attention to the voice of the majority of the people who have been blocked. More and more studies on Islam, seminars, symposia, mass media print, literature on Islam are also increasingly mushrooming. All electronic media pay great attention to Islamic da'wah. The instruments of Islamic law are complemented by, for example, religious courts, compilation of Islamic law, halal haram food labels / certifications and so on. The last phenomenon is the emergence of business institutions, financial institutions, insurance companies that implement Islamic law.

This business practice inevitably has to pay attention to this phenomenon. The bank adjusts itself to sharia, insurance too, food and medicine too. On an international scale, we see how governments everywhere must pay attention to the needs of Muslims. In Singapore, for example, the government provides halal food and halal goods for Muslim consumption. If not, he is worried that revenue from the tourism sector could decline. British Air Ways since the late 1980s has been providing food, all of which is only halal food. In Australia the School of Islam has recently opened, the way of slaughtering animals has taken notice of Islamic sharia.

Companies, housing, and offices provide Muslim prayer places. Likewise, how to dress, and many more if we want to balance things that have paid attention to the faith of the people of the provisions of sharia.

Society experiences a phenomenon of a shift from the conventional world to the scientific world. Western countries cannot forever hide the contribution of Muslims who have been more advanced (615-1250 BC) with a peak in 900 - 1200 AD compared to the sivilization of the West (1350-present). Islamic philosophers, so far hidden like Ibn Rushd, Ibn Sina, Maskaweh, Aljabbar, Alkhariz, are increasingly exposed after their quality books have been read. Islam turned out to be a transformation of the cultural progress of previous societies such as Roman, Greek, Persian, Chinese, Indian, and so on. Islam, according to [1], has made a major contribution to Western culture not only as a translator of the Greek mind but also to develop it in a form that was later transformed by Western countries and gave birth to the progress of the world today. We also have to acknowledge it as the result of Western cultural efforts. But to negate the contribution of Muslims in the progress of human civilization today, is a dwarf nature that is not in accordance with the scientific tradition.

This situation takes place in all disciplines including the science of Accounting. Various writings about the response or the exact criticism of accounting now seem dissatisfaction with what is actually given conventional accounting to the public. Accounting if it functions as a source of information in the decision making process, it is found three things: (1) The complexity of the decision making process in business today cannot rely solely on accounting information; (2) If so far the source of accounting information is considered dominant, it turns out that the economic and business situation actually still experiences various losses, corruption, fraud, crashes, depression, and so on. This means that accounting information that has been considered as the basis for decision making turns out that many decisions taken from that source do not produce good output even those that occur depression, bankruptcy, sluggish economy, and so on; (3) Ethical elements are getting loose. Because accounting information is considered value-free, accounting is carried by interested parties so that it can harm the public.

The purpose of this study is expected, giving birth to the influence of new thinking from international accounting experts about the birth of a substantial Islamic accounting civilization, because accounting must change itself or introspection. If if the accounting does not want to be abandoned or included in the museum of civilization. One of those thoughts is the need for accounting to shift its function from the decision making facilitating function to another direction that is more useful and responsible. From this, the actual accountability function has emerged since his birth [2]. Lee advocated in his paper at an international seminar discussing the issue that conventional accounting must be improved by adding media: (1) Assessment of management efficiency; (2) Disclosure of management fraud; (3) A description of the budget or work plan; (4) Accounting must increasingly eliminate the element of allocation; (5) accounting must be more scientific; (6) Accounting must present relevant information, not only quantitative but also qualitative information.

II. METHODOLOGY

The research method uses a qualitative descriptive approach. This method is used to get a complete understanding and picture of the phenomenon of literature about the concept towards the birth of an Islamic accounting civilization which is the root cause of why conventional accounting practices are "very different" from the noble ideals of accounting about truth, justice, and social. Data collection in this study, carried out by observation of literature study or documentation. The researcher acts as a key instrument, his presence is known as an informant, and is observative non participant [3]. Researchers review and examine aspects of the design process of Islamic accounting thought. Additional information data was extracted through practical experience as a member of multi-paradigm article writers. The organization of the research results is described through descriptive analysis in terms of several concepts; (1. Introduction and objective; (2) method; (3) findings and argument; (4) conclusion and suggestions.

III. FINDINGS AND ARGUMENT

The phenomenon of Islamic accounting was disseminated at the 1994 International Accounting Conference in Adelaide, Australia. This phenomenon turns out that if we examine the same statement that has been popular above back to nature or back to basic. The beginning of the accounting history arises for accountability as the soul of the verses of the Koran surah Al Baqarah 282 and the early history of the emergence of the auditing profession. Economic practices are increasingly developing where production is no longer just for self-consumption or local consumption, the trade practice emerges. The birth of the development of the medium of exchange from the previous barter method. From there arises the difference in time and place of transactions that require records or media in the form of stone, coin, wood, clay, and other forms. That is what was found from various archeological discoveries in Ancient Egypt, Rome, Ona, also in Europe. Business then gets wider, agents practice more and more, so the owner can't directly supervise his business, so in the process of profit sharing, for example, they need another independent party to give testimony to the agent's calculations, this is the Embryo Auditor.

Islam through the Koran, Allah has outlined that the concept of accounting is an emphasis on accountability. This can be seen in Surah Al-Baqarah verse 282 it says: O you who believe, if you do not bermuamalah not in cash for a specified time, let a writer among you record correctly. The author should not hesitate to take notes as God has taught. So let those who have the power to record, and be held accountable for what is recorded. The person who is in debt should be loyal to Allah, his Lord, and he should not reduce the debt one bit. If the person who is in debt is a person who is weak-minded or weak in his circumstances or he himself is unable to take responsibility, then his representative should be responsible honestly and witness with two witnesses of the men among you and so on ... "(see Al Quran and its Translation , YPPA, PT Bumi Restu).

Surah Al-Baqarah verse 282 mentions the obligation for believers to write every transaction not completed or non-cash. This verse explains the purpose of this command to

safeguard: justice and truth. This means that the order is emphasized in the interests of accountability so that the parties involved in the transaction are not disadvantaged, do not cause conflict, and are fair so that witnesses are needed. The Koran protects the interests of society by maintaining the creation of justice and truth. Therefore the pressure from accounting is not decision making but accountability. This is the beauty of Islam. Unconsciously it turns out that the discipline of accounting which has been widely spread in the nature of its decision making tools goes back to the beginning of the basic or original nature of accountability, according to Islamic concepts. The tendency of the emergence of "convergence" between Western capitalist concepts that have been corrected, with the concept of Islam.

Assumptions about the existence of this Islamic accounting, of course there are still many questionable people. Similarly, in the past people questioned whether there was an Islamic Economy. Is there an Islamic politics, is there an Islamic bank, Islamic insurance, Islamic capital market, is there an Islamic accounting, and so on. This is only natural and very much depends on the limits or definitions used and the honesty of science or knowledge of each originator. However, gradually all those that were previously still at the conceptual level have finally emerged as empirical phenomena such as Islamic Banks, Islamic Insurance, Islamic Food, and so on.

International accounting experts in several articles that have discussed and justified the birth of the Islamic Accounting civilization. Some of them are: (1) Robert Arnold Russel; (2) Hamid, Shaari Russel Craig, Frank Oarke; (3) Gambling and R.A.A. Karim; (4) Belkaoui Ahmed R.; (5) Sabri and Hisham; (6) Akram Khan; (7) Ali Shawki; (8) Muhammad Khir; (9) D.R. Scott; (10) Hendriksen; (11) Toshikabu Hayashi; (12) Solyan Syafri Harahap; (13) Gerhard G. Mueller, Helen Gemon, Gary Meek; (14) Hisham M. Jabr Nibal and R. Sabri; (15) Iwan Triyuwono; (16) Muhammad Akhyar Adnan; (17) Omar Abdullah Zaid.

We briefly explain some of their opinions as follows. Robert Arnold Russel argues that before the double entry in [4], there was already a more sophisticated Arab double entry system which was the basis of business progress in Europe in the Middle Ages: [5] suggested that so far there have been many studies on the influence of culture but did not discuss more clearly the elements of religion, even though this element is for certain societies, especially in the East, Islam has a very important role in mobilizing every motivation. According to Hamid et al. When viewed from efforts to harmonize accounting, Islamic accounting is faster becoming an international standard because the nature of Islam is "borderless" which does not see national borders, Islam is universal.

[6] reviewed from various points of view that according to the colonial theory model if there is an Islamic society, then the economy of Islam and its accounting are clearly Islamic. Then he mentioned that in Islam zakat is known as an effort to solve social problems. Islamic accounting places great emphasis on social aspects, not just the interests of investors or capital owners. [6] in his most recent book on International

Accounting, stated that in formulating accounting models in various countries there are various streams, there are American, European, and currently there are emerging models including Islamic Accounting.

[7] discuss accounting in terms of the ethics of the Islamic Accounting profession and argue that the purpose of Islamic Accounting is to calculate the right income and loss, encourage and follow Islamic law, assess management efficiency, report good, and attachment to justice and truth. Ali Shawki Shehata argued that accounting is no stranger to the Islamic community. Because Islam has long had a Baitul Maal or a treasure house or state treasurer, it is impossible for that much public property to have no accounting. According to him, accounting is known as "Kitabat Alamwal" (the recording of money) and Islamic scholars have written this problem in his works.

[8] argues that Islamic accounting in a changing society has a very important role because it emphasizes aspects of justice and truth. Here the emphasis on accountability is greater than decision making. [9] actually did not explicitly put forward Islamic Accounting, but he was a pioneer of the formulation of accounting based on aspects of justice, truth, ethics. Therefore in line with the concept of Islamic Accounting, Hendriksen also did not mention explicitly about Islamic Accounting, he only acknowledged that the use of Arabic numbers has very much role in the development of accounting.

[10] is one of the accounting research practitioners, his work being his thesis in the master of degree program at the International Japan of Tokyo. This test examines capitalist accounting, the concept of Islamic accounting, the calculation of zakat, and a case study of the Federal Islamic Bank in Cairo and business practices in Saudi Arabia. Hayashi compared Islamic Accounting and Capitalist Accounting and found a fundamental difference between the two. Islamic accounting has a "meta rule" which is sharia law described by the Qur'an and Hadith while Capitalist Accounting does not have it. Islamic accounting does not depend on the wishes of the user so that it is local and situational. Then Hayashi also alluded to the function of accountants in the Islamic community. According to him, the function of the accountant (mutasahib) is very broad because it is not only carrying out financial records, but also has the authority to oversee the implementation of honest, fair trade activities, the implementation of worship law, and other sharia laws. The accountant has the authority to check whether the merchant's balance is correct, whether there is a hoarding of goods, and whether the advertisement is correct. Then also the right to reprimand those who roam during Friday prayers, people who eat openly during Ramadan fasting. This function still exists in Saudi Arabia. In Malaysia there are immoral police who are tasked with guarding the possibility of people violating the norms of decency, for example alone with non-legal partners. Because there specifically Muslims are not allowed to play gambling, liquor, marijuana, or having an affair.

Hayashi in his view alludes to God's function as an "Accountant". God records human charity in the world and will be reported later in the hereafter when everyone will be

responsible for his actions. From this report card later humans determine their fate whether to go to hell or heaven. Hayashi in discussing zakat stated that in the calculation of zakat, it requires accounting principles. Therefore he tries to give advice that according to Islamic Accounting the right valuation method is market price not historical cost as in Capitalist Accounting.

[11] sees from the point of view of Islamic values found in the concept of Capitalist Accounting. Harahap's analysis of the principles and characteristics of his accounting suggests that many of the principles are in accordance with Islamic concepts such as the principle of substance over form, reliability, objectivity, timelines, and so forth. In discussing the differences between Islamic Accounting and Conventional Accounting, he discussed that Capitalist Accounting prioritizes investors while Islamic Accounting prioritizes all parties not only investors but also employees, government, social environment and religious values. Harahap is the same as Hayashi argues that verse 282 Al-Baqarah is actually clear that accounting is obligatory for Muslims, in calculating personal zakat and recording muamalat transactions in baitul maal and calculating corporate zakat. Harahap to achieve the formulation of Islamic Accounting said, that once there was a complete formula about Islamic Accounting it was better than capitalist accounting. The difficulty of the Islamic Accounting field as in the colonial model theory does not exist. Even if there is no agreement from the ummah towards, for example, the Sudan concept, the Malaysian concept, the Iran concept. For this reason, Capitalist Accounting which also continues to be refined in accordance with the demands of the community, can actually be used as a foothold in moving towards the concept of Islamic Accounting. Trimmed which is contrary to sharia and which have not been added. According to him the concept of capitalist has a lot of compatibility with the concept of Islamic economics. So he believes the concept of Conventional Accounting (capitalist) is currently going to the rhythm of Islamic Accounting.

This phenomenon is seen from the emergence of trends in accounting such as the emergence of Lee's ideas, the issue of Value Added Accounting, Accounting for Human Resources, Employee Accounting, Accounting for Social Responsibility or Socio-Economic Accounting, and so forth. [12], [13] or [12] and colleagues suggest a classification of accounting development patterns in the world: (1) The British, North American, Dutch model with an emphasis on investors and creditors; (2) Continental Model. Specifically that applies in Europe and Japan with an orientation on Government Accounting, Tax and Law; (3) South American Model, Accounting focus for inflation. (4) Emerging models, including Islamic Accounting with a focus on conformity with sharia and the International Accounting Standards Model with a focus on conformity with the IASC: (International Accounting Standard Committee).

[7] discuss business problems and accounting ethics in Islam. From the above explanation it can be concluded that the concept of Islamic Accounting clearly exists, as well as its history. It is impossible for Muslims who have ever been empires or superpowers in this world and who have possessed

and mastered advanced technology in their time did not have Islamic management accounting. Cairo Hospital for example, it is not possible to have management and Islamic Accounting in a Cairo Hospital with a capacity of 8000 beds which operated in 1200. Islamic accounting has begun to come to the attention of accounting experts not only from Muslims but also non-Muslims. It is impossible that there is no clear accounting principle in the calculation of zakat in Islam as the third pillar of Islam.

This Islamic Accounting Civilization emerged driven by various things such as: (1) Increased community religiosity; (2) Increased demands on ethics and social responsibility that have so far been ignored by conventional accounting; (3) The slowness of conventional accounting anticipates the demands of society, specifically regarding the emphasis on justice, truth and honesty; (4) The revival of Muslims, especially scholars who feel the flaws found in Western capitalism. The revival of Islam was only felt after several countries whose inhabitants were Muslim, became independent fifty years ago such as Egypt, Saudi Arabia, India (Pakistan and Bangladesh), Iran, Iraq, Indonesia, Malaysia, and so on. This new country is certainly ready with its human resource development and the birth of educated Muslim population and gain knowledge from the West. Acculturation of this science then there must be some contradictions and this is where Islam behaves. It inspires the need to explore beliefs in religions that are considered comprehensive, so that in accounting Islamic science is born. Megatrends, Naisbitt (1995: 102) argues: in Asia the rise of Islam, as well as other religions, was partly due to reactions to modernization and other outside influences. The last 25 years have seen an astounding Islamic pertumbulum "... Teenagers practice religion with more intensive activities"; (5) Development or anatomy of the accounting discipline itself; (6) The need for accounting systems in Islamic business institutions such as Banks, Insurance, Capital Markets, Trading, (7) Increasing needs for zakat calculation norms using established accounting norms as a basis for calculation, (8) Needs for recording, accountability, and supervision of people's assets such as Baitul Maal or Islamic property or the organization.

IV. CONCLUSIONS AND SUGGESTIONS

Some topics of Islamic Accounting in various countries that influenced the birth of Islamic Accounting civilization in Indonesia. Islamic accounting is studied and is a necessity in an increasingly global economy leading to honest and equitable international accounting practices. Research is expected can contribute to economic progress and business practices and trade that is more honest, fair, free from the practice of fraud, collusion, tyranny, and other frauds.

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