

Financial Technology-Based Shariah Cooperative Development Strategy in Indonesia

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ABSTRACT

Economic development instruments in Indonesia, namely the state, cooperatives and private companies for social welfare and the euphoria of sharia economic development, are characterized by the presence of sharia cooperatives. Although sharia cooperatives are growing rapidly, sharia cooperatives still experience many obstacles in their development, both in terms of capital and innovation related to the existence of financial technology (fintech). Based on this phenomenon, the purpose of this article is to analyze the development model of sharia cooperative financing based on Islamic financial technology (Fintech). The methodology in this study is qualitative research using the ISM method. Participants in this study were experts from AFSL, Fintech, Academia, the Office of Cooperatives and SMEs, OJK, KNEKS and Sharia Cooperatives. The results of the study provide several conclusions is the development model of sharia cooperatives based on sharia financial technology (Fintech) sharia with the ISM approach which is the focus of developing 9 elements as the keyword for the development of sharia cooperatives in Indonesia is as an instrument of economic development of the MSME community assisted by unbankable cooperatives.

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Abstrak: Instrumen pembangunan ekonomi di Indonesia, yaitu negara, koperasi dan perusahaan swasta untuk kesejahteraan sosial dan euphoria pembangunan ekonomi syariah, ditandai dengan adanya koperasi syariah. Meski koperasi syariah berkembang pesat, koperasi syariah masih mengalami banyak kendala dalam perkembangannya, baik dari segi modal maupun inovasi terkait adanya teknologi finansial (fintech). Berdasarkan fenomena tersebut tujuan artikel ini adalah untuk menganalisis model pengembangan pembiayaan koperasi syariah berbasis teknologi finansial syariah (Fintech). Metodologi dalam penelitian ini adalah penelitian kualitatif dengan menggunakan metode ISM.

Peserta dalam penelitian ini adalah tenaga ahli dari AFSI, Fintech, Academia, Dinas Koperasi dan UKM, OJK, KNEKS dan Koperasi Syariah. Hasil penelitian memberikan beberapa kesimpulan adalah model pengembangan koperasi syariah berbasis teknologi keuangan syariah (Fintech) syariah dengan pendekatan ISM yang menjadi fokus pengembangan 9 elemen sebagai kata kunci pengembangan koperasi syariah di Indonesia adalah sebagai instrumen pembangunan ekonomi komunitas UMKM binaan koperasi yang unbankable.

Kata kunci: Koperasi Syariah, Fintech Syariah, Kolaborasi dan Interpretative Structural Modeling (ISM)

INTRODUCTION

Cooperatives are one of the instruments of economic development in realizing social welfare or *social welfare*. The *social welfare* in question can be interpreted as general welfare or social welfare as well as a *way of life* of the nation that is embraced. Welfare is not only an individual ideal, but also a goal of a group of individuals gathered in a country.

The direction of state policies and strategies in the 2020-2024 RPJM Mandate in Increasing capacity, reach and innovation is the key to encouraging increased productivity, competitiveness and independence by realizing quality and modern cooperatives.¹

displacement and the role of cooperatives include building and developing the economic potential and ability of members in particular and the community in general to improve their economic and social welfare then as strategies and economic institutions in the process of economic development, especially as an instrument of welfare for rural communities and a medium for alleviating poverty in rural communities. and strive to realize and develop the national economy,

which is a joint effort based on the principles of kinship and economic democracy.

Various economic literature states that welfare is a complex term because it is not only related to material concepts that are quantitative, but also related to nonmaterial concepts that are qualitative in nature that involve the values of a society's outlook on life. Therefore, the measurement of welfare according to the IKRaR (People's Welfare Index) that the objectives of cooperatives are contained in the macroeconomic dimension.

In this conceptual aspect, it emphasizes more on the development of Macroeconomics as a science or system, while from the implementative aspect it emphasizes the development of Islamic economic proximity applied to cooperatives that apply sharia principles in carrying out their business.

Based on the author's analysis, Indonesians, who are still not all *bankable*, are one of the factors that are still low in financing from the banking sector, this is an opportunity for financial institutions or Islamic cooperative financing to fund or finance the needs of people who have not been reached by banks. The huge financing needs of the Indonesian people both in terms of consumptive and productive can be

¹ Strategic Plan of the Ministry of Cooperatives and SMEs for 2020-2024 Revisions are downloaded at www.kemekop.go.id

met by the existence of financial institutions, especially by financing institutions that provide financing services for people who need funds.

According to Ninik Widyananti and Sunindhia², the matter related to pendanaa does not mean that banks occupy the ranking of financing with the largest portion of credit in Indonesia, on the contrary, financing is more provided by the non-bank financial sector such as cooperatives and Islamic cooperatives, especially with the development of the number of cooperatives in general there has been a decrease in the last 5 years with the following development picture:



Pcture1
The Development of
Cooperatives in Indonesia

Based on the picture above, there is a downward trend, which means that it is assumed that many cooperatives are not active / closed due to several causes including the problem of limited capital, making Sharia cooperatives only serve retail financing and to the lower middle class. Limited capital also makes Islamic cooperatives set higher

² Ninik Widyananti and Sunindhia, *Cooperatives and the Indonesian Economy* (Jakarta: Cooperation between Rineka Cipta and Bina Adiaksara, 2008) p. 29

margins or ratios than banks. this is also a factor in the lack of interest in Sharia cooperatives if they are used as a source of financing for economic activities. Innovation that is very minimal and even almost not owned by Sharia cooperatives makes financing distribution slower. These things ultimately make the gap between Sharia cooperatives and other financing institutions constrained so that they are required in the development of cooperative management.³

Constraints in terms of limited sources of funds, and innovation are challenges and obstacles for cooperatives in providing financing facilities to these *unbankable* communities. The problem of sources of funds and innovation is a crucial problem that hinders the growth of Islamic cooperatives in reaching people who do not receive financing facilities from the banking sector and are also influenced by macroeconomic conditions.

If the national economy does not provide a place to develop cooperatives and micro, small and medium enterprises, efforts to reduce poverty, unemployment and improve the welfare of the people will be hampered.⁴ Therefore, the

³ Nini Widiyati, *Cooperative Management* (Jakarta: Rineka Cipta, 2010), 102 see also Sudarsono and Edilius, *Indonesian Cooperative Management* (Jakarta: Rineka Cipta, 2010) p 8

⁴Gorman, B., & Seguin, C. Who Supports Global Cooperation? Cooperative Internationalism at the Intersection of Social Class and Economic Development. *Sociological Science*, 7, (2020), p. 570-598

solution is that in the future cooperatives, micro, small and medium enterprises will be further developed throughout the country. Indonesia's success in surviving the impact of the global financial crisis and the Covid-19 pandemic is inseparable from the role of cooperatives and micro, small and medium enterprises. Because judging from the development of cooperatives, as well as micro, small and medium enterprises in the last five years, it means that the direction and policies of the government in recent years have not been fully correct and innovated.

According to Astri et al (2019: 32) Financial technology innovations that are developing in the world and the Asia Pacific region and Indonesia, especially are still centered in internal financial institutions such as banks, but based on their type and new developments also to cooperatives, currently technological innovations are also encroaching on the customer or consumer side. The rapid development of science/technology in the digital era in industry 4.0 has now influenced the development of Islamic financial institutions in accessing a variety of information and various electronic service features from technological growth and rapid digital development bringing business shifts.

The shift has led to the proliferation of technology-based financial companies or financial technology (fintech), including in Indonesia. The rapid growth can be

seen from the value of investments invested in venture capital into Financial Tecknology (fintech) startups. One of the technological developments that has become the subject of the latest and viral studies in the world and even in Indonesia is Financial Technology (FinTech). According to the National Digital Research Centre (NDRC), financial technology is a term used to refer to an innovation in the field of financial services, where the term comes from the words "financial" and "technology" (FinTech) which refer to financial innovation with a touch of modern technology.⁵ So it is hoped that the strategy for the development of sharia cooperatives in the future with the rise of sharia fintech through B2B which is carried out with the Intepretative Struktural Modelling (ISM) model.

METHODS

This article describes the compatibility between existing theories and the practice. Thus, the approach taken in this study leads to an empirical approach with the study of financial technology (fintech) in Sharia Cooperatives that have collaborated with fintech Ammana.id. This type of research is categorized with a qualitative research approach, namely

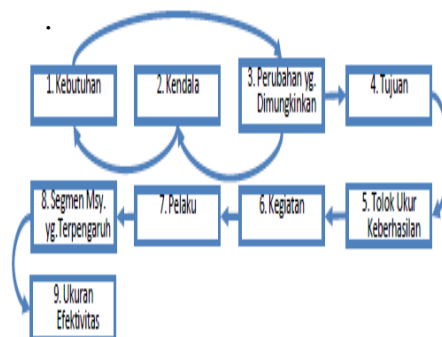
⁵ Muliaman D. Hadad OJK, Financial Technology (Fintech) in Indonesia was delivered at the IBS Public Lecture in Jakarta, June 2, 2017 see Leong, K., & Sung, A. FinTech (Financial Technology): what is it and how to use technologies to create business value in fintech way?. *International Journal of Innovation, Management and Technology*, 9(2), 74-78. (2018)

interviews and questionnaires to experts from the Cooperatives Office, OJK, KNEKS, Academics, AFSI, Fintech and several Sharia Cooperatives. In addition, the analysis carried out is to explain in detail about sharia cooperatives then analyze to find out the development model of Sharia Cooperatives in the form of statements and conclusions using the Interpretative Structural Modelling (ISM) analysis technique.

Interpretive Structural Modelling, as well as applied by Bhattacharya and Momaya, is a cutting-edge interactive programming methodology that allows a swarm of people, serving as a squad, to improve a form that describes the bond between the elements in a combination. Form is obtained by responding to simple problems. Factors to be organized (such as goals, obstacles, problems, and the like) that are determined by the group at the early stage of ism programming. The ISM method begins with system modeling and ends with the attestation of the form. Through the ISM method, unreal psychological forms are transformed into visible systems.

This development section consists of 9 (nine) sections exploring principles, (Saxena, 1992), namely: 1) *Needs, Requirements*; 2) *Constraints* or cases; 3) *Possible Changes*; 4) *Objectives, Goals*; 5) *Benchmarks and Markers (Targets, Indicators)*; 6) *Activities* or activities attempted in the development chart of sharia cooperatives with *fintech platforms*; 7) *Actors* or Entities (*Actors, Institutions, Stakeholders*) who participate in the implementation of the program; 8)

The part of the citizens who were carried away; and 9) *Dimensions* of the usability of developing sharia cooperatives with fintech platforms



Sumber : Ascarya, 2011

Picture 2

Elements of Structure

ISM is an ordinance in collecting the provisions of an environmental atmosphere by relating and organizing inspiration in a visual map plan. In terms of the collection of provisions, THE ISM has little match with the Analytic Network Process(ANP) procedure that Thomas L. Saaty brought up, a kind of research tried by Rusydiana& Devi(Rusydiana and Devi 2013b). The basic inspiration is to use professional experts and efficient insights to decipher complex systems into sub- systems and create a systemic form of arrangement. ISM is often used to share basic descriptions of the environmental atmosphere, and organize actions to dismantle problems.

In the application of the ISM procedure, a dialogue with experts (brainstorming) was first tried to capture the idea of developing a body consisting of many people who master the ism design, understand the problems of developing forms of sharia cooperative development, have the ability in the aspects of

microfinance and empowerment. From the dialogue, the development strategy was obtained some inspiration or elasticity that was to be processed using ISM

The initial stage in the work on ISM was to create a Structural Self Interaction Matrix, where the variables are made of contextual bonds by producing one elastic i and elastic j . Next is creating the Reachability Matrix, (RM). The last stage is to create a *Canonical Matrix* to ensure the level of literacy. After there is no longer an intersection, the next form obtained by the ISM is made which is a form to dismantle the problem, in this case the development of a form of sharia cooperative. From that form after that the next day, there will be a road map of model development (level) subelements in something rm reasoned that is composed Driver-Power- Dependence. Subelement groupings are presented in the next 4 zones:

Zone 1 : Weak driver- weak dependent variables(Autonomous). The changeover in this zone is usually not related to the system, and may have a small bond, although the bond can be solid.

Zone 2 : Weak driver- strongly dependent variables(Dependent). Usually the changeover in mari is not free.

Zone 3 : Strong driver- strongly dependent variables(Linkage). Changes in this zone must be studied

carefully because the bond between changers is abnormal. Each action on the changer is to share the effect with others and the victims behind the influence can magnify the effect.

Zone 4 : Strong drive weak dependent variables(Independent). The changer in this zone is the rest of the system and is said to be a free changer.

In the entire method of ISM procedures to various queues of activities from the stage classification stage to the results of the analysis. Attached to the desires and classes of form engineers and the requirements of the thing being studied, various forms of form can be resurrected in the ISM.

RESULT AND DISCUSSION

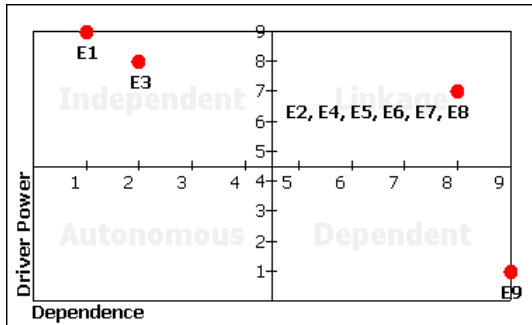
A. Strategy Model for the development of sharia cooperative financing based on *sharia financial technology (Fintech) sharia with an ISM approach.*

Based on the results of calculations and analysis with the ISM approach, the author can be taken a policy as the focus of sharia cooperatives in developing fintech-based cooperatives with this development element consisting of 9 (nine) elements following the guidelines (Saxena, 1992) as below :

1) *Needs, Requirements*

The elements that enter this sector are elements that have a strong driving force and weak

dependence. Elements in this sector are elements that are key factors in the construction of models



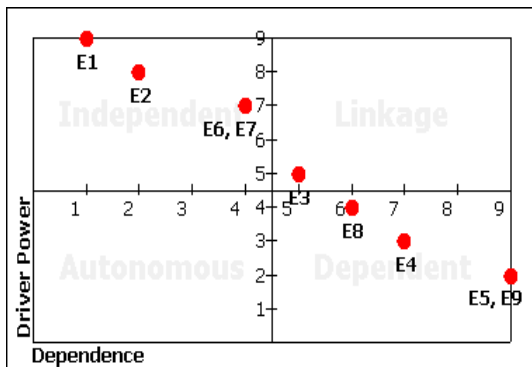
Picture 3

RM Elemen of Need

Sector 4 is an *Independent* factor, namely (E1) Increasing Sharia Cooperative Collaboration using Sharia Fintech, the elements that enter this sector are elements that have a strong driving force and weak dependence. Elements in this sector are elements that are a key factor in the development of the model of the element of needs is E1, namely Increasing Sharia Cooperative Collaboration by using Sharia Fintech in accordance with the picture above for the level of needs.

2) Constraints or Problems

The elements that enter this sector are elements that have a strong driving force and weak dependence. Elements in this sector are elements that are key factors in the construction of models



Picture 4
RM Constraint Element

This element in the *Independent* factors sector is an element that is a key factor in model development based on the *Directional graph* and *Reachability matrix* is (E1) Low Financial literacy about islamic cooperative collaboration with Islamic fintech in line with Herdinata and Pranatasari (2019) that the importance of financial literacy, regulation and collaboration as a guide for fintech implementation.⁶ And in line with Yuliana's research (2019) The need for synergy between fintech institutions and cooperatives in the use of financial technology in the development of very low financial literacy.⁷ So it is expected that fintech optimization will increase financial literacy and inclusion as a research experience for Mulasiwi and Julialevi (2020).⁸

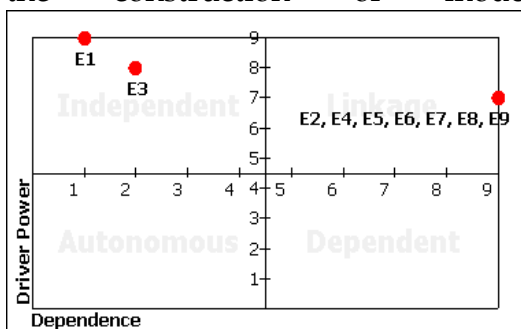
⁶Herdinata, Christian, and Fransisca Desiana Pranatasari. "Guidelines for the Application of Financial Technology through Regulation, Collaboration, and Financial Literacy in UMKM." *www.dspace.uc.ac.id* (2019).

⁷Yuliana, Rr Retno Rizki Dini. "Synergy of Financial Technology Institutions and Cooperatives in the Utilization of Financial Technology by Micro, Small, and Medium Enterprises in NTB." *Journal of Economics and Development* 27.1 (2019): 53-66.

⁸Mulasiwi, Cut Misni, and Karina Odia Julialevi. "Optimization of Financial Technology (Fintech) towards Increasing Financial Literacy and Inclusion of Purwokerto Medium Enterprises." *Performance: Journal of Personnel, Financial, Operational, Marketing and Information Systems* 27.1 (2020): 12-20.

3) Possible Changes

The elements that enter this sector are elements that have a strong driving force and weak dependence. Elements in this sector are elements that are key factors in the construction of model



Picture 5
RM Elements of Possible Change

Elements in this sector are elements that are key factors in model development are (E1) Increasing Sharia Cooperative Collaboration using Sharia Fintech. This is in line with the element of need, namely with Samari and Bambang (2020) that innovation planning by collaborating through POAC fintech with cooperatives in Indonesia⁹ and Research by Rusydiana (2018) in the development of sharia fintech in Indonesia¹⁰ This is also in line with the statement of Wimboh Santoso (2019) Chairman of the OJK Board of Commissioners

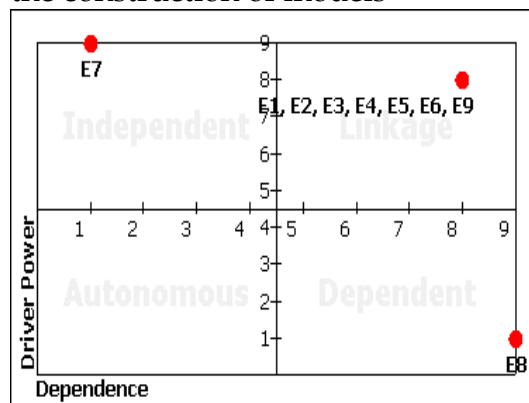
⁹Samari, Samari, and Bambang Agus Sumantri. "Poac Review Related to Financial Technology (Fintech) and Indonesian Cooperative Innovation." National Seminar on Management, Economics and Accounting. Vol. 5. No. 1. 2020.

¹⁰Rusydiana, Aam Slamet. "How to develop the Sharia fintech industry in Indonesia? interpretive structural model (ISM) approach." Al-Muzara'ah 6.2 (2018): 117-128.

that "good collaboration with all stakeholders to build mutual optimism is an important aspect in accelerating sustainable economic growth".¹¹

4) Objectives or Goals

The elements that enter this sector are elements that have a strong driving force and weak dependence. Elements in this sector are elements that are key factors in the construction of models



Picture 6
RM Elemen of Objektive

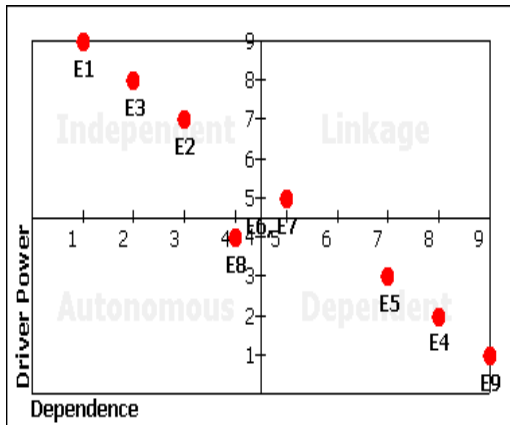
Finally, the *Independent factors sector (strong drivers - weakdependent variables)* is (E7) Sharia Compliance (Sharia Compliance) sharia cooperative collaboration with sharia fintech. The elements that enter this sector are elements that have a strong driving force and weak dependence. Elements in this sector are elements that are key factors in model development, namely on the conformity of sharia fintech

¹¹ Wimboh Santosa, Foreword to the OJK 2019 year report. <https://ojk.go.id/id/data-dan-statistik/laporan-tahunan/Documents/LAPORAN%20TAHU NAN%202019.pdf>

cooperation as *sahibul maal* cooperatives and this is in line with the research of Basrowi and Julianas (2019)¹² as well as the conformity of sharia fintech with Islamic principles as the results in the research of Putra and Yuspin (2020).¹³

5) Target and Goal

The elements that enter this sector are elements that have a strong driving force and weak dependence. Elements in this sector are elements that are key factors in the construction of model



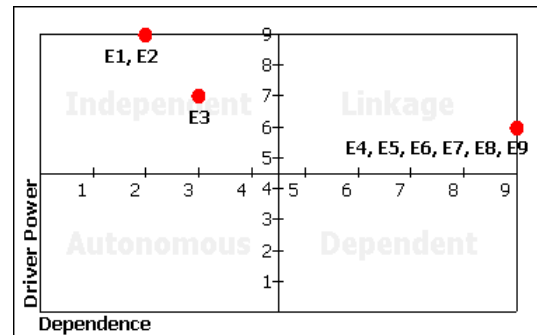
Picture 7
RM Elemen of Goal

Elements in this sector are elements that are the key factors in model development are (E1) Optimization of islamic cooperative financial collaboration with Islamic fintech is also in line with the results

of discussions on the elements of needs and changes above.

6) Activity

The elements that enter this sector are elements that have a strong driving force and weak dependence. Elements in this sector are elements that are key factors in the construction of model



Picture 8
RM Elemen of Activity

Elements in this sector are elements that are the key factors in model development are (E1) Designing rules and laws for sharia cooperative collaboration with sharia fintech and (E2) Coordinating the Government, APSI, AFPI and MSMEs to Improve the Development of Sharia Cooperatives is important because of Niki Santo Luhur's statement in designing rules such as :

"Aftech, AFPI, and AFSI will jointly build the same code of ethics to encourage *responsible conduct*, so that all fintechs in the country have the same general standards and guidelines," the use of the code of ethics is to avoid overlapping codes of ethics. Although each association has a different focus, with this rule, it is expected to be the same umbrella. So it is harmonized, because there is probably more

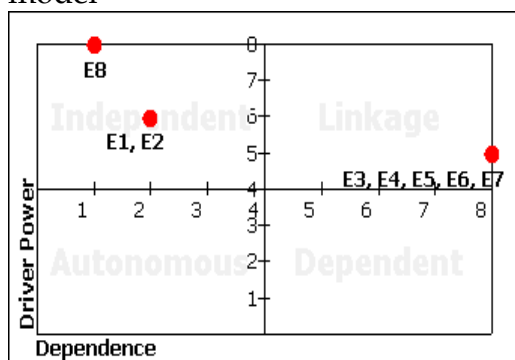
¹²Basrowi, Basrowi, and Julianas Julianas. "Application of Sharia Principles in the Implementation of Fintech-Based Lending and Borrowing Services." *Journal of Islamic Economics Theory and Applied* 6.7 (2019): 1521-1536.

¹³Putra, Prima Harlambang Setiawan, S. H. Wardah Yuspin, and M. Kn. *Dialectical Application of Sharia Principles in Sharia Fintech*. Diss. Muhammadiyah University of Surakarta, 2020.

to the umbrella of the law, or the umbrella of the code of ethics. This rule has been launched at the Indonesia Fintech Summit and Expo 2019"¹⁴

7) *Actors, Institution, Stakeholder*

The elements that enter this sector are elements that have a strong driving force and weak dependence. Elements in this sector are elements that are key factors in the construction of model



Picture 9
RM Element of Actor

Element 8 (E8) in this sector is a key factor in the development of the model, namely Sharia Cooperatives (KSPSS/BMT). This is in line with the research of Aji, Harist and Mukri (2020) that in the 4.0 era that the importance of Fintech revitalization in the development of Islamic Financial Institutions including KSPSS and BMT and in line with the statement of the Chairman of the Central Cooperatives and SMEs Office Teten Masduki:

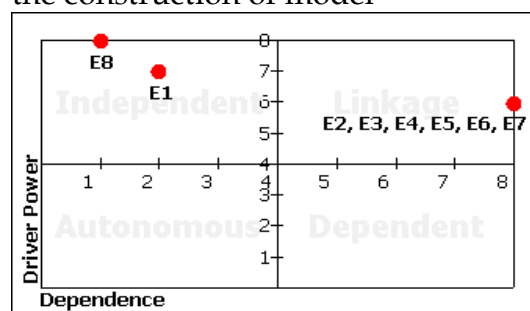
"It is expected that fintech can collaborate with fintech financial

¹⁴<https://bisnis.tempo.co/read/1239167/tiga-organisasi-fintech-buat-kode-etik-bersama>, in download December 2019

institutions / institutions to show an increase in financial literacy, especially cooperatives and MSMEs in accessing financing and financial transactions, around 16% of MSMEs are connected to digital platforms or around 10.2 million MSMEs. However, the main problem faced is related to the financial statements of MSMEs,"

8) *Society That Have An Impact*

The elements that enter this sector are elements that have a strong driving force and weak dependence. Elements in this sector are elements that are key factors in the construction of model



Picture 10
RM Elements of Society That Have An Impact

Elements in this sector are elements that are key factors in model development is E8, namely the Office of Cooperatives and MSMEs, this is in line with Yuliana's (2018) explanation of the synergy of Fintech and Cooperative institutions in the Use of Financial technology by MSMEs¹⁵ that the Office of

¹⁵Retno Rizki Dini Yuliana, Synergy of Fintech Institutions and Cooperatives in the Utilization of Financial Technology by MSMEs in NTB, Prociding The 2nd International Confrence on Social Science and Humanities in Jakarta October 25, 2018

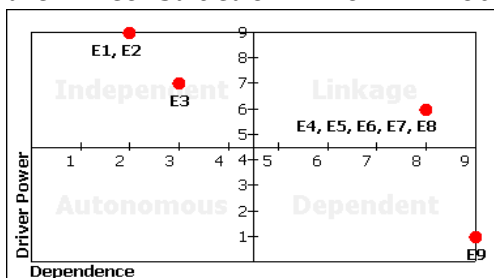
Cooperatives and SMEs as facilitators and regulators in the activities of Cooperatives and SMEs members that the better the cooperatives and SMEs, the better the performance of cooperatives and SMEs The Cooperative Office is through this Fintech synergy.

As stated by the Chairman of the Central Cooperatives and SMEs Mr. Teten Masduki:

“It is hoped that fintech can collaborate with community groups so that it can help finance. Currently, micro-enterprises are half bankable and the impact is that fintech businesses will grow rapidly and fintech can optimize the effectiveness and efficiency of business operations and facilitate access to working capital financing for cooperatives and SMEs.”

9) A Measure Of The Effectiveness Of The Development Of Fintech Based Sharia Cooperatives

The elements that enter this sector are elements that have a strong driving force and weak dependence. Elements in this sector are elements that are key factors in the construction of models



Picture 11
RM Element of Measure Effectiveness

The Element of Effectiveness, which is an element in this sector is an element that is a key factor in model development is (E1) Achieving Optimization of Islamic cooperative financial collaboration with Sharia fintech and (E2) The government's full support for the Development of Sharia Cooperatives. This is in line with Sitepu and Hasyim's research (2018) that there is a need for government support for the cooperative economy in Indonesia.¹⁶

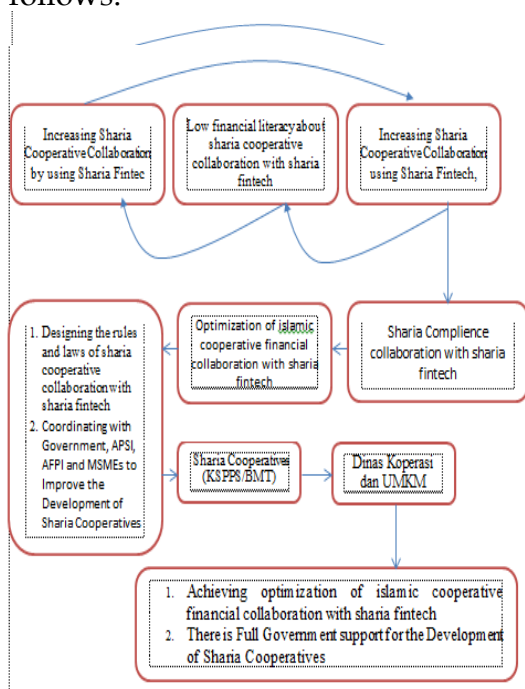
Deputy for Coordination of Digital Economy, Employment, and Micro, Small, and Medium Enterprises of the Coordinating Ministry for Economic Affairs, Rudy Salahuddin with AFTECH

“As a tangible manifestation in encouraging the development of the digital economy and the digitization of MSMEs in Indonesia, the Government through the Coordinating Ministry for the Economy is developing a national strategy (Stranas) for the Digital Economy. The Indonesian FinTech Association (AFTECH) as a forum for fintech industry players in Indonesia welcomed the preparation of the Stranas, as well as signed a cooperation agreement for the Development of the National Digital Economy through the Use of Digital Financial Services”.

¹⁶Sitepu, Camelia Fanny, and Hashim Hashim. "The Economic Development of Cooperatives in Indonesia." Niagawan 7.2 (2018): 59-68.

B. DISCUSSION

Based on the results of the ISM analysis above, the model according to Ascarya's model for the structuring of the fintech-based Sharia cooperative development strategy program is in line with the 2020-2024 RPJMN Mandate and the policy direction of the Ministry of Cooperatives and SMEs, namely the modernization of cooperatives and according to the author the center of attention is as follows. Based on the results of the ISM analysis above, the model according to Ascarya's model for the structuring of the fintech-based Sharia cooperative development strategy program is in line with the 2020-2024 RPJMN Mandate and the policy direction of the Ministry of Cooperatives and SMEs, namely the modernization of cooperatives and according to the author the center of attention is as follows:



Picture 12

Fintech-Based Cooperative Development Strategy Structure with ISM

The results of the model above are the results of a prioritized analysis because this is the weakest instrument of the existing instrument and this can also be used as a policy in the development of fintech-based cooperatives and the impact of this analysis is expected to affect the development economy, namely rural development..

One of the bottom up rural development approaches is known as endogenous rural development approach. Sociologists and economists introduced the approach to create a community-based economic growth model that is expected to maintain and accelerate the development of local resources and industries.

According to Vasquez-Barquero argues that endogenous development strategies seek the satisfaction of local needs and demands through the active participation of local communities in the development process. This development strategy is not only aimed at improving the production side (agriculture, industry, and services), but also to encourage social and cultural dimensions that affect people's lives. Vasquez-Barquero also emphasized that endogenous development is related to the process of capital accumulation in a particular region (specific localities) by taking into account the capacity of the region in the spread of innovation throughout the local production system and the role

played by the local innovation system.¹⁷

Vasquez-Barquero's statement is also in line with the income of Douglas C. North, an institutional economist such as cooperatives emphasized that the development process is not separate and has strong institutional (cooperative) roots. Economic development must pay attention to the strength of the cooperative system of a region. The strategic value of this aspect of cooperatives is that institutional and development changes will lower transaction and production costs, strengthen trust, and increase learning and interaction. Cooperatives can affect productivity and in turn affect the development process and also benefit the community.¹⁸

One of the advantages of Islamic economics is the inherent benefit in its scientific building. As part of the Islamic system of teachings, the Islamic economy must actually bring benefits that are the purpose of Islamic discourse (maqâshid al-syarî'ah). Nevertheless, how to interpret maqâshid al-syarî'ah in the context of economic life is something that needs further explanation.

One of the advantages of Islamic economics is the inherent benefit in

its scientific building. As part of the Islamic system of teachings, the Islamic economy must actually bring benefits that are the purpose of Islamic discourse (maqâshid al-syarî'ah). Nevertheless, how to interpret maqâshid al-syarî'ah in the context of economic life is something that needs further explanation.

Masqashid Koperasi syariah is a congregation in business or community-based business activities. The philosophy itself is independence, starting from oneself then becoming the independence of the group (people). Or vice versa, group independence that encourages individual independence in it. The resources that the funds raise from the members are the path to the achievement of economic sovereignty. The practice of raising funds in this Sharia Cooperative, has been in accordance with one of the five basic aspects of maqashid sharia. A member who has deposited initial funds into a Sharia Cooperative, of course, this is part of an effort to manage and plan his finances (hifdz mal) in order to make a profit. So that the benefits obtained later can be his life provisions for the world and the hereafter. It is undeniable that all human beings definitely need money/treasure to meet the needs of their dharuriyat, hajiyat and tahsiniyat.

CONCLUSION

Based on the discussion in the previous chapter, the author concludes that the development of

¹⁷ Barquero, Antonio vasquez, *Endogenous Development, networking, innovation, institutions and cities.* (London and New York. 2002)

¹⁸ Douglass C North, *Economic Performance Through Time*, *The American Economic Review* Vol 84 No 3 Jun 1994 p 359-368
<https://www.jstor.org/stable/2118057>

sharia Fintech collaboration with sharia cooperatives in business development through digital financial services in the digital era or the industrial era 4.0, namely through e-commerce media in the B2B (business to business) group and sharia fintechs that have implemented B2B are Fintech Ammana.id with cooperation partners as many as 60 dominant sharia cooperatives on the island of Java to Lampung however, it has not yet arrived in the SUMBAGUT area and the development of sharia cooperatives is also in accordance

with wahdatul Ulum values related to the concept of benefit in the view of maqasid sharia is its part and the Islamic economy of sharia cooperatives in capital (B2B) is financial planning in concept referred to as Islamic Financing Planning as the view of Imam Al Ghazali and Umar Chapra in M. Yafiz explained welfare with the fulfillment of five basic human needs including religion, soul, reason, property and offspring (*maqasid sharia*). Without planning, it is impossible to achieve the fulfillment of the five basic needs in humans.

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