

Integration of Islamic Law Regulation and Positive Law in Addressing Business Ethics Challenges in The Era of Industrial Revolution 4.0 and Society 5.0

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ABSTRACT

The era of the Industrial Revolution 4.0 and Society 5.0 has brought significant changes in various aspects of life, including in the business world. The rapid development of technology and the integration of cyber-physical systems have changed the way businesses are conducted, giving rise to new and complex business ethics challenges. The normative juridical research method is employed in this study, which focuses on positive legal regulations related to legislation. Two approaches, the Statute Approach and the Conceptual Approach, are utilized. Primary and secondary legal sources are employed to understand and apply the law. Integrating Islamic Law and Positive Law regulations refers to the effort to combine their principles harmoniously. This integration involves identifying similarities and differences, considering contemporary aspects such as technology and globalization. Ethical challenges in business during the Fourth Industrial Revolution and Society 5.0 era include ensuring justice, sustainability, and humanity in business practices. Islamic and Positive Law regulations, such as usury and consumer protection prohibition, help guide ethical business behavior. Integrating Islamic and Positive Law regulations can address business ethics challenges. Collaboration among the government, society, and Islamic organizations is necessary to strengthen regulatory implementation. Education on Islamic values-based business ethics also needs to be reinforced to cultivate responsible business leaders for the future.

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1. Introduction

Humans are always looking for new ways to make their lives easier in the future. The Fourth Industrial Revolution was triggered by global advances in the internet and technology. This revolution changed how people lived and worked because ownership of human capital and capital was no longer the key to business. This statement was supported by Prof. Klaus Schwab's presentation at the World Economic Forum. "Big fish no longer eat small fish, but the fastest fish eat

slower fish," he said, adding that small businesses can become economically dominant if they can use innovation and digital developments to their advantage (Najih & Hamhij, 2021).

Given that technology was created by humans to facilitate human life, it is imperative that it is protected through legal mechanisms to prevent misuse. According to Suryadi (2020), Today's technological advances are changing many aspects of human life. Thanks to ever-evolving technology, human life now exists in a world without the limits of time and space. According to Azwar (2019), Today's modern and advanced technologies have paved the way for vast global information networks. This technology makes it easier for humans to communicate with each other, and the virtual world allows people to communicate remotely (Rini et al., 2021; Sulistianingsih et al., 2023).

Integrating digital technology, automation, and data interconnection into economic and production activities is called the Industrial Revolution 4.0. This allows for more responsive and efficient systems but presents new business ethical dilemmas. Meanwhile, Society 5.0 emphasizes how technology is integrated into every aspect of society, highlighting how technology can solve social problems and promote human well-being. The importance of business ethics challenges is increasing. Ethical business practices have a huge social impact in addition to impacting a company's reputation. When artificial intelligence is used in business processes, concerns about data privacy, fairness in decision-making, and impact on the workforce arise.

Advances in knowledge and technology have led to changes in trade in the era of Industry 4.0. Now, robotics, big data, artificial intelligence, and digital electronics enable electronic commerce. However, from a different perspective, this phenomenon can have both positive and negative impacts. They can remove barriers that stand in the way of global human connections, which can contribute to changes in civilization, progress, and human well-being, resulting in increased productivity, quality, and corporate investment, as well as changes in culture, economy, and the socio-economics of society. One of the negative consequences is the emergence of social fragmentation, which leads to increased economic inequality, changes in the role of conventional markets, the inability of governments to control technology-based business models, the emergence of disputes, illegal actions by business actors, and dispute resolution (Muhammad, 2022).

Economic actors are competing to profit by walking to follow current developments. Technology that moves quickly makes economic activity, this can be done anywhere and anytime. With the advancement of technology, the Internet has become an integral part of many people's daily lives. This can help them in various ways, such as interacting with each other, shopping, and delivering goods. In Indonesia, digitalization is developing in various fields, including the economy, government, education, etc. Digitalization is converting analog (pre-existing) products or services into digital form. Digitalization affects the effectiveness and efficiency of time is increasing, because work can be done more optimally.

Connectivity and digitalization enabled the rapid development of the Industry 4.0 era, with all systems starting to connect to the digital era. This allows the industry to improve production efficiency and product quality. Instead, Industrial Revolution 4.0 will negatively impact 800 million jobs worldwide by 2030 when robots replace them (Satya, 2018). This will challenge Indonesia, a developing country with a high workforce and unemployment rate.

In the face of the fourth industrial revolution, Indonesia must not remain passive. Many technologies that marked the beginning of the Industrial Revolution 4.0 have been implemented in

various sectors. Many fields and aspects of human life are undergoing significant changes due to this Industrial Revolution 4.0. Computers in the era of the Industrial Revolution 3.0 make the addition of industrial technology more challenging. However, the future era of the Industrial Revolution 4.0 allows computers from the era of the Industrial Revolution 3.0 to connect and communicate. That way, humans will be helped in carrying out all forms of activities, including for those who run the economy in the business world.

Business plays quite an important economic role in human civilization because it has the ability to drive the economy, create job opportunities, generate added value, and meet customer needs and desires (Santoso, 2021). However, businesses can also affect the environment, deceive consumers, and violate human rights. According to previous research, ethical and responsible business practices must include good and appropriate business ethics. Business ethics and business law are interrelated elements that are very important to business (Panggabean, 2019). Business law includes a legal framework governing various aspects of business activities, while business ethics involves ethical considerations in business decision-making. Good business laws and ethical business practices are essential to achieve sustainable business goals and support healthy economic growth in Indonesia. According to Jones (1991), business ethics includes aspects related to moral actions carried out by companies. It is necessary to maintain consumer confidence and corporate image in the long run (Rustandi & LAH, 2023).

Industri 4.0 memiliki banyak manfaat potensial. Ini dapat meningkatkan layanan pelanggan, pendapatan, kecepatan produksi, dan fleksibilitas. Meskipun Industri 4.0 membawa banyak keuntungan, itu juga menyajikan tantangan. Menyadari potensi manfaatnya akan berdampak positif pada ekonomi suatu negara. Negara-negara yang memulai industri 4.0 menghadapi banyak tantangan. Termasuk dalam hal ini adalah keberdayaan dalam menghadapi perubahan sosial dan demografi, instabilitas politik, keterbatasan sumber daya, risiko bencana alam, dan kebutuhan akan teknologi yang ramah lingkungan. Hal ini dikemukakan oleh Prasetyo dan Sutopo (2018), ada perbedaan teknologi yang signifikan antara kondisi industri saat ini dan perkembangan Industri 4.0 (Kamijaya, 2021).

According to Purwanto (2020), in today's Industry 4.0 era, it is very challenging to conduct business ethically while maximizing profits. Many businesses violate ethics, which means they engage in actions that violate commonly accepted ethical principles and norms Baal (2019). According to Yuono (2019), modern people no longer fully rely on and believe in the true God. Entrepreneurs are more likely to use digital technology in a way that is in harmony with the Bible to maximize their profits. For example, the rise of online lending, also known as lending platforms, through the use of seemingly lender-friendly apps is actually very profitable (Kamijaya, 2021; Syukur & Syahbudin, 2020).

Due to rapid business growth, businesses often face ethical issues (Pangiuk, 2021). In the era of Industry 4.0, inequality, unfairness, and abuse of power are some examples of ethical negligence. (Suraji & Istianingsih, 2020). According to Bala (2019), poor countries and consumers do not enjoy as many financial benefits as rich countries or large companies (Kamijaya, 2021).

Not all business people can consistently apply business ethics in their operations. According to Barney (1991), several reasons why businesses find it challenging to do so include pressure from competition, prioritizing profit over moral values, and a lack of awareness about the importance of business ethics (Rustandi & LAH, 2023).

The presence of applicable business law in Indonesia is an additional component that influences the practice of business ethics. According to Acker et al. (2012), business law consists of rules and regulations governing business activities in Indonesia. This includes business ethics. Therefore, business law plays an important role in determining the business ethics applied by companies. Moral and responsible business practices are necessary to ensure that businesses contribute to maximum benefit to society and the country. Moral and responsible business practices include regulatory compliance, respecting consumer rights, and protecting the environment. However, unlawful and unethical business practices still prevail in Indonesia (Wilardjo, 2011) (Rustandi & LAH, 2023).

Business legal regulation is one way to correct unethical and illegal business practices. Both Islamic law and positive law today can be used as business law. According to Munir (1994), business law can provide standards and guidelines for companies to conduct good and responsible operations. In addition, business law can impose sanctions on companies that violate regulations, which can reduce unethical and illegal business practices. Although there are regulations and legal provisions in Indonesia governing ethical business practices and business law, their implementation and monitoring remain problematic (Agustina, 2022). Regulatory complexity, customer demand, and intense competition are some of the factors influencing business practices in Indonesia (Kamijaya, 2021).

A set of rules or standards that govern everything, especially human life, is called a law. To protect the interests of their fellow human beings, people must have certain rules in their lives. The purpose of the law is to make people's lives better and fairer. This rule is intended to create peace and meet the needs of all people without interfering with each other (M. Taufiq, 2021).

There are three types of law in Indonesia: Customary Law, Islamic Law, and Positive Law (Indonesian National Law). Of the three laws, the author will only discuss two types that are the focus of this study. Both Positive Law and Islamic Law have different views on business. According to Islamic teachings, based on the Qur'an and Hadith, business is a buying and selling transaction between a seller and a buyer. Religious activity is also included in practical Islamic law. Therefore, Islamic law regulates business relations between humans and God, i.e., Allah Almighty. On the other hand, Indonesian positive law comes from the Western (Dutch) legal tradition. In business, positive law only regulates the relationship between individuals and legal entities. Positive laws are made by humans for humans through authorized institutions and are considered valid by society after being formulated or written. Therefore, it can be concluded that Islamic law regulates more aspects of business relations than positive law. There are three types of law in Indonesia: Customary Law, Islamic Law, and Positive Law (Indonesian National Law). Of the three laws, the author will only discuss two types that are the focus of this study. Both Positive Law and Islamic Law have different views on business. According to Islamic teachings, based on the Qur'an and Hadith, business is a buying and selling transaction between a seller and a buyer. Religious activity is also included in practical Islamic law. Therefore, Islamic law regulates business relations between humans and God, i.e., Allah Almighty. On the other hand, Indonesian positive law comes from the Western (Dutch) legal tradition. In business, positive law only regulates the relationship between individuals and legal entities. Positive laws are made by humans for humans through authorized institutions and are

considered valid by society after being formulated or written. Therefore, it can be concluded that Islamic law regulates more aspects of business relations than positive law (M. Taufiq, 2021).

In this study, researchers try to explain the integration of legal regulations using applicable sources in terms of Islamic Law and Positive Law related to business ethics in the era of the Industrial Revolution 4.0 and Society 5.0. In addition, the reason researchers use Islamic Law and Positive Law is to see how the two laws are enforced. As well as seeing how the development of the two laws in regulating and providing regulations related to business ethics in the era of the Industrial Revolution 4.0 and Society 5.0 is currently becoming popular among companies and medium traders who are starting to follow by utilizing online platforms.

The purpose of such law is referred to as *maqasid al-shariah* in Islamic law, which means the ultimate goal of Islamic law. Thus, the "human" element becomes very strategic in focusing on aspects of their happiness in legal discussions, both in this world and hereafter. Because humans live in a constantly changing society and environment, the process of law formation is also evolving rapidly, perhaps even progressively.

In Islam, the term "business ethics" refers to the morality applied while doing business in accordance with Islamic business principles. By applying these principles, there is no doubt because they have believed that this is the right action in accordance with Islamic values (Juliyani, 2016). Business ethics are essential to achieving business goals. One of the main problems is that society does not understand business ethics according to Islamic principles and procedures, regardless of the size of the business, whether small, medium, or large. Since it seems they do not apply Islamic ethics in their business activities, this problem becomes clearer.

Islamic law was crucial in overcoming the moral dilemmas of the era of the Fourth Industrial Revolution and the Society of 5.0. Fairness, transparency, and sustainability are values Islamic law offers in terms of business ethics. In such circumstances, it is very important to adapt the conduct of doing business in accordance with the principles contained in the teachings of Islam. It includes not only the internal mechanisms of the organization but also its relationships with external parties such as clients, trading partners, and local communities.

Islam views business in the Industrial Revolution Era 4.0 and Society 5.0 as encompassing the principles of ethics, justice, and balance at the core of Islamic teachings. Sharia Business Law places fairness and balance as key principles in business. This includes an emphasis on fair dealing and equitable distribution of wealth among members of society. For example, in Sharia principles, the practice of *riba* (interest) is considered unfair and prohibited because it can lead to economic inequality. There is a Hadith of Prophet Muhammad (PBUH) about prohibiting fraud and obscurity in business transactions (HR. Muslim). Based on the hadith, Islamic Law demands accountability and transparency in all aspects of business. This includes conducting business honestly, avoiding fraud, and providing clear information to all parties involved. Although Sharia business law emphasizes the importance of innovation in business, such innovation must conform to Islamic ethical principles. This means that technology and business innovation in the Industrial Revolution Era 4.0 and Society 5.0 must be used for the common good and must not harm society or the environment.

Young leaders and entrepreneurs should realize that they need to return to the teachings of the Qur'an and Sunnah so that they can come up with ideas to utilize the Islamic economic system. This realization arises as a result of economies running for years failing to improve economic

conditions, especially in Muslim countries where poverty is very high. As a result, Islamic economics emerged as an answer to the problems in Muslim countries. Suppose we want to implement Islamic Sharia in the business world. In that case, we need to change our mindset from capitalist businesses to businesses that use Islamic Law as the basis of their operations.

Apart from business ethics, there are many unethical business behaviors while doing business. Fraud or attempted fraud is one example of unethical business behavior not justified by Islamic and Positive law. Fraud is when someone uses photos/images that do not match the product sold to consumers. Photos/images that are not suitable, such as not using actual photos taken from the internet or photos that do not match the circumstances of the product being traded. Therefore, the products received by customers will definitely be different. Many business people use fraudulent methods like this to profit by offering goods that do not match the image of the product sold. It should be noted that the number of repeat customers affects business continuity. Business owners often overlook honesty in business, especially regarding quality matters. Because what they want is a momentary, not a small profit, but consistent, and it even increases the number of buyers. Islam, especially the Prophet Muhammad (PBUH), strictly forbids this kind of behavior because it is not in accordance with it because it does not provide benefits and benefits, even tends to harm consumers, and can kill a business.

Furthermore, the author will provide a brief business ethics background from the positive legal side. Business activities in Indonesia are regulated by Law No. 40 of 2007 concerning Limited Liability Companies, Law No. 8 of 1999 concerning Consumer Protection, Law No. 30 of 2000 concerning Business Secrets, and Law No. 32 2009 concerning Management and Environmental Protection. However, unethical business practices and law violations still occur in Indonesia (Agustina, 2022; Rustandi & LAH, 2023).

Another example of unethical behavior in business is stealing business ideas. If trade secret rights holders file a lawsuit against this action, there are clearly risks involved. Article 17 paragraph (1) of Law Number 30 of 2000 concerning Trade Secrets states that: "Anyone who intentionally and without rights uses another party's trade secrets or commits acts as mentioned in Article 13 or Article 14 will be subject to imprisonment of up to 2 (two) years and/or a fine of up to IDR 300,000,000.00 (three hundred million Indonesian rupiah) in accordance with positive law." (Bengu et al., 2024)

Positive legal regulation of business in the era of Industry 4.0 and Society 5.0 technology requires significant changes in the way of thinking and operating. In this era, advanced technologies such as artificial intelligence, the Internet of Things (IoT), robotics, and Big Data analytics have influenced how businesses operate and require more flexible and adaptive regulation. The government must update laws and regulations in accordance with technological and business developments and ensure that they maintain the values of Pancasila and the national interest. In addition, the government must also improve the ability of business legal human resources to adapt to digital technology and face new cases arising from digital business activities.

In the era of Industrial Revolution 4.0 and Society 5.0, the challenge of business ethics requires integration between Islamic Law and Positive Law regulation. Although Islamic Law provides a solid foundation for business ethics, it is important to ensure that laws that benefit businesses also bind the same moral principles. This involves creating new regulations relevant to technological developments and contemporary business practices and updating or modifying existing regulations.

Researchers have noticed the impact of the Industrial Revolution 4.0 on Indonesia's legal system and technology-related policies. This study examines the impact of the Industrial Revolution 4.0 on Islamic Law and positive legal systems and technology-related policies. However, Society 5.0 emphasizes that human well-being is very important in the technological age. A better, sustainable, and inclusive future can be created if these two ideas work together and support each other (Suhaidi et al., 2023).

According to Trisnantoro (2018), Profit-seeking is a normal aspect of business, but there is no formula for individual businesses. According to Ariadi et al. (2022), Many entrepreneurs will do anything to make a profit. One way to reduce production costs is to remove employee rights, lower wages, and ignore social security and occupational safety. Therefore, the implementation shows that the business orientation has changed significantly. According to Purwanto (2020), business in the era of the Industrial Revolution 4.0 requires a lot of planning, thinking, and business ethics.

This research aims to: Analyze business ethics challenges arising from technological developments in the Industrial Revolution 4.0 and Society 5.0. Explore the role of Islamic law and positive law in addressing such business ethical challenges. Identify the potential integration between the regulation of Islamic law and positive law in the context of business ethics in the digital age. Develop recommendations for policy development that is able to bridge these two legal systems to create an ethical and sustainable business environment. By understanding the synergy between Islamic law and positive law, this research is expected to make a meaningful contribution in the formation of business regulations that are adaptive, responsive, and based on moral and ethical values, in accordance with the demands of the times.

The author is interested in how a company or a businessman runs their business and whether the business ethics carried out are in accordance with the rules in Islamic and Positive Law. This research was conducted to determine the integration of Islamic and Positive Law regulations in overcoming business ethics from both companies and individual businesses that are run by utilizing Industry 4.0 and Society 5.0 technology.

2. Materials and Methods

The legal research used is normative legal research that focuses on positive legal norms related to law. This method analyzes all laws and regulations pertaining to existing legal issues (Diantha, 2017).

The authors use two research approaches: *the Statute Approach and the Conceptual Approach*. *The Statute Approach* examines all laws and regulations relating to the legal issues being addressed. The Conceptual Approach takes perspectives and doctrines developed in legal science (Diantha, 2017, p. 135).

Legal material consists of primary legal material and secondary legal material. The main Legal Material (Primary) includes laws, official records or protocols related to Lawmaking, and court decisions. This literature is an important resource in legal research because it helps one understand, interpret, and apply law (Muhaimin, 2020, p. 124). In addition, secondary legal material describes primary legal material collected from library research, such as articles, books, and other literature related to this research (Muhaimin, 2020).

3. Result and Discussion

The Concept of Integration of Islamic Legal Regulation and Positive Law

In general, this integration refers to efforts to harmoniously combine the principles of Islamic Law and Positive Law, to create a more comprehensive and relevant framework for regulating business behavior in a constantly changing social and economic context. This concept of integration recognizes the universal values underlying both legal systems, such as justice, balance, and sustainability, while considering the uniqueness and cultural context.

The integration of the regulation of Islamic Law and Positive Law involves the identification of points of similarity and difference between the two. This includes an in-depth understanding of the basic principles of Islamic Law, such as *sharia*, *qiyas* (analogy), *ijma* (consensus), and *istihsan* (policy deviations), as well as the positive legal principles underlying the legal system in force within a country. For example, principles such as legal certainty, equality before the law, and individual freedom take center stage in positive law. This integration also considers contemporary aspects of both legal systems, such as technological advancement, globalization, and economic complexity, which can affect the interpretation and application of those legal principles.

In creating a functioning integration, there needs to be dialogue and collaboration between Islamic jurists and practitioners of Positive Law, as well as active participation from the business community and society. This process involves an in-depth analysis of the legal literature, empirical research, and case studies to identify relevant patterns and effective solutions to business ethics challenges. In addition, the implementation of this regulatory integration also requires support from legal institutions, international organizations, and governments to create an adequate and supportive framework for regulating business behavior fairly and sustainably. This approach allows combining the most beneficial elements of both legal systems, while minimizing conflicts and tensions that may arise in their application. The following are Legal Regulations, both Islamic Legal Regulations and Positive Legal Regulations related to business ethics:

a. Regulation of Islamic Law

1. Surah Al-Baqarah (2:188)

"And do not unjustly waste the property of others, nor send it to the authorities, that ye may spend a portion of the property of the sinful men when ye know." This verse emphasizes the importance of fairness in all business transactions. A business built on fairness and honesty is the only accepted business in Islam.

2. Ayat Al-Qur'an Surat Al-Ma'idah (5:90)

"O believers, drunkenness, gambling, stone and arrow sacrifices are only filth from the devil's deeds, so avoid them, that you may be fortunate." This verse affirms the prohibition against unethical practices in business, such as gambling and practices that harm or harm others. This shows that in Islam, business success should not be achieved through means that are contrary to religious and moral principles.

3. Surat Al-Hujurat (49:11):

"O men of faith, let not one people laugh at others. They must be better than them, and let not women mock other women. And do not persecute one another, and do not call one another shameful names. "Verily, the name of a believer is an unbeliever. And whoever does not repent

is unrighteous." This verse illustrates the importance of respecting others and not belittling or demeaning them, which is also true in business.

4. Surah Al-A'raf (7:31)

"Hai anak Adam, ambillah perhiasanmu di tiap-tiap masjid, makanlah dan minumlah, tetapi janganlah kamu berlebihan. Sesungguhnya Dia tidak menyukai orang-orang yang melampaui batas." Ayat-ayat ini menggambarkan pentingnya memperlakukan sumber daya alam dengan hati-hati dan tidak berlebihan. Bisnis dalam Islam harus memperhatikan dampak lingkungan dari kegiatan mereka dan meminimalkan kerusakan yang ditimbulkan.

5. Hadith Narrated by Bukhari and Muslim:

"Let you avoid the seven deadly sins: fellowship with Allah, witchcraft, taking the life Allah has given except for the right purpose, consuming flowers, eating the property of orphans, fleeing the battlefield, and cursing pious women," the Prophet told Abu Hurayrah. This hadith stresses the importance of avoiding behavior that harms others or goes against moral principles, even if it is not directly related to business.

6. Hadith narrated by Abu Dawud:

From Abdullah bin 'Amr bin al-'Ash, Prophet Muhammad (peace be upon him) said, "The one most favored by Allah is the one who benefits man the most. The one most favored by God is the one who benefits man the most." This hadith stresses the importance of providing benefits to others, which can include ethical behavior in business such as providing quality products or services or providing fair profits.

The verses of the Qur'an and Hadith that discuss business ethics in Islamic Law have a direct relationship with Jewish moral principles and values. However, these verses provide guidance and principles to ensure that business conduct and practices align with Islamic values that promote justice, honesty, and social responsibility.

b. Positive Legal Regulation

Some other regulations related to the regulation of Islamic Law on business ethics in Indonesia. The following are some of them:

1. Government Regulation Number 14 of 1979 concerning the Establishment and Organizational Structure of non-bank Financial Institutions

This regulation regulates the establishment and organizational structure of non-bank financial institutions, including Sharia insurance companies and Sharia finance companies. It establishes operational and supervisory standards for these financial institutions, taking into account Sharia principles.

2. Law Number 8 of 1999 concerning Consumer Protection: This law provides legal protection for consumers in Indonesia and regulates consumer rights and obligations of producers and sellers. In the context of business ethics, this law encourages fair, honest, and responsible business practices toward consumers. Through provisions on truthful and non-misleading information and sellers' obligations to provide quality goods and services, these laws help promote ethical business practices.

3. Law Number 25 of 2007 on Investment: Indonesian law regulates investment. One element addressed is Corporate Social Responsibility (CSR), which requires companies to engage in

- activities that positively impact society and the environment. This law makes business practices more responsible and sustainable, related to business ethics.
4. Law Number 40 of 2007 concerning Limited Liability Companies: This law regulates the formation, management, and settlement of limited liability companies in Indonesia. While not explicitly referring to the principles of Islamic Law, this law sets standards that companies must follow when operating, such as financial reporting, social responsibility, and protection of shareholder rights.
 5. Bank Indonesia Regulation No. 9/15/PBI/2007 concerning the Operation of Sharia Financial Institutions
This regulation regulates the implementation of Islamic financial institutions in Indonesia. These include regulations on Sharia principles that Islamic financial institutions must follow, such as prohibitions on usury and investments in businesses prohibited by Sharia. It demonstrates Islamic financial institutions' commitment to conduct business according to Islamic teachings.
 6. Law Number 21 of 2008 concerning Sharia Banking: This law regulates the establishment, management, and supervision of Islamic banking institutions in Indonesia. This law establishes Sharia principles that Islamic banks must follow in their operations, such as fairness in transactions and prohibiting usury.
 7. Government Regulation Number 47 of 2012 concerning the Social and Environmental Responsibility of Limited Liability Companies
This regulation regulates the social and environmental responsibility of the company. As part of business ethics, these regulations encourage companies to consider their business activities' social and environmental impacts. These regulations support responsible and sustainable business practices by integrating social and environmental elements into their operations.
 8. Government Regulation Number 82 of 2012 concerning the Implementation of Shopping Centers,
This regulation regulates the procedures for operating shopping centers in Indonesia. Although not directly related to Islamic Law, some of the principles in this regulation, such as consumer protection, security, and order in shopping malls, align with Islamic business ethics values that emphasize the importance of maintaining safety and comfort for customers.
 9. Minister of Finance Regulation Number 8/PMK.010/2015 concerning the Implementation of Good Corporate Governance for Public Companies
This regulation regulates Good Corporate Governance (GCG) for companies registered in Indonesia. GCG includes principles of business ethics such as transparency, accountability, and fairness. The purpose of GCG is to ensure that companies conduct their operations with high ethics and consider the interests of all stakeholders.
 10. OJK Regulation Number 55/POJK.04/2015 concerning Consumer Protection in Financial Services Sector
This regulation protects consumers in the financial services sector, including banking goods and services. It demonstrates important business ethical values such as transparency, honesty, and corporate social responsibility, which are also emphasized by Islamic law.

11. Peraturan Otoritas Jasa Keuangan (OJK) Nomor 56/POJK.03/2015 tentang Penerapan Tata Kelola Perusahaan Bagi Perusahaan Efek
This regulation regulates good corporate governance for securities companies in Indonesia. These regulations indirectly relate to business ethics by ensuring that securities firms conduct their business with integrity, transparency, and consider the interests of shareholders and other investors.
12. Financial Services Authority Regulation Number 77/POJK.05/2016 concerning Peer to Peer Lending
This regulation governs peer-to-peer lending services in Indonesia. It establishes these service providers' operational requirements, consumer protection, and information transparency. These regulations represent important business ethical principles such as fairness, transparency, and corporate social responsibility, although they are not explicitly related to Islamic law.
13. Bank Indonesia Regulation Number 19/12/PBI/2017 concerning Information Technology-Based Money Lending and Borrowing Services
This regulation regulates peer-to-peer lending that uses information technology, such as peer to peer lending. This points to the importance of transparency, compliance, and consumer protection in financial transactions, which are principles in Islamic business ethics, although they are not directly related to Islamic law.
14. Financial Services Authority (OJK) Regulation Number 11/POJK.03/2019 concerning the Implementation of Corporate Governance for Commercial Banks
This regulation regulates good corporate governance for commercial banks in Indonesia. Similar to previous laws governing finance companies, good corporate governance in the banking sector also includes principles of business ethics such as transparency, accountability, and fairness. This is done to ensure that commercial banks conduct their business with integrity and professionalism while considering all stakeholders' interests.
15. Law Number 11 of 2020 concerning Job Creation
Although not directly related to business ethics, these laws, such as those related to business licensing, employment, and environmental protection, have implications for business ethics and corporate social responsibility. However, they are not directly related to corporate ethics.

Challenges of Business Ethics in the Era of Industrial Revolution 4.0 and Society 5.0

The challenges of business ethics in the Industrial Revolution 4.0 and Society 5.0 era bring various problems that require resolution by considering religious principles, moral values, and applicable legal regulations. This era brings rapid technological advancements and raises new challenges related to justice, sustainability, and humanity in business. One of the key challenges is ensuring that businesses continue to operate adhering to good ethical principles while staying abreast of technological developments and facing increasing competition. To ensure that businesses operate fairly and honestly, avoid unethical practices such as fraud, corruption, and abuse of power. In this context, the Qur'an gives clear guidance in Sura Al-Baqarah (2:188) on the importance of justice in all business transactions. A business built on fairness and honesty is the only accepted business in Islam. It emphasizes the need to avoid practices that are unfair or harmful to others for

personal gain. In addition, other verses such as Sura Al-Hujurat (49:11) also teach the importance of respecting and not degrading others, which also applies in the business context by avoiding discriminatory practices or degrading the dignity of others.

Then, avoid practices that harm or harm others, such as gambling, usury, or fraud. The Qur'anic verse in Sura Al-Ma'idah (5:90) affirms the prohibition against unethical business practices. This suggests that business success should not be achieved in ways contrary to religious and moral principles. In this context, the Hadith of the Prophet (peace be upon him) also affirms the importance of avoiding behavior that harms others or is contrary to moral values, such as the hadith that forbids usury and misuse of orphans' property. By adhering to these principles, businesses can maintain their integrity and provide sustainable benefits to society.

Pay attention to the social and environmental impacts of business activities. In Islam, there is a strong emphasis on environmental protection and the sustainability of natural resources. Surah Al-A'raf (7:31) teaches about the importance of treating natural resources wisely and not excessively. Businesses in Islam should pay attention to the environmental impact of their activities and minimize the damage caused. On the other hand, positive legal regulation also plays an important role in ensuring that a business takes into account the social and environmental impacts of its operations. Laws such as Law Number 25 of 2007 concerning Capital Investment and Government Regulation Number 82 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies require companies to consider their business activities' social and environmental impacts.

To ensure that the business truly benefits society rather than just pursuing financial gain. The hadith stating that the one most loved by Allah is the one who benefits others the most emphasizes the importance of helping others. In providing goods and services, companies must consider the needs and interests of the community. Positive legal regulation can also assist businesses in operating with the interests of all stakeholders in mind, not just owners and shareholders. To ensure that companies are socially responsible and provide fair benefits to all parties involved, laws such as Consumer Protection Law No. 8 of 1999 and Minister of Finance Regulation No.8/PMK.010/2015 on the Implementation of Good Corporate Governance for Public Companies provide a framework.

Thus, through a combination of religious principles, moral values, and positive legal regulation, businesses can overcome ethical challenges in the era of Industrial Revolution 4.0 and Society 5.0. By adhering to the principles of justice, honesty, sustainability, and humanity, businesses can establish responsible operations, benefit society, and be agents of positive change in society.

Application of Integration of Islamic Law Regulation and Positive Law in Addressing Business Ethics Challenges

In this Sub-chapter, the author tries to describe how the concept of integration of the two legal systems can be carried out practically to face the challenges of business ethics in the era of the Industrial Revolution 4.0 and Society 5.0. The integration between the regulation of Islamic Law and Positive Law in addressing the challenges of business ethics can provide a comprehensive and holistic framework to ensure that business practices are conducted in accordance with moral principles and religious values, while also complying with the laws in force in the country. This approach allows for a deeper understanding of how business can be conducted responsibly and in accordance with Islamic teachings, while also considering local context and needs. By utilizing the guidelines and principles

contained in the Qur'an and Hadith, business practices can be directed towards ensuring that values such as fairness, honesty, and social responsibility are observed. For example, Qur'anic verses emphasizing the importance of honesty in business transactions can be the basis for developing a code of ethics or internal company policies that promote integrity and transparency in all aspects of operations.

Through Positive Law regulations governing the business and financial spheres, such as regulations on company establishment and consumer protection, business practices can be strengthened with provisions that ensure protection for all parties involved in such transactions. This integration allows the establishment of a comprehensive framework to safeguard the interests of all stakeholders, in line with the values of business ethics taught in Islam.

Businesses can then function as positive agents of social change by considering the principles of Positive Law aligned with Islamic values, such as corporate social responsibility and environmental protection. By applying these principles in their business strategies, companies can contribute to sustainable development and the overall well-being of society.

Collaboration between government agencies, communities, and Islamic organizations can strengthen the implementation and enforcement of regulations related to business ethics. By working together, they can complement each other and strengthen efforts to ensure that business practices are conducted in accordance with widely recognized religious principles and moral values.

Education and training on Islamic values-based business ethics can be strengthened through the integration of curricula that combine aspects of Islamic Law and Positive Law in learning. Thus, future business leaders will be equipped with the necessary knowledge and skills to conduct their businesses with high integrity and social responsibility. By integrating the regulation of Islamic Law and Positive Law in addressing the challenges of business ethics, a strong and holistic framework can be created to ensure that business practices conducted not only meet applicable legal requirements, but also conform to moral values and religious teachings. This will help build a sustainable and responsible business ecosystem, which in turn will support inclusive economic development and the overall well-being of society.

4. Conclusion

This research highlights the importance of regulatory integration between Islamic Law and Positive Law in addressing business ethics challenges in the era of Industrial Revolution 4.0 and Society 5.0. Using the Normative Juridical Law Research approach, this study identifies convergence and divergence between the two legal systems, with the aim of creating a comprehensive and relevant framework in regulating business behavior. This integration is expected to minimize conflicts and tensions in its application.

This integration not only creates a comprehensive framework, but also enables responsible business practices, in accordance with moral values and religious teachings. By combining the universal principles found in both legal systems, such as fairness, honesty, and social responsibility, this regulatory integration enables the establishment of a sustainable and ethical business ecosystem.

The concept of regulatory integration between Islamic Law and Positive Law not only focuses on identifying points of similarity and difference, but also involves dialogue, collaboration, and active participation from various parties, including legal experts, business practitioners, and the general

public. In this process, in-depth analysis of legal literature, empirical research, and case studies becomes essential to identify relevant patterns and effective solutions in the face of business ethics challenges.

The regulation of Islamic Law, as contained in the Qur'an and Hadith, provides clear guidelines on how to conduct business with integrity, transparency, and social responsibility. These verses and hadiths emphasize the importance of fairness in all business transactions, the prohibition against unethical practices, and the need to pay attention to the social and environmental impacts of business activities.

On the other hand, Positive Law regulation also has an important role in ensuring ethical business practices. Laws such as consumer protection, corporate social responsibility and good corporate governance provide the basis that companies must comply with in their operations. To address the challenges of business ethics in the era of the Fourth Industrial Revolution and Society 5.0, a broad and integrated approach is needed. Rapid technological advancement, globalization, and economic complexity pose new challenges related to justice, sustainability, and humanity in business. Therefore, it is important to ensure that businesses continue to operate adhering to good ethical principles, while staying abreast of technological developments and facing increasing competition.

The implementation of the integration of Islamic Law and Positive Law regulations in addressing business ethics challenges requires collaboration between various parties, including government agencies, communities, and Islamic organizations. Through this collaboration, a strong and holistic framework can be created to ensure that business practices are carried out in accordance with moral values and religious teachings, and meet applicable legal requirements.

In addition, education and training on business ethics based on Islamic values need to be strengthened through the integration of curricula that combine aspects of Islamic Law and Positive Law in learning. Thus, future business leaders will be equipped with the necessary knowledge and skills to conduct their businesses with integrity and high social responsibility.

Overall, the integration of regulations between Islamic Law and Positive Law in addressing the challenges of business ethics in the era of Industrial Revolution 4.0 and Society 5.0 provides a comprehensive and holistic framework to ensure that business practices carried out not only meet applicable legal requirements, but also in accordance with moral principles and religious teachings, making it possible to build a sustainable business ecosystem, responsible, and truly beneficial to society.

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