

# The Jihad against Oligarchy: Developing an Inclusive Democracy Based on Islamic Social Justice Values in Indonesia

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## ABSTRACT

This research aims to analyze the influence of oligarchy on democracy and social justice in Indonesia from Islamic perspective. This research employed the descriptive-qualitative approach using literary and case study methods. The data were obtained from various academic literary materials, journal articles, as well as analyses of concrete cases, such as oligarchic practices in the political, economic, and religious sectors. Research findings showed that oligarchy fundamentally violates the Islamic principles of justice, equality, deliberation (*syura*), and responsibility. Oligarchy has manipulated the political-economic system through the practice of expensive political financing, the use of the state's resources, the use of descendants of the *kiai*'s lineage (Islamic religious figures) in political elections, the weakening of anti-corruption institutions (such as the Corruption Eradication Commission), as well as their domination in public positions. Cases such as the election of village heads and regents who are descendants of the *kiai* lineage, colored with the practice of power dynasty and natural resource exploitation by political elites, reflect the negative impacts of oligarchy's dominance. To overcome this problem, there is a need for an integration of Islamic values into the democratic practices dominated by oligarchic groups, as well as an institutional reformation to achieve transparency and accountability. Even so, the success of reformation highly depends on the courage of political actors to free themselves from oligarchic pressures while prioritizing the people's interests. Apart from that, the difficulty to integrate Islamic values happens due to public officials' lack of Islamic political ethics. Therefore, building a democratic political and economic system based on the value of Islamic social justice becomes the absolute requirement for carrying out jihad against the oligarchic group.

**Keywords:** Oligarchy; Inclusive Democracy; Islamic Social Justice.

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## INTRODUCTION

The oligarchic governmental system in Indonesia emerged during the leadership of President Soeharto (Indonesia's second president), when a small elite group appeared, entering and taking control over political and economic power. This elite group has interests in the political and economic sectors, dominating the government to expand their wealth and power, making it difficult to achieve the state's goal to bring welfare to its people. Oligarchy, which is defined as a power system that is dominated by a political elite group, has been rooted in the

state's political and economic arrangement. Their influence in these sectors brings impacts to the sustainable national development.

After Soeharto's leadership ended, the New Order Era shifted to become the Reformation Era, where the democratic system emerged in Indonesia to shift and minimize the oligarchy's dominance in the government. The democratic system even provides significant changes, such as in the aspect of the freedom of speech, the freedom to elect and be elected, as well as the decentralization of power. These things are according to the expectations, development, and obligations of a government. However, even though Indonesia has already applied the democratic system, in reality, the influence of the oligarchy always casts a shadow over the democratic process. Oligarchy can hide and enter into the democratic legality as well as intrude on the state's administrative system. Such a condition may trigger changes in the policies of the governmental system or lead to the creation of laws with overlapping stipulations.

As a religion that highly upholds the values of justice, equality, and partiality to the weak (*musta'h'afin*), Islam offers an alternative paradigm in developing an inclusive democratic governance. The justice principle in Islam not only emphasizes the justice concept in the normative aspect, but also provides protection to individuals' rights as well as the increase in community welfare in general. According to Islamic thought, social justice is a fundamental principle in formulating socio-political policies, as well as society's economy, which is oriented towards the benefit (*maslahah*) of the *ummah* or the Islamic community.

Even though in its teachings, Islam always strives for the values of justice in Indonesian politics, its role often shows ambiguity. On the one hand, there are some Islamic figures who consistently advocate for social justice and democracy. However, on the other hand, not a small number of Muslims ironically become involved in the network of oligarchic power by utilizing religious symbols as a tool of political legitimacy. This condition becomes a great challenge for the Islamic community to carry out "jihad" in the sense of political and social struggle to free democracy from oligarchic dominance without becoming pulled into transactional and opportunistic political practices.

This does not mean that the democratic system in this country is wrong; it just means that the law enforcing apparatuses' responsibility and the law are weak. The weak law enforcing apparatuses in the access to justice makes it hard to overcome practices of corruption. Thus, the misuse of power makes the oligarchy increase its dominance. The dominance of the oligarchy in the democratic system has a severely negative impact on the growth of national development. Therefore, this democratic state's ideal to achieve inclusive democracy is only

deemed a slogan. Not only do oligarchic groups impact the political aspect, but they also influence the economic aspect, shown by the fact that almost all of the enacted policies tend to favor their interests rather than those of the general society. Apart from that, the strengthening control over natural resources has implications for economic policies which caters to certain groups, leading to socio-economic injustice. Thus, in the democratic process, oligarchy becomes one of the great challenges to national development in the economic and political sectors.

Based on the background above, there is a need for further analysis on how Islam, which highly upholds the value of social justice, perceives oligarchy and the influence of oligarchy's dominance on public policies and the democratic state's growth. Apart from that, this paper also analyzes the challenges in integrating Islamic values to achieve an inclusive and sustainable democratic system amid the dominance of the oligarchy.

## **RESEARCH METHOD**

To answer the issue in this article, the authors employed the descriptive-qualitative method through the literature and case studies. The authors conducted literary research by reading and browsing important sources, such as books or journal articles that are relevant with the theme of Islamic jihad in fighting against the oligarchic power to achieve inclusive democracy in Indonesia. Apart from that, to deepen the analysis results and findings based on these issues, the authors conducted a case study by analyzing and investigating certain cases or phenomena that are relevant with the dominance of oligarchic power in politics, economy, and local Muslim communities in the democratic system. This case study approach can be found in some concrete examples, such as the management of natural resources, controversial legislations, the dominance of the elite in political parties, as well as the political influence of the *kiai* (Islamic figures) on local communities.

## **DISCUSSION**

### **Oligarchy from the Perspective of Islam Which Emphasizes Social Justice**

In Islamic teachings, social justice is one of the fundamental principles that is crucial in forming a just and prosperous social order. The social justice concept not only regards economic equality, but also the fulfilment of individual rights and justice in law, politics, and social interaction. Al-Qur'an and Hadeeth have provided complete guidelines on social justice, including the values of equality, justice, and solidarity. From the perspective of Islamic law,

the law's main goal is to achieve justice. Islam perceives that justice that is sourced from the human mind is relative due to its limitations. Thus, this justice is not eternal. Meanwhile, true and absolute justice according to Islam is justice that originates from the revelation of God and is manifested through the application of the Islamic sharia.

As the Holy Book of Muslims, Al-Qur'an contains many verses that discuss social justice. One of them is written in Chapter *Al-Maidah* (The Feast), verse 8, which confirms the importance of having just behavior, even to disliked parties. This verse emphasizes that justice must be upheld without discrimination. This becomes a basis for the implementation of law and public policies in the Muslim community. Apart from that, the Hadeeth of Prophet Muhammad (peace be upon him/pubh) also provides guidelines and real examples on the application of social justice in daily life. As the leader of the ummah, Prophet Muhammad (pubh) shows a just and wise leadership, emphasizing protection to vulnerable and oppressed groups (Dzatun Syahidah, 2024).

In the context of the state and politics, the Islamic religion introduces a special subject called *siyasah syari'ah*, i.e., stipulations of wisdom in managing statelike affairs based on the sharia. Linguistically, *siyasah* means controlling, regulating, taking care of, and making decisions that can be defined as politics. Therefore, *siyasah syari'ah* means all statelike affairs related to the evaluation of the alignment of a state's political methods to sharia principles. In the context of an oligarchy, political values must be in line with sharia principles, which are directed to moral values. Its main goal is social justice without discrimination. Oligarchy is a type of power that is concentrated in the hands of several elites. This contradicts the principle of a peaceful, just, and prosperous life both in the dogmatic and practical sense. On the other hand, *siyasah syari'ah* emphasizes the ethical aspect of politics by prioritizing the equality of social, economic, and political rights based on the responsive law that is in line with Al-Qur'an and Hadeeth. Therefore, it can clearly be said that political oligarchy violates the *siyasah syari'ah* concept, as the power only circulates among a minority group that may potentially lead to social, political, and economic injustice, hindering the development of the people's politics (Sodik, 2023).

Seeing this phenomenon, in essence, Islam and politics have a very strong relationship, as politics is perceived as a facility that is used to protect and regulate the life of the ummah. From the Islamic perspective, the implementation of the sharia cannot run optimally without supportive political power. On the other hand, political power that is not based on Islamic values will only orient towards mere worldly interests. Therefore, the integration of Islamic values in Indonesia's political practices is important to be carried out as an ethical and moral

basis in making policies. In this context, the evolution of Islamic law cannot be separated from political dynamics, as Islamic law is responsive to social changes. There is always a need for regulative adaptation which is in line with the condition of the society in the legal analysis, and this is still in the scope of public policies and legislation processes.

The political realm is certainly inseparable from the greed of the elite over power and authority. Thus, to carry out political activities that are in line with the principles of democracy and social justice, there is a need to instil Islamic political ethics to heart of leaders, as the government can optimally function with the existence of ethics. These ethics include: *First*, a leader uses religion as the basis for leadership ethics. *Second*, a leader fulfills the mandate in exercising his authority. *Third*, a leader is wise and just in enforcing the law. *Fourth*, a leader has competencies in every law enforcement and decision-making process. *Five*, there is deliberation, where in this case, a leader must involve public participation in every political process (Ema, Permana, & Kurniati, 2024). Therefore, politics without Islamic political ethics may lead to the emergence of an oligarchic group that may destroy the order of inclusive democracy.

In Islam, the solution to decrease the dominance of the oligarchy up to legal supremacy in the democratic state may be achieved by enforcing Islamic values. *First*, the law enforcement must be carried out impartially being influenced by feelings of love and hate. The feelings of hate against a certain group cannot inhibit the enforcement of justice, as regulated in Al-Qur'an, Chapter *Al-Maidah*, verse 8, "O believers! Stand firm for Allah and bear true testimony. Do not let the hatred of a people lead you to injustice. Be just! That is closer to righteousness. And be mindful of Allah. Surely Allah is All-Aware of what you do."

*Second*, law enforcement cannot be influenced by overt feelings of compassion towards perpetrators of crimes. The law enforcement must still run according to the stipulations, as stated in Al-Qur'an, Chapter *An-Nuur* (The Light) verse 2, "Do not let pity for them make you lenient in enforcing the law of Allah."

*Third*, law enforcement that is based on the equality before the law principle must be upheld. It means that the law must equally apply to everyone without exception. There are no individuals or groups that are immune to the law. Law enforcement must be carried out without discriminating against social or economic status and without considering a person's closeness with those in power, including with the oligarchic group. This is as regulated in the Hadeeth of Prophet Muhammad (pubh), "Carry out the legal punishments on relatives and strangers, and do not let the fear of blame stop you from carrying out the command of Allah," (Narrated by

Ibn Majah, Al-Hakim, and Al Baihaqi). This hadeeth indicates that the law must be enforced without discrimination (Suteki, 2022).

The hegemony of the Islamic political oligarchy can be seen from the influence of the *kiai* (Islamic religious figures) in society as part of the religious culture, i.e., the authority and charisma of the *kiai* in society. Syaikhona Kholil AG, for instance, is a *kiai* from Madura Island, East Java Province, Indonesia, who has a crucial and respected position in society. The descendants of Syaikhona Kholil's lineage have formed somewhat like an Islamic political oligarchy that is strongly rooted in the people's social structure. The worldview that places the *kiai* as the main spiritual reference, added with the practice of expecting *barokah* (blessings) and *karomah* (supernatural events), effectively consolidates the power of the *kiai* as part of the political elite. This creates a social stratification, where the lineage of the *kiai*, especially descendants of Syaikhona Kholil, is placed in the peak of the socio-political hierarchy, even leading to the emergence of a hegemony of thought. Even though not all *kiai* have the same level of charisma, the dominance of the religious culture that is centered on Syaikhona Kholil has reproduced charisma to his descendants, allowing them to transform from spiritual figures into political actors.

The political transition from the New Order to the Reformation Era has become a crucial momentum for the descendants of the Kholil lineage to strengthen their influence in the formal political arena. In the authoritarian regime of the previous era, the *kiai*, like Syaikhona Kholil AG, used their roles to carry out ethical resistance and community empowerment. Now, in the Reformation Era, figures like FAI utilize the charisma of their ancestors as a symbolic and cultural capital to achieve local power. FAI succeeded in mobilizing masses and carrying out political lobbies by utilizing society's overt respect for the descendants of Syaikhona Kholil. His success as the Bangkalan Regent shows how the traditional and charismatic legitimacy that is inherent in *kiai*'s lineage can be combined with legal-rational legitimacy in modern politics. However, this also shifts the orientation of leadership from the "servant of the ummah" (*khadimul ummah*) to "a master that must be served" (*sayyidul ummah*). This reflects the consolidation of political power that is rooted in religious authority (Rozaki, 2021).

### **The Influence of the Oligarchy Towards the Democratic State's Economic and Public Policies**

As a democratic state, Indonesia has a governmental system that embraces the principles of freedom and equality. The freedom in this case the individual freedom to express opinions, gather, and embrace a religion as guaranteed by the state. Meanwhile, the equality

principle, in this case, refers to the equality of every individual in the face of the law, both regarding their positions and rights. However, these principles are often shifted by the oligarchic group and political elites who try to cast a shadow over the democratic system.

The fight between oligarchic groups in Indonesia is an important phenomenon that deserves to obtain attention. They are a group that holds political and economic control. They have power and capital or are a part of that circle. Their main objective is to take over political resources and access to the state's finances, obtain business protection, obtain business permits, as well as maintain the stability of the capital that they have. Apart from that, they also strive to avoid the pursuit of the law enforcing apparatus that they cannot yet fully control, as well as try to weaken the competing oligarchy that may potentially threaten their wealth and their businesses' stability (Jurdi, 2023).

The democratic system that was strived for after the fall of the New Order regime should become a vessel for all citizens to express and achieve their sovereignty in the political and economic sectors. However, the reality is actually the contrary, where the democracy is dominated by oligarchic groups. Ironically, those who hold power over the state actually choose to ally with these oligarchic groups in carrying out their stately tasks, maintaining the constitution, and paying attention to the people's aspirations. As a consequence, even though formally, the democracy seems to run well, substantially, what happens is that the democratic practice is controlled by groups that misuse power. There is a common phenomenon in the dynamics of Indonesian politics where politicians maintain a good relationship with capital owners, and capital owners become directly involved in the political realm (Nega, 2024).

Jeffrey Winters wrote as follows: The oligarchy is a group of people who are highly powerful in the Indonesian economy and politics. They play a crucial role and still maintain their influence, even though the state experiences a transition to a democratic system. The shift to democracy does not decrease their dominance. On the contrary, it actually encourages changes in the form of power, from that which was sultanistic to that which is disguised but still effective, where they now become the main actors in the making of policies. These changes bring great impacts to how they protect and maintain wealth in Indonesia. In other words, even though the power structure changed after the fall of Soeharto's presidency, the existence and influence of the oligarchy stays and do not disappear (Nega, 2024).

There are many strategies that oligarchic groups carry out to maintain their power, using the legislative route as the main method. There are at least two reasons why this route is often

used. *First*, the legislative system is an open “political market” that allows anyone to freely participate. However, this open characteristic also opens a large room for oligarchic groups to control political and economic resources as well as manipulate them according to their interests. *Second*, the legislative system that has formally experienced reformation through legal changes is deemed the most democratic route. This creates a perception that becoming part of the legislative body is a strategic step to strengthen their power while simultaneously “cleaning themselves” from negative stigma.

The general election is an example of a democratic system where the people have the right to determine and make crucial and collective decisions. The democratic system, which encourages active participation and the provision of rights to individuals become the government’s basic foundation towards the needs and aspirations of their citizens. By highly upholding the principles of freedom and equality, the democratic government hopes to create an environment where its citizens feel respected, honored, and involved, giving them the chance to have an important role in every public policy (E. Rohmah, 2024).

One of the examples of democratic activities that is routinely applied in Indonesia is the general election. The general election process in Indonesia applies the direct, general, free, confidential, honest, and just principles, which are crucial in its organization. It is an activity that highly upholds the principles of freedom, equality, and transparency for every citizen, which are the benchmarks of the democratic general election process. However, there is the dominance of the oligarchy that has economic power use their wealth to wreak havoc in the political process. Thus, it is very easy for them to shift the democratic system.

It is no wonder that, approaching the general election, many figures who were previously involved in the oligarchic circle start to build a new image: some move from one party to another or establish new parties, while others present themselves as reformist figures. However, to compete in the political arena, most of them carry out various strategies that tend to be manipulative, such as utilizing the state’s resources (10 %), buying votes (13 %), applying authoritarian approaches (16 %), mobilizing masses (8 %), up to utilizing ethnic and religious issues to obtain the public sympathy (12 %) (Samadhi, 20 C.E.).

An example of an oligarchic practice in the general election process is the Village Head Election, which was organized in Kediri Regency, East Java Province, Indonesia. The Village Head Election was inseparable from the oligarchic practice, where oligarchic groups used various material and non-material sources to carry out campaigns to win the general election and become the village head. Among these practices, village head candidates distributed some money, goods, or food to gain the attention of society and manipulate them to fully support



these candidates to win the position of the village head. The oligarchic practice in Kediri Regency was formed from a combination of the dynasty of the ex-Village Head's family (the lineage of the former village head) and a group of new economic elites, such as traders, entrepreneurs, and bureaucrats. They have the role as mediators of politics and governmental programs. One of their motives is to have control over a valuable asset, namely the village's usufructuary land that often becomes an attractive facility for village head candidates.

In Kediri Regency, the position of a village head is deemed highly prestigious by society, especially for descendants of the previous village head, as it reflects a high social status. One can see this in the 2016 simultaneous village head election, where the candidate who originated from the previous elite group (the descendants of the previous village head) was able to win against other candidates, even without a large amount of capital, due to the rooted practice of power dynasty. This often happens in almost every simultaneous village head election, as the village head position in Kediri Regency is still deemed strategic enough to obtain wealth and social status, making it the main target for oligarchic groups in villages (Hidayat, 2020).

Not only the general election, but democracy also encompasses the aspects of daily life, such as the maintenance of human rights, the protection of minority groups, transparency in governance, etc. However, after further analysis, there are many democratic practices in Indonesia that are played and beaten by current oligarchic groups, such as the Law on Electronic Information and Transaction (EIT), which has a high chance to be used as a defense mechanism by those in power. Oligarchic politicians use their power to play with politics, utilizing the Law on EIT as an instrument to silence critical opinions which nudge political and governmental issues. This condition reflects the threats against the freedom of the press and the freedom of groups or activists who reject governmental policies that are deemed to violate civil rights. The weakening freedom of the press strengthens in line with the dominance of the oligarchy in the democratic system (Wiratraman, 2023).

Oligarchic groups will always try to control and take over society while ransacking the democracy. Elite groups will use their political, social, and economic power to trick society. Thus, an oligarchy that has incarnated in the democracy's legality will try to enter and infiltrate the governmental system to influence every public policy. Groups that have political, social, and economic control will influence the political stage and use it as a business field, which brings profits to the elite group without considering political interests. Thus, these policies will then inhibit the growth of sustainable national development (Budi, 2024).

The influence of the oligarchy brings impacts to the economic growth of Indonesia, including the inequality of society's economy, where the political system is taken over by the Bourjois group, which designs it to support the capitalistic economy. This system allows certain groups which are favored by economic policies to achieve wealth accumulation. The Indonesian politics and economy have brought profits for capital owners. The Banteng Movement, which was pioneered by Soekarno (Indonesia's first president), indirectly formed a national Bourjois class which then utilized Indonesia's economic link with the global market to build capitalism-based multinational companies. As a consequence, the wealth of the elite groups keeps on increasing, forming a domestic oligarchic network which is linked with the global oligarchy, deepening the concentration of wealth. Jeffrey Winters explains that this situation emerges due to the existence of extreme economic inequality. When a small group of people own immense wealth while the rest or the majority live in poverty, those who are very wealthy will automatically gain profits from the political realm (Bangun & Rinanda, 2022).

In this decade, there is inequality in the aspect of economic control, including the monopoly of the natural resource sector. As is known, global warming is a hot issue to be discussed in the current era. However, it seems that Indonesia does not pay enough attention to this topic. This is seen from the existence of electricity power plants that are dominated by steam-powered electricity plants, where the usage of fossil energy may worsen global warming. The issue with steam-powered electricity plants is that coal is one of the abundant natural resources in Indonesia that the government often uses. This leads to polemics as the usage of coal brings many negative impacts, such as the establishment of mines that evict customary land, forests, and residential areas. Next, the process of sending coal to power plants by sea often damages corals. What is worse is that the combustion results of steam-powered electricity plants are highly detrimental to the environment. These negative impacts are often left neglected by those in power, who ignore and pretend that the negative impacts do not exist and do not endanger society. This is perhaps because those that are currently in power are active in the coal industry, including in the coal mining and transportation sectors. They may also be active in the business of steam-powered electricity plants. If political elites have power over coal mining businesses from the upstream to the downstream, it would be very easy for the oligarchy to launch the business that they have. They may easily give mining permits, change regulations for the oligarchy's sake, etc. When one carefully sees the existing polemics, it can be seen that the oligarchy is highly involved in coal businesses (Alayubi, 2023).

Apart from monopolizing natural resources, the oligarchic group in Indonesia has also influenced the weak commitment to anticorruption. The Corruption Eradication Commission

(CEC) is the main anticorruption institution in Indonesia. Unfortunately, this commission experienced severe weakening in the last five years of Jokowi's presidency (Indonesia's seventh president) due to both external and internal powers. The efforts to weaken the CEC was carried out through the revision of the Law on CEC, negative framing, the manipulation of public opinions, and the creation of political fear. This is to make the parties that used to support CEC start to hate it. These steps lead to a decrease in the CEC's effectiveness in the efforts to eradicate corruption. The weakening of the CEC was carried out by oligarchic groups to have power over the political and economic sectors while maintaining their comfort zones by obscuring the anticorruption movement.

Apart from that, during Jokowi's era of leadership, Indonesia experienced economic challenges which also influenced the creation of policies during that era. For instance, during his reign, Jokowi utilized the decrease in the global price of oil to change the direction of subsidy policies. The government chose to shift the subsidy funds to infrastructure investment and social protection programs, with the hope to bring long-term impacts to economic growth. Even though the allocation of infrastructure funds significantly increases, the realization of economic growth does not exactly increase according to the target. This is influenced by the factors of the suboptimum creation of new work opportunities and the people's low buying power, hindering the effectiveness of these policies in developing the national economy (Umam, 2019).

Not only that, but the monopoly of the oligarchy in the economic growth sector was also ineffective. This was because the increase in the education sector, which should expand the middle class and accelerate the democratic transition in the long run, is actually obstructed by elite groups. Education, which actually has a great role in encouraging democracy and decreasing inequality, is difficult for the poor to access due to financial factors. The only method to prevent difficult access to education is by carrying out redistribution policies, such as education subsidies. However, oligarchic groups reject this under the reason that it will strengthen the demand for wealth redistribution, which may inhibit economic growth. Thus, to prevent the inhibited economic growth, there is a need for an effective redistribution and the an increase in access to education, even though these efforts may be opposed by oligarchic groups (Bourguignon & Verdier, 2000).

Apart from monopolizing the development, the monopoly of the political realm can also truly be felt in the last few years. For instance, in 2020, the world experienced a global disaster, i.e., the Covid-19 pandemic, but rather than utilizing the funds to strengthen the life

of society, oligarchic groups chose to still organize the Regional Head General Election that year under various justifications, such as the economic excuse that did not have a significant impact. At that time, the influence of the Regional Head General Election on the Gross Domestic Product (GDP) was very low, with an increase of less than one percent. This strengthens the argument that the organization of the Regional Head General Election that year seemed too forced and lacked care for public interests. Even worse, it can be said that this event was only organized for the benefit of the oligarchic groups, while the people were only used as a source of votes, which may be brought by a very small amount of money compared to the profits that the oligarchy obtain after gaining a certain position (Faedlulloh, Sulistiowati, Apandi, & Karmilasari, 2023).

It is currently known that political parties that should ideally become an institution of people's representatives are utilized by Bourjois groups as a vessel to gain power. Because of that, political parties in Indonesia are currently deemed irrelevant for the interest of society. This is worsened by the statement that Indonesia is a democratic state, but its political vessel, i.e., political parties, have failed in implementing that pillar. For instance, in Indonesia, there is a political party whose leader is very old. Even though old age may not hinder certain figures from leading well, it cannot be denied that this leader's actions are often wrong. A point to note is how long she has led that party, which highly violates the principle of democracy. Parties are no longer owned by the people, as they are actually owned by those in power. Even, it can be said that Indonesia has some people who dominate its life in the sectors of the economy, power, access to rights, etc. (Chalik, 2017).

### **Challenges in Interpreting Islamic Values to Achieve Inclusive Democracy Amid the Oligarchy**

In the democratic trajectory, the emergence of oligarchic groups, both in the political and economic realm are a serious challenge for the democratic state. The high political cost in General Elections and the dependence of private donors, especially amongst oligarchic groups, create several great issues in the political system. The low financial support from various grassroots groups led to the emergence of dark financing practices, worsening the inequality in access to financing sources, and strengthening the dominance of economic capital as a crucial element in political competitions. As a consequence, the power relationship that is formed between those in power and the oligarchy strengthens the influence of this political elite's influence in making political decisions (Muhlis, 2021).

Not only does the oligarchy has a role as a behind-the-scenes actor which influences political policies through the state as a mediator, but it also actively holds power over political parties. The impacts of this oligarchy can clearly be seen in the process of forming laws. It seemed that several laws are created in a rush for the gain of certain groups, which certainly lacks the participation of the people. This phenomenon clearly shows the influence of the oligarchy in reducing democratic values and public accountability in the political process, a reality that clearly hurts the democratic system.

Various parties often debate about Islam, i.e., a religion that highly upholds democratic principles. Many people regard that modern democratic principles clash with the conservative interpretation of Islamic values. This happens even though, on the one hand, modern democratic principles emphasize individual freedom, equality, political participation, and pluralism, which are in line with Islamic values, such as justice, equality, deliberation, and responsibility. This shows that philosophically, Islam and democracy are two complementary conceptions. These debates emerge when the principles in Islam and democracy are implemented and interpreted in practice, which are often caused by cultural, historical, and socio-political conditions of that country, such as the emergence of the oligarchy's hegemony in the democratic system.

The hegemony of political oligarchy in the Islamic perspective is a stately practice that can be said may hurt the interpretation of Islamic values, such as the *syura* (deliberation) concept. In Islam, this concept has similarities with modern democratic principles, especially regarding community participation in every decision-making process. In Islam, *syura* is a conception that emphasizes deliberation to reach consensus by involving the public in political processes. This conception clearly opposes oligarchic practices, where the power of political elites is used to make political decisions without involving the public, creating decisions for personal gain. Even though the definition of the oligarchy and the concept of democracy are not explicitly explained in Islamic teachings like in Al-Qur'an and Hadeeth, many democratic principles can be found in Islamic teachings, such as equality without differentiating socio-economic status as well as not siding with the elite groups while oppressing vulnerable groups. There is also the good practice (*taghyir*) principle, which should become the basis to social and political interactions in Indonesia (Ahmad, Alyudin, Rizqi, & Afnisa, 2025).

The existence of political elites that are linked to each other and bring profits to one another makes Indonesia, as a democratic state, experience difficulties conducting strict actions against oligarchic groups in the economic and political sectors. These difficulties are influenced

by several factors (Akbar, 2016): *First*, there is a mutually profitable dependence between political elites and oligarchic groups. In this case, oligarchic groups have wealth. Thus, they use their economic power to give financial support to politicians, which may be in the form of political donations or investment. Financial support from oligarchic groups is usually used by political elites for campaign needs to maintain or increase their positions as politicians.

*Second*, politicians' dependence on financial support from oligarchic groups makes it difficult for them to conduct firm acts against economic groups in power. Politicians often face doubt in taking steps that may bring losses to the oligarchy as they fear losing their source of financing and political support that are important for their career. This situation becomes even more complicated as politicians also need to make sure that their campaign funding goes well and that they can still obtain support from voters.

*Third*, what becomes a hindrance to democracy is conflicts of interest, which make politicians face difficulties siding with the people if there is a misalignment between the interests of the people and those of oligarchic groups. Politicians will instinctively tend to favor the oligarchy's interests, considering that the political costs in Indonesia are very high. This makes politicians support those who provide financial support.

Mietzner also stated that the oligarchy's current financial role in Indonesian politics attracts the attention of the public. Politicians are often trapped in a complicated network of interests, where every political policy is always influenced by pressures from parties with great economic power. In such a situation, it is not uncommon that the policies made always bring benefits for the elite group rather than benefitting the society in general. Thus, this phenomenon reflects a great challenge for democracy, where the people's interests are often shifted by the dominance of oligarchic groups (Mietzner, 2013).

Another challenge for the democratic state amid the dominance of the oligarchy is the weak legal system and its ineffective enforcement. Thus, oligarchic groups can influence the legal process according to their desires using their resources and capabilities. Apart from that, oligarchic groups can also influence the lack of law enforcers' independence in enforcing applicable laws.

These challenges in the democratic system can be resolved with better institutional reformation, with the increase in transparency and accountability. To achieve these desires, there needs to be a strong commitment of the government and society. However, these efforts will be in vain if politicians do not have the courage to make decisions for the public interest. Politicians should carry out their responsibility in upholding justice in the face of the law by prioritizing the interests of society, even though they must sacrifice their positions and become

involved in controversies with parties with great influence. To handle these hindrances and challenges, there needs to be a development of a more just and transparent political and economic system, which is not only the responsibility of the government but also involves the active participation of society to achieve a more democratic and just governmental order (Wibowo, Imanullah, Saintika, & Isfany, 2024).

The oligarchy's dominance in the Indonesian democratic system is difficult to resolve due to the existence of complex dynamics. One of the main hindrances is the existence of a mutually-profitable interaction between political elites and oligarchic groups, which makes the government face difficulties taking firm steps. Politicians often depend on the oligarchy for financial support to fund their expensive political campaigns, both through direct donations and investments in political parties. This dependence makes politicians refrain from taking steps that may potentially bring losses to the oligarchy, as they need the support of resources. As a consequence, conflicts of interest emerge between their roles as the people's representatives and personal or business interests, which will in turn weaken their courage to undergo firm acts against the dominance of the oligarchy (Sugeng, 2023).

The weak legal system and the ineffective law enforcement become great challenges in facing the oligarchic group, which has the power and resources to avoid responsibility and influence how the legal process runs. Law-enforcing institutions' lack of independence also worsens the situation, making it difficult to take firm steps against the oligarchy. To handle these challenges, there needs to be more comprehensive institutional reformations, an increase in transparency and accountability, as well as the strengthening of legal institutions that are truly independent. Apart from that, politicians need to have the courage to emphasize the public interest. The government's strong commitment and society's active participation are essential in building more just and open political and economic systems.

In Indonesia, as a democratic government, what becomes the great challenge in the emergence of the oligarchy's dominance is placed on the imbalance between the ideal democratic principles and the political reality that is dominated by the power of some elites. The lack of integration of Islamic values, such as the value of equality (*al-Musawalah*), justice (*al-Adalah*), deliberation (*as-Syura*), and responsibility (*al-Mas'Uliyah*) in inclusive democracy become a great challenge in integrating Islamic values into the democratic government amid the oligarchic hegemony. This is due to public officials who lack moral awareness in carrying out their tasks and responsibilities, as well as the lack of political ethics

from the powerful elite to form individual capabilities to act critically, rationally, and independently.

In essence, democracy highly upholds the people's participation, the freedom of expression, and justice in making political decisions. However, in practice, the political power and economy in Indonesia becomes more and more dominated by a group of elites who have power, wealth, political connection, and access to media and General Election processes. These oligarchic groups not only influence general election results through money politics, but also dominate every decision-making process that should ideally side with the people. As a result, there are cases of social inequality, rampant corruption, and a lack of inclusive development. The public trust towards democratic institutions weaken and the economic development that is far from the ideals (E. I. Rohmah, 2024).

## CONCLUSION

The dominance of the oligarchy in Indonesia becomes a serious challenge for social justice and democracy, especially from the Islamic perspective. Oligarchy, which is defined as power that is concentrated on a group of elites, contradicts Islamic values, such as equality, justice, deliberation (*syura*), and responsibility. It certainly also violates the principles democracy. In its practice, the oligarchy in Indonesia is a manipulation of the political and economic systems through various methods, such as expensive political financing, the usage of the state's resources, money politics, as well as the usage of ethnical and religious issues.

The case study of the Village Head Elections in Kediri Regency, East Java Province, shows that descendants of Syaikhona Kholil's utilize their lineage to this charismatic *kiai*. This shows how new economic elites and family dynasties form an oligarchy that has power over strategic positions for personal gain. Apart from that, the influence of the oligarchy led weakening of anti-corruption institutions, such as the Corruption Eradication Commission. It has also led to the creation of public policies that do not side with the people's interests. The main challenge in overcoming the dominance of the oligarchy is politicians' dependence on financial support from oligarchic groups as well as the weak legal system and law enforcement. To achieve inclusive democracy that is in line with Islamic values, there is a need for the integration of these values into democracy. Meanwhile, to minimize the dominance of the oligarchy in the democratic system, there is a need for an institutional reform, the increase in transparency and accountability, as well as the strengthening of legal agencies' independence.



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