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ROLE OF THE STATE IN THE DISTRIBUTION OF JUSTICE IN THE ECONOMIC FIELD ACCORDING TO AL-FARABI'S THOUGHTS

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Abstract

This research aims to synthesize Al-Farabi's philosophical thoughts about the concept of Al-Madinah al-Fadhilah (Primary State) and distributive justice with contemporary economic realities in Indonesia. The main focus of the study is to analyze how the principle of cooperation and the role of the state as a regulator can provide solutions to the challenges of poverty and unemployment which still experience sharp disparities between regions. This research uses a qualitative approach based on library research. The analytical descriptive method was applied to study primary sources in the form of translations of Al-Farabi's works, especially Ara Ahl al-Madinah al-Fadhilah. The research results show that poverty and unemployment in Indonesia in 2025 are indications of obstacles in the national cooperation system. Data shows structural inequality where rural poverty (11.03%) is much higher than urban (6.73%), as well as extreme poverty in the Eastern region (Central Papua 28.9%). High unemployment in industrial areas (West Java 6.77%) also indicates the state's ineffectiveness in allocating citizens' roles according to their natural talents. Collective happiness is difficult to achieve for a long time as the basic needs of people in remote areas are not met equally. This research provides a theoretical contribution by filling the gap in literature that connects the thoughts of Al-Farabi's classical Islamic political philosophy directly with empirical data on the Indonesian economy in 2025. The Indonesian government is advised to strengthen the state's role as the heart of economic coordination by actively intervening through inclusive fiscal policies and wealth redistribution. This research is limited to literature reviews and secondary macro data, so it does not cover micro socio-economic dynamics directly in the field.

Keywords: *Distributive Justice, Cooperation, Poverty, and Unemployment.*

1. Introduction

Islam is a comprehensive teaching that views economic activity as part of worship, with Islamic economics directly related to meeting the necessities of life. Consequently, Islamic principles must be applied in all economic activities. The practice of Islamic economics, as taught by the Prophet Muhammad (peace be upon him), has developed rapidly and plays a vital role in national life. Mutafarida & Anam emphasize that this teaching is not exclusive to Muslims but aims to bring happiness and safety to humanity in this world and the hereafter (Mutafarida & Anam, 2020) .

Indonesia is one of the world's largest and most developing countries, with a population of approximately 270 million. With such a large population, Indonesia has the potential for a demographic bonus, with a larger proportion of productive-age people than non-productive-age people. As an archipelagic nation, Indonesia's vast territory presents a challenge in equalizing poverty and unemployment. The price of basic necessities in remote areas is often significantly higher than in urban areas, contributing to vulnerability to poverty. Furthermore, access to services such as education, healthcare, and employment, the foundations of human development, remains concentrated on the island of Java. According to data from the Central Statistics Agency (BPS), Indonesia's poverty rate in the first half of 2025 was 8.47%, and its unemployment rate in August 2025 was 4.85%.

One of the philosophers who contributed significantly to achieving happiness in this world and the hereafter through political economy was Al-Farabi. Al-Farabi was a prominent philosopher who contributed significant thoughts on how to achieve happiness in this world and the hereafter through political economy. Although he is better known as a political scientist and philosopher, Al-Farabi was also an important Islamic economist. He was very prolific in writing, producing many new ideas and knowledge. His contributions to economic thought are contained in various books, one of which is *Ara Ahl al-Madinah al-Fadhilah,* one of his most phenomenal works. The contents of this book relate to how a state should be governed based on the highest philosophical and ethical principles, where politics and economics become tools to achieve the highest spiritual goal, namely eternal happiness.

According to Al-Farabi, the state is not merely a night watchman *that* allows market mechanisms to run wild. The state has an active responsibility to ensure the distribution of resources so that happiness (*Sa'adah)* can be achieved. The state's primary role is to ensure the fulfillment of the basic needs (*daruriyyat*) of every citizen. Al-Farabi argues that individuals cannot achieve intellectual and moral perfection if they are still shackled by poverty and hunger (Haneef et al., 2015) . The state must intervene to ensure that no citizen lives in poverty because this is the foundation of distributive justice. The state is obliged to manage resources such as land, water, and public goods for the common good.

One of the discussions contained in Al-Farabi's work *Al-Madinah Al-Fadilah* is related to the principle of cooperation (*ta'awun*). Al-Farabi sees society as an organ of the body, where each part has a different function but supports each other. Meanwhile, the state functions like the heart, coordinating this cooperation through

its leaders (Chapra, 2000) . This means the state must regulate work specialization and ensure that production results are distributed fairly according to the contributions and needs of each member of society. The state must prevent one group from exploiting another.

Although Al-Farabi did not reject private ownership, he strongly opposed the excessive accumulation of wealth and hoarding (*ihtikar*). If the market fails to distribute goods fairly, or if hoarding harms the public, the state is obliged to intervene (Mutiani, 2020) . This intervention could take the form of price regulation or the redistribution of wealth from those with surplus to those with scarcity.

Al-Farabi's over a thousand-year-old thoughts have surprising relevance to contemporary economic issues, such as challenging the ideology of neoliberalism, which purely minimizes the role of the state in the economy. Al-Farabi also criticized the use of Gross Domestic Product (GDP) as the sole measure of a country's success, hoarding, and rampant corruption, as seen in Indonesia. This intervention could take the form of price regulation or the redistribution of wealth from those with more to those with less.

From several literature reviews that the author found, most previous studies discussing the role of the state in distribution and justice in the economic sector focused on zakat, productive waqf and social fund management, such as the integration of zakat with conventional fiscal policy to maximize the impact of poverty alleviation and inequality (Hudaefi & Beik, 2021) . The role of the state is crucial in digitalization and professional governance so that the collection and distribution of zakat becomes more efficient and transparent (Harahap et al., 2023) . The state is also encouraged to expand the objects of contemporary zakat and increase compliance with zakat obligations (Maisyarah & Hamzah, 2024) . The state must facilitate regulations and infrastructure to manage waqf funds productively to generate profits that can be distributed repeatedly to *mauqūf 'alaih* (waqf recipients), thereby helping poor groups become independent (Aristyanto & Riduwan, 2025) . The state is also expected to actively manage funds such as infaq, alms, and especially Qardhul Hasan (interest-free loans), which function as a social safety net and access to financing for micro-enterprises that are not accessible to commercial banks (Haqbin & Thas Thaker, 2025) .

Previous research on Al-Farabi's thoughts includes reviewing the concept of rational humans in Al-Farabi's economy who strive to achieve perfection and happiness. The study associates the image of the Main State (*al-Madīnah al-Fāḍilah*) with Medina under the leadership of the Prophet Muhammad (Hamzani, 2019) . Furthermore, research by Tika Mutiani in 2020 entitled The Main State According to Al-Farabi: Concept and Its Relevance in Contemporary State Life, the discussion in the study is related to the process of forming a main state by involving a group of people, unity of purpose, and head of state (Mutiani, 2020) . From the many literatures found, there has been no research that discusses how relevant Al-Farabi's thoughts are about the role of the state in the distribution of justice in the economic sector, especially in overcoming the problems of poverty and

unemployment in Indonesia. The aim of this study is to synthesize Al-Farabi's philosophical thoughts with contemporary economic realities in Indonesia, such as examining the extent to which the concept of *Al-Madinah Al-Fadhilah* (Primary State) and Al-Farabi's principle of distributive justice can explain and provide solutions to the phenomena of inequality, poverty and unemployment in all provinces in Indonesia.

2. Literature review

A Short Biography of Al-Farabi

One form of data accuracy regarding Al-Farabi's birth year can be seen from several writings, such as Harun Nasution pointing to the number 870 AD (Nasution, 1973) and Osman Bakar writing the year 257/890 AD (Bakar, 1998) . In addition to the year of birth, the origin of the figure whose full name is Abu Nashr Muhammad ibn Muhammad ibn Tharkhan ibn Auzalagh al-Farabi also has many different opinions, because Some say he is of Persian nationality and others state his Turkish descent. This is because his father Muhammad ibn Tharkhan was a Persian general and his mother was a woman of Turkish descent (Zar, 2019) .

The name al-Farabi is actually taken from the name of the city of Farab, a district of the province of Transoxiana, namely the district where he was born, precisely in the small village of Bernama Wasij. According to Ibn Khallikan's records, it was in this area that Abu Nasher spent his teenage years. In addition to his hometown, al-Farabi once lived in Bukhara to pursue further studies in fiqh and other religious sciences. The city of Bukhara, which was then under the rule of Nasr ibn Ahmad (260-279 H / 874-892 AD), is known as the early period of the revival of Persian literature and culture in Islam. It was here that al-Farabi studied music for the first time. And in this city he also served as a judge (qadhi).

After only a short time as a judge, al-Farabi heard of a teacher who taught philosophical sciences. Soon he left that position and began to be busy studying logic and Aristotelian philosophy with Yuhanna ibn Hailan in the city of Merv Khurasan (Bakar, 1998) . When he was 40 years old, al-Farabi moved to Baghdad, which at that time was the center of world culture and science. There he studied Arabic rules from Abu Bakar al-Saraj and also studied logic and philosophy from a Christian, Abu Bisyr Mattius ibn Yunus (Zar, 2019) .

According to Osman Bakar, Al-Farabi departed for Baghdad around 287 AH/900 AD from the city of Merv with his teacher Ibn Hailan. So, in addition to studying with others, while in Baghdad, Al-Farabi continued to study with Ibn Hailan. In fact, in the next phase, Al-Farabi also moved to Harran to follow his teacher. It is highly likely that Ibn Hailan influenced Al-Farabi to continue his studies in Constantinople, which was closely linked to the Alexandrian school of philosophy. Al-Farabi remained in Constantinople for eight years, completing his studies in the sciences and the entire philosophical syllabus (Bakar, 1998) .

It was only in the period between 297-307 AH / 910-920 AD that al-Farabi returned to Baghdad and was recorded as a student of Matta ibn Yunus, one of the Nestorian philosophers. Under Matta's guidance, al-Farabi was able to explain

abstract ideas so that they were easy to understand and express them in simple terms. Even then, al-Farabi's teachings and writings at this time quickly established his reputation as a leading Muslim philosopher, surpassing his teacher Matta ibn Yunus in the field of logic (Bakar, 1998) . In 330 AH / 941 AD, Al-Farabi moved to Damascus, Damascus, Syria and became acquainted with Said al-Daulah al-Hamdani, Sultan of the Hamdan dynasty in Halab (Aleppo). The Sultan seemed very impressed with his wisdom and intellectualism, so he invited him to move to Aleppo. In Aleppo, the Sultan gave al-Farabhi a good position as a palace advisor until he died there around 337 H/950 AD at the age of 80 (Achmad, 1982) .

Al-Farabi's works spanned every branch of knowledge known to the medieval world. Traditional bibliographers attribute over one hundred works to him. However, these works, which are mostly manuscripts, are found only in Hebrew or Latin translations, and only a few have been edited and published. Therefore, it is difficult to provide a comprehensive account of the various aspects of al-Farabi's work and thought (Bakar, 1998) . Among al-Farabi's works are:

1. *Al-Jami'u Baina Ra'yani Al-Hkiman Afalatoni Al Hahiy wa Aristho-thails* (the meeting or merger of opinions between Plato and Aristotle),
2. *Tahsilu as Sa'adah* (seeking happiness),
3. *As Suyasatu Al Madinah* (government politics),
4. *Fususu Al Taram* (the essence of truth),
5. *Arro'u Ahli Al Madinati Al Fadilah (* main government thoughts)
6. *As Syiasyah* (political science),
7. *Fi Ma'ani Al Aqli,* (meaning of Thinking)
8. *Ihsha'u Al Ulum* (collection of various knowledge),
9. *Isbatu Al Mufaraqat,* (Separation Decree)
10. *Al Ta'liqat.* (Dependence).
11. *Ara Ahl al-Madinah al-Fadhilah.*

Al-Farabi's Thoughts on the Ideal State (*Ara Ahl al-Madinah al-Fadhilah)*

The ideal state in Al-Farabi's thought is called *Al-Madinah Al-Fadilah* (Prime City or Prime State), is a concept of a state or city where all components of society work together to achieve the highest goal, namely true happiness (*Sa'adah*). This concept, which is heavily influenced by Plato's *Politeia* (Republic), is integrated by Al-Farabi with the principles of Islamic monotheism and Aristotelian philosophy (Said, 2019) . The main goal of *Al-Madinah Al-Fadilah* is not merely material prosperity, military security, or the fulfillment of physical needs alone. The ultimate goal is *Sa'adah* (happiness), which in Al-Farabi's view is intellectual, moral, and spiritual (Alisa, 2023) . The state is a vehicle or tool that must guide its citizens towards this perfection.

Al-Farabi uses an organic metaphor. He compares the ideal state to a healthy human body. The ideal state resembles a perfect and healthy body, where all its members work together to perfect the creature's life and maintain it in its best condition (Farabi, 1970) . In this analogy, the Heart is the Control Center or the main

leader (*Ra'is Awwal*), while the Body Parts represent groups and individuals within society with their different functions.

According to Al-Farabi, the key to an ideal state is its leader. Therefore, to become a leader, very strict requirements are given to *the Ra'is Awwal* (Main Leader, president, king). He is not only a king or politician, but a philosopher like Plato, a Prophet, or an Imam who received direct enlightenment from the Active Intellect (Nasr et al., 2021) . This leader must have twelve criteria of perfection, including physical perfection, sharp intelligence, strong memory, rhetorical ability, love of knowledge, honesty, not greed, justice, and a strong will (Nunu, 2015) . Because the main task of the leader is to educate and guide citizens through laws based on the highest philosophical knowledge. Just as a healthy body requires cooperation (*ta'awun*) between organs, an ideal state requires harmony and cooperation among its citizens. Each individual has a place and function that suits their natural talents (Rasyid & Tubangsa, 2024) . So to clarify the concept of the ideal State, Al-Farabi explained its antithesis, namely imperfect cities or countries, such as *Al-Madinah Al-Jahilah* (Stupid City) Its inhabitants do not know *Sa'adah* and only pursue low goals such as wealth, pleasure, or power (Muthhar, 2025) . *Al-Madinah Al-Fasiqah* (Evil City) Its inhabitants know the truth and *Sa'adah,* but deliberately choose to live contrary to it pursuing lust, and *Al-Madinah Al-Dallah* (City of Misguidance) Its leaders are wrong in understanding God and *Sa'adah,* then mislead their people with false beliefs.

The concept of cooperation (*ta'awun*) between citizens

For Al-Farabi, the regulation of cooperation (*ta'awun*) by the state is the main foundation for building *Al-Madinah al-Fadhilah.* This concept is inseparable from his political philosophy which views the state as a living organism that aims to achieve the highest happiness (*as-sa'adah*) for its citizens (Al-Farabi, 1985) . Naturally, humans cannot live alone (*infirad*) because one individual cannot fulfill all their basic needs (*dharuriyyat*) alone. Humans need food, clothing, shelter, and security, all of which require different skills. Therefore, humans are naturally driven to gather (*ijtima'*) and cooperate with each other (*ta'awun*) to survive and achieve perfection.

Al-Farabi observed that each individual is born with different talents, dispositions, and natural abilities (*fitrah)* (Karim, 2016) . Some are naturally physically strong, others meticulous and skilled in crafts, and still others possess superior intellectual intelligence. This individual specialization allows each person to focus on the work that best suits their natural talents. This not only increases the city's collective efficiency and productivity but also represents a form of justice, as each person contributes according to their capacity (Muthhar, 2025) .

Al-Farabi emphasized that *ta'awun* and specialization must be regulated by the State through Leaders such as kings, presidents, and prime ministers. Because the leader will act as the heart of the social organism in a country (Hudaefi & Beik, 2021) . The State has duties including Identifying Talents, Allocating Roles, and Creating Harmony. Al-Farabi criticized the lowly city (*Al-Madinah al-Khassah*) whose citizens only focused on hoarding wealth and pleasure (Butterworth, 2016) .

Because the ultimate goal of *ta'awun* is first to fulfill basic needs by ensuring that the basic needs of every citizen are met fairly and efficiently. Second, achieving *As-Sa'adah* by fulfilling material needs, citizens are free from worldly busyness. They can then dedicate their time and energy to pursuing the highest human goal, namely *as-sa'adah* which for Al-Farabi means intellectual perfection and moral perfection (Fakhry, 2014) .

Economic Justice in Al-Farabi's View

For Al-Farabi, the concept of economic justice is inseparable from the highest goal of the state's creation, namely Al-Madinah Al-Fadilah (the Prime State). The primary goal of this state is to guide its citizens to achieve true happiness (*Sa'adah*), which includes intellectual, moral, and spiritual perfection (Alisa, 2023) . Within this framework, economics is not an end in itself, but rather a means to achieve *Sa'adah.* Economic justice is a social condition that allows every individual to develop and achieve that happiness. Economic justice is not mathematical equality such as everyone getting the same amount, but rather proportional justice that creates social harmony.

The state must ensure that individuals receive fair compensation for their contributions to society. However, for those unable to contribute, such as the sick, elderly, or disabled, the state is obliged to meet their needs as a form of justice (Albab, 2022) . The state also actively prevents exploitation (*taghallub*) and economic tyranny by wealthy or powerful groups, and the state must also be able to maintain a balance of wealth to prevent inequality in wealth control that can damage the state's morality and hinder the achievement of *Sa'adah.* Because Al-Farabi was influenced by the philosophy of Plato and Aristotle, he did not define economic justice as equality or equal *(egalitarianism).* But he understood it as proportional justice or distributive justice. (Ramadan & Putra, 2025) . Al-Farabi also used the analogy of the human body to illustrate economic justice. In a healthy body, organs like the heart, brain, and hands have different but vital functions. Justice is achieved not when the hands receive the same amount of nutrition as the brain, but when each organ receives what it needs in proportion to its function for the health of the entire body.

As an *interventionist,* Al-Farabi positions the principal leader as the primary regulator of economic justice within a state. Therefore, the state has an obligation to ensure that none of its citizens go hungry or experience extreme poverty, and that there is no hoarding of wealth. In fact, the state has the right and obligation to take excess wealth from the super-rich that exceeds their functional needs and distribute it to those in need. This is not charity but *justice.* (Ramadan & Putra, 2025)

3. Research methods

This study uses a qualitative approach based on library research. *The* research design is descriptive analytical, which aims to provide a systematic explanation of the concept of the state's role in distribution and justice in the economic field as seen from Al-Farabi's thoughts. This approach was chosen because the research is oriented towards theoretical studies and philosophical

understanding, not field data collection. The analysis in this study is related to Al-Farabi's thoughts on cooperation, distribution of resources and wealth fairly for all citizens, and preventing unfair economic practices. The analysis focuses on writings containing Al-Farabi's thoughts and the concept of the highest happiness (*as-sa'adah*) for its citizens.

data sources include primary and secondary works. Primary sources include translations of Al-Farabi's works such as *Al-Madinah al-Fadhilah* (The Prime State), which discusses the Ideal State that functions as a means for its citizens to achieve Perfect Happiness (*al-sa'ādah al-quṣwā*). Secondary sources consist of books, scientific journal articles, and academic publications that discuss the theory of the Role of the State, Economic Justice, Distribution, and Al-Madinah al-Fadhilah.

Data collection techniques were conducted through scientific documentation, namely reviewing written references such as books and journal articles. Sources were obtained from academic digital libraries such as MPRA, ResearchGate, Google Scholar, and reputable Islamic economics journals. Reference selection followed the principles of academic validity and topic relevance.

Data analysis used content analysis and a comparative approach. First, Al-Farabi's texts were examined to identify the concept of cooperation (*ta'awun*) between citizens, distribution of resources and wealth fairly for all citizens, and prevention of unfair economic practices. Second, these concepts were compared with the principles of the role of the state in Islam in the Qur'an, hadith, and Islamic economic literature. Third, the researcher compiled a synthesis that shows the relationship between classical philosophical thought and the practice of distributive justice in the field of Islamic economics.

4. Results and Discussion

Research result

A nation's success in achieving the ideals of *Al-Madinah al-Fadhilah (the well-being of Madinah)* depends heavily on its leaders' ability to distribute prosperity fairly and equitably. From Al-Farabi's perspective, poverty is not simply a matter of material deprivation, but rather an indicator of obstacles in the system of cooperation (*ta'awun*) between elements of the nation. If any part of the nation's body experiences economic malnutrition, the goal of achieving ultimate happiness (*as-sa'adah*) will be difficult to achieve.

Real-world conditions show that Indonesia still faces significant disparities, particularly between rural and urban areas. Differences in access to education, infrastructure, and employment opportunities create a wide gap in prosperity between provinces. The data in the following table provides a comprehensive overview of poverty levels in Indonesia's 38 provinces in the first half of 2025.

Table 1
Percentage of Poor Population in Indonesia by Province and Region (%)
Semester 1 2025

No	Province Name	Rural	Urban	Average
1	Aceh	14.44	8.54	12.33
2	North Sumatra	7.71	7.1	7.36
3	West Sumatra	6.93	3.91	5.35
4	Riau	6.43	5.75	6.16
5	Jambi	6.01	9.52	7.19
6	South Sumatra	10.79	9.1	10.15
7	Bengkulu	11.95	12.34	12.08
8	Lampung	11.32	7.49	10
9	Bangka Belitung Islands	6.59	3.89	5
10	Riau Islands	8.33	4.13	4.44
11	DKI Jakarta	-	4.28	4.28
12	West Java	8.15	6.76	7.02
13	Central Java	9.92	9.1	9.48
14	In Yogyakarta	10.46	10.16	10.23
15	East Java	12.86	7	9.5
16	Banten	5.89	5.58	5.63
17	Bali	4.97	3.27	3.72
18	West Nusa Tenggara	11.51	12.02	11.78
19	East Nusa Tenggara	22.66	7.68	18.6
20	West Kalimantan	7.22	4.48	6.16
21	Central Kalimantan	4.97	5.46	5.19
22	South Kalimantan	4.25	3.43	3.84
23	East Kalimantan	7.48	4.16	5.17
24	North Kalimantan	5.98	5.27	5.54
25	North Sulawesi	9.95	4.25	6.71
26	Central Sulawesi	12.93	6.98	10.92
27	South Sulawesi	9.88	5.14	7.6
28	Southeast Sulawesi	13.13	6.42	10.54
29	Gorontalo	20.8	4.68	13.24
30	West Sulawesi	10.94	8.35	10.41
31	Maluku	24.61	4.36	15.38
32	North Maluku	5.76	5.95	5.81
33	West Papua	25.88	9.22	20.66
34	Southwest Papua	29.71	8.98	17.95
35	Papua	38.47	6.58	19.16
36	South Papua	28.86	4.12	19.71
37	Central Papua	36.54	5.51	28.9

38	Papua Mountains	31.36	13	30.03
39	Indonesia	11.03	6.73	8.47

Source: Central Statistics Agency 2025

Based on the data in Table 1 above, it shows a sharp structural inequality, because the national average is 8.47%, at a macro level this figure shows a decrease compared to previous years. However, the figure of 11.03% in rural areas compared to 6.73% in urban areas indicates a failure in the distribution of welfare to rural areas. In the eastern region, such as Central Papua province (28.9%) and Papua Mountains (30.03%) recorded very extreme poverty rates, even in Papua, the rural poverty rate reached 38.47%. This indicates that economic resources have not been managed for the benefit of the local population there. Furthermore, there is extreme inequality between urban and rural areas in the Maluku region, with poverty in rural areas reaching 24.61% while in urban areas it is only 4.36%. This 20% disparity indicates economic isolation in non-urban areas. The high poverty rate in the Eastern region shows that distributive justice is not fully equitable in Indonesia. So as long as basic needs (*daruriyyat*) are not met evenly in all corners, the collective happiness of a nation cannot be achieved perfectly.

In contrast to the national trend, urban poverty is higher in Jambi and Bengkulu than in rural areas. This could indicate the phenomenon of urban poverty, where the cost of living in cities is not commensurate with available wages. Meanwhile, massive inequality occurs in Maluku, where rural poverty is 24.61%, almost six times higher than urban poverty, which is 4.36%. This strongly signals a failure of development distribution to remote areas of the archipelago.

Besides poverty, Indonesia faces unemployment. Unemployment rates in several provinces are quite high, as can be seen in the table below:

Table 2

Open Unemployment Rate by Province (Percent) in 2025

No	Province Name	February	August
1	Aceh	5.5	5.64
2	North Sumatra	5.05	5.32
3	West Sumatra	5.69	5.62
4	Riau	4.12	4.16
5	Jambi	4.48	4.26
6	South Sumatra	3.89	3.69
7	Bengkulu	3.24	3.41
8	Lampung	4.07	4.21
9	Bangka Belitung Islands	4.17	4.45
10	Riau Islands	6.89	6.45
11	DKI Jakarta	6.18	6.05
12	West Java	6.74	6.77

13	Central Java	4.33	4.66
14	DI Yogyakarta	3.18	3.46
15	East Java	3.61	3.88
16	Banten	6.64	6.69
17	Bali	1.58	1.49
18	West Nusa Tenggara	3.22	3.06
19	East Nusa Tenggara	3.23	3.31
20	West Kalimantan	4.23	4.82
21	Central Kalimantan	3.47	3.97
22	South Kalimantan	3.94	4.16
23	East Kalimantan	5.33	5.18
24	North Kalimantan	3.9	3.85
25	North Sulawesi	6.03	5.99
26	Central Sulawesi	3.02	2.92
27	South Sulawesi	4.96	4.21
28	Southeast Sulawesi	3.27	3.31
29	Gorontalo	3.12	3.42
30	West Sulawesi	3.17	2.86
31	Maluku	5.95	6.27
32	North Maluku	4.26	4.55
33	West Papua	4.21	4.55
34	Southwest Papua	6.61	6.85
35	Papua	6.92	6.96
36	South Papua	4.9	4.04
37	Central Papua	3.55	3.62
38	Papua Mountains	1.68	1.68
39	Indonesia	4.76	4.85

Source: Central Statistics Agency 2025

Based on Table 2 above, it can be observed that nationally, the unemployment rate experienced a slight increase from 4.76% in February to 4.85% in August. This indicates that although the economy is running, the absorption of new workers in the second half of 2025 is slightly slower than at the beginning of the year. Several regions consistently show unemployment rates above the national average, such as Papua at 6.96%, which was the highest in August 2025, Southwest Papua at 6.85%, and West Java at 6.77% following in the next position. The Riau Islands at 6.45% and Banten at 6.69% continue to struggle with quite high rates, although the Riau Islands showed a downward trend from 6.89% in February.

In several provinces, the labor market is very active, resulting in low unemployment rates, such as Bali at 1.49%, which consistently remains the province with the lowest unemployment rate due to the recovery of the labor-

intensive tourism sector, Papua Mountains at 1.68% showed stability between February and August, and West Sulawesi at 2.86% and Central Sulawesi at 2.92% performed very well, both below 3%. Unemployment rates also experienced declines and increases, such as South Sulawesi province recording a significant decline from 4.96% in February to 4.21% in August, while West Kalimantan experienced a spike in unemployment from 4.23% to 4.82%.

Discussion

The concept of cooperation (*ta'awun*) between citizens in overcoming poverty and unemployment

Al-Farabi emphasized that humans cannot live in isolation (*infirad*). In Indonesia, poverty is often not caused by individual laziness, but rather by a lack of access to national cooperation systems. Communities in remote, outermost, and disadvantaged (3T) regions often struggle to participate in the national economy due to a lack of infrastructure. Without connectivity, residents cannot engage in *mutual cooperation* with economic centers. In Al-Farabi's view, this represents the state's failure to build an integrated system, preventing the benefits of welfare from reaching the poor.

For Al-Farabi, the regulation of cooperation (*ta'awun*) by the state is the main foundation for building *Al-Madinah al-Fadhilah.* This concept is inseparable from his political philosophy which views the state as a living organism that aims to achieve the highest happiness (*as-sa'adah*) for its citizens (Achmad, 1982) . Naturally, humans cannot live alone (*infirad*) because one individual cannot fulfill all their basic needs (*dharuriyyat*) alone. Humans need food, clothing, shelter, and security, all of which require different skills. Therefore, humans are naturally driven to gather (*ijtima'*) and cooperate with each other (*ta'awun*) to survive and achieve perfection.

The research results above also show that the national poverty rate of 8.47% masks a sharp disparity. The rural poverty rate, which reached 11.03% compared to the urban poverty rate of 6.73%, indicates a failure in the distribution of welfare. Al-Farabi emphasized that the role of leaders is to ensure that the basic needs (*dharuriyyat*) of every citizen are met so that they can achieve true happiness or *as-sa'adah.* (Alisa, 2023) . Extreme inequality in Central Papua (28.9%) and Highland Papua (30.03%) reflects the unequal management of economic resources for the benefit of the local population. According to Al-Farabi, this indicates a state that has not been able to fairly identify and allocate the roles of its citizens (Rofi'i et al., 2025) . Without the equitable fulfillment of basic needs, the nation's collective happiness will never reach its full potential.

The national unemployment rate stands at 4.85%. High unemployment in industrial areas such as West Java (6.77%) and Banten (6.69%) indicates a mismatch *between* citizens' natural talents and available social functions. Al-Farabi argued that every individual is born with a unique innate *talent, and the state's duty is to place them in the most suitable professions* (Karim, 2016) . Bali's

low unemployment rate of 1.49%, driven by the labor-intensive tourism sector, demonstrates the successful integration of individual roles into the local economy. Conversely, the fluctuation in West Kalimantan, which rose to 4.82%, signals the need for stronger leadership in coordinating efforts to maintain a steady labor absorption rate (Hudaefi & Beik, 2021) .

This analysis concludes that poverty and unemployment in Indonesia are economic malnutrition that hinders the achievement of moral and intellectual perfection among citizens. Strengthening the concept of *ta'awun* through digitalization of zakat management and inclusive fiscal policies is crucial for closing the rural-urban disparity gap. National leaders must act as the heart of ensuring economic energy flows to the most remote areas, such as Papua and Maluku, to achieve true distributive justice.

The concept of distributive justice in overcoming poverty and unemployment

For Al-Farabi, distributive justice (*justice in distribution*) is not just a random distribution of material aid, but rather the distribution of honor, wealth, and security based on individual merit and capacity (Rofi'i et al., 2025) . The success of a country in achieving the order of *Al-Madinah al-Fadhilah* is highly dependent on the ability of its leaders to distribute welfare fairly and evenly (Achmad, 1982) (Farabi, 1970) . In this perspective, poverty is seen as a serious obstacle in the system of cooperation (*ta'awun*) between elements of the nation (Alisa, 2023) . If some organs in the body of the country experience economic malnutrition, the highest happiness (*as-sa'adah*) is impossible to achieve (Fakhry, 2014) .

Research results indicate a sharp structural inequality. Although the national poverty rate is 8.47% and shows a macro downward trend, the figure of 11.03% in rural areas compared to 6.73% in urban areas indicates a failure in the distribution of welfare (Ishak & Musadik, 2024) . Al-Farabi emphasized that the state must be a mutually supportive organism, but extreme poverty in Central Papua, at 28.9% and in Highland Papua at 30.03%, proves that resources have not been managed for the benefit of local communities (Khalik, 2016) . Massive disparities in Maluku, where rural poverty reaches 24.61%, almost six times that of urban areas at only 4.36%, indicate economic isolation and a failure to distribute development to remote areas of the archipelago (Haruna & Ibrahim, 2021) . Al-Farabi criticized this condition as a characteristic of a stupid state (*al-madinah al-jahiliyyah*) which failed to fulfill the basic needs (*dharuriyyat*) of society equally (Hamzani, 2019) .

The national unemployment rate recorded in research data is 4.85%, reflecting inefficiencies in the allocation of social roles. Al-Farabi argues that justice is achieved when every citizen is placed according to their natural talents or *fitrah* (Karim, 2016) . High unemployment in industrial provinces such as West Java at 6.77% and Banten at 6.69% indicates a blockage in the state's coordination system (Hudaefi & Beik, 2021) . Conversely, low figures in Bali at

1.49% and Central Sulawesi at 2.92% indicate the functioning of labor-intensive sectors that are able to absorb labor organically (Haneef et al., 2015) . Unemployment, in Al-Farabi's view, is a form of wasted human potential that hinders the progress of cities and countries (Suleimenov, 2019) .

To address poverty and unemployment, Al-Farabi's distributive justice demands that leaders act intellectually and morally. Integrating socio-religious instruments such as zakat and *qardhul hasan* into fiscal policy can be a solution to reducing income inequality (Rahmaniya et al., 2025) . Only by meeting basic needs in all corners, from Aceh to Papua, can a nation dedicate its energies to pursuing moral and intellectual perfection (Islahi, 2014) .

4. Conclusion and Suggestions

This study concludes that poverty in Indonesia, particularly in rural areas at 11.03% and underdeveloped regions, is not merely a matter of material deprivation, but rather a reflection of the breakdown of the national cooperation system (*ta'awun*). Although national macro figures show a decline in poverty, the failure of welfare distribution is very visible in the economic isolation of non-urban areas. Al-Farabi's distributive justice demands that leaders distribute wealth and opportunities based on capacity and basic needs (*dharuriyyat*).

The national unemployment rate of 4.85%, with the highest rates in industrial areas such as West Java (6.77%) and Papua (6.96%), reflects a mismatch *between* citizens' natural talents and the availability of social roles. Al-Farabi emphasized that justice is achieved when every citizen functions according to *their natural disposition.* Therefore, to address this issue, leadership that acts as the heart of the entire province is needed. Strengthening the concept of *ta'awun* can be done through optimizing Islamic economic instruments such as digitalizing zakat management and *qardhul hasan* in fiscal policy. This aims to close the gap in inequality so that the nation's energy is no longer exhausted for survival, but rather shifted towards achieving moral and intellectual perfection. In fact, this study has several shortcomings. Because this research is limited to literature reviews and secondary macro data, it does not cover the direct micro-social and economic dynamics in the field.

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