

## **A MAQASID-BASED WELFARE INDEX IN INDONESIA: AN EMPIRICAL INVESTIGATION**

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### **ABSTRACT**

Acknowledging the importance of having an alternative welfare measurement to the prevailing material-based conventional welfare index, this study formulates a *maqasid*-based welfare index that encapsulates the material, spiritual, and social needs of individuals and then calculates the index for all regions in Indonesia. Our proposed index is based on a comprehensive set of *maqasid* indicators and on appropriate weighting of each *maqasid* indicator to arrive at the index scores for all regions in the country. From the results, four provinces in Indonesia are at the high level of *Maqasid*-based welfare. They are Aceh, Nusa Tenggara Barat, Gorontalo, and Sulawesi Barat. Meanwhile, twenty-five provinces are at the medium range of welfare. The index we compute for each region should prove useful as it would allow policymakers to tailor welfare strategies to each province's strong and weak areas of the *maqasid al-shariah*.

*Keywords:* *Maqasid-based welfare, Welfare measurement, Welfare index.*

**JEL classification:** I30; I31; I32.

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## I. INTRODUCTION

For any society, welfare is an important aspect to measure. The measurement of welfare has been based on various indicators over time. While Gross Domestic Product (GDP) has been the main basis for measuring welfare, it has become widely recognized as an inadequate measure of welfare and social progress in recent decades. The reason is GDP does not consider relevant socioeconomic issues and environmental degradation. Yet, these omitted measures can threaten the sustainability of economic development.

In addition, GDP per capita figure does not provide a detailed description of the condition of a country's prosperity and Indonesia is a perfect example of this. Indonesia's GDP continues to grow impressively, but at the same time the decline in the number of poor people is slow and the country continues to struggle with the problem of unemployment. Furthermore the measure of GDP includes the production of haram (impermissible) goods and services such as wine, interest-based financing, products harmful to the environment and immoral production such as pornography, which is in direct contradiction with Islam (Nizam & Larbani, 2014a).

Interestingly, there is a shift in the concept of welfare from being based on material economic indicators to being multidimensional. This has prompted researchers and countries to issue various welfare measures such as the Human Development Index (UNDP) (Mangaraj & Aparajita, 2020), Gross National Happiness (GNH) (Tofallis, 2020), Quality of Life Index, Prosperity Index (Wong, 2015), The Better Life Index (OECD Country) (Koronakos et al., 2020), The Economic Well-being Index (Thiry, 2015), Human Wellbeing Index (HWI) (Kevin Summers et al., 2014), Social Progress Index (SPI) (Jitmaneeroj, 2017), Index of Sustainable Economic Welfare (ISEW) (Menegaki, 2018), and Genuine Progress Indicator (GPI) (Fox & Erickson, 2020).

These positive changes show that perceptions of welfare are also different. Generally, those measures still do not include non-material variables such as religiosity. Classical Muslim scholars, such as al-Ghazali have developed a model for measuring human welfare based on the framework of sharia goals commonly called *maqasid al-shariah*. The Book of *al-mustasfa min 'ilm al-usul* by Al-Ghazali elucidates the concept of *maslahah* (welfare) to mean maintaining the goals of sharia which lie in the five *maqasid*, namely: preserving religion (*hifz al-din*), preserving life (*hifz al-nafs*), preserving intellect (*hifz al-'aql*), preserving posterity (*hifz al-nasl*), and preserving wealth (*hifz al-mal*). Everything that can develop the five *maqasid* must be supported as it improves *maslahah*. On the contrary, everything that threatens them must be eliminated (al-Ghazali, 2008).

The concept of *maqasid al-shariah*, or the objectives of Islamic law, has gained significant attention in the field of Islamic economics. *Maqasid*-based welfare measurement is an alternative to conventional welfare measurement systems since it considers a broader range of indicators, including social, cultural, and environmental aspects to provide a comprehensive picture of human well-being.

A number of researchers have formulated various *maqasid al-shariah* related measures such as Integrated Development Index (I-Dex) by Amin et al., (2015); Islamic Inclusive Growth Index (i-IGI) by Ghazal and Zulkhibri (2016); *Maqasid Al-Shariah* based Socio-Economic Development Index (SCECDI) by Ullah & Kiani

(2017); *Maqasid Al-Shariah* based Sustainable Development Goals Index (MSSDI) by Khan (2020); Islamic Well-Being Index (IWI 2.0) by Batchelor (2021). Thus, it can be argued that a *maqasid al-shariah* based welfare may offer a more reliable measurement model than GDP-related ones and other existing alternatives.

This *maqasid al-shariah* based welfare measurement is certainly proper if applied in Indonesia as a country with a Muslim majority and is supported by Indonesian laws (UU No. 11 2009) that define welfare as a condition for meeting the material, spiritual, and social needs of citizens to live a decent life. However, there has never been a welfare measurement that includes material and non-material aspects for all regions in Indonesia. If there is a *maqasid al-shariah*-based welfare measurement that is tailored to the circumstances in Indonesia, then we can find out the actual welfare conditions for each region. This could well spark more targeted policy designs for the whole nation.

With such promising outcomes, the objective of this research is to develop a *maqasid al-shariah*-based welfare measurement that will be used to measure welfare for all regions in Indonesia while offering the following aspects of improvement from existing indices: *First*, the index is based on a comprehensive set of indicators. In general, we rely on Amin et al. (2015) as the main reference for the indicators. Compared to the others, Amin et al. (2015) provide a clearer definition of each *maqasid al-shariah* component based on the conceptual definition given by Muslim scholars and provide an operationalization of the dimensions and elements of *maqasid al-shariah*-based welfare measurement. Nonetheless, this study will also modify and combine some of previous *maqasid*-based welfare measures and indicators.

*Second*, we apply weightage to each *maqasid* components. This weighting is important because numbers of Muslim scholars emphasize the importance of the level of priority for each component. Therefore, this study will use weighting loads on each *maqasid* components which many studies rarely apply. The determination of weight is guided by the opinions of experts in Islamic economics, development economics, and Islamic studies.

*Third*, we measure the index for all regions in Indonesia. Research on measuring welfare based on *maqasid al-shariah* in Indonesia is scanty. Up to 2022, there are only Budiman et al., (2017) in Kalimantan Selatan, Jaya (2016) in Sumatera Utara, Kasri & Ahmed (2019) in Jakarta. The latest being Rama & Yusuf (2019) that consider all provinces using equal weight and the GDP figure as one of the indicators. Note that from the Islamic perspective GDP has weak points as it includes illicit products such as *khamr* (alcoholic drinks), the production of interest-based financing. The above three aspect certainly makes this research different from the previous ones.

The remaining of the paper is structured as follows. The next section reviews the literature on *maqasid al-shariah*. Then, section III discusses the methodology followed by results and analysis in section IV. Finally, section V concludes and provides some recommendations.

## II. LITERATURE REVIEW

Muhammad Umer Chapra, a well-known contemporary Islamic economist, is regarded as the first Islamic scholar to connect *maqasid al-shariah* with economic

development and human welfare. In 2008, he published a book entitled *Vision of Islamic Development in the light of maqasid al-shariah* (Chapra, 2008). This book offers a thorough theoretical framework and measurements from several viewpoints to assist in determining those development objectives that are most essential to us based on Islamic principles. Earlier, Chapra (2000) examines the future of Islamic economics by providing a novel argument to re-link economics with moral egalitarian concerns to harness the discipline in the service of mankind related to *maqasid al-shariah*. His idea has influenced Amin (2022) to generate a maqasid index to measure consumer preference of Islamic home financing in Malaysia, extending the generalizability of Chapra's (2000) work to include the Islamic banking facility.

Later works have attempted to operationalize the *maqasid al-shariah* theory dimensions together with the clear aim to provide empirical evaluation. The work by Amin et al. (2015) is an example of such an attempt where they propose an integrated Islamic development framework and index. Proposals of this nature would expand the application of *maqasid* to make it more practical and beneficial in policy formulation settings.

From the existing literature, various indicators in each component can be visualized in Figure 1 to 10. *First*, preserving religion (*hifz al-din*) can be grouped into 3 dimensions, namely faith, religious practices, and spiritual enrichment. In figure 1 we can see various indicators that have been used by previous researchers. The indicators that are often used in the component preserving religion are zakat, belief, prayer, and religious education as shown in Figure 2. This means that the three dimensions of preserving religion have been used in index measurements conducted by previous researchers.

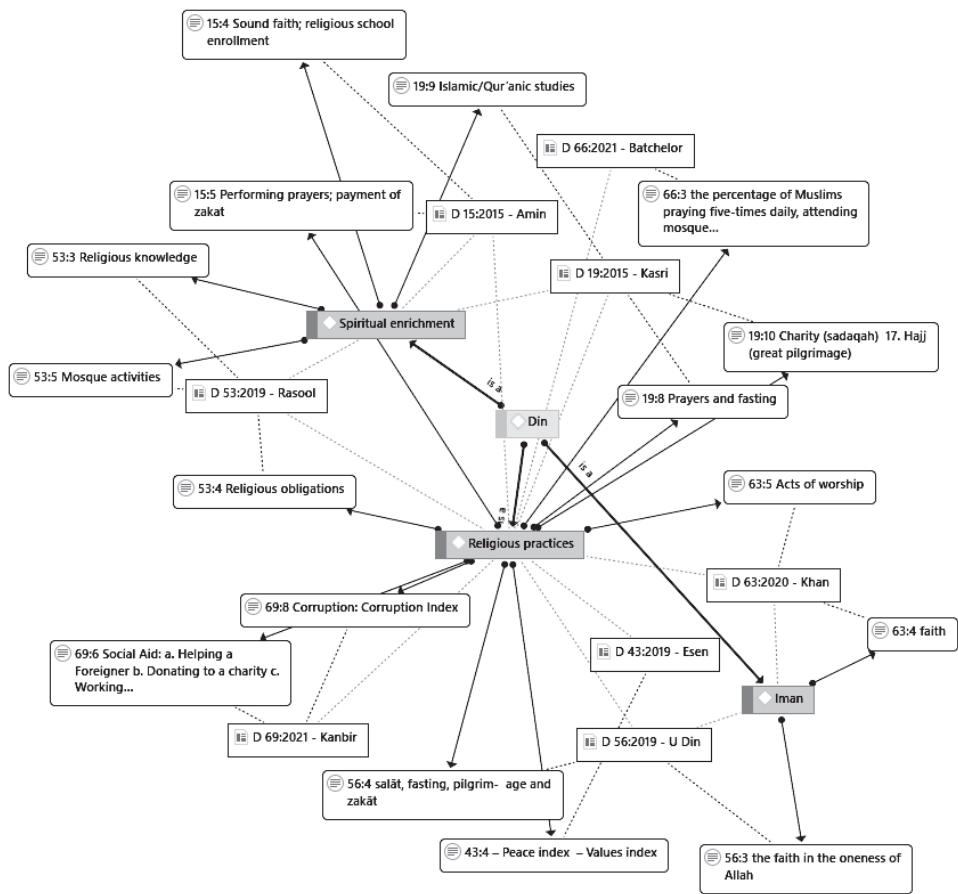
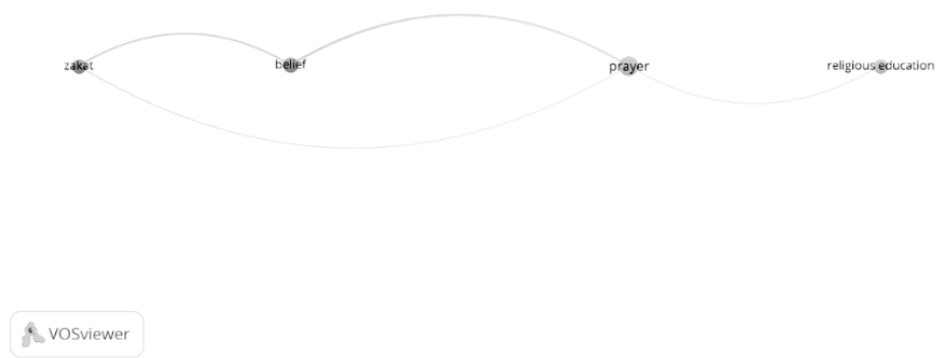


Figure 1.  
Indicators of Previous Studies on the Component of Hifz al-Din



Note:

Zakat	: Pay zakat or zakat collection
Belief	: Believe in Allah and His messenger
Prayer	: Frequency in prayer
Religious education	: Access to religious education

**Figure 2.**  
**Most Reported Indicators Used by Previous Studies on *Hifz al-Din***

*Second*, preserving life (*hifz al-nafs*) can be grouped into 3 dimensions, namely fulfilment of basic needs and protection from threats (human and non-human). The indicators that are often used in the component of preserving life are crime last year, health, access, and trust person (Figure 4). This means that the three dimensions of preserving life have been used in index measurements conducted by previous researchers. Surprisingly, indicators from the fulfilment of basic needs dimensions are rarely used, such as access to sanitation and clean water although they are important aspects for ones’ survival.

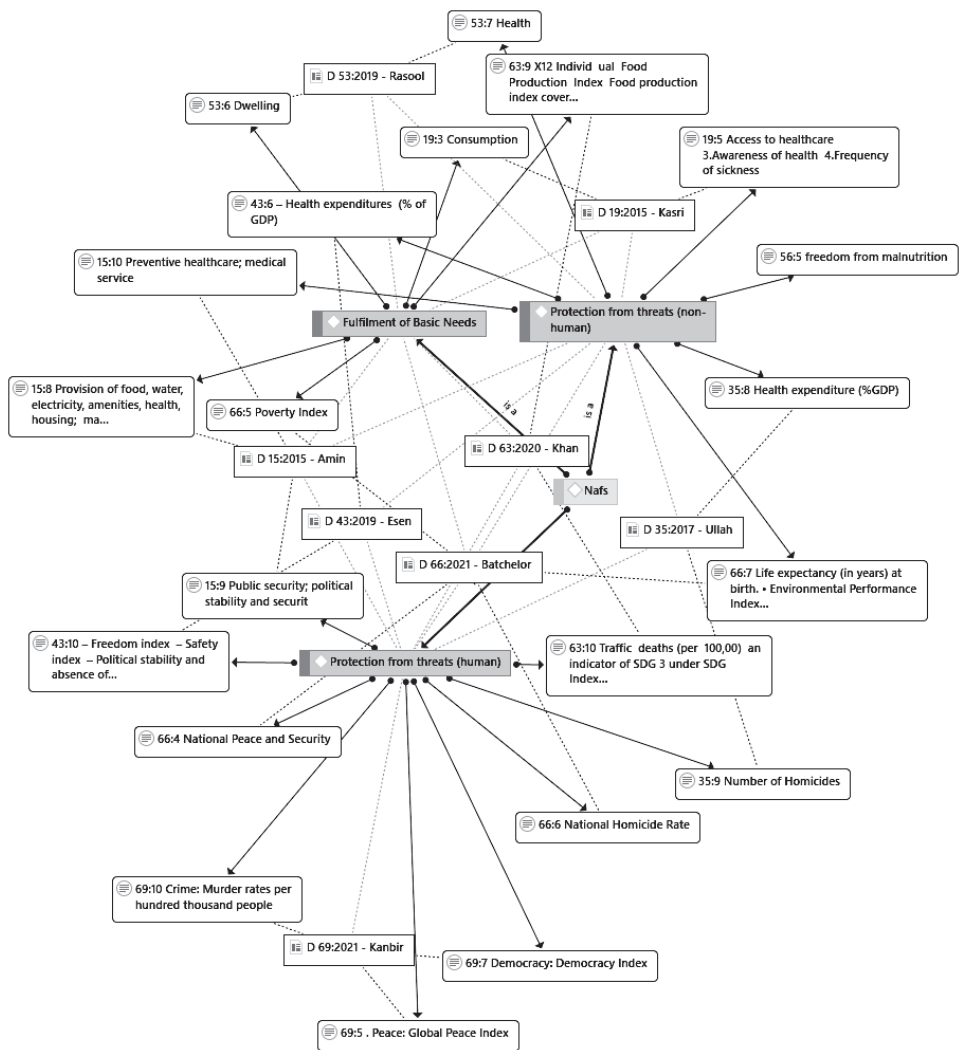
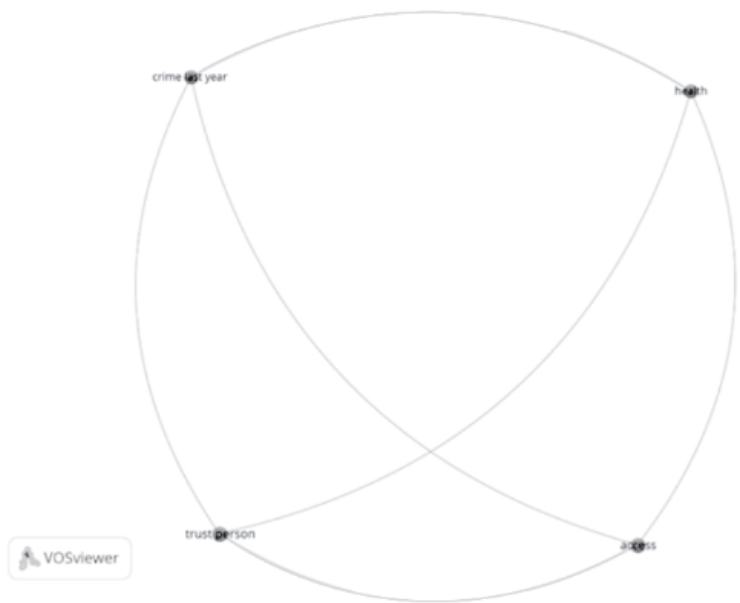


Figure 3.  
Indicators of Previous Studies on the Component of *Hifz al-Nafs*



- Note:
- Crime last year : Incidence of crime
  - Trust person : Trust in others (family members, individual know, neighbourhood, another religion, at the first meeting)
  - Access : Access to healthcare
  - Health : Health awareness

**Figure 4.**  
**Most Reported Indicators Used by Previous Studies on *Hifz al-Nafs***

Third, preserving intellect (*hifz al-‘aql*) is linked principally to developing the intellect. Previous studies represent various activities for intellectual development in educational facilities or supporting facilities such as laboratories, internet, and research results. The indicators that are often used in the component of preserving intellect are number of schools, access to school, and education (Figure 6). This means that previous researchers use indicators related to number and access in education.



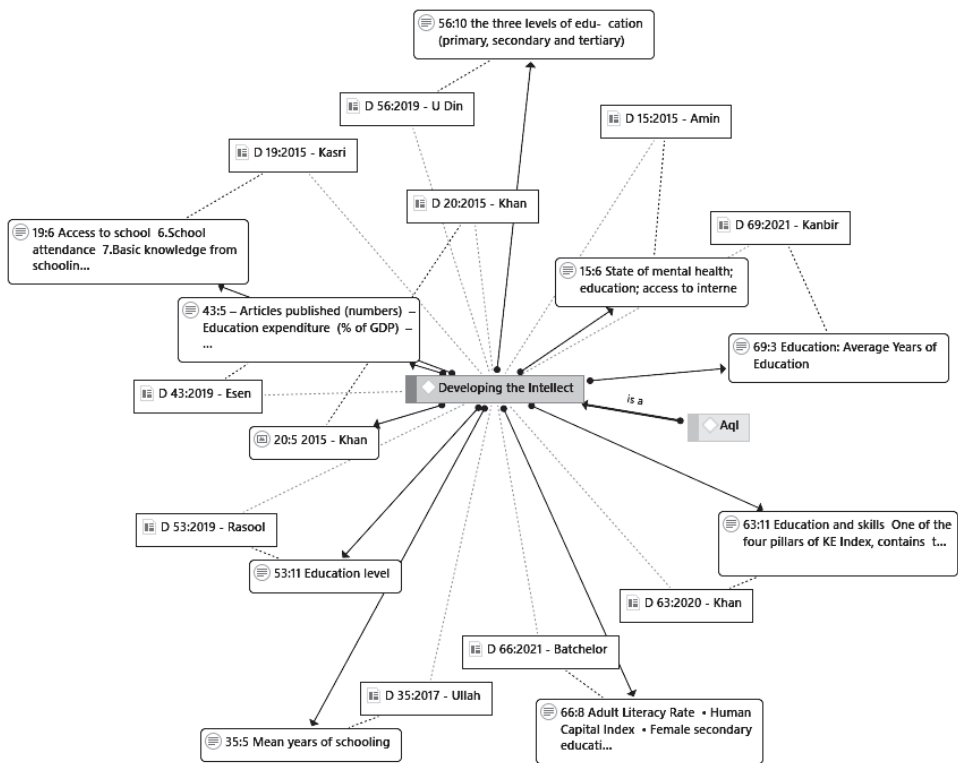
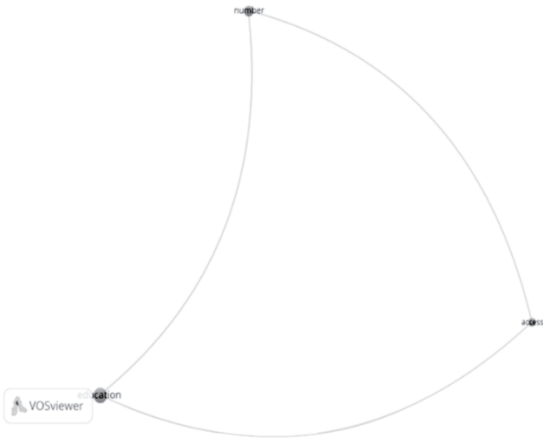


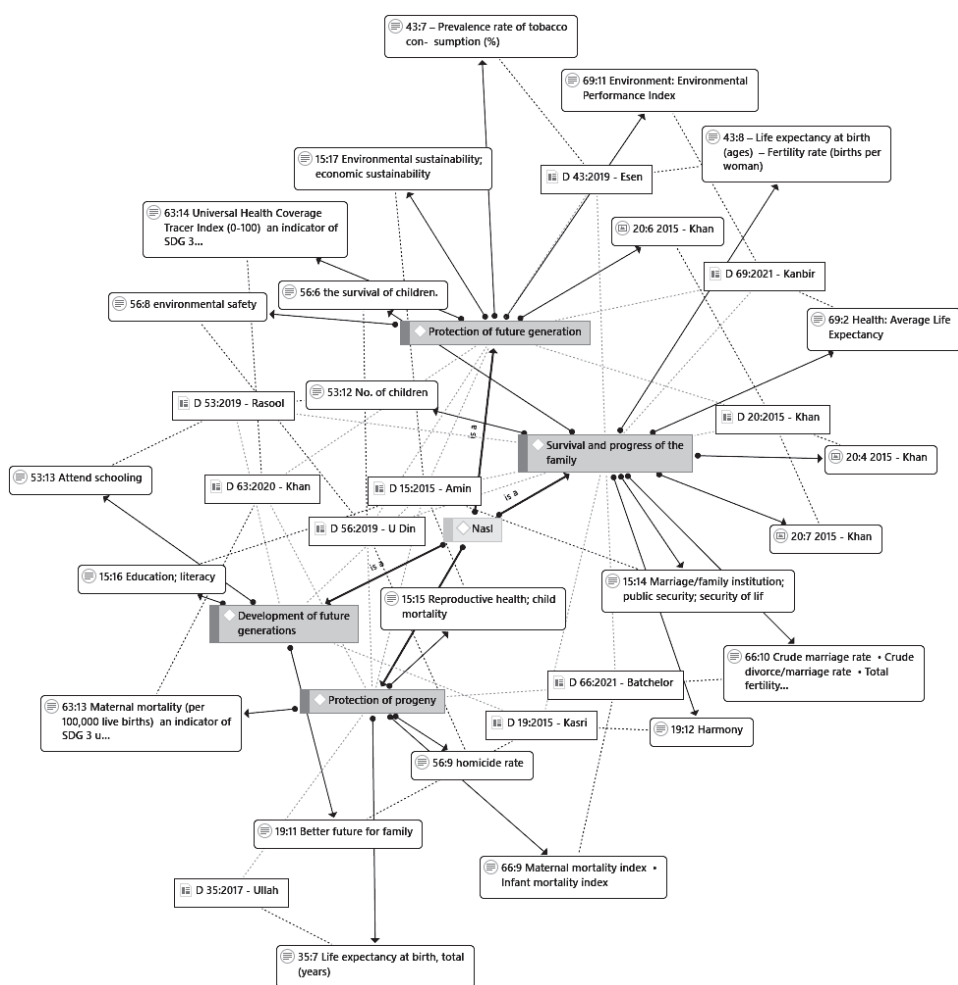
Figure 5.  
Indicators of Previous Studies on the Component of *Hifz al-'Aql*



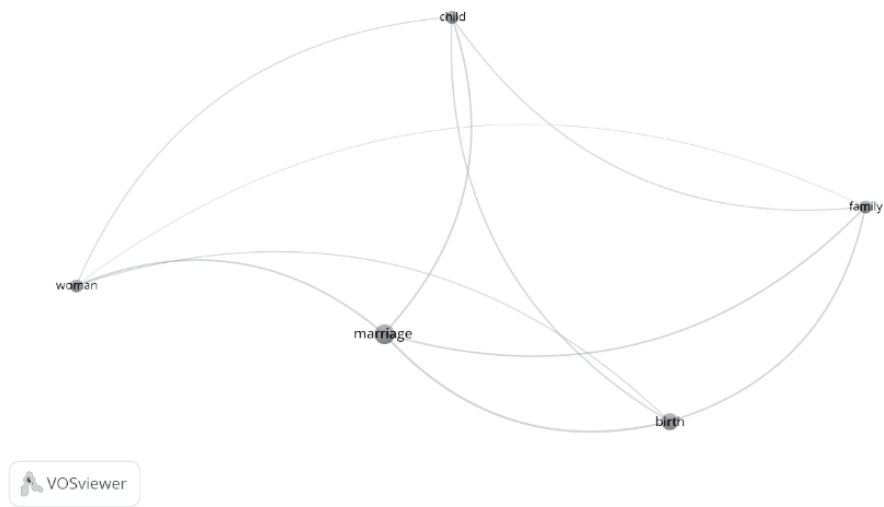
Note:  
Number : Number of Schools  
Education : Primary education; Secondary education; Tertiary education; Education level; Education Expenditure  
Access : Access to school

Figure 6.  
Most Reported Indicators Used by Previous Studies on *Hifz al-'Aql*

Fourth, preserving posterity (*hifz al-nasl*) can be grouped into 4 dimensions, namely survival and progress of the family, protection of progeny, protection of future generations, and development of future generations. The indicators that are often used in preserving the posterity component are woman, child, marriage, birth, and family (Figure 8). This means that most previous researchers use indicators from the dimensions of survival and progress of the family. The dimension of protection of future generations is however rarely used as an indicator of preserving posterity.



**Figure 7.**  
Indicators of Previous Studies on the Component of *Hifz al-Nasl*



Note:

- Woman : Dead child per woman; Births per Woman (Fertility Rate); Respect for woman
- Marriage : Happy with marriage; sex before marriage
- Birth : Life expectancy at birth
- Family : Better future for family; family integrity
- Child : Child mortality rates; parents beating children

**Figure 8.**  
**Most Reported Indicators Used by Previous Studies on *Hifz al-Nasl***

*Fifth*, preserving wealth (*hifz al-mal*) can be grouped into 2 dimensions, namely protection and ownership of property and preservation of wealth. The indicators that are often used in the component of preserving wealth are income, GDP, and employment (Figure 10). This means that most previous researchers are confined to the above indicators to represent the preservation of wealth while there are still many potential indicators related to the preservation of wealth.

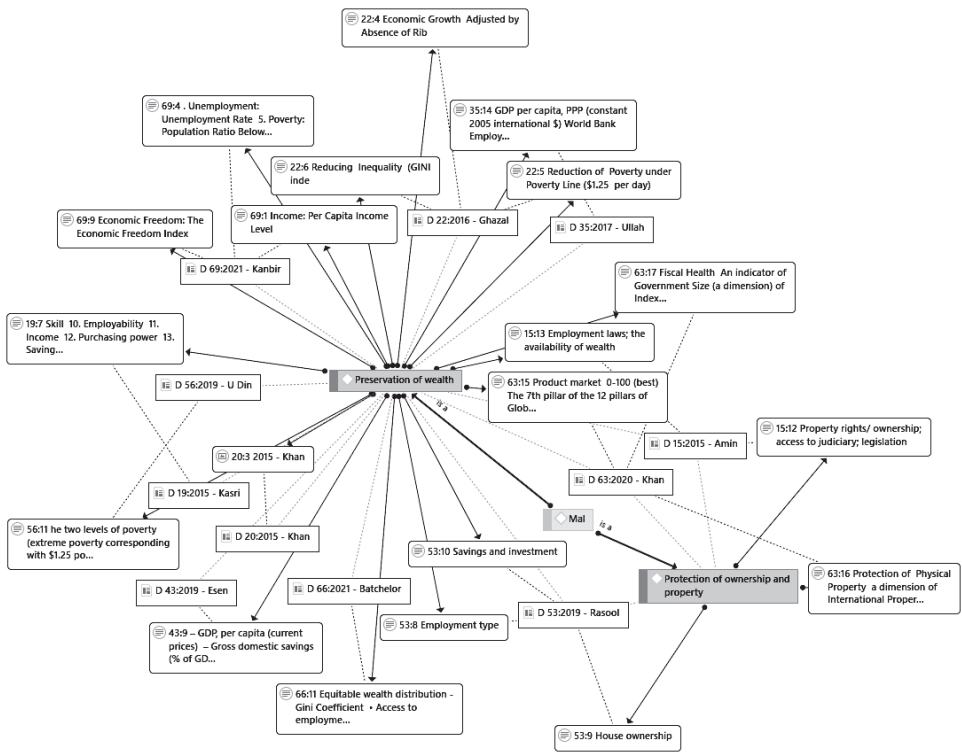
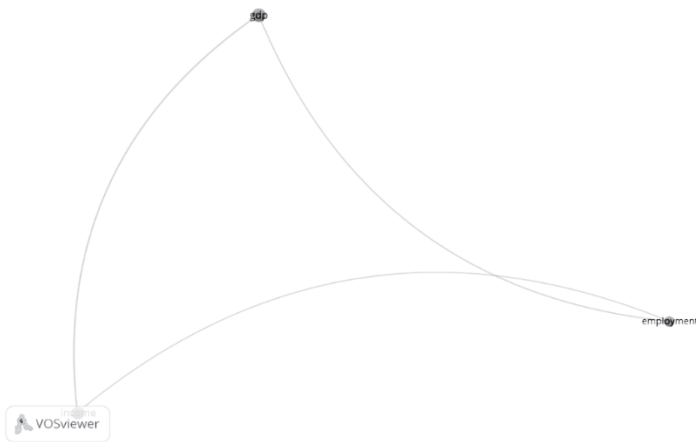


Figure 9.  
Indicators of Previous Studies on the Component of *Hifz al-Mal*



Note:  
GDP                      GDP  
Income                Income; having stable income; having sufficient income  
Employment        Employment; self-employment; unemployment rate

Figure 10.  
Most Reported Indicators Used by Previous Studies on *Hifz al-Mal*

Based on the description above, a collection of identified works can be compiled from which five components are discussed (Table 1).

**Table 1.**  
**Dimensions and Elements That Represent the *Maqasid*-Based Welfare**

<i>Maqasid</i> Component	Dimensions	Elements	Source
Din	Iman	Belief in God (Allah)	Amir-ud-din, 2019; Dar & Otiti, 2002; Kader, 2021; F. Khan, 2020; Nizam & Larbani, 2014b
	Religious practices	Payment of <i>zakat</i> Performing <i>Hajj</i>	Abubakar & Ringim, 2018; Ali & Hasan, 2019; Amir-ud-din, 2019; Batchelor, 2021; Budiman et al., 2017; Hasan & Ali, 2018; Kader, 2021; Kasri & Ahmed, 2015, 2019; F. Khan, 2020; Nizam & Larbani, 2014b; Rama & Yusuf, 2019; Rasool & Salleh, 2019
	Spiritual enrichment	Religious school enrolment Prayer facilities	Abubakar & Ringim, 2018; R. M. Amin et al., 2015; Budiman et al., 2017; Ghazal & Zulkhibri, 2016; Kasri & Ahmed, 2019; Lamido, 2016; Md Salleh et al., 2013; Mili, 2019; Rasool & Salleh, 2019
Nafs	Fulfilment of Basic Needs	Provision of decent living facilities	Abu Seman & Dzolkarnaini, 2019; Ali & Hasan, 2019; R. M. Amin et al., 2015; M. H. Anto, 2011; Batchelor, 2021; Budiman et al., 2017; Dar & Otiti, 2002; Esen & Esen, 2019; Hasan & Ali, 2018; Kader, 2021; Kasri & Ahmed, 2019; F. Khan, 2020; Lamido, 2016; Md Salleh et al., 2013; Mili, 2019; Mohamad et al., 2019; Nizam & Larbani, 2014b; Rama & Yusuf, 2019; Rasool & Salleh, 2019
	Protection from threats (human)	Public security	Abubakar & Ringim, 2018; Ali & Hasan, 2019; Amin et al., 2015; Anto, 2011; Batchelor, 2021; Bedoui, 2019; Budiman et al., 2017; Esen & Esen, 2019; Ghazal & Zulkhibri, 2019; Hasan & Ali, 2018; Kader, 2021; Kasri & Ahmed, 2019; F. Khan, 2020; Lamido, 2016; Md Salleh et al., 2013; Mili, 2019; Nizam & Larbani, 2014b; Rasool & Salleh, 2019
	Protection from threats (non-human)	Preventive healthcare	
'Aql	Developing the Intellect	Educational facilities	Abubakar & Ringim, 2018; Ali & Hasan, 2019; Amin et al., 2015; Amir-ud-din, 2019; Anto, 2011; Batchelor, 2021; Bedoui, 2019; Dar & Otiti, 2002; Ghazal & Zulkhibri, 2019; Hasan & Ali, 2018; Kader, 2021; Kasri & Ahmed, 2019; F. Khan, 2020; Lamido, 2016; Md Salleh et al., 2013; Mili, 2019; Nizam & Larbani, 2014b; Rama & Yusuf, 2019; Rasool & Salleh, 2019

**Table 1.**  
**Dimensions and Elements That Represent the Maqasid-Based Welfare (Continued)**

<i>Maqasid</i> Component	Dimensions	Elements	Source
<i>Nasl</i>		Educational support facilities	Budiman et al., 2017; Esen & Esen, 2019; F. Khan, 2020b; Nizam & Larbani, 2014b; Rasool & Salleh, 2019
	Survival and progress of the family	Population growth Family continuity	Ali & Hasan, 2019; R. M. Amin et al., 2015; Amir-ud-din, 2019; Anto, 2011; Batchelor, 2021; Bedoui, 2019; Budiman et al., 2017; Dar & Otiti, 2002; Esen & Esen, 2019; Ghazal & Zulkhibri, 2019; Hasan & Ali, 2018; Kader, 2021; F. Khan, 2020b; Lamido, 2016; Md Salleh et al., 2013; Mili, 2019; Mohamad et al., 2019; Nizam & Larbani, 2014b; Rama & Yusuf, 2019; Rasool & Salleh, 2019
	Protection of progeny	Child mortality	
	Protection of future generation	Environmental sustainability	Abu Seman & Dzolkarnaini, 2019; Abubakar & Ringim, 2018; Amir-ud-din, 2019; Bedoui, 2019; Budiman et al., 2017; Dar & Otiti, 2002; Esen & Esen, 2019; Kader, 2021; Kasri & Ahmed, 2019; F. Khan, 2020; Md Salleh et al., 2013
	Development of future generations	Human Development	Abu Seman & Dzolkarnaini, 2019; Bedoui, 2019; Budiman et al., 2017; Kasri & Ahmed, 2019; Md Salleh et al., 2013; Rasool & Salleh, 2019
<i>Mal</i>	Protection of ownership and property	Ownership	Abu Seman & Dzolkarnaini, 2019; Ali & Hasan, 2019; R. M. Amin et al., 2015; Amir-ud-din, 2019; Anto, 2011; Batchelor, 2021; Bedoui, 2019; Budiman et al., 2017; Dar & Otiti, 2002; Esen & Esen, 2019; Ghazal & Zulkhibri, 2019; Hasan & Ali, 2018; Kader, 2021; Kasri & Ahmed, 2019; F. Khan, 2020; Lamido, 2016; Mili, 2019; Mohamad et al., 2019; Nizam & Larbani, 2014b; Rama & Yusuf, 2019; Rasool & Salleh, 2019
	Preservation of wealth	Growth of wealth	Batchelor, 2021; Bedoui, 2019; Kader, 2021; Kasri & Ahmed, 2019; F. Khan, 2020; Lamido, 2016; Md Salleh et al., 2013; Mohamad et al., 2019; Nizam & Larbani, 2014b; Rasool & Salleh, 2019

### III. METHODOLOGY

The main purpose of the study is to propose a new measurement of welfare index for all regions in Indonesia from an Islamic perspective derived from the five dimensions of *maqasid al-shariah*. The operational definition of the *maqasid* components in this study is as follows:

- a. *Hifz al-din* is the maintenance and development of human faith through conducting religious obligations and spiritual enrichment.

- b. *Hifz al- 'aql* is utilizing and developing intellect through education.
- c. *Hifz al-nafs* is guaranteeing the existence, maintaining, and developing of human life through meeting basic needs and protecting them from threats, both human and non-human.
- d. *Hifz al-nasl* is the protection of everything that will guarantee the survival and progress of the family and the development of future generations.
- e. *Hifz al-mal* is the protection of ownership and development of wealth through work and investment ease and good governance.

Data collection in this study was conducted in two stages. In the first stage, we compile information from the literature study and interviews, principally to determine weightage for each component. In the second stage, we gather secondary data relevant to the index for all regions in Indonesia from 514 regencies spread over 34 provinces in Indonesia for the year 2022.

**Table 2.**  
**Proposed Dimensions, Elements, and Measurement of Items in Elements**

<i>Maqasid</i> Component	Dimensions	Elements	Measurement of Items in Elements	Source
Din	Iman	Belief in God	Percentage of Muslim population	Central Bureau of Statistics (BPS) in Province
	Religious practices	Payment of <i>zakat</i>	<i>Zakat</i> Index	BAZNAS
		Performing <i>Hajj</i>	Number of <i>Hajj</i>	Central Bureau of Statistics (BPS) in Province
	Spiritual enrichment	Religious school enrolment	Number of Islamic Schools	Central Bureau of Statistics (BPS) in Province
		Place of worship	Number of mosques	Central Bureau of Statistics (BPS) in Province
Nafs	Fulfilment of Basic Needs	Provision of decent living facilities	Access to Clean Water: Percentage of households that use clean water as a source of drinking water	Central Bureau of Statistics (BPS) in Province
			Access to Sanitation	Central Bureau of Statistics (BPS) in Province
			Access to Electricity: Percentage of households that use electricity as the main source of lighting	Central Bureau of Statistics (BPS) in Province
			Social Fund	Directorate General of Financial Balance (DJPK), Ministry of Finance

**Table 2.**  
**Proposed Dimensions, Elements, and Measurement of Items in Elements**  
**(Continued)**

<i>Maqasid</i> Component	Dimensions	Elements	Measurement of Items in Elements	Source
	Protection from threats (human)	Public security	Crime Rate per 100,000 Population	Central Bureau of Statistics (BPS) in Province
	Protection from threats (non-human)	Healthcare	Medical Facility	Central Bureau of Statistics (BPS) in Province
			Utilization of Social Security: Percentage of households that received social security programs	Central Bureau of Statistics (BPS) in Province
Aql	Developing the Intellect	Educational Facilities	Basic Education Facilities	Central Bureau of Statistics (BPS) in Province
			Secondary Education Facilities	Central Bureau of Statistics (BPS) in Province
			Senior High Education Facilities	Central Bureau of Statistics (BPS) in Province
			Higher Education Facilities	Central Bureau of Statistics (BPS) in Province
		Educational support facilities	Information technology index	Central Bureau of Statistics (BPS) in Province
			Knowledge and Technology Index	Ministry of Home Affairs
Nasl	Survival and progress of the family	Population growth	Population growth rate	Central Bureau of Statistics (BPS) in Province
		Family continuity	Number of couples of childbearing ages	Central Bureau of Statistics (BPS) in Province
			Divorce rate	Central Bureau of Statistics (BPS) in Province
	Protection of progeny	Child mortality	Percentage of Ever Married Women Aged 15-49 who gave birth to live-born children (ALH)	Central Bureau of Statistics (BPS) in Province
	Protection of future generation	Environmental sustainability	Environmental Quality Index	Ministry of Environment and Forestry

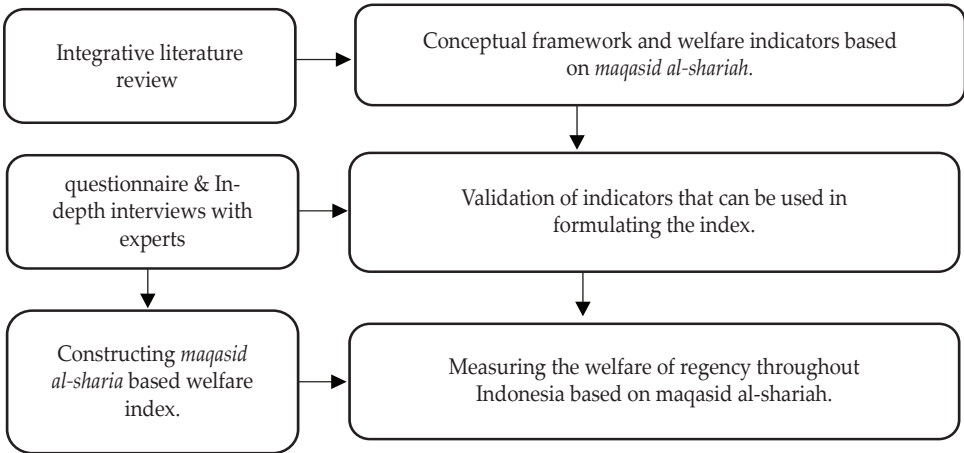


**Table 2.**  
**Proposed Dimensions, Elements, and Measurement of Items in Elements**  
**(Continued)**

<i>Maqasid</i> Component	Dimensions	Elements	Measurement of Items in Elements	Source
Mal	Development of future generations	Human development	Human Development Index	Central Bureau of Statistics (BPS) in Province
	Protection of ownership and property	Ownership	Ownership of Home Ownership: Percentage of households that have their own home	Central Bureau of Statistics (BPS) in Province
	Preservation of wealth	Growth of wealth	Occupation: Percentage of population aged 15 years and over employed	Central Bureau of Statistics (BPS) in Province
			Regional Minimum Wage	Central Bureau of Statistics (BPS) in Province
			Ease of Doing Business Index	Ministry of Home Affairs

This *maqasid*-based Welfare Index is developed by using several composite components or variables. Thus, the preparation of the Index is as follows:

1. Finding or determining the right dimensions and their constituent elements.
  2. Determine the weight of each component that made up the index.
  3. Aggregating the components of the index composition into a composite index.
- Briefly the methodology and methods used in this study are shown in Figure 11.



**Figure 11.**  
**Research Process Flowchart**

IV. RESULTS AND ANALYSIS

4.1. Maqasid-Based Welfare Measurement: Revision from Experts

The dimensions and elements proposed in the maqasid-based welfare measurement in this study receive revision suggestions from experts. Overall, the experts agree on the dimensions and elements to be used. Indeed, there is only one item that receives correction from expert 2 (Interview, 18 October 2023) and from expert 7 (Interview, 04 December 2023), namely the Human Development Index which represents elements of development for future generations. Expert 2 (Interview, 18 October 2023) argues that the human development index relies on a foundation of secular thinking. This, he contends, presents a problem when attempting to incorporate it into an index constructed within an Islamic framework. When secular principles are used in constructing indices or frameworks within an Islamic context, it may lead to discrepancies or contradictions with Islamic values and principles. Therefore, integrating secular thinking into an Islamic framework may be perceived as inappropriate or problematic, as it could dilute or undermine the authenticity and integrity of the Islamic framework.

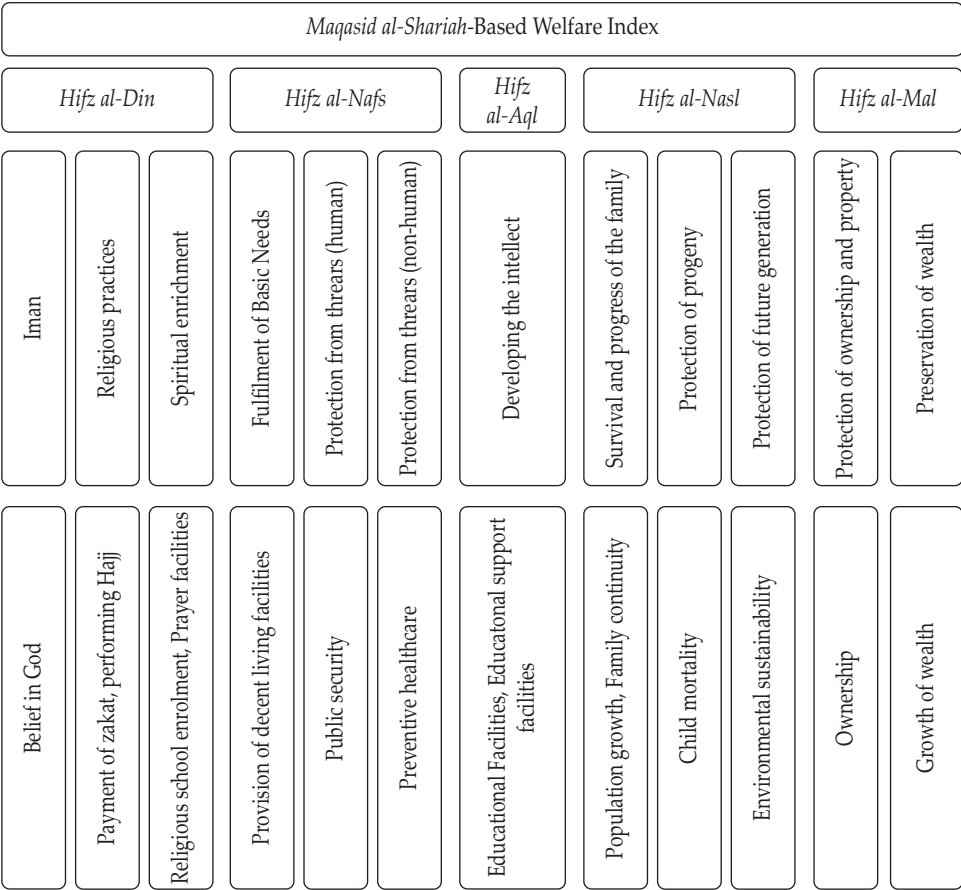


Figure 12.  
Revised Dimensions and Elements of the Maqasid Shariah-based Welfare Index

Meanwhile, Expert 7 (Interview, 04 December 2023) has a view based on statistical considerations that the HDI needs to be excluded because the HDI comprises education, health, and economic aspects. As a result, there could be an overlap in the welfare measurements that will be proposed because they also contain these aspects. Based on these considerations, the revised dimensions and elements of *maqasid*-based welfare measurement can be seen in the Figure 12.

As for the weighting of each component, experts give different weights. Three experts give the same weight, namely expert 1, expert 3 and expert 6. Meanwhile, five experts give different weights. Expert 2 gave the greatest weight to *Din* and *Nafs*. Expert 3, expert 5, and expert 7 give the greatest weight to *Din*, while expert 8 give high weight to *Din*, *Aql*, and *Mal*.

Based on questionnaire results from experts, The *maqasid*-based welfare measurement is formulated as follows:

$$MSW\_I = 0.238\ HD + 0.186\ HNF + 0.209\ HA + 0.185\ HNS + 0.182\ HM$$

Where:

- MSW\_I = *Maqasid Shariah*-based welfare index
- HD = *Hifz al-Din*
- HNF = *Hifz al-Nafs*
- HA = *Hifz al-Aql*
- HNS = *Hifz al-Nasl*
- HM = *Hifz al-Mal*

The next step is to aggregate all the components into one index with a weight according to the average weight given by the expert. Based on the calculation results, twenty-five provinces in Indonesia are in the medium category. Meanwhile, five provinces are in the low category and four provinces attain the high category. Provinces in the high category are Aceh, Nusa Tenggara Barat, Gorontalo, and Sulawesi Barat.

**Table 3.**  
**Maqasid-Based Welfare Index for Each Province in Indonesia**

No	Province	DI	NFI	AI	NSI	MI	MSW Index	Category
1	ACEH	42.90	92.90	65.71	70.73	71.24	67.27	High
2	SUMATERA UTARA	38.59	70.56	55.19	68.05	53.43	56.15	Low
3	SUMATERA BARAT	39.69	65.43	59.69	64.71	61.92	57.33	Medium
4	RIAU	47.23	65.01	54.33	74.78	62.13	59.83	Medium
5	JAMBI	47.40	59.39	60.49	70.51	71.43	61.01	Medium
6	SUMATERA SELATAN	42.18	60.95	58.14	68.85	77.41	60.35	Medium
7	BENGKULU	45.37	65.53	47.27	74.94	60.61	57.76	Medium
8	LAMPUNG	48.07	61.37	56.14	65.80	71.49	59.77	Medium

**Table 3.**  
**Maqasid-Based Welfare Index for Each Province in Indonesia (Continued)**

No	Province	DI	NFI	AI	NSI	MI	MSW Index	Category
9	KEPULAUAN BANGKA BELITUNG	38.39	64.10	58.11	71.87	77.78	60.66	Medium
10	KEPULAUAN RIAU	37.06	70.05	54.64	82.10	59.99	59.38	Medium
11	DKI JAKARTA	33.65	66.90	52.23	65.29	69.86	56.16	Low
12	JAWA BARAT	42.19	71.01	48.01	72.37	58.75	57.36	Medium
13	JAWA TENGAH	47.19	75.82	50.45	65.60	67.77	60.35	Medium
14	DI YOGYAKARTA	52.78	81.90	59.68	68.34	57.13	63.31	Medium
15	JAWA TIMUR	48.19	86.97	54.71	62.27	68.56	63.08	Medium
16	BANTEN	40.66	65.19	52.61	70.22	67.05	57.99	Medium
17	BALI	20.78	75.76	47.34	70.23	54.92	51.92	Low
18	NUSA TENGGARA BARAT	53.62	74.03	63.20	71.00	74.19	66.38	High
19	NUSA TENGGARA TIMUR	43.28	61.87	76.90	69.24	72.11	63.81	Medium
20	KALIMANTAN BARAT	38.55	67.86	58.05	66.38	65.64	58.16	Medium
21	KALIMANTAN TENGAH	38.84	61.07	53.91	67.94	55.79	54.59	Low
22	KALIMANTAN SELATAN	42.15	67.49	50.62	70.24	61.15	57.29	Medium
23	KALIMANTAN TIMUR	35.00	66.45	53.40	66.77	65.84	56.19	Low
24	KALIMANTAN UTARA	37.57	72.07	54.72	73.22	60.09	58.27	Medium
25	SULAWESI UTARA	35.48	71.92	57.38	62.98	68.31	57.90	Medium
26	SULAWESI TENGAH	45.57	67.52	67.86	73.36	67.18	63.39	Medium
27	SULAWESI SELATAN	52.20	63.79	63.59	67.00	71.63	63.01	Medium
28	SULAWESI TENGGARA	49.26	66.16	68.80	71.25	59.62	62.44	Medium
29	GORONTALO	74.55	67.44	67.54	68.58	72.93	70.36	High
30	SULAWESI BARAT	69.59	67.45	60.67	70.12	65.40	66.66	High
31	MALUKU	41.90	63.66	71.30	58.53	55.80	57.70	Medium
32	MALUKU UTARA	43.01	68.24	73.12	67.42	57.71	61.19	Medium
33	PAPUA BARAT	45.60	72.52	60.50	66.36	60.55	60.28	Medium
34	PAPUA	32.03	62.57	50.84	63.33	86.34	57.32	Medium

Source: Analysis results

The province with the highest *maqasid*-based welfare index is Gorontalo Province with a score of 70.36. The *Maqasid* components that are in the high category in Gorontalo Province are the *hifz al-din* Index and the *hifz al-'aql* Index. The province with the second highest *maqasid*-based welfare index is Aceh Province with a score of 66.66. The *Maqasid* component that is in the high category in Aceh Province is *hifz al-nafs*. The third highest province is Nusa Tenggara Barat with a

score of 66.38 with *maqasid* components in the high category being *hifz al-din* and *hifz al-mal*.



**Figure 13.**  
**Map of *Maqasid*-Based Welfare Index Achievements for Each Province in Indonesia**

Gorontalo Province stands out as one of the “exemplary regions” where Islam has been effectively integrated into its cultural and societal fabric. The region’s cultural development and identity are influenced by Islamic principles. The influence of Islam in Gorontalo is considered a journey, especially considering its geographical location which was easy to reach during the spread of Islam, and is proven by the success of historical narratives, especially during the era of the Islamic sultanates which once flourished in the region (Amin, 2012).

Likewise with Aceh Province, Islamic teachings and practices are very embedded in Aceh. The history of Aceh since its inception has been coloured by Islam. It is a general agreement in Indonesia that the area that first converted to Islam in Indonesia is Aceh. This is where the first Islamic kingdom was born, which marked the beginning of Islamic civilization. Islamic identity continues to colour the journey of this civilization. The unique thing about Acehnese Islam is that it is not only a religion used in everyday life and culture, but also an ideology that has become integrated with Aceh (Saifullah, 2020).

Islamic values are also inherent in the people of Nusa Tenggara Barat (NTB) Province. This province has a high religious preservation index score because the community has enthusiasm for establishing places of worship or Islamic education facilities, such as the establishment of many Islamic boarding schools. The existence of Islamic boarding schools in NTB is in the forms of both formal and non-formal educational institutions and they have a significant role in the dynamics of Islamic society. Islamic boarding schools have played a role as: 1) centres for the transmission of Islamic knowledge; 2) maintaining the continuity of Islamic traditions; and 3) the ulama development centre (Fahrurrozi, 2015).

The lowest component in almost all regions is maintaining religion. This is because almost all regions have a low ratio of Islamic schools. Most provinces that have a high ratio of Islamic education facilities are located on the islands of Jawa, Sumatera and Sulawesi. This shows that there is inequality in Islamic education

facilities. Regarding the education system in Indonesia, there is a dualism in the implementation of education which causes unequal distribution of education quality between public and Islamic schools. Public schools tend to be of higher quality so they are more popular with the public, even though public schools tend to be dominated by general education and there is only one religious education subject taught once a week (Mukhlisin, 2021).

Apart from these indicators, the reason the majority of preserving religion index (*hifz al-din*) values are low is because the average value of the zakat index in the province is 59.35 (according to BAZNAS, this criterion is in the quite good category). This shows that the collection and impact of zakat in all regions is still not optimal (Sari et al., 2023). This non-optimal collection of zakat can be influenced by several factors: *First*, there are still many *muzakki* (zakat payers) who pay their zakat directly to *mustahik* (zakat recipients) so that it is not recorded in BAZNAS (Huda & Sawarjuwono, 2013). *Second*, the level of public trust in zakat institutions also explains suboptimal zakat receipts (Hafidhuddin, 2019) during low efficiency in zakat or social fund management. Thus, another approach is needed so that all components involved work together to provide greater impacts. Such an approach will require a framework in terms of regulation, monitoring, and innovation to create an ecosystem that engages all parties involved.

Another *maqasid* component that still needs to be improved is the output of knowledge and technology which is an indicator of the component of preserving intellect. The average for all provinces is 53.77. This is certainly need a policy to encourage and enhance further knowledge output so that it can support the development of intellectual abilities and innovation processes in a region, so that it can stimulate productivity growth (Junarsin et al., 2023).

Apart from that, the ease of doing business, which is an indicator of the component of preserving wealth, also needs to be improved, this is because the average for all provinces is 54.45. The ease of doing business in Indonesia still faces several problems, namely lengthy bureaucratic processes and weak legal certainty in Indonesia (Abiyoso, 2018; Asmara et al., 2019)

## V. CONCLUSION AND RECOMMENDATION

This research provides an alternative measure of welfare from an Islamic perspective derived from the five components of *maqasid al-shariah*. Preserving religion (*hifz al-din*), preserving life (*hifz al-nafs*), preserving intellect (*hifz al-'aql*), preserving posterity (*hifz al-nasl*), and preserving wealth (*hifz al-mal*) are the conditions for achieving holistic prosperity for a community or a region. These five components are a theoretical basis for building a more holistic and comprehensive Welfare Index.

The index developed is used to determine welfare levels in thirty-four provinces in Indonesia. Provinces in the high category are Aceh, Nusa Tenggara Barat, Gorontalo, and Sulawesi Barat. As for the preserving religion component (*hifz al-din*), the three provinces with high category index achievements are Gorontalo, Sulawesi Barat, and Nusa Tenggara Barat. Meanwhile, for the preserving life component (*hifz al-nafs*), the three provinces with high category index achievements are Aceh, Jawa Timur and D.I Yogyakarta. In the preserving

intellect component (*hifz al-'aql*), the six provinces with high category index achievements are Nusa Tenggara Timur, Maluku Utara, Maluku, Sulawesi Tenggara, Sulawesi Tengah, and Gorontalo. In the preserving posterity (*hifz al-nasl*) component, the five provinces with high category index achievements are the Kepulauan Riau, Bengkulu, Riau, and Kalimantan Utara. Meanwhile, in the preserving wealth component (*hifz al-mal*), the four provinces with high category index achievements are Papua, Kepulauan Bangka Belitung, Sumatra Selatan, and Nusa Tenggara Barat. Surprisingly, DKI Jakarta, where the national capital is located, is classified in the low category, driven by mainly the low score on preserving religion.

Overall, most provinces in Indonesia are in the medium category, meaning that most provinces in Indonesia still have more room to strengthen their welfare through enriching religion, life, intellect, posterity, and wealth. Therefore, policy makers must make efforts to improve the *maqasid* dimensions to improve the welfare of the population. Government policies that need to be improved include increasing Islamic education; literacy on the role of zakat, infaq and shodaqoh; increasing scientific and technological innovation; and ease of doing business. The role of Bank Indonesia in supporting *maqasid*-based welfare can support the component of preserving of life (*hifz al-nafs*), namely maintaining price stability in the region by ensuring adequate supply of necessities as an effort to control inflation in the region.

The limitation of this research is some indicators capture only the quantitative aspects, such as the number of mosques, educational or health facilities. The quality aspect is still not considered due to the limited availability of data in Indonesia. In future research, it is necessary to consider quality aspects in the indicators used, such as accreditation ratings for each educational or health facility for which data availability is still possible to obtain. Meanwhile, regarding study activities in mosques, there is still no systematic data collection conducted by the government or the Indonesian Mosque Council organization.

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