



**RELIGIOSITY AND HOLISTIC DEVELOPMENT
IN MUSLIM SOCIETIES: A CASE STUDY
OF SOUTH KALIMANTAN, INDONESIA**

BY

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ABSTRACT

The discourse concerning the role of religion in development has revealed two contrasting views among scholars. Some emphasize that religion has a positive relationship with development while others assume it as an impediment to development. In Islamic perspective, religion functions as the driving force for development and plays a significant role for human life. The Qur'an (*al-A'raf: 96*) pronounces that the faith and piety to Allah (Islamic religiosity) would bring about development for the society. However, so far there is always an issue regarding the measurement of religiosity and development. Religiosity in most literature is measured using the Christian perspective and conducted at a macro level and as cross-country analysis, while studies at a micro level are rare. Similarly, the measurement of development has also experienced some changes from using purely economic indicators to socioeconomic indicators and other indicators. As far as the relationship between religiosity and development is concerned, there is a lack of studies on Muslim societies compared to other religious counterparts. Moreover, the specific concept of religion in Islam as a multifaceted religion that is different from other religions makes such a study more attractive to be conducted. Thus, the purpose of this study is to investigate how religiosity is related to development with the focus on the Muslim society of South Kalimantan, Indonesia. The society seems to have a contradictory situation. In one hand, it is considered as highly religious, but on the other hand, it experiences unfavourable level of development seen from conventional measurement particularly the Human Development Index (HDI). The objectives of this study are as follows: (1) to assess the level and dimensions of Islamic religiosity of South Kalimantan society; (2) to explore the relationship between the Islamic religiosity of South Kalimantan society and their level of development viewed from the conventional perspective; and (3) to examine the relationship between the Islamic religiosity of South Kalimantan society and their level of development seen from the *Maqasid al-Shari'ah* perspective. *Maqasid al-Shari'ah* is the basis upon which the Islamic measurement of development was constructed. This study uses primary data collection by means of a survey on South Kalimantan province. The data is then analyzed using principal component analysis and confirmatory factor analysis. Subsequently, structural equation modeling and t-test are employed for testing the hypotheses. The findings of this study show that the Muslim society in this province has a high level of religiosity and their religiosity is positively related to development as measured both from the conventional and Islamic perspectives. Nevertheless, the correlation coefficient between religiosity and development from an Islamic perspective is higher than the conventional suggesting the use of a more comprehensive Islamic measurement can provide better support in showing a stronger relationship between religiosity and development. Finally, this study proposes recommendations for policymakers to further enhance the level of religiosity in the society and to take a greater advantage from it towards improving the level of development in all areas of development.

خلاصة البحث

إن للعلماء وجهتين متباينتين تجاه القضية التي تتعلق بدور الدين في التنمية. حيث أكد بعضهم على أن للدين علاقةً إيجابيةً بالتنمية، بينما يفترض بعضهم الآخر أن الدين عائقٌ أمام التنمية. علمًا بأن من الناحية النظرية، الدين يمثل قوةً دافعةً للتنمية ويلعب دوراً مهماً في حياة الإنسان، والقرآن الكريم قد بين ذلك (الأعراف: ٩٦)؛ حيث بينت الآية أن الإيمان والتقوى (التدين الإسلامي) يؤدي إلى تنمية المجتمع. ومع ذلك، هناك قضية تتعلق بقياس التدين والتنمية؛ علمًا بأن قياس التدين في معظم الكتابات يتم في الغالب باستخدام المنظور المسيحي ويتم إجراؤه على المستوى الكلي والتحليل عبر البلاد، وفي الوقت نفسه أن الدراسات على المستوى الجزئي تبدو نادرة. وعلى سبيل المثال، قد شهد قياس التنمية أيضا بعض التغييرات من استخدام المؤشرات الاقتصادية البحتة إلى المؤشرات الاجتماعية والاقتصادية وغيرها من المؤشرات. وفيما يتعلق بالعلاقة بين التدين والتنمية، لا شك هناك نقص في الدراسات حول المجتمعات الإسلامية مقارنة مع نظرائها الدينيين الآخرين. فضلاً عن ذلك، فإن مفهوم الدين في الإسلام بوصفه ديناً شاملاً مرناً يختلف عن الديانات الأخرى يجعل هذه الدراسة أكثر جاذبية. وأما غرض هذه الدراسة فمن أجل معرفة مدى ارتباط التدين بالتنمية في المجتمع المسلم في كاليمانتان الجنوبية، بإندونيسيا. ويبدو أن للمجتمع في المنطقة موقفاً متناقضاً. من ناحية، يعتبر هذا المجتمع شديد التدين، ولكن من ناحية أخرى، قد شهدت حالة التنمية والتطور في المنطقة غير لائقة نوعاً ما وفق القياسات التقليدية، وخاصةً إذا قيست بمؤشر التنمية البشرية (HDI). وأما أهداف هذه الدراسة فتتمثل فيما يأتي: (١) تقييم مستوى التدين الإسلامي وأبعاده في مجتمع جنوب كاليمانتان؛ (٢) استكشاف العلاقة بين التدين الإسلامي في مجتمع جنوب كاليمانتان ومستوى تطوره من منظور تقليدي؛ و(٣) دراسة العلاقة بين التدين الإسلامي في مجتمع جنوب كاليمانتان ومستوى تنميتها من منظور المقاصد الشرعية. وفي هذه الدراسة استخدمت مقاصد الشريعة بوصفها الأساس الذي بنيت عليه المقاييس الإسلامية للتنمية. وأما منهج الدراسة فيتم بجمع البيانات الأولية عن طريق مسح على مقاطعة جنوب كاليمانتان، ثم يتم تحليل البيانات باستخدام تحليل المكونات الأساسية وتحليل العوامل المؤكدة، وبعد ذلك، يتم استخدام نموذج المعادلة الهيكلية واختبار t (t-test) لاختبار الفرضيات. وهذه الدراسة تظهر نتائج مهمة، منها أن المجتمع المسلم في هذه المحافظة لديه مستوى عالٍ من التدين، وأن التدين فيه يرتبط ارتباطاً إيجابياً بالتنمية كما تم قياسه من المنظورين التقليدي والإسلامي. ومع ذلك، فإن معامل الترابط بين التدين والتنمية من منظور إسلامي أعلى من المقولة التقليدية التي تشير إلى أن استخدام المقياس الإسلامي أكثر شموليةً يمكن أن يوفر دعماً أفضل في إظهار علاقة أقوى بين التدين والتنمية. وأخيراً، تقترح هذه الدراسة توصيات لصانعي القرار السياسي لزيادة تعزيز مستوى التدين في المجتمع والاستفادة منه بشكل أكبر من أجل تحسين مستوى التنمية في جميع مجالاته المختلفة.

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DECLARATION

I hereby declare that this thesis is the result of my own investigations, except where otherwise stated. I also declare that it has not been previously or concurrently submitted as a whole for any other degrees at IIUM or other institutions.

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This dissertation is dedicated to my parents, my wife, and my children for their affection and relentless prayers as well as invaluable sacrifices throughout my life journey and particularly for the completion of my study.

It is also devoted for my country and the Muslim ummah around the world.

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Development in its holistic meaning is desirable by all. The term may be perceived as a manifestation of achieving a sustainable livelihood. In this regard, every country in the world irrespective of its ideological orientation and government system has indisputably undertaken continuous efforts to realize a better state of development and to achieve a higher status of welfare for its citizens as essential goals of the country's initial formation.

Development is indeed a complex phenomenon and the concept has evolved and reconsidered time and again (Ingham, 1993). Prior to the 1970s, the concept of development was viewed from a merely economic standpoint and measured by purely economic indicators. Gross national product (GNP) and real per capita income were normally used to measure the level of development at that time. As such, countries with high per capita income are considered developed while those with low per capita income are deemed developing countries (Nielsen, 2011).

Nonetheless, the reliance on GNP and its growth rate as the principal indicator of development has largely been criticized partly because it does not indicate how national income is actually distributed among people and who is benefitting most from the growth of production of goods and services in the country. The GNP growth rates hence could be a very misleading index of improved welfare of the people (Simonis, 2011; Todaro, 2000).

From simply economic development, development has subsequently undergone a paradigm shift towards incorporating more socioeconomic considerations by taking into account other social variables such as health and education variables in addition to economic variables (Dar, 2004; Todaro, 2000). In the light of this greater scope of development, different composite measurements have thus been created, among others, the Physical Quality of Life Index (PQLI) and the Human Development Index (HDI) which incorporate life expectancy, literacy and school attainment as indicators of development. This kind of composite indices has shown that countries with the highest GNP do not necessarily have the highest welfare ratings, whereas a few countries with lower GNP demonstrate relatively higher standings on the social welfare index (Riddell, Shackelford, Stamos, & Schneider, 2008; Todaro, 2000).

Socioeconomic development approach itself, however, is not enough as the world has been exposed to greater challenges. The overemphasis on achieving economic growth has unexpectedly resulted in serious environmental degradation in many parts of the globe. Economic incentives have been the powerful motivating forces which are responsible for massive deforestation (Lang & Chan, 2006; McCarthy & Tacconi, 2011) and other natural resources depletion that significantly led to serious environment destruction throughout the world (Munasinghe, 1999). Thus, the process of industrialization has been proven to be a central and significant determinant of observed changes in environmental quality (Cherniwchan, 2012).

In response to these environmental threats, economists have then proposed a new approach called sustainable development combining three elements: economic, social and environment which has been formally launched since 1992 Earth Summit in Rio de Janeiro (Munasinghe, 1999; Turner, Pearce, & Bateman, 1994). This sustainable development has been referred to as green development (AASA, 2011).

Nevertheless, the broadened scope as well as revised versions of development approaches from simply economic, socioeconomic and finally sustainable development as envisaged by contemporary economists and policymakers unfortunately has not fundamentally and satisfactorily addressed the shortcomings of the current development approach. The experience over the last few decades has shown a series of paradoxical facts. In spite of bringing expansion and material prosperity especially for developed countries, the current development approach is suffering from a number of serious weaknesses (Ahmad, 2000; Hodgson, 2003; O'Hara, 2002). This approach has not only been inadequate to alleviate poverty and reduce income inequalities, but has also failed to improve living standards, sustain growth and bring peace and security to millions of world population particularly those living in developing countries. The mass poverty and income gap within and among regions and countries have been increasingly critical (al-Roubaie, 2010; Gillespie, 2001).

Furthermore, the current approach to development has also brought about various social woes in the society. A significant number of societal problems have also widely taken place such as crime, suicide, drug abuse and social tension (Entorf & Spengler, 2000; Soares, 2004) as well as family problems like divorce, cohabitation and juvenile delinquencies (Raymo, Iwasawa, & Bumpass, 2004, 2009). Amin, Yusof, and Haneef (2006) found a positive relationship between the prevalence of social problems and income level. The emergence of these social problems unavoidably reduces the quality of life and wellbeing of the people.

This condition arguably signals a fundamental flaw in the current development approach. Along with bringing certain positive achievements, the current approach, unfortunately, has also caused a wide range of negative consequences. All these have been subsequent evidence that the current approach to development which has been

rooted in Western philosophy and experience has truly failed to provide the real and comprehensive welfare and prosperity for the entire world population (Gillespie, 2001; Mehmet, 1995).

At this point, Daud (2005) rightly reminds that whenever development gives rise to many problems, it cannot be a development in the true sense of the word. Development should mean the betterment in all and everything of human life. Thus, it should be holistic in nature and interconnected among its components as well as should support and strengthen each other. In the subsequent discussion in this study, this kind of development is termed as holistic development.

Tracing the root problem, there must be reasons that have led to such failures in the current approach. One possible reason is due to the imbalanced approach to development (Deneulin & Rakodi, 2011; Guiso, Sapienza, & Zingales, 2003; Wilber & Jameson, 1980). As widely known, the mainstream development process concerns only with the material-physical dimension and neglects the spiritual-religious dimension. The existing development has nothing to do with religion although, in fact, these two dimensions are inseparable from each other as part and parcel of human beings (Chapra, 2007a; Hasan, 1995). The absence of religion or spiritual values most likely serve as the fundamental cause of such contemporary economic, societal and environmental problems that have arisen in the current world's society (al-Roubaie, 2008; Hassan, 2010). Without religion, people will never achieve the holistic development in their life.

In this regard, Wilber and Jameson (1980, p. 475) point out that “the development process must be guided by and in consonance with its moral and religious base and with the values of a country's population.” It is a religion that gives the guidance and direction for a human being to live peacefully and harmoniously in

relation to his God, self, other people and the environment. Religion enables a human being to achieve a holistic development in their life.

Historically, the discourse on religion and development has not been studied adequately. Not only was its relation to development absent, but the existence of religion itself was also often questioned. Religion was viewed as an impediment to development. Marx, for instance, even called religion as “the people’s opium,” while Freud designated it as “the universal obsession neurosis” and later referred it as “an intoxicant,” “a poison,” and “childishness to be overcome” (Marks, 2006).

While there has been a general notion and practice particularly in the Western societies to neglect the role of religion and religious institutions in the sphere of the public domain as reflected by the secularization theory, religion has never been really detached from human life (Francis & Stubbs, 1987). Rather, it always has had a particular position and role in every society (Finke, 2005; Iannaccone, 1998; Koenig, 1997). In the words of Guiso et al. (2003), “there is hardly an aspect of a society’s life that is not affected by religion.”

Since the 1970s, many countries around the globe either in the developing or developed world, have experienced a religious revival underscoring the enlarging role of religion in the public life (Finke, 2005; Handelman, 2003; Iannaccone, 1998). Following such a trend, there has also been a change in development paradigm whereby the subject of religion has started to gain a proper recognition and has no longer been avoidable in development studies (Deneulin & Rakodi, 2011).

Many studies have shown that religion has positive effects on economic development (e.g. Barro & McCleary, 2003; Grier, 1997; Guiso et al., 2003; Iannaccone, 1998; McCleary & Barro, 2006; Morris & Adelman, 1980). The earlier association between religion and economic development was established by Weber

(1976) who brought forward the Protestant ethics as a motivating force of the emergence of Capitalism in the West. Subsequently, relationships between religion and development have been increasingly studied over the last few decades.

Nevertheless, studies on this issue generally seem to have two characteristics. Firstly, they have been mostly conducted at a macro level and as cross-country analysis particularly in Western countries, while studies at a micro level are rare. Secondly, they have been typically seen from the Christian perspective, not only in terms of its worldview and teachings but also of the terms and instruments used (Iannaccone, 1998; Krauss et al., 2005; Wilde & Joseph, 1997). These kinds of approaches might comply with Western and Christian conditions, but does not necessarily fit other countries and religions, including the Muslim majority countries.

In view of the above-mentioned characteristics in the existing literature, there is a strong need for a study examining the relationship between religion and development in Muslim societies or countries by specifically using the Islamic approach. Muslim societies are very relevant to be studied as there is a lack of studies on these societies with regards to religiosity and development relationship compared to other religious societies. Moreover, the unique concept of religion in Islam that is different from other religions in terms of role and scope makes the study more attractive to be conducted.

In Islam, religion functions as the driving force for development and plays a significant role for human life (Sulaiman, 2008). Religion should never be regarded as simply the rituals which affect people only as a private matter at the individual level, but it should also be considered as valuable to the society or country level (Hassan, 2005; Mohamad, 1994).

As a way of life, Islam is a holistic, comprehensive, and multifaceted religion encompassing all dimensions of human life as Allah has mentioned in the Qur'an about

the perfection and completeness of Islam (*al-Ma'idah*: 3). Moreover, the welfare that Islam is going to achieve does not end in this worldly life only but also extends to the hereafter. These two stages of life distinguish the Islamic concept from the rest of contemporary concepts of development. As such, development in Islam could be conceptualized as a holistic development.

The development from the Islamic perspective simultaneously combines material-physical and spiritual-religious-ethical dimension in its uniquely comprehensive approach (Chapra, 2007b; Dar, 2004; Hasibuan, 2010). Both dimensions are indeed interdependent which in turn ensure the long-term development of all societies.

This holistic approach of development that strives for the enhancement of human welfare is best discussed within the framework of *Maqasid al-Shari'ah* (Chapra, 2008b; Dar, 2004; Elahi & Osmani, 2011; Ibrahim, Basir, & Rahman, 2011). The framework of *Maqasid al-Shari'ah* elucidates the objectives, purposes, intents, or ends behind the Islamic rulings that have been sent down by God to mankind. This framework has five components, namely preservation of religion (*hifz al-din*), preservation of life (*hifz al-nafs*), preservation of intellect (*hifz al-'aql*), preservation of posterity (*hifz al-nasl*) and preservation of wealth (*hifz al-mal*) which are much discussed by prominent Muslim scholars particularly Abu Hamid al-Ghazali (d. 505 AH/1111 CE) and Abu Ishaq al-Shatibi (d. 790 AH/1388 CE).

From the Islamic standpoint, religion and development are closely related in a positive, direct and causal manner. This means that the level of development is highly

dependent upon the practice of religion in the society concerned. This kind of positive relationship is declared by the Holy Qur'an, *al-A'raf*: 96.¹

وَلَوْ أَنَّ أَهْلَ الْقُرَىٰ آمَنُوا وَاتَّقَوْا لَفَتَحْنَا عَلَيْهِم بَرَكَاتٍ مِّنَ السَّمَاءِ وَالْأَرْضِ وَلَكِن كَذَّبُوا
فَأَخَذْنَا هُمْ بِمَا كَانُوا يَكْسِبُونَ

“If the people of the towns had but believed and feared Allah, We should indeed have opened out to them (all kinds of) blessing from heaven and earth; but they rejected (the truth), and We brought them to book for their misdeeds.”

This verse reveals one of the important divine laws (*sunnatullah*) pronouncing that the true religious practice would bring about development in the society and vice versa. As long as this religious factor exists, development would flourish. But conversely, if the former disappears, the latter would certainly collapse (al-Maddarasy, 1405/1985; Hamka, 1984; Shihab, 2004). Moreover, the Qur'an (*Ali 'Imran*: 110) has even mentioned that Muslim people is “the best *ummah* (society) evolved for mankind” which constitutes a model for the rest of human society (Bakar, 2012) for its commitment to enjoining the common good (*al-ma'ruf*), forbidding the bad things (*al-munkar*), and faith in God (*al-iman*).

Therefore, it is very important to study on how and to what extent the practice of Islamic religion (religiosity) is related to development of Muslim countries or societies especially at a micro level. There appears to be a dearth of empirical studies in this regard. This present study examines this issue by looking critically at a specific Muslim society in the South Kalimantan province, Indonesia.

It is recorded that Islam has had long history in this province and influenced many parts of socio-cultural aspects of its society. Islam is adhered to by majority of

¹ The analogous meaning can also be found in the Qur'an, *al-Talaq*: 2-4 and *al-Maidah*: 65-66.

the people in this province (96.67%) and it is generally observed that the society has been highly religious and devoted to the Islamic teachings (Buseri, 2011; Daud, 1997). However, the level of development of this province seems to be much less progressed compared to other provinces in Indonesia. Viewed from welfare indicators, Human Development Index (HDI) for instance, the achievement of South Kalimantan has constantly been below the national average since 2010 until 2015 (Figure 1.). Although the trend of HDI movement of South Kalimantan follows the national trend which shows gradual improvement over the period, but this province is constantly lower than the national level.

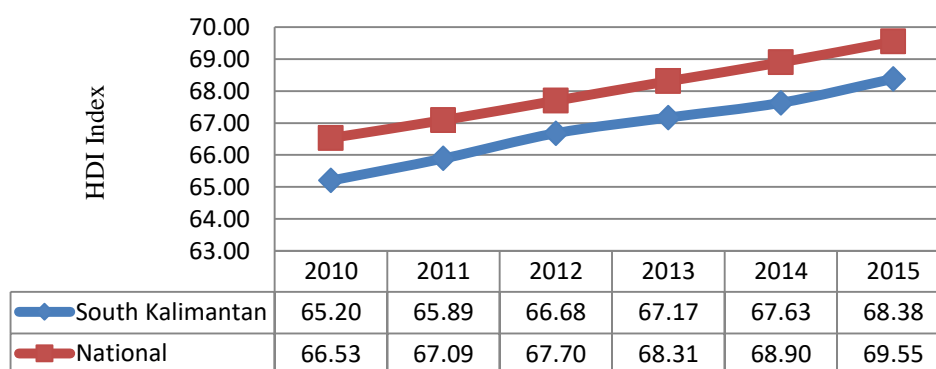


Figure 1.1. HDI of South Kalimantan and National, 2010-2015
Source: Biro Pusat Statistik [BPS] (2016)

In addition, South Kalimantan has unfortunately always been among the lowest group of provinces in the position of HDI compared to all provinces in the country. In 1999, among 26 provinces, it laid in the position of 21st. Up to 2004, Indonesia has administratively formed seven more provinces which were newly created from their respective mother provinces, and along with this increase in the number of provinces, the rank of South Kalimantan in HDI sadly gets lower accordingly. In 2015, the province's rank gets better, that is, 22nd out of 34 provinces (BPS, 2016), but it still remains below the national average. This implies a slow improvement in human