

ISLAMICITY INDICES COUNTRY REPORT 2019

INDONESIA

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I. Summary

Islamicity index is one step from a long process of reform. This effort accentuates Islam to be the way of life for all mankind, regardless its creed or race, in achieving a socio-politic-economic and human development. This aspect, the universalities of Islamic instruments, has been greatly misunderstood and misconcepted by public and media. At this juncture, Islamicity index does not attempt to measure how Muslim is a country, but rather to show the message, that professing Islamic principles into policies would bring prosperity and solution to our socio-politic-economic problems. Even in a country where Muslim is minority.

Indonesia position in Islamicity Index does not much change in comparison to 2018. In 2018, the overall Islamicity index is 64, and in 2019 is slightly improved to 61. For the rulers, this progress might demonstrate a positive achievement as the country continued to strive for prosperity. However, such small step does not necessarily imply a significant improvement for the condition of people. The country is still striving to regain its place to be one of the prosperous countries in South East Asia, and certainly far from institutionalization of Islamic instruments from government policies.

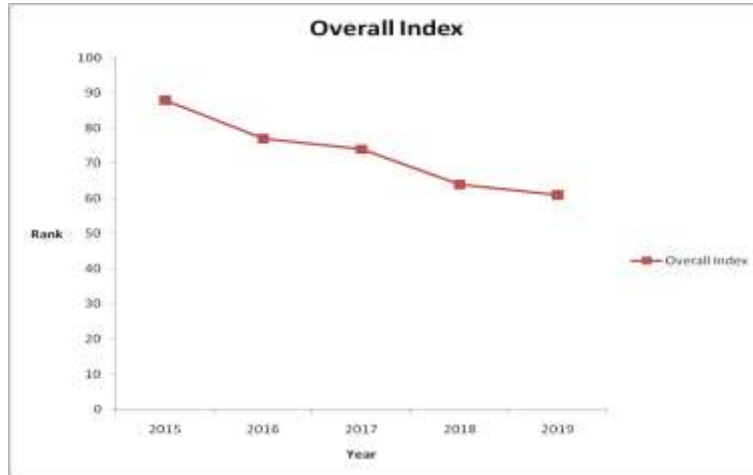
In 2019, Indonesia encountered a political era of Presidential Election. After 2018's legislation and local governors elections, the 2019's presidential election leveled up a great division between "The Nationalist activists" and "The Islamic activists". The issue regarding the enactment of Islamic law (*shari'a*) was coined as to create a division between the opponent and the incumbent. Paired with the Chief of Indonesian Muslim Council, K.H. Ma'ruf Amin, Joko Widodo washed off the issue for being anti-Islamic instruments.

II. Scores and Rank – Comparison to Year 2018

The Islamicity Indices are made up of five indices; 1. Economic, 2. Legal and Governance, 3. Human and Political Rights, 4. International Relation, and 5. Overall Index. These indices are the indication of compliance level of national policies with Islamic principles

and instruments. This section measures comparative performance of Indonesia in 2019 vis-a-vis 2018 in all sectors within the scope of this indices.

A. Overall Index

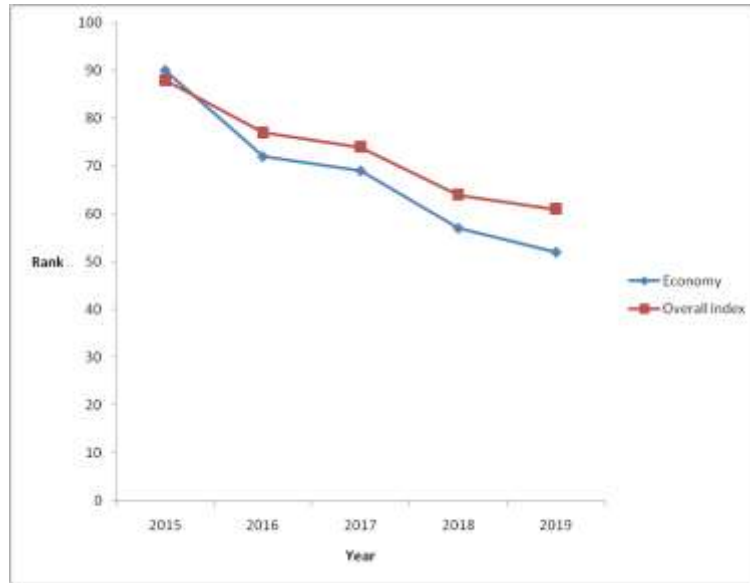


In 2018, Indonesia's rank of 64 is moved to 61 in 2019. By position, this rank is improved in comparison to last year yet remained as reflected in the score.

	Overall Index	
Year	Rank	Score
2015	88	4.52
2016	77	4.69
2017	74	4.73
2018	64	5.05
2019	61	5.05

Overall, despite accumulatively being stagnant in two consecutive years, Indonesia has shown a continuing progress in terms of position in the OI. The country is at the 10th place of best performing Muslim majority country, after Qatar (7th), Oman (8th), and Kazakhstan (9th).

B. Economic Islamicity



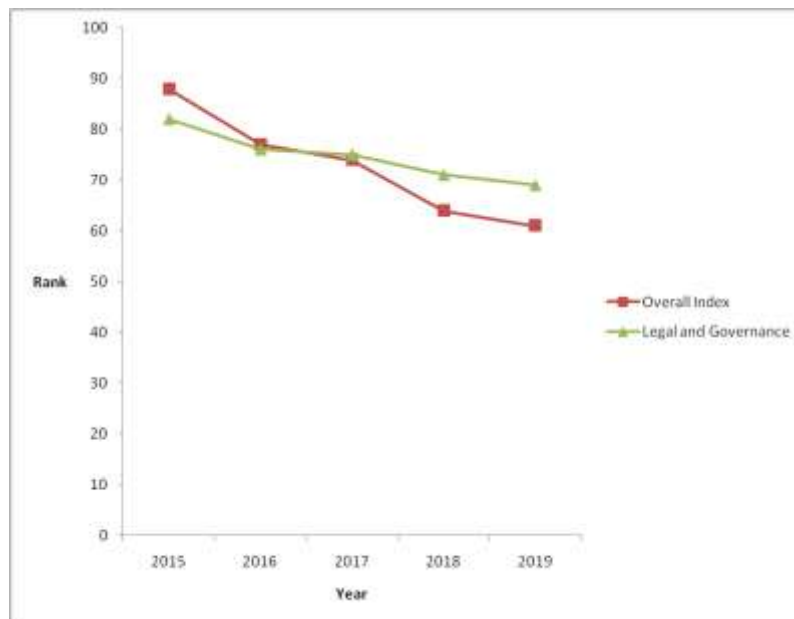
The economic prospects of the country has improved in comparison to last years' index, from 57th to 52nd. The immense economic stimulus was largely from the Presidential election year. The current government priorities to spend on building highways, roads, and airports, opened up opportunity for participative-based instruments such as retail *Sukuk* to be one of the favorite sources of funding the deficits. In addition to the election spending, Government had also increased allocation for education, health, and direct transfer to remote areas in Indonesia. In general, economic policy was conducive throughout the year.

Note on Financing 2019 Budget (in billion Rupiah)

Outlook 2018	Remarks	Budget 2019
314,2	Budget Financing	296,0
387,4	Debt Financing	359,3
388,0	Sovereign Bonds	389,0
-65,7	Investment Financing	-75,9

The main principle in 2019 economic policy was to improve sovereignty in the budget, in which the result of such attempt is yet to be seen. There is little significant marks that reflects Islamic principles, except that government's effort to reduce debts in financing deficits.

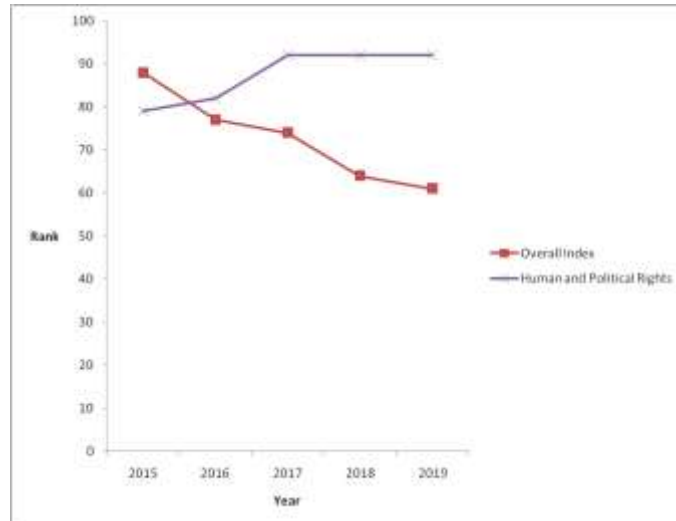
C. Legal and Governance



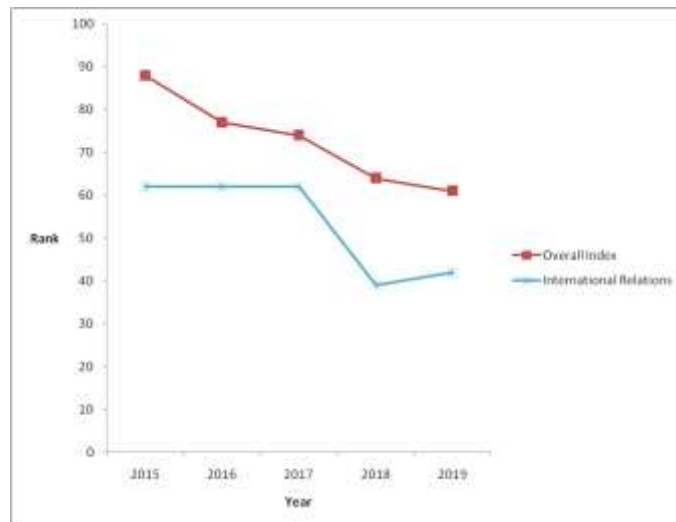
In LGI, Indonesian position is slightly improved from 71 to 69. Being the most populous Muslim country in the world, this rank reflects that effective rules and regulations are still far within Indonesia's constitution. Corruption scandals, strenuous coordination, and weak enforcement are still the country's legal and governance homework. The ruling regime looks to offset this weaknesses through creation of laws and regulations, which publics found some contradictions to one another. The ruling regime must learn from Islamic rules and instruments that are known to be efficient and effective in improving coordination in order to improve this situation.

D. Human and Political Rights

Human and Political Rights Islamicity Index position stays at the rank of 92 in three consecutive years (2017, 2018, and 2019). Human Rights Watch (HRW) has marked the year 2019 with notes of violation on human rights that happened through the year. Minorities, such as people of other faith and disabilities, are still the most vulnerable groups, as the dominating class continued not facilitating these segments. There were "high profile" legal cases that the rulers promised to solve yet it remained to be silent.



E. International Relations



Indonesia saw a step down in the IRIs, from 39 in 2018 to 42 in 2019. Indonesia's foreign affairs policies on 2019 were aggressive in attracting investments, but laid back in promoting solidarity and cooperation around the globe. At this point, government has to shift the role from mainly economy to mainly cooperation and solidarity on international affairs and demonstrated its leadership role on the global events.

III. Conclusion

Islamicity Indices provide a compass to measure how strong Islamic institutions are reflected in government policies and outcomes. The premise is that Islamic institutions are the moral and best way to address socio-economic problems. In the case for Indonesia, the result of

Islamic Indices show that Islamic teachings, instruments and institutions are still yet to be fully adopted to the policies of Indonesia government. Indonesia still suffers from a latent problem, which segregates the belief-system and action. Being the world's most populous Muslim country, Indonesia has the moral obligation to embrace Islam and instrumentalize Islamic institutions into policies to address its problems in order to achieve social and economic development.