DEVELOPMENT OF LOCAL TOURISM ECONOMY BASED ON MAQASID SHARIA: PARTICIPATORY APPRAISAL OF COMPETITIVE ADVANTAGE

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Abstract: This research aims to analyze the development of local tourism economy using the Participatory Appraisal of Competitive Advantage (PACA) approach through the perspective of Maqashid Shariah. The study takes a case in Pulau Merah, Sumberagung Village, Pesanggaran District, Banyuwangi Regency. This research adopts a qualitative approach with descriptive analysis. Data collection is conducted through observation, interviews, and documentation. The research subjects are selected using a purposive technique. The study finds two PACA indicators that fulfill four out of the six elements of Maqashid Shariah in the local tourism economy of Pulau Merah. This research recommends strengthening institutional synergy among the government, private sector, and community to create added value in the tourism sector management, ensuring that all aspects of Sapta Pesona are fulfilled and have a positive impact on the local community in line with Maqashid Shariah principles.

Keyword: Local Economic Development, Maqashid Shariah, Participatory Appraisal of Competitive Advantage, Community Welfare.
INTRODUCTION

The World Trade Organization (WTO) reported that the tourism sector as a whole provides approximately 230 million jobs and can contribute hundreds of billions of dollars to the economies of various countries (Tristaningrat, 2018). This proves that the tourism industry plays a significant role in boosting the national Gross Domestic Product (GDP). In Indonesia, the previously centralized regional development was transferred to local governments after the enactment of Law Number 32 of 2004 concerning Regional Autonomy. There are three common approaches to regional development, namely: Top-down policy, Bottom-up policy, and Local Economic Development (LED). Among these approaches, LED is considered the most effective because the top-down policy leads to regional imbalances, and the bottom-up policy is weak in execution (Saragih, 2012).

In order to enhance the competitiveness of local economic potential within the framework of Local Economic Development (LED), the participation of all stakeholders is necessary. The appraisal method can be used to analyze the factors that are advantageous or not. To achieve this, regions need to enhance their local potential to create a competitive advantage. These three components form the participatory appraisal of competitive advantage or PACA (Meyer-Stamer, 2014a). Various studies on LED emphasize that cooperation among stakeholders plays a crucial role in improving community welfare (Fitri, 2020; Merauje, 2017b; Suhada, 2017). Furthermore, empowering the rural economy through the asset community development approach can fulfill all five aspects found in the maqashid syariah (Hidayatullah, 2019).

In this study, the author introduces an interesting new model by combining the PACA approach, which consists of three elements: the participation of all stakeholders, government policies impacting the local economy, and the competitive advantage of a region. Additionally, unlike previous research that used five components of maqashid syariah as indicators of community empowerment success, this study utilizes six components of maqashid syariah to analyze their relevance to Local Economic Development and the three PACA elements. Typically, the concept of maqashid syariah includes five dimensions. However, considering that the subject of this research is natural tourism, which has a close connection to the environment, the study also takes into account the environmental aspect known as "hifdz albi’ah" (environmental preservation), as proposed by Yusuf Qadlawi and Ali Yafie, who consider environmental conservation as part of maqashid syariah (Ghufron, 2010).

The research was conducted in Banyuwangi Regency, East Java, specifically focusing on the tourism destination of Pulau Merah (Red Island). The choice of this location is fascinating because in 2015, Banyuwangi received an award from the World Tourism Organization (WTO) as the winner of the Awards for Excellence and Innovation in Tourism (Hidayat, 2016). Additionally, Pulau Merah itself was selected as the venue for the International Surfing Competition, held annually from 2013 to September 2015 by the local government (Kurniawati, Shaherani, Coutrier, dan Sukmawati, 2022).
METHODOLOGY

This research uses a qualitative approach with a descriptive type of approach. Subject selection was determined using purposive technique, and data collection involved observation, interviews, and documentation. The reason for using a qualitative descriptive research approach in this observation is that the author obtained data in the form of narrative information, research, and question-and-answer data, including numerical data. In this study, the author explains the events that occur in the tourism area of Pantai Pulau Merah (Red Island Beach), how Pulau Merah contributes to the local economy of the surrounding residents, and the analysis of the compatibility of aspects of Maqashid Shariah (objectives of Islamic law) towards tourism-based PEL/LED (Local Economic Development) through the PACA approach in the village of Sumberagung, Pesanggaran District, Banyuwangi Regency.

RESULTS AND DISCUSSION

Local Economic Development Based on Tourism in Sumberagung Village, Banyuwangi Regency, in Fulfilling the Aspects of Maqasid Sharia.

In the context of economic development or local economic development to fulfill the aspects of Maqasid Shariah, there is a strong relationship (Rafsanjani, 2018). This is because economic development is closely related to the welfare of society, and in Islam itself, the term welfare is referred to as Maqasid Shariah, which has several indicators, including:

1. Hifdz ad-diin

In measuring the dimension of ad-diin, there are ideal criteria such as performing the obligatory acts of worship, including prayer, fasting, zakat (almsgiving), and hajj (pilgrimage). However, it is challenging to use all of these as benchmarks. Therefore, this research uses zakat as an indicator to measure the index of ad-diin. According to information from the respondents, approximately 97% of the community in Sumberagung Village, Pesanggaran Sub-District, Banyuwangi Regency, are classified as muzaki (those who fulfill the obligation of paying zakat).

2. Hifdz aql

With intellect, humans are empowered to become leaders on earth, and it also makes them noble and distinguished beings. Learning and deepening religious and general knowledge, as well as contemplating nature, are ways to preserve the intellect bestowed by Allah. The common assumption is that the higher the education level of an individual, the better the quality of human resources (Zakia, 2018). To support the development of high-quality human resources, sufficient time is needed to pursue education. Based on the research observations in the field, the education level of the community in Sumberagung Village is as follows: 63% have completed high school or equivalent (SLTA), 33% have completed junior high school (SLTP), and 4% have completed primary school (SD). From these percentage data, it can be concluded that the majority of the community in Sumberagung Village has completed at least high school education, which aligns with the government's Nawa Cita in the Regulation of the
Ministry of Education and Culture (Permendikbud) No. 19 of 2016 concerning the Indonesia Pintar Program. This program aims to provide learning access for elementary school children aged 6-21 years, allowing them to develop their potential and become self-sufficient members of society. The implementation of a twelve-year basic education is one of the government's efforts to meet the demands of a more competitive job market, thus aiming to improve the quality of the workforce.

3. **Hifdz maal**

   Economic development or local economic growth is defined as a process that leads to an increase in per capita income (Sudarmanto, 2021). The economy of Sumberagung Village, Banyuwangi Regency, based on tourism, has experienced a steady increase in income from year to year. This aligns with the objectives of local economic development, which aims to establish a strong and sustainable local economy (Rahma, 2012).

4. **Hifdz nasl**

   In the effort to preserve lineage, one of the essential aspects is to have a valid and recognized marriage according to both religious and state laws. Marriage is seen as a means to prepare the next generation, passing down righteousness and faith in Allah, as well as maintaining one's noble ancestry. Therefore, maintaining good social interactions and acquiring knowledge are crucial for the community. Islam emphasizes the preservation of lineage, which is why it obligates the performance of valid marriage contracts (akad nikah) (Helim, 2019b). As a result, in the tourism area of Pulau Merah, religious study sessions are held every two weeks at the local mosque. These sessions cover various subjects, such as the jurisprudence of marriage and business transactions, intended for the public. Additionally, there are gatherings for men on Friday evenings and for women on Thursday evenings, and a madrasah (Islamic school) takes place every evening from Maghrib to Isha, all aimed at preserving the religiosity of the community and safeguarding them from undesirable situations.

5. **Hifdz nafs**

   Islam obligates the establishment of a dignified life by ensuring the fulfillment of basic needs such as food, drink, clothing, and shelter (Helim, 2019a). According to the explanation provided by the community of Sumberagung Village, supported by the Village Secretary of Sumberagung, the economic level of the community in Banyuwangi Regency is considered middle to upper class. The majority of the villagers have their own houses and can meet their primary and secondary needs.

6. **Hifdz albi’ah**

   Understanding environmental issues and their preservation should be founded on moral principles to support the efforts made and nurtured so far, which have not fully addressed the existing and ongoing environmental damages. Environmental jurisprudence (fiqh) aims to awaken believers to the realization that environmental issues cannot be separated from their responsibility as custodians to maintain and protect the environment provided by the Creator as a dwelling place for humans on Earth (Abdilah, 2002). Preserving the environment is equivalent to safeguarding one's
soul, intellect, lineage, and wealth. One tangible manifestation of hifdz albi’ah is maintaining environmental cleanliness.

In relation to this, the cleanliness of the environment in the Pulau Merah tourist area is managed by a cleanliness team, consisting of 2 members for waste collection and 6 members for sweeping. The waste is then taken to a waste management facility and processed into handicrafts and compost. The finished products are sold, which ultimately has a positive impact on the community in terms of the economy and provides comfort to tourists due to the well-preserved cleanliness of the environment.

**PAL/LED Model Based on Tourism through the PACA Approach in Pulau Merah**

The observation results show that the Tourism-based Local Wisdom Empowerment Program (PEL/LED) with the PACA approach on Pulau Merah Island demonstrates synergy between the government, private sector, and the community to create added value to the tourism destination, both in terms of human resources and natural resources. This contributes to fulfilling the essential elements of Sapta Pesona, as summarized in Table 1. By meeting the five elements of Sapta Pesona, it is expected to have a positive impact on the local community.

**Table 1. Relevance of Local Tourism Economic Development in Pulau Merah with the PACA Approach**

<table>
<thead>
<tr>
<th>No</th>
<th>PEL/LED</th>
<th>Unsur PACA</th>
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<tr>
<td>1.</td>
<td>The collaboration of all stakeholders such as the Banyuwangi District Office of Culture and Tourism, PT Palawi, the Sumberagung Village Government, Pesanggaran Sub-District, Banyuwangi District, and Pokmas, has been established.</td>
<td>Participatory</td>
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| 2. | The policies taken to develop the local economy based on tourism are:  
a. Promotion on various social media platforms.  
b. Collaborating with investors.  
c. Conducting training to improve the quality of human resources. | Appraisal |
| 3. | a. There is a small island in the middle of the beach with white sand, and sometimes it has pinkish sand, which is unique and not found in other tourist destinations in Banyuwangi.  
b. Banyuwangi has 6 recommended beaches for surfing, and Pulau Merah Beach holds the second position among them. | Competitive Advantage |

*Source: Data processed by the Author, 2023.*

**CONCLUSION**

This study provides an overview of the development of the local economy based on natural tourism using Maqashid Shariah as an indicator of well-being. The development of
the local economy, specifically focused on Pulau Merah tourism in Sumberagung Village, Pesanggaran Sub-District, Banyuwangi District, can fulfill six aspects of Maqashid Shariah. However, not all elements of Maqashid Shariah can fully conform to the three indicators of the PACA approach. Furthermore, in the effort to develop the local economy and enhance the well-being of the community, cooperation between the government, private sector, and the community is crucial to create sustainable economic activities. The implications of this research on the advancement of knowledge lie in contributing to the literature on the importance of collaboration between the government, private sector, and the community in promoting the sustainable development of the local economy and the well-being of the people.

**BIBLIOGRAPHY**


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