

Halal Industry as an Opportunity and Growth Potential Sustainable Sharia Economy

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Abstract. Indonesia is the country with the largest Muslim population in the world, namely 87.2% of Indonesia's 270 million population, which is 13% of the entire Muslim population in the world. With such a large number, the need for halal products in Indonesia is very large. Therefore, Indonesia is referred to as the embodiment of the world halal industry market. The halal industry has a strategic role in improving the economy. Therefore, it is very unfortunate that the potential of the halal industry in Indonesia has not been fully exploited. Data in the field shows that there is still very little output from the halal industry in Indonesia. The halal industry should have a significant impact on national economic growth. The government in this case has provided a cluster for the halal industry. The halal industry clusters are: Food and beverages; Tourism, Fashion, Media and recreation, Pharmacy, and cosmetics. The problem is that Indonesia, as a population with a Muslim majority, is still unable to make Halal products the main source of economic commodities. There are still products that have not received halal certification which are widely circulated in the community. This makes a gap between the majority of citizens and the growth of halal products on the economic growth of the Muslim community. This research aims to see the economic growth capacity of Muslim communities with the number of producers and consumers who are the majority of citizens in Indonesia. This research uses quantitative methods by examining more deeply the economic growth of communities dominated by Muslim communities on national economic growth. The hypothesis is that the economic growth of the Muslim community should dominate the growth of the national economy. This is because the majority of citizens in Indonesia are Muslim people who are obliged to produce and consume only halal products. The research tool used for decision-making is Structural Equation Modeling (SEM). In addition, to assess the economic growth of the majority of citizens, strengths, weaknesses, opportunities, and threats (SWOT) measurement tools are used for internal analysis (strengths and weaknesses) and external analysis (opportunities and threats). The expected results of this research are: determining the opportunities and potential for halal economic growth to support national economic growth.

Keywords: halal industry cluster, sharia economy, halal economic growth potential