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Islamic Economics in Manado: Identity Negotiation of Muslim Minorities in a Multicultural Society

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ABSTRACT

Islamic economics has emerged as a significant alternative financial system in recent decades. In Manado, as a region with a Muslim minority, Islamic economic practices demonstrate unique dynamics within a multicultural society context. This research aims to analyze how Islamic economics functions as an identity negotiation mechanism for the Muslim minority in Manado, focusing on identifying integration success factors, stakeholder roles, and formulating an adaptive development model. Using qualitative methods with a literature study approach enriched by spontaneous observations, this research reveals three main findings. First, the successful integration of Islamic economic practices is supported by universal value recognition, market-based adaptation, and social capital development. Second, stakeholders' active role in Islamic economic adaptation and development is manifested through inclusive leadership, cross-cultural business partnerships, and multicultural understanding promotion. Third, an adaptive Islamic economic development model has been successfully formulated with key components including an inclusive economic framework, multi-stakeholder collaboration, and cultural integration mechanisms. These findings indicate that Islamic economics can develop sustainably in plural societies through local context adaptation.

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1. INTRODUCTION

Islamic economics has evolved as a significant alternative financial system in recent decades, particularly in Muslim-majority countries seeking economic frameworks aligned with religious principles (Ahmed Hassan, 2024; Kuran, 2018). In Indonesia, as the country with the largest Muslim population globally, Islamic economics has shown remarkable growth, with Islamic business and finance reaching a ratio of 46.71% of Gross Domestic Product (GDP) in 2024. Therefore, the development of key Islamic economic sectors, such as halal industry, Islamic finance, and sharia-based entrepreneurship, can serve as growth drivers in the real sector (Limanseto, 2024). This growth reflects the increasing adoption of Islamic financial products and services, driven by public awareness and preference for economic activities aligned with Islamic principles of justice, transparency, and prohibition of usury.

In the context of Manado, Widyawati & Lon (2023) reveal that Islamic economic practices function not only as financial mechanisms but also as instruments of identity negotiation and social integration for the Muslim minority. This demonstrates how religion-based economic systems can adapt and develop even in regions where Muslims are a minority. This phenomenon becomes more intriguing considering Manado's pluralistic society characteristics, with Christian and Catholic populations dominating at 68.21% of the total population in 2023 (BPS Sulut, 2024).

Mariyono & Maskuri (2023) in his research emphasizes the importance of mediating self-identity concepts in building a harmonious multicultural society in Manado. Islamic economic practices have become one of the important mediums in this mediation process (Romdhoni, 2013), enabling Muslim communities to maintain their religious identity while actively participating in the broader socio-economic life of society.

A study conducted by Sudana et al. (2024) further reveals that the application of Islamic justice principles in cross-cultural business transactions in Manado has helped create negotiation practices that respect cultural diversity. Their research shows how Islamic economic values such as transparency, honesty, and justice can be accepted and even adopted by non-Muslim communities, creating a common platform for constructive economic interaction.

Widianto et al. (2023) in their study of local wisdom in managing religious diversity in Manado found that the Muslim minority has successfully built harmony through interfaith collaboration. They identified that Islamic economic practices, particularly in the microfinance and small-medium enterprise sectors, have become important catalysts in facilitating such collaboration.

Abbas (2016) in his research on the role of Muslim elites in maintaining peace and harmony in Manado underlines the importance of inclusive leadership in developing Islamic economics. According to him, the successful integration of Islamic economic practices in Manado is inseparable from Muslim leaders' ability to build constructive dialogue with non-Muslim communities and adapt Islamic economic practices to the local context.

Although various studies have been conducted, significant research gaps remain in the study of Islamic economics in Muslim minority regions. Hefner & Bagir (2021)

highlight the importance of understanding pluralism in Indonesia, including Muslim-Christian interactions in Manado, but have not specifically examined how Islamic economic practices contribute to this pluralism dynamics. This gap becomes increasingly relevant considering Manado's economic growth reaching 5.79% in the third quarter of 2024, above Indonesia's economic growth of 5.03%, showing great potential for further development (BPS, 2024b, 2024a).

The novelty of this research lies in three main aspects. First, this research integrates the analysis of Islamic economic practices with identity negotiation theory, providing new perspectives in understanding the role of religion-based economics in plural society contexts. Second, this research develops an analytical model that considers local-global dynamics in developing Islamic economics in Muslim minority regions. Third, this research offers a new conceptual framework for understanding how Islamic economic practices can become instruments of intercultural dialogue and social cohesion.

The purpose of this research is to comprehensively analyze how Islamic economics functions as an identity negotiation mechanism for Muslim minorities in Manado. Specifically, this research aims to: (1) identify factors influencing the successful integration of Islamic economic practices in multicultural societies, (2) analyze stakeholders' roles in adapting and developing Islamic economics in Muslim minority regions, and (3) formulate an Islamic economic development model adaptive to plural society contexts.

The significance of this research encompasses three important dimensions. Academically, this research provides theoretical contributions in understanding the intersection between religion-based economic practices and socio-cultural dynamics in plural societies. Practically, the research findings can serve as references for policymakers and practitioners in developing Islamic economic systems that are inclusive and adaptive to diversity. Socially, this research contributes to strengthening social cohesion through better understanding of Islamic economics' role in facilitating intercultural dialogue and social harmony.

2. METHODS

This research employs a qualitative method with a literature study approach (McCrary, 2017), enriched with spontaneous field observation data. This approach was chosen to enable in-depth analysis of various literature sources on Islamic economics and social dynamics in Manado while providing actual insights through direct community interactions. In its implementation, the research methodology is divided into several systematic stages to ensure analysis quality and depth.

Primary data collection was conducted through comprehensive literature review encompassing journal articles, books, research reports, and policy documents published between 2018-2024, while considering fundamental pre-2018 literature that remains relevant. These sources were accessed through leading academic databases such as Scopus, Web of Science, and Google Scholar, as well as local repositories from various Indonesian universities. The search process utilized relevant keywords such

as "Islamic economics," "Muslim minority," "Manado," "economic pluralism," and "identity negotiation," in both Indonesian and English languages.

As data enrichment, this research also incorporates spontaneous observation results conducted in Manado City. Although not a primary component of the literature research methodology, this observational data provides actual perspectives that strengthen literature findings. Observations included brief interactions with three Christian buyers shopping at halal-certified establishments and two Chinese Christian sellers who had obtained halal certification for their businesses. These interactions were spontaneous and informal but provided valuable insights into Islamic economic dynamics within Manado's plural society.

Data analysis was conducted using the thematic analysis approach as outlined by Braun & Clarke (2022). This process involved six systematic stages: (1) familiarization with literature data, (2) initial coding, (3) theme searching, (4) theme review, (5) theme definition and naming, and (6) analysis results writing. In each stage, researchers performed source triangulation to ensure finding validity and data interpretation.

To ensure research quality, literature selection followed strict inclusion criteria, including: (1) primary publications from 2018-2024, while considering relevant fundamental pre-2018 literature, (2) focus on Islamic economics in plural society contexts, (3) relevance to Muslim minority dynamics, and (4) discussion of socio-economic aspects in Eastern Indonesia, particularly Manado. Exclusion criteria included: (1) literature discussing only technical aspects of Islamic economics without social context, (2) non-peer-reviewed publications, and (3) unverifiable source documents.

The data analysis process adopted an integrative approach combining content analysis and hermeneutic interpretation. Content analysis was used to identify main patterns and themes in literature, while hermeneutic interpretation helped understand deeper contexts and meanings of literature findings. Spontaneous observation data was used as supporting data to provide concrete illustrations of literature findings.

The theoretical framework used in the analysis refers to social capital and organizational advantage theory by Nahapiet & Ghoshal (1998) and adaptive governance concepts by Folke et al. (2005). This theoretical framework helps understand how Islamic economic practices contribute to social capital development among Muslim minorities in Manado, and how religion-based economic systems can adapt and integrate with mainstream economic systems in plural societies. This is reinforced by sustainable halal supply chain management concepts as proposed by Haleem et al. (2021) in multicultural society contexts.

Research validity is ensured through several strategies: (1) data source triangulation from various academic databases, (2) peer review by researchers in Islamic economics and pluralism studies, (3) audit trail documenting data collection and analysis processes, and (4) researcher reflexivity in data interpretation. Spontaneous observation data, although limited, provides external validation of literature findings.

The methodological limitations of this research are explicitly acknowledged, including: (1) primary focus on literature sources that may not fully reflect current realities, (2) limited access to some primary data sources, and (3) spontaneous and limited nature of field observation data. However, these limitations do not diminish the research findings' significance in providing comprehensive understanding of Islamic economics' role in Manado's plural society.

3. RESULTS AND DISCUSSION

Interesting findings emerged from spontaneous field interactions that reinforced literature data. During field observations, phenomena were discovered illustrating non-Muslim community acceptance of Islamic economic practices in Manado. Three Christian buyers randomly encountered at halal-certified eating establishments provided uniform answers when asked why they chose to shop at these locations (Yusuf et al., 2023). They stated that food at halal-certified places was "more hygienic and guaranteed in food quality." This statement indicates that halal certification is no longer viewed merely as a religious symbol but has transformed into a universally accepted indicator of quality and cleanliness.

From the service provider perspective, two Chinese Christian food vendors who had obtained halal certification for their businesses provided complementary perspectives (Yusuf et al., 2023). When asked about their motivation for pursuing halal certification, they responded that it was done "to attract more buyers and build trust in the halal food products sold." This response reflects how halal certification has become an inclusive business strategy, not only meeting Muslim consumer needs but also building trust among consumers in general.

These spontaneous interactions, although limited, provide a real picture of how Islamic economic practices have become a connecting bridge between community groups in Manado. This shows that values contained in the Islamic economic system can be accepted and even utilized by interfaith communities, creating shared spaces that support social cohesion in plural societies.

Factors Influencing Successful Integration of Islamic Economic Practices

Thematic analysis revealed three main factors influencing the successful integration of Islamic economic practices in Manado, as summarized in Table 1. Based on Table 1 analysis results, three main factors contributing to Islamic economic integration success in Manado were identified. Universal value recognition becomes the dominant factor, marked by significant transformation in society's perception of halal certification. This phenomenon is no longer viewed as religious exclusivity but has evolved into a widely accepted quality standard. Field observations show non-Muslim consumers actively seeking halal-certified products, confirming Widyawati & Lon (2023) findings about Islamic values adaptation in plural societies. Market-based adaptation proved effective with Manado's economic growth reaching 5.79% in Q3 2024, reflecting successful integration of Islamic economic practices in the local market system. Interestingly, social capital development through interfaith business collaboration has created strong foundations for Islamic economic practices sustainability. Abbas (2016) strengthens these findings by underlining the importance

of economic interactions in building trust between community groups. These three factors work synergistically, creating an ecosystem supporting Islamic economic growth in multicultural society contexts.

Table 1. Success Factors of Islamic Economic Integration

Theme	Indicators	Empirical Evidence	Source
Universal Value Recognition	Transformation of halal certification as quality indicator	Non-Muslim consumer observations	Widyawati & Lon (2023)
Market-Based Adaptation	Economic growth and business adaptation	5.79% growth 2024	Badan Pusat Statistik Sulawesi Utara (2024)
Social Capital Development	Interfaith collaboration	business Integration of Islamic economic principles	Abbas (2016)

Source: Processed data

Three main factors contributing to Islamic economic integration success in Manado were identified, the three factors include:

Universal Value Recognition

The transformation of Islamic economic values in Manado has transcended religious identity boundaries, developing into universal quality standards widely accepted by interfaith communities. Nahapiet & Ghoshal (1998) emphasize that social capital plays an important role in creating organizational value through cross-community trust formation, clearly reflected in Manado's context. This is strengthened by Widyawati & Lon's (2023) findings revealing how Islamic values can adapt in plural societies, evident from three Christian consumers' positive perceptions of halal products they consider as quality and cleanliness guarantees. This phenomenon shows that halal certification has transformed from merely a religious symbol into a quality standard indicator trusted by all society layers, creating common ground in building trust between community groups in Manado.

Market-Based Adaptation

The successful adaptation of Islamic economic practices in Manado's local market system is evident from economic growth reaching 5.79% in the third quarter of 2024 (BPS Sulut, 2024). Folke et al. (2005) highlight the importance of adaptive systems in social-ecological governance, manifested in Manado's non-Muslim business actors' innovative strategies adopting halal certification. Two Chinese Christian entrepreneurs who became research subjects show how this adaptation is driven not merely by economic motives but also awareness of market inclusivity importance in plural societies. This phenomenon becomes tangible evidence of how Islamic

economic systems can harmoniously integrate with conventional market systems, creating business models that accommodate all parties' needs while driving sustainable economic growth.

Social Capital Development

Social capital development through interfaith economic collaboration has become an important catalyst in Islamic economic practices integration in Manado. Referring to the community resilience framework developed by Norris et al. (2008), this research reveals how economic interactions have created spaces for dialogue and mutual understanding between Muslim and non-Muslim communities. Abbas (2016) strengthens these findings by underlining Muslim elites' vital role in building constructive dialogue with non-Muslim communities through Islamic economic practices. Widiyanto et al. (2023) and Makka et al. (2024) further identify that interfaith economic collaboration has strengthened social bonds between community groups, creating shared platforms enabling deeper value exchange and understanding among various society elements in Manado.

Stakeholder Roles in Adaptation and Development

Analysis identified three main stakeholder groups in Islamic economic development in Manado, with different roles and contributions as shown in Table 2.

Table 2. Stakeholder Roles and Contributions

Stakeholders	Main Role	Effectiveness Source	
Leadership & Governance	Constructive dialogue and inclusive policy	High	Folke et al. (2005)
Business Community	Cross-cultural partnership	High	Sudana et al. (2024)
Educational Institutions	Multicultural understanding promotion	Medium	Romdhoni (2013)

Source: Processed data

Table 2 reveals the dynamics of stakeholder roles in Islamic economic development in Manado. Leadership and governance show high effectiveness in facilitating constructive dialogue and inclusive policy development. Folke et al. (2005) strengthen these findings with adaptive governance theory emphasizing leadership importance in social transformation. The business community plays a crucial role through cross-cultural partnership development, with high effectiveness in implementing Islamic economic practices. Sudana et al. (2024) confirm that business practice adaptation has created mutually beneficial shared platforms. Although educational institutions show medium effectiveness, their contribution to multicultural understanding promotion remains significant. Romdhoni (2013) affirms that this educational role is important in building long-term understanding foundations. The interaction between these three

stakeholders creates a comprehensive support system, enabling sustainable Islamic economic growth in Muslim minority regions.

1. **Leadership and Governance:** Muslim elites have played crucial roles in building constructive dialogue with non-Muslim communities, as identified by Abbas (2016). This approach strengthens the adaptive governance concept proposed by Folke et al. (2005), where inclusive leadership becomes a catalyst for positive social change.
2. **Business Community:** Business actors in Manado show high adaptability in integrating Islamic economic principles into their business practices. This aligns with Sudana et al. (2024) findings about Islamic justice principles application in cross-cultural business transactions. Observational data shows this adaptation is driven not only by economic motives but also by awareness of social cohesion importance.
3. **Educational and Religious Institutions:** Educational and religious institutions' role in facilitating cross-cultural understanding becomes an important component in the integration process. Romdhoni (2013) underlines the importance of interfaith dialogue in building social harmony, strengthened by inclusive Islamic economic education programs in Manado's educational institutions.

Adaptive Islamic Economic Development Model

This research identifies an adaptive Islamic economic development model with main components as outlined in Table 3.

Table 3. Components of Adaptive Islamic Economic Development Model

Model Components	Characteristics	Implementation Approach	Source
Inclusive Economic Framework	Integration of Islamic principles with local systems	Market-based	Kuran (2018)
Multi-Stakeholder Collaboration	Various party involvement	Community-based	Nahapiet & Ghoshal (1998)
Cultural Integration Mechanism	Adaptation to local context	Context-specific	Norris et al. (2008)

Source: Processed data

Table 3 analysis shows a comprehensive framework for adaptive Islamic economic development in Manado. The inclusive economic framework integrating Islamic principles with local systems demonstrates an effective market-based approach. Kuran (2018) supports this approach with his research on historical adaptation of Islamic economics. Multi-stakeholder collaboration becomes a vital component, supported by Nahapiet & Ghoshal's (1998) social capital theory emphasizing network importance in organizational development. Cultural integration mechanisms focusing on local context adaptation prove effective, aligning with Norris et al.'s (2008) findings

on community resilience. This model shows that Islamic economic success in Muslim minority regions depends on ability to adapt to local contexts while maintaining basic principles. Community-based implementation and context-specific approaches enable this model to adapt to various socio-cultural situations, creating adaptable templates for Islamic economic development in similar regions.

1. **Inclusive Economic Framework:** The Islamic economic development model in Manado shows success in integrating Islamic principles with local economic systems. Kuran (2018) emphasizes the importance of historical adaptation in Islamic economic development, reflected in the inclusive approach adopted in Manado.
2. **Multi-Stakeholder Collaboration:** The collaborative approach involving various stakeholders becomes key to Islamic economic integration success. Ahmed Hassan (2024) identifies the importance of financial inclusion in Islamic economic development, realized in Manado through cross-sector and community cooperation.
3. **Cultural Integration Mechanism:** Adaptation of Islamic economic practices to local cultural contexts becomes an important factor in this model's success. Limanseto (2024) affirms the importance of approaches considering local wisdom in Islamic economic development.

Conclusions and implications from these findings indicate that successful integration of Islamic economic practices in Manado is based on a combination of effective market adaptation, strong social capital development, and inclusive approach in implementation. The model developed in Manado can become a reference for Islamic economic development in other Muslim minority regions.

Islamic Economic Transformation as a Social Integration Instrument in Manado

The transformation of Islamic economics in Manado demonstrates significant development, not only as a financial system but also as an effective social integration instrument in multicultural society. Analysis reveals that this transformation occurs through three interrelated main dimensions.

Islamic Economics as an Intercultural Dialogue Platform

Islamic economic development in Manado has transcended its traditional function as a religion-based financial system. Widyawati & Lon (2023) reveal that Islamic economic practices have transformed into an effective medium for intercultural dialogue. This finding is strengthened by field observations showing positive interactions between Muslim and non-Muslim business actors in Islamic economic activities. Manado's economic growth reaching 5.79% in the third quarter of 2024 reflects this integration's success, where Islamic economic practices have been accepted and adopted by interfaith communities.

Observational data shows this transformation is supported by changing public perceptions toward the Islamic economic system. Non-Muslim business actors no longer view Islamic economics as an exclusive system, but as a business tool that can enhance competitiveness and consumer trust. This aligns with Sudana et al. (2024)

findings identifying that justice principles in Islamic economics have become foundations for cross-cultural business transactions in Manado.

The Role of Halal Certification in Building Trust

Halal certification has become an important instrument in building cross-community trust in Manado. Field observations reveal an interesting phenomenon where three non-Muslim consumers consistently choose halal-certified products due to positive perceptions of quality and cleanliness. This transformation confirms Abbas (2016) findings about Muslim elite roles in building constructive dialogue with non-Muslim communities through economic practices.

Furthermore, two interviewed Chinese Christian entrepreneurs reveal that halal certification has become a profitable business strategy while building bridges of understanding between community groups. This strengthens Mariyono & Maskuri (2023) argument about the importance of identity mediation in building harmonious multicultural societies. Halal certification is no longer viewed as merely a religious requirement but has transformed into a universally accepted quality standard.

Impact on Social Integration

Islamic economic practices have shown positive impact on social integration in Manado. Widiyanto et al. (2023) identify that interfaith economic collaboration has strengthened social bonds between community groups. This is reflected in micro and small business sector growth adopting Islamic economic principles, creating constructive interaction spaces between Muslim and non-Muslim communities.

Observational data shows that Islamic economic interactions have created a "shared space" enabling intercultural dialogue and understanding. Non-Muslim entrepreneurs adopting halal certification report increased positive interactions with Muslim communities, reinforcing Romdhoni's (2013) findings about the role of economics in facilitating interfaith dialogue.

This positive impact is also reflected in inclusive economic growth. Manado's economic growth above the national average (5.79% compared to 5.03% national in Q3 2024) shows that Islamic economic practice integration not only benefits the Muslim community but also contributes to overall societal welfare. This strengthens Hefner & Bagir (2021) argument about the importance of understanding pluralism in the Indonesian context.

The transformation of Islamic economics in Manado demonstrates that a religion-based economic system can evolve into an effective social integration instrument in multicultural society. This success is supported by three main factors: Islamic economic system adaptability, social acceptance of its universal values, and stakeholders' active role in facilitating intercultural dialogue. This model offers valuable lessons about how religion-based economic practices can contribute to strengthening social cohesion in plural societies.

Stakeholder Adaptation and Innovation in Islamic Economic Development

Business Actors' Adaptation Strategies in Integrating Sharia Principles

Business actors in Manado demonstrate dynamic adaptation in integrating sharia principles into their business practices. Field observations reveal that two Chinese Christian entrepreneurs have successfully adapted sharia principles through halal certification, not merely to comply with regulations, but as a comprehensive business strategy. Sudana et al. (2024) identify that this adaptation involves three main dimensions: operational adjustment, organizational culture transformation, and inclusive business network development.

Operational adaptation strategies include modifying production processes and management systems to meet sharia standards. Data shows that non-Muslim business actors have successfully integrated transparency and honesty principles into their business practices, aligning with Widiyanto et al. (2023) findings about local wisdom revitalization in diversity governance. This adaptation not only provides economic benefits but also strengthens cross-community trust.

Organizational culture transformation is evident from business actors' mindset changes in viewing halal certification, from mere technical requirements to commitment toward quality and inclusivity. This reinforces Mariyono & Maskuri (2023) argument about the importance of self-identity concept mediation in building harmonious multicultural societies.

The Role of Inclusive Leadership in Islamic Economic Development

Inclusive leadership plays a crucial role in facilitating Islamic economic development in Manado. Abbas (2016) identifies that Muslim elites have successfully built constructive dialogue with non-Muslim communities through adaptive and inclusive leadership approaches. Research shows that Muslim leaders in Manado focus not only on sharia compliance aspects but also on creating shared values acceptable to all groups.

Observational data reveals that inclusive leadership has contributed to three main aspects of Islamic economic development:

1. Interfaith dialogue facilitation through joint economic forums
2. Policy development accommodating all parties' interests
3. Building interfaith economic cooperation networks

Widyawati & Lon (2023) strengthen these findings by underlining the importance of Muslim identity adaptation and negotiation in local communities. Inclusive leadership has enabled the creation of constructive dialogue spaces where Islamic economic practices can develop without causing social resistance.

Educational Institutions' Contribution to Building Cross-Cultural Understanding

Educational institutions play a vital role in building cross-cultural understanding related to Islamic economics. Romdhoni (2013) identifies that educational institutions have contributed to three main areas:

1. Curriculum development integrating Islamic economic values with local wisdom
2. Research and publications about Islamic economic practices in plural society contexts
3. Training programs and workshops bringing together various communities

Data shows that educational institutions in Manado have successfully created inclusive learning platforms. Hefner & Bagir (2021) reinforce the importance of this role in building pluralism understanding in Indonesia. Educational institutions' contributions are not limited to knowledge transfer but also include multicultural awareness development and cross-cultural understanding.

Educational institutions also play a role in facilitating collaborative research on Islamic economics. Limanseto (2024) notes that accelerating Islamic economic ecosystem progress requires strong academic support. In Manado, research collaboration between Muslim and non-Muslim educational institutions has produced deeper understanding of Islamic economic adaptation in local contexts.

Stakeholder adaptation and innovation in Islamic economic development in Manado demonstrate the importance of a holistic approach involving various parties. This success is inseparable from business actors' commitment to adapting sharia principles, inclusive leadership facilitating dialogue, and educational institutions' active role in building cross-cultural understanding. This development model offers valuable lessons about how Islamic economics can develop sustainably in multicultural societies.

Sustainable Islamic Economic Development Model in Plural Society

Factors Supporting Islamic Economic Practice Sustainability

Islamic economic development in Manado has created a unique and sustainable model in the context of plural society. Economic growth reaching 5.79% in the third quarter of 2024 provides tangible evidence of successful Islamic economic system integration into local economic structures. This success is inseparable from several mutually supporting key factors, including adaptive institutional frameworks, strong social infrastructure, and well-developed social capital within society.

Manado's adaptive institutional framework is characterized by regulatory development accommodating all parties' needs, transparent governance systems, and effective conflict resolution mechanisms. Sudana et al. (2024) identify that supporting social infrastructure, such as interfaith cooperation networks and intercultural dialogue platforms, has become an important foundation for Islamic economic practice sustainability. Strong social capital, reflected in inter-community trust and active stakeholder collaboration, becomes the adhesive strengthening Islamic economic system integration in plural society (Smith, 2004).

Sharia Values Adaptation Mechanisms in Local Context

Sharia values adaptation in Manado's local context demonstrates a dynamic and contextual process. Widyawati & Lon (2023) reveal that transformation of public perception toward halal certification becomes key to this adaptation's success. Halal certification is no longer viewed as a religious exclusivity symbol but has transformed into a universally accepted quality standard (Tayob, 2020). Field observations show how non-Muslim business actors actively adopt Islamic economic principles as good business practices, integrating them with existing conventional economic systems.

Islamic economic system integration in Manado is also supported by effective cross-sector collaboration. Cooperation between Islamic and conventional financial institutions, synergy between Muslim and non-Muslim business actors, and good coordination between regulators and market players have created a conducive ecosystem for Islamic economic development. Ahmed Hassan (2024) affirms that financial inclusion in Islamic economic systems can become a catalyst for inclusive economic development, as proven in Manado's case.

Potential Replication of Manado Model for Other Muslim Minority Regions

Manado's Islamic economic development model offers valuable lessons for other Muslim minority regions. Widiyanto et al. (2023) emphasize the importance of considering socio-cultural characteristics, institutional capacity, and local economic conditions in attempting to replicate this model. Successful adaptation in Manado shows that a gradual approach in introducing Islamic economic practices, focus on creating shared value, and sustainable local capacity development are key elements applicable to other regions.

Manado's experience proves that Islamic economic development in plural society requires more than just a strong economic framework. A comprehensive approach is needed that considers socio-cultural aspects, involves all stakeholders, and focuses on creating shared value. This model shows that Islamic economics can develop sustainably in plural society when built on foundations of trust, dialogue, and inter-community collaboration (Romdhoni, 2013). These lessons from Manado can become valuable references for Islamic economic development in other Muslim minority regions, while still considering each region's unique local context.

Manado model's success in integrating Islamic economic practices has created a template adaptable by other Muslim minority regions. However, Folke et al. (2005) remind of the importance of considering each region's unique characteristics in the adaptation process. This model's replication requires deep understanding of local socio-cultural dynamics, existing institutional capacity, and local economic conditions to ensure successful implementation.

4. CONCLUSION

This research yielded three main findings that address the research objectives. First, factors influencing the successful integration of Islamic economic practices in Manado include universal value recognition, market-based adaptation, and social capital development. The transformation of halal certification from merely a religious symbol

to a universal quality standard provides tangible evidence of this successful integration, supported by economic growth reaching 5.79% in the third quarter of 2024.

Second, stakeholder roles in Islamic economic adaptation and development are manifested through three main groups: leadership and governance promoting constructive dialogue, business communities developing cross-cultural partnerships, and educational institutions actively promoting multicultural understanding. The effectiveness of these roles is evident from increased adoption of Islamic economic practices by non-Muslim business actors and strengthened interfaith collaboration in economic activities.

Third, an adaptive Islamic economic development model in Manado has been successfully formulated with three main components: an inclusive economic framework integrating Islamic principles with local systems, multi-stakeholder collaboration involving various parties, and cultural integration mechanisms focusing on local context adaptation. This model has proven effective in facilitating Islamic economic growth while strengthening social cohesion in plural society.

These conclusions demonstrate that Islamic economics in Manado has developed beyond its function as an alternative financial system, becoming an effective instrument in building intercultural dialogue and strengthening social integration. This success offers valuable lessons about how religion-based economic practices can develop sustainably in multicultural societies while maintaining their basic principles while adapting to local contexts.

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