# Using Center of Islamic Business and Economic Studies Model (CIBEST Model) to Measure Islamic Poor of Indeks in Pekanbaru City 2014-2016

#### **EmkhadArif**

Islamic University of Riau (emkhadarif@yahoo.com)

## **Abstract**

This study aims to measure and assess the level of poverty and the welfare of citizen in Pekanbaru. The difference of this research with other research lies in how to measure poverty and social welfare Pekanbaru city that does not use indicators of the level of income and consumption, but to measure and assess the degree to Pekanbaru city public welfare by using CIBEST Model. Formulation of the problem in this study is not yet known the level of welfare of Pekanbaru when measured by using analytical tools CIBEST MODEL. This study focuses on measuring the level of welfare of Pekanbaru by using analytical tools CIBEST MODEL. The research method in this study is a quantitative research methods. Samples in this study are families (KK) who live in the district of Bukit Raya and Marpoyan Damai. The results of this study show, score SH respondents, shows the average value over three (3). SH value reflects the spiritual values of a family. So we can conclude the value of spirituality of households who responded are in quadrant 1, which is prosperous, while the value of MV which illustrates the level of the minimum requirements that must be met by a family in a position above the standard poverty line (GK), thus showing that it materill heads of family in Pekanbaru also are in quadrant 1, which is prosperous. So overall if analyzed using MODEL CIBEST it can be concluded that the majority of households/families in the city of Pekanbaru is in quadrant 1 depicting well-being, both non-material well-being (religion) and material (clothing, food and shelter).

Keywords: poverty, welfare, Cibest Model, Pekanbaru.

#### 1. Introduction

Welfare the cumulative is expectations of Indonesian society and is one of the founding objectives of the Republic of Indonesia (NKRI), as listed in the Preamble of the Constitution (Constitution) 1945 Paragraph four. If it refers to to the constitution of the republic of Indonesia, namely Pancasila and the UUD 1945, the welfare is not a personal welfare or individuals or wellbeing of individuals, but what is meant by the concept of welfare is the welfare of all the people of Indonesia in various

aspects of life, according Mubyarto (1995), social welfare is the welfare of society derived from increased education and health of Indonesian society and it all correlates with economic growth and distribution. With the growth and spread of the distribution of goods and services, growth with equity, the right can be realized (Beik and Arsyianti, 2015).

If referring to the general literature, so someone called welfare when their basic needs are fulfilled or, in other words the fulfillment of minimum

service standards (SPM), both in goods and services. while according to Maslow in his paper entitled a theory of human motivation that human needs stratified starts from physical need, safety, social, ego and finally self-actualization, Maslow called the big idea as a "hypothesis", which would still have to be tested (Gudono , 2012). Regardless of the weaknesses of the Maslow's thinking, which is clearly the work of Maslow then encourage other theoreticians to propose theories of motivation. They have for example is McClelland (1940, Herzberg, Hackman and Oldman, Vroom and Staw (Gudono, 2012).

The impact is felt when needs are not met was the emergence of poverty, poverty both individual and household poverty. Officially, the poverty rate could be measured using a measuring instrument of poverty. The tool measure of poverty is the method used by institutions to measure poverty, but the weakness of this measure is only to measure poverty in the form of physical or financial such as the inability to measure compliance with food, shelter clothing, use and also the headcount index to calculate the number of poor, poverty gap and income gap ratio to measure the depth of poverty, as well cents and FGT index (foster, greer and Thorbecke) index to measure the severity of poverty (Beik and Arsylanti, 2015). At the macro level, the magnitude of poverty can be measured with or without reference to the poverty line. Concept that refers tois called the poverty line, while relative poverty measurement concept is not based on a poverty line is called absolute poverty. Relative poverty is a measure of inequality in income distribution, which can usually be defined in relation to the average level of the distribution in question. In developed countries, relative poverty is measured as a proportion of the average. level of income per capita (Tambunan, 2015).

In the context of Indonesia, the Central Statistics Agency (BPS) uses the concept of the ability to meet basic needs as the basis of a person in the category of the poor. The concept is to use the economic approach in the sense of a person experiencing poverty if the economics are not able to meet the needs of food and non-food (eg; clothing, housing, education and health) as measured from the expenditure side.

The weaknesses poverty measurement tools above, lies in the inability to measure poverty in terms of non-physical. According to Al-Ghazali, individuals or groups into the category of poor if there is a lack in the search of and maintenance five basic objectives, namely: (1) religion (aldeen), (2) life or soul (nafs), (3) family or descent (nasl), (4) property or assets (maal), and (5) intellectual or intellect Al-Ghazali emphasized (agl). according to the demands of revelation, "the good of this world and the hereafter the central goal" is (Adiwarman, 2007). The research presented in this paper, trying to measure the level of poverty of people in the city of Pekanbaru in glasses Islamic or Islam by using a measuring instrument called by the name Center of Islamic Business and Economics Studies Model (CIBEST MODEL) that was originally developed by Irfan Syaugi Beik and Laily Dwi Arsyianti in 2004. Later, CIBEST MODEL will measure the

level of poverty of people in the city of Pekanbaru.

#### Problem Formula

Based on the background of the above problems, the formulation of the problem in this study is have not known the level of welfare of Pekanbaru when measured by using analytical tools CIBEST MODEL.

# Research focus

This study focuses on measuring the level of welfare of Pekanbaru by using analytical tools CIBEST MODEL.

## Literature Review

## Welfare

In the Islam, the welfare of of the essentials were born through a process synergy between stabilization, growth and equity. Al-Quran surah Al-Ouraishi verses 1-4 is one of the letters in the Our'an that describes the concept and the true meaning of welfare. According Beik & Laily (2015) in this letter, welfare refers to the four indicators, namely first: the ability to apply the Islamic value system. Aspects of the application of Islamic value system, not only run by a leader of a country, but also a system of Islamic values applied in every Muslim household, even individual Muslims. Indicators of successful implementation of Islamic values lies in the application of Islamic values in the pillars of Islam, the prayers and fasting, paying zakat and infaq. Second, the strength of the economy (industry and trade). For the Indonesian state is still considered a developing country, then increase the production capacity is indeed necessity, that is by investing in all fields, in accordance with the designation and exact needs. Therefore, the Indonesian context industrial and commercial sector is still the a major mainstay for promoting economic growth so that will impact on the increased income households in Indonesia.

The third factor is an indicator of the growing prosperity community is the fulfillment of basic needs and distribution systems. The third factor that can only be fulfilled if the real sector in Indonesia is moving, so that unemployment and poverty in Indonesia can be overcome. However, economic growth alone does not guarantee the creation of public welfare being offset by the uneven distribution. The fair distribution system, will be able to push the speed of of poverty and income inequality, so that will ensure economic growth will be enjoyed by the whole society.

While the fourth factor was the realization of security and social order. The realization of security and social order will impact on the creation of peace in life. security and social order will make each individual or family head into a quiet and comfortable in making a living for their daily needs.

## **CIBEST Model**

Cibes model measuring is a instrument used to measure poverty index Islami. Cibest models developed by Irfan Dwi Syaugi Beik and Laily Arsyanti in 2014. Cibes models development based on Cibest quadrant, which consists of four areas, namely the welfare area, the area of spiritual poverty, material poverty and absolute poverty. Cibest models trying to count the number of population in each quadrant and the implications for government policy. Focus needs of the calculation is the material and spiritual needs.

Based on this formula, the index of welfare is as follows:

$$\mathbf{w} = \frac{\mathbf{w}}{\mathbf{N}}$$

W= Index of well-being;  $0W \le 1w = number of prosperous families (rich material and spiritual)$ 

N= The number of population (the number of families that are observed)

In the index of welfare above, the cumulative total family welfare (w) or materially rich and spiritually divided by the population of the total population in the city of Pekanbaru. W value between 0 and 1. The closer to 0, meaning the less prosperous family and getting closer to 1 indicates the more prosperous families in Pekanbaru.

To determine whether a family was well off materially and spiritually, then

the amount of material needs and spiritual needs must be calculated first. Standard material requirements are based on meeting the needs of clothing, food, shelter, education, health, transportation, communication and other needs that are considered basic.

The formula of minimal material requirements that must be met by a family is as shown as follows:

Explanation:

MV = Minimum standards that must be fulfilled material family (Rp or other currency) or also known as the Poverty Line Material

Pi = Price of goods and services (Rp or other currency)

Mi = The minimum number of goods and services required

A household/family is said to be material if their income is above the value of MV (Material Value). In contrast, household / family say are materially poor if their income is below

the MV. MV value is based on the value of the standard poverty line (GK) issued by the government or based on a survey of needs for decent living.

#### Methods and Results

The research method in this study is quantitative research methods. а Samples in this study are families who live in the district of Bukit Raya and Marpoyan Damai. The sample selection was based on two arguments: (1) two districts sampled belong to the group of districts where the population is big among the eight (8) other districts in the city of Pekanbaru, (2) two of these districts is a district that a majority of the entire population are Muslims. The number of samples that the respondents in this study amounted to 100 households. The data collected are primary data, while the method of data collection is done by using sampling or sampling purposive method. results of this study show, score SH respondents, shows the average value over three (3).

SH value reflects the spiritual values of a family. So we can conclude spritualitas value of households who responded are in quadrant 1, which is welfare, while the MV value that describes the level of minimum requirements that must be met by a family in a position above the standard poverty line ( GK ),thus showing that it materill heads of family in Pekanbaru also are in quadrant 1 are welfare. So overall if analyzed using MODEL

CIBEST it can be concluded that the majority of households/families in the city of Pekanbaru is in quadrant 1 are welfare, both non- material (religion) and material (clothing, food and shelter).

However, there are some limitations study. first: respondents in amounted to only 100 heads of household, while the population of the city of Pekanbaru almost amounted to 500,000 heads of household, second; In filling column salary income/month, respondents in the compartmentalized into three income groups, to further study deemed no longer need -boxed the amount of income households and provide freedom of head of the family to fill the number of their income per month and the third the weakness of this study lies in not measured the spiritual condition of the nuclear family is another such as his wife and children, so that the results are less accurate because it could be the head of the family such as father/father is in good condition, while the wife and children have spiritual side opposite with his father.

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