

# Islamic Social Finance and Maqashid Shariah

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The purpose of this study is to measure the priority level of Islamic social finance instruments in maqashid sharia. This study used a descriptive qualitative method with an in-depth interview approach. The results show that the implementation of the sharia maqashid theory can give a new color to the discussion of Islamic social financial instruments. There is a meeting point between the objectives of establishing maqashid sharia with the intention of holding Islamic social financial instruments. The two meet in an effort to protect and safeguard human interests in the form of religion, soul, mind, lineage and property.

**Keywords: Islamic Social Finance; Maqashid Syariah; Higher Objective**

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## INTRODUCTION

Indonesia is a Muslim-majority country. But why are there still so many unresolved social problems? Such as the inability of the community to meet basic food needs, and earn below average income, so that it becomes an aspect of common concern and requires many social institutions to solve economic problems. Islam has social financial instruments, including; zakat, waqf, sadaqah, takaful. Which of these Islamic financial instruments have enormous potential to achieve the basic values of maqashid sharia. Islam is the world's second largest and fastest growing religion. The proportion of the Muslim population is expected to increase by 70% – from 1.8 billion in 2015 to nearly 3 billion in 2060, as a result 31% of the world's population is predominantly Muslim globally. (62%) live in the Asia-Pacific region, including large populations in Indonesia, India, Pakistan, Bangladesh, Iran and Turkey.

According to data from the Central Statistics Agency for 2022, the number of poor people in Indonesia as of September 2021 was 26.50 million people. This number decreased by 1.04 million people from March 2021. The decline in the number of poor people was motivated by the post-COVID-19 national economic recovery which was marked by increasing economic growth and improving the quality of people's incomes. Based on the results of calculating the poverty alleviation rate, it was found that by using the BPS poverty standard (March 2021), namely Rp. 2,121,637/poor household/month, BAZNAS RI succeeded in alleviating poverty by 49% of poverty alleviation program recipients from the BPS poverty line or as many as 52,563 people. Meanwhile, overall Zakat Management Institutions (LPZ) throughout Indonesia have succeeded in alleviating poverty by an average of 48% of beneficiaries of poverty reduction programs from the BPS poverty line or as many as 397,419 people.

Based on the 2021 World Giving Index (WGI), CAF shows that Indonesia is the most generous country in the world. Indonesia is ranked first with a score of 69, up from 59 when the annual index was last published in 2018, which also ranked first. More than eight in 10 Indonesians donated money this year and the country's volunteering rate is more than three times the global average.

In 2020, recorded zakat collections in Indonesia have reached more than 12 trillion, and are projected to increase to 17 trillion in 2021. Waqf assets in Indonesia are also quite large, with around 550 square kilometers of waqf land, according to the ministry of religion, most of which are mosque or school. The function of zakat as

an instrument for alleviating poverty has actually been mandated by Law no. 23 of 2011 in Article 3. In accordance with Article 3B in the Law it is stated that the management of zakat is aimed at realizing community welfare and poverty alleviation.

Research discussing Islamic social finance has been carried out a lot, for example according to Kuanova, et al (2021) which discusses studying the main trends of scientific research in the social aspects of Islamic finance to clarify places, roles and functions, especially in the context of increasing social problems. According to Zuchroh (2021) the role of Islamic social finance is as an alternative way to reduce poverty and inequality. According to Iskandar, et al (2020) to explain some of the solutions and roles of Islamic social economic and financial policies that can be offered in dealing with the Covid-19 pandemic in Indonesia. According to Mujahid, et al (2019) to highlight the importance of social impact measurement in Islamic finance by exploring the growing interest of Islamic social finance and social impact. Studies related to Islamic social finance and sharia maqashid have not discussed much, but this study will try to discuss Islamic social finance based on the perspective of maqashid sharia using qualitative methods with an in-depth interview approach. The author is interested in seeing the level of priority of Islamic social financial instruments in the 5 main principles of maqashid sharia.

## LITERATURE REVIEW

### Islamic Social Finance

Islamic social finance (KSI) is defined as a sector consisting of traditional Islamic institutions based on philanthropy - Zakat, Sadaqah and waqf; institutions based on mutual cooperation such as qard and kafalah; as well as contemporary Islamic microfinance institutions. The main goal of Islamic social finance is to meet the needs of the poor and reduce their ever-increasing poverty rates. Economic justice, inclusive participation and shared prosperity are the principles behind Islamic social finance (KSI)<sup>22</sup>. These principles originate from Islamic philanthropic values which include standards of giving behavior to meet the needs of the poor (Azman & Ali, 2019).

According to IRTI (Islamic Research and Training Institute) in the Islamic Social Finance Report (ISFR) (2020), Islamic social finance consists of Zakat, waqf, and sharia microfinance. Infaq is very flexible in its designation because its use is only limited by contract. Meanwhile, waqf is a form of social investment, and can

be returned at once to the muaqif (waqf giver) or not (Nuriyah & Fakhri, 2022).

As previously identified, Mahmud, (2015) Islamic social finance that is currently applied can be divided into three main categories consisting of: (a) traditional Islamic instruments based on philanthropy. Examples: zakat, sadaqat and waqf. (b) cooperative-based foundation. Example: qard and kafala (Islamic Social Finance Report, 2015). (c) Other modern forms of Islamic financial services. Examples: Islamic microfinance, sukuk and takaful (Zain & Ali, 2017). Here are the definitions of each Islamic social finance instrument:

#### a. Zakat

Zakat is one of the Islamic instruments used for the distribution of income and wealth. (Primary, 2015). Zakat according to Islamic jurisprudence is a certain amount of property that must be removed from the wealth of the rich (the have) to be handed over to those who are entitled to receive it according to the rules or sharia of Allah SWT. Zakat is one of the main acts of worship in Islam that can be the main pillar and tool to uphold justice in social life and can improve the well-being of the people. (Anshori, 2006; Widiastuti et al., 2018). According to Law No. 23 of 2011, zakat is property that must be released by a Muslim or business entity to be given to those who are entitled to receive it in accordance with Islamic Sharia (Rahman, 2015).

#### b. Waqf

Waqf refers to assets or investments provided by their owners based on the concept of trust where the proceeds from the sale are intended to be used for the benefit of the wider community or the owner can also determine the appropriate beneficiaries. When waqf is created, ownership is given to Allah SWT (Zain & Ali, 2017). According to Munir 2013, waqf is a source of funds that has the potential to develop the people's economy. Medias 2017, Even waqf can be used as an endowment fund for the people that provides benefits for the welfare of society. The success of Muslim countries is proof that waqf is able to contribute to solving economic problems in a country (Fuadi, 2018).

Waqf is allowed in the form of real estate along with furniture and permanently attached objects, movable property, money, sharia-compliant shares, and sukuk. Regulators and Supervisors will look at all regulations, including those related to sharia, to ensure the compliance of all relevant parties (Indonesian Waqf Agency, 2018).

#### c. Takaful

Takaful is a sharia-compliant insurance in which a group of participants mutually agree among themselves to insure each other (in the group) against any definite losses that may occur to them (BNM, 2016). This guarantee is carried out by contributions from each group member in the takaful fund. Takaful is useful in dealing with unpredictable calamities that will occur in the future. By having takaful first, it can be treated as a form of financial guarantee for each member of the takaful group (Zain & Ali, 2017). Sharia Insurance (Ta'min, Takaful or Tadhmun) is an effort to protect and help each other among a number of people/parties through investment in the form of assets and/or tabarru' which provides a pattern of return to face certain risks through an appropriate contract (agreement). with sharia (DSN, 2014).

#### d. BMT/Microfinance

Baitul Maal wat Tamwil (BMT) is a sharia microfinance institution that can support MSME capital. BMT is a non-governmental organization established and developed by the community, especially at the start, usually carried out using resources including funds or capital from the local community itself. BMT has several advantages. First, BMT contains two mutually supporting interests, namely social interests and business interests. Social interests are represented by baitul maal and business interests are represented by baitul tamwil. Second, the BMT operating system refers to Islamic provisions, not using an interest system as in conventional financial institutions. Third, BMT leaders and administrators act actively, proactively, dynamically, not waiting but picking up potential depositors or borrowers (Anggraeni et al., 2013).

### Maqashid Sharia

Al-Syari'ah is a combination of two words, namely (i) Maqasid and (ii) Al-Syari'ah. The two words have their own meaning. Literally, the word Maqasid connotes the intent or purpose or objective. This is an important goal to achieve in any application of sharia principles. In achieving this goal, Islamic jurists such as Al-Qardawi emphasize seeing the goals or objectives of the Prophet Muhammad SAW in his behavior and actions as a leader, administrator, and judge (Auda, 2008). They believe that the goals or objectives in implementing any Shariah principles can be properly achieved by following the best example of Prophet Muhammad (SAW) (Zain & Ali, 2017).

Then maqashid syari'ah means the content of values that are the goal of law enforcement. Meanwhile Wahbah al-Zuhaili maqashid shari'ah is the key to the

success of the mujtahid in his *ijtihad*, defining maqashid shari'ah with meanings and objectives because it is on the basis of the objectives of the law that every issue is maintained by *syara'* in all of its laws or part of it. the magnitude of the law, or the ultimate goal of the shari'ah and the secrets that the shari'ah places in each of its laws. (Febriadi, 2017).

Ibn' Ashur defines maqashid al-'Am li al-Shari'ah as the purpose (*al-ma'ani*) and wisdom (*al-hikam*) desired by God (*shari'*) in all laws (*tasyri'*) or some large, which is not devoted to specific sharia laws. This explanation actually indirectly has the same meaning as maqashid sharia by Imam al-Syatibi. The equation is as written in his book *al-Muwafaqat*: "Shariah deeds are not a purpose in themselves. Unless there are other problems (*umurun*) that mean it (*shariah*), that is, its goals (*ma'aniha*). From here it is answered that although Imam Syatibi did not explain sharia maqashid in the form of a definition, but in essence it has the same essence as Ibn' Ashur's definition (Muchlis & Sukirman, 2016).

Among the scholars there are different ordering of the five elements (*uṣūl al-khamsah*) of the tree. Imam al-Ghazālī started from the maintenance of religion, soul, intellect, lineage and property. Imam al-Rāzī has a different version. He sorted the five main elements above starting from preserving the soul, property, lineage, religion, and reason. Al-Amidī begins with the preservation of religion, soul, lineage, intellect, and property. Different from al-Shātībī, he sorted the five branches, which are preserving religion, soul, lineage, property, and intellect.

#### 1. Preservation of Religion (Muhāfazah al-Dīn)

Religion has teachings related to beliefs, worship and laws that God has set for humans. Everything is summarized in the pillars of faith and Islam. Carrying out all of these prohibitions, people are said to carry out the *al-shariah* will, which includes upholding religion. One example of maintaining religion is prayer. In addition, at the level of *al-ḥājīyah* (secondary) needs, various facilities such as mosques are needed for the implementation of this prayer properly. Even without a mosque, one can pray, also anywhere, as long as the place is holy, one can pray, but that only makes it difficult for those who carry it out. To meet the needs of *al-taḥsinīyah* (tertiary), mosques are facilitated with various things, such as spacious rooms, adequate washing facilities, fans and even air conditioners, etc.

#### 2. Preservation of the Soul (Muhafazah Al-Nafs)

To maintain the soul (self) and the continuity of human life, Islam requires the achievement of justice for

the soul, namely the fulfillment of basic needs, clothing, food and shelter. There are also laws regarding *al-qiṣāṣa* (reserved punishment), *al-diyah* (good), *al-kaffarah* (ransom) for people who wrong the soul. Illegal laws are imposed on people who judge or use their soul to harm, and everyone must protect his soul (himself) from harm. An example of caring for the soul is food. Food is very important for the body and human life, so food is also one of the *al-ḍarurīyah* (main) needs. As for the level of *al-ḥājīyah* (secondary) needs, namely eating two or three times a day. Fulfilling the needs of *al-taḥsinīyah* (tertiary) in this area, for example cooking with sophisticated technological tools and the menu meets four healthy five perfect.

#### 3. Maintenance of Reason (Muhafazah Al-'Aql)

Mind or reason is an important part of the human body. Therefore, people can discern, feel and know everything that can be achieved both inside and outside themselves. Because the mind is not only a limb of the body, it is also a movement. This sensory movement encourages him to do something through other parts of the body. An example of thought support is the commitment to learn to acquire information. Independent learning is mandatory and learning status meets *al-ḍarurīyah* (primary) needs. Learning related to the needs of *al-ḥājīyah* (secondary education) is the existence of a school such as classrooms, chairs and tables and blackboards.

#### 4. Preservation of Offspring (Muhafazah al-Nasl)

Descendants are the next generation for everyone. That is why lineage is an honor (*al-'rd*) for everyone and because of the position of lineage, Islam is very careful that the offspring born come from a clear and legal relationship according to religion and country. Therefore, Islam prohibits adultery to have offspring. In Islam, maintenance of legitimate offspring is mandatory. So to justify sexual relations, Islam requires a valid marriage contract. The marriage contract is a requirement of *al-ḍarurīyah* (primary) and confirms the recognition of the marriage contract and the existence of self-protective interests at a later date, in *al-ḥājīyah* (secondary) it is necessary to carry out a marriage contract that is known and recorded by the authorized official.

#### 5. Property Preservation (Muhafazah al-Mal)

This wealth, or whatever exists in this world, essentially belongs to Allah, while the wealth in human hands is only a loan that must be paid on the Day of Judgment. In order for this treasure to be considered, its use must also be in accordance with Islamic rules. An example of maintaining property as a necessity of *al-*

ḍarurīyah (priority) is the obligation of every person to work in order to meet the needs of life and his family, which is his responsibility. No matter how small the work, what is important is including legal work with halal results. To expedite the workflow, tools or other tools are needed depending on the work to be done. The equipment is placed sufficiently al-ḥājīyah (secondary) and without this equipment the work involved can be carried out but makes it difficult for the writer to maximize his work. Altaḥsinīyah (Tertiary) needs have been fulfilled and work facilities are ready for the stated goals.

### Previous Studies

Studies related to the Role of Islamic Social Finance in Muslim countries have been examined by several researchers. Among them, [Abduh \(2019\)](#), explores the role of Islamic social finance in achieving the Sustainable Development Goals (SDGs), in particular goal number two, "ending hunger, achieving food security and improving nutrition and promoting sustainable agriculture". The findings show that infāq, waqf, and zakat are excellent alternative philanthropic funds to cover the global SDG investment gap an average of USD 2.5 trillion per year. This study also recommends countries not to work individually but together regionally or internationally in achieving these goals, especially for developing and lagging countries.

[Mukhlisin \(2020\)](#), measures the level of Sharia compliance in the financial reporting standards of Islamic financial institutions (IFIs) with the aim of investigating the application of Maqāsid ul-Sharī'ah as a measure of compliance reflected in reporting standards. This paper adopts the Maqāsid ul-Sharī'ah model to measure the level of Shariah compliance among the three available financial reporting frameworks and presentation standards; international financial reporting standards (IFRS), accounting and auditing organization for Islamic financial institutions (AAOIFI), Statement of Sharia Financial Accounting Standards (PSAK). The NVivo 10 software is used in this paper to help quantitatively measure the level of compliance of each standard. the use of Maqāsid ul-Sharī'ah leads to a more complete understanding of how the meaning of Sharia and its values can be integrated into financial reporting demands, hence offering greater convergence between ethics and accounting regulations.

[Razinah, et.al \(2017\)](#), states that Islamic social finance is similar to conventional social finance but the former is subject to established sharia principles. In producing a positive impact on society, Islamic social

finance and its instruments must be utilized in maintaining and preserving Maqāsid al-Sharī'ah. A critical analysis of Islamic social finance in relation to Maqāsid al-Sharī'ah is presented through this research. By using doctrinal and qualitative methods, Islamic social finance practices applied in OIC member countries are reviewed and used as examples. Preservation and protection of Maqāsid Al-Sharī'ah which emphasizes six essential things ((i) din (religion), (ii) nafs (life), (iii) nasl (heredity), (iv)' aql (mind), ( v) maal (wealth) and (vi) ard' (honor)) are important to reduce damage or crime (mafsadah) in society. This is also important in maintaining the interests or goodness (maslaḥah) in society. Therefore, it is important to implement Islamic social finance and its instruments which have high potential for the preservation and protection of Maqāsid Al-Sharī'ah.

[Nouman, et.al \(2021\)](#), conceptualizes the relationship between participatory finance and higher ethical goals in Islamic moral economy, also referred to as Maqasid al Sharia. Insights from existing Islamic economics and finance literature are integrated through a systematic interpretive review using principles from critical interpretive synthesis. This framework postulates that participatory finance is compatible with the Islamic ethos and value system. In addition, "social welfare" always provides a link between Maqasid al Sharia and participatory finance.

[Zuchroh \(2019\)](#) also explained that the role of Islamic social finance is as an alternative way to reduce poverty and inequality. The concept of Islamic social finance is growing with significant capabilities, as an agent towards reducing poverty and inequality. Based on the previous literature, there are strong indications that charitable institutions such as (Zakat, Wakaf, Sadaqat) can be a possible alternative for reducing poverty and inequality if properly implemented. This study has confirmed that Zakat, Waqf and Sadaqah are important instruments for fighting poverty and inequality.

## METHODOLOGY

This research is a type of descriptive qualitative research with an interview approach. so that this research will focus on each instrument of Islamic social finance to be carefully interviewed and then analyzed. Where a systematic and accurate description of the object under study, namely Islamic social finance and maqashid sharia, can obtain a more comprehensive picture. The techniques used in this study are techniques from literature such as books, papers, articles and others.

The questions from the interview above consist of 4 questions:

1. Which zakat instrument is most relevant or has more priority in the principles of maqasid sharia?
2. Which waqf instruments are most relevant or have more priority in the principles of maqashid sharia?
3. Which takaful instrument is most relevant or more priority in the principles of sharia maqashid?

4. Which BMT/microfinance instruments are most relevant or have more priority in the principles of maqashid sharia?

Rank 1 gets the highest weight of 5, rank 2 gets weight 4 and so on until rank 5 is the lowest with a score of 1. The following is a framework for the question instrument asked to expert respondents.

**Table 1:** Instrument of Questionnaire

	Muḥāfazah al-Dīn	Muhafazah Al-Nafs	Muhafazah Al-'Aql	Muhafazah Al-Nasl	Muhafazah Al-Mal
Zakat					
Waqf					
Takaful					
BMT/ Microfinance					

**Analysis**

The results of interviews from experts can be concluded that zakat instruments are more prioritized in Muhafazah al-Din, with a score of 14, Muhafazah al-Nafs with a score of 12, and Muhafazah al-Mal with a score of 10. Meanwhile, waqf instruments are more prioritized in Muhafazah al-Din with a value score of 13, Muhafazah al-Mal with a value score of 13, and Muhafazah al-Nafs with a value score of 10.

As for takaful instruments, from the results it can be concluded that takaful instruments are more priority in Muhafazah al-Nafs with a value score of 11 and Muhafazah al-Nasl with a value score of 11. Lastly, from the results it can be concluded that BMT instruments are more priority in Muhafazah al-Mal with a value score of 14 and Muhafazah al-Nafs with a value score of 12. The following is a table showing the results in general of the four Islamic social finance instruments in relation to the priority weight of maqasid sharia.

**Table 2:** Weighting from the respondents

	Muḥāfazah al-Dīn	Muhafazah Al-Nafs	Muhafazah Al-'Aql	Muhafazah Al-Nasl	Muhafazah Al-Mal
Zakat	14	12	4	5	10
Waqf	13	10	4	5	13
Takaful	9	11	6	11	8
Microfinance	10	12	4	5	14

The instrument of zakat is more priority in the muhafazah of al-din, al-nafs, al-mal, because it refers to the words of Allah SWT, as Prophet Ismail who invited his people to pay zakat as found in the Qur'an which means "And he told his people to prays and pays zakat, and he is a person who is pleased with his Lord". (QS. Maryam: 55).

Zakat is one of the pillars of Islam which is related to the rights of a Muslim towards the creator and the rights of a Muslim towards other Muslims (Noor et al., 2021). Allah SWT has said in Surah al-Taubah verse 71

which explains the characteristics of a believer and the obligation of zakat as follows:

"And the believers, men and women, some of them (are) helpers for others. They enjoin (do) what is good, prevent what is bad, establish prayer, pay zakat and they obey Allah and His Messenger. They will be blessed by God; verily Allah is Mighty and Wise".

Zakat is one of the teachings of Islam which has a very broad dimension, which includes divine relations (habluminallah) and human relations (habluminannas). In other words, zakat has religious, social, and economic dimensions. When viewed from the dimension of

worship, zakat is one of the most important obligations of Muslims, where the command to pay zakat always goes hand in hand with the order to pray (Komariyah, 2020). Zakat with the meaning of al-barakah has the understanding that the assets that are zakat are expected to bring blessings, especially for those who tithe (Kadir et al., 2020).

Waqf instruments are more inclined to the protection of al-diin, al-maal and al-nafs. In accordance with the research by Rusydiana (2018), stating that one of the important instruments and has a very large potential from the social and financial side is waqf money. Islam places the management and care of property as something very vital in human life. So it is not surprising that many scholars have written chapters or books that specifically discuss al-maqashid asyariah in economics, including Imam Muhammad Thahir Ibnu Asyur in his book "Al-Maqashid AsySyari'ah Al-Islamiah" and DR. Yusuf alQaradhawi in his book "Al-Maqashid Asy-Syariah Al-Muta'alliqah bil Maal" (Fauziah et al., 2019).

Maqashid al-syariah explains the Shari'a established by Allah SWT in five forms, as according to Imam Syatibi namely hifdzu al-din (the concept of religious protection), hifdzu al-nafs (the concept of protecting the soul), hifdzu al-aql (the concept of protection reason), hifdzu al-mal (the concept of protecting property) and hifdzu al-nasb (the concept of protecting offspring). Thus waqf which has the potential and economic benefits in the interest of worship can also be carried out for the welfare of society. In addition, waqf is also expected to take a role in handling problems, such as the Covid-19 problem through predetermined sharia goals (Miftakhuddin et al., 2021).

Takaful analysis in muhafazah al-nafs and al-nasl. In accordance with research (Ismanto, 2017), which states that the role of insurance in protecting the benefit of the soul lies in things that cause life threats, damage to limbs that cause disability or death of a person. The role of insurance for the benefit of the soul is more emphasized on the negative aspects (salbiyah), namely an effort to prevent, preserve or protect. Insurance products that can handle this problem are accident insurance, Jasa Raharja for example. This policy framework is mutual protection and mutual assistance between several people/parties Investments in the form of assets and/or bonds that represent a model of Return to be exposed to certain risks through contracts (Agreements) in accordance with Sharia law.

Furthermore, insurance is in the concept of protecting offspring. The important meaning of

protecting offspring is keeping offspring from being weak or extinct. Heredity is part of the dharuriyah masalahah that must be protected. One effort that can be done, especially in this modern era, is to take part in an insurance program (Ismanto, 2017). It can be concluded that sharia protects offspring, as stated in muhafadzah al-nasl, which has the same meaning as insurance (takaful), so the function of insurance is to protect offspring according to sharia law. Therefore, insurance has a duty to fulfill the goals of Maqasid Syariah. The example of maintaining offspring in the concept of insurance, such as education fund insurance.

The sharia insurance business in the aspect of protecting the benefit of the soul lies in things that cause life threats, damage to limbs that cause disability or death of a person. The role of insurance for the benefit of the soul is more emphasized on the prevention aspect (min nahiyyati al-'adam), and part of the masalahah dharuriyah that must be protected is heredity. One way to protect offspring from weakness or extinction is by joining an insurance program. Insurance is designed to protect humans from risks that are likely to occur in the future (Priyatno et al., 2020).

BMT analysis in muhafazah al-maal and al-nafs. In Law no. 25 of 1992 article 3 states that the function and purpose of cooperatives is to promote the welfare of members in particular and society in general and to participate in building the national economic order in order to create an advanced, just and prosperous society based on Pancasila and the 1945 Constitution. The law states that in the concept of implementing BMT which is a non-banking financial institution that has a cooperative legal entity, it has the responsibility to provide welfare to its members. With the hope that the existence of BMT Syariah through the channeled financing program is able to help BMT members with the ultimate goal of increasing the welfare of the Syariah BMT members (Imanto et al., 2021).

BMT is considered capable of helping the lower middle class because the general role of BMT is to provide guidance and funding based on the sharia system. This role emphasizes the importance of sharia principles in BMT in people's lives (Hidayatulloh & Hapsari, 2015). Baitul Mal was first formulated and established by Rasulullah SAW very simply. Baitul Mal has more meaning as a party (aljihah) that handles every property of the Muslims, both in the form of income and expenses. As for the role of BMT as mobilizing, encouraging, identifying, and developing the economic potential of members, muamalat groups, and their working areas (Aristina & Widiastuti, 2020).

## CONCLUSION

The implementation of maqashid sharia theory can give a new color to the discussion of Islamic social financial instruments. There is a meeting point between the objectives of establishing maqashid sharia with the intention of holding Islamic social financial instruments. The two meet in an effort to protect and safeguard human interests in the form of religion, soul, mind, lineage and property. The role of zakat in protecting religion, life and property can be in the form of paying zakat, has religious, social and economic dimensions. The role of waqf in safeguarding religion, property, and souls can be potentially and economically beneficial in the interests of worship can also be carried out for the welfare of society. The role of takaful or sharia insurance in protecting lives and offspring can be in the form of prevention, preservation or protection. Insurance products that can handle this problem are accident insurance, Jasa Raharja for example, and protecting offspring, as stated in muhafadzah al-nasl, which means protecting, which is the same as insurance (takaful), so the function of insurance is to protect offspring according to sharia law. Education fund insurance for example. And finally, the role of the BMT in safeguarding property and lives can provide welfare to its members. With the hope that the existence of BMT Syariah through the channeled financing program will be able to help BMT members with the ultimate goal of increasing welfare. Examples of financing in helping UMKM.

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## APPENDIX

Respondent 1

	Muḥāfazah al-Dīn	Muhafazah Al-Nafs	Muhafazah Al--'Aql	Muhafazah Al-Nasl	Muhafazah Al-Mal
Zakat	1	2	4	5	3
Wakaf	1	3	5	4	2
Takaful	4	2	5	3	1
BMT/ Microfinance	3	1	5	4	2

Respondent 2

	Muḥāfazah al-Dīn	Muhafazah Al-Nafs	Muhafazah Al--'Aql	Muhafazah Al-Nasl	Muhafazah Al-Mal
Zakat	2	1	5	4	3
Wakaf	3	2	4	5	1
Takaful	4	3	2	1	5
BMT/ Microfinance	3	2	5	4	1

Respondent 3

	Muḥāfazah al-Dīn	Muhafazah Al-Nafs	Muhafazah Al--'Aql	Muhafazah Al-Nasl	Muhafazah Al-Mal
Zakat	1	3	5	4	2
Wakaf	1	3	5	4	2
Takaful	1	2	5	3	4
BMT/ Microfinance	2	3	4	5	1