
A Review on Islamic Micro-insurance Studies

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The global insurance system is growing rapidly in a large number of countries in the world, including Indonesia. OJK shows support for increasing the growth of the Islamic finance industry in Indonesia by establishing a Sharia micro-insurance product which was officially launched in 2014. Therefore, to maintain its existence it must be supported by good governance. So, this study aims to meet the development trend of Microinsurance research published by leading journals on microinsurance. The data analyzed consisted of 198 indexed research publications. The data is then processed and analyzed using the VoS viewer application to find out the bibliometric map of Islamic microinsurance research development.

Keywords: Microinsurance; Bibliometrics; VoS Viewer

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INTRODUCTION

The current world insurance system has developed significantly. Not only general insurance (conventional) but has developed by offering sharia insurance services. With this, Islamic insurance has become a significant part and is starting to develop in several countries. The Financial Services Authority (OJK) shows support for increasing the growth of the Islamic finance industry in Indonesia by establishing a sharia microinsurance product which was officially launched in 2014. The special feature of sharia microinsurance is not only for low-income people but also has affordable premiums. Microinsurance plays an important role in the economic development of major Muslim countries. This is shown from several empirical studies which state that the insurance sector as a provider of risk transfer to economic growth finds a rather positive relationship (Erlbeck, Altuntas, & Stolze, 2011).

The sharia insurance industry welcomes the birth of sharia microinsurance products and is evidenced by the increasing intensity of sharia insurance companies in promoting sharia microinsurance products. Therefore, to achieve the objectives of Islamic insurance companies in optimally socializing this product, it is necessary to follow good corporate governance. This statement is also emphasized by Chaudary (2014) where insurance companies can be in a good position to increase economic growth and development of the country with only one condition, that good corporate governance will create more job opportunities, business support through payment of accident claims, dividends, payments to shareholders and get more tax revenue to the government.

Given the growing growth of the Islamic financial system, the Takaful industry has experienced important growth and development, showing a clear appearance of the recognition of Islamic insurance as a vital source for improving sharia (Islamic law), which refers to the Islamic way of mutual guarantee (Sherif & Hussnain 2017). According to the Takaful Act of Malaysia, 'Takaful is a scheme based on fraternity, mutual assistance, and solidarity, it offers mutual assistance and offers assistance to policyholders when they are in need wherein the program holders jointly agree to contribute to the cause'. Furthermore, Takaful Insurance is considered as a tool to provide several financial defenses against disasters employing compensation or the promise of benefits for certain possible future losses in exchange for sporadic payments (Sherif & Hussnain 2017). Takaful can be distinguished

from conventional insurance in five ways: rights and obligations of the parties, contract, Takaful operational framework, nominee status, and risk ownership. Therefore, we can conclude that corporate governance is not only important for operating performance and firm value, but also the entire country at a macro level (Sapovadia, 2009). Therefore, business management professionals are needed so that this product can be marketed. Corporate failure has become a major problem concerning companies in developing and developed countries which have been linked to poor governance practices (Wanyama & Olweny, 2013). Good corporate governance becomes important for organizations, including insurance companies, culminating in the company's higher market value, lower cost of funds, and higher profitability (Black, Jang, & Kin, 2006; Claessens, 2006).

Until now, there has been no research that explains what aspects are important to identify so that GCG can be applied to the Sharia microinsurance sector in Indonesia. Most researchers only examine the factors that influence governance so that it is difficult to apply in the practical world.

Therefore, to carry out good corporate governance optimally in developing Sharia microinsurance, it is necessary to identify which aspects of the principles of good corporate governance need to be prioritized and what factors need to be prioritized to implement these principles. Therefore, to overcome these problems, several appropriate strategies are needed through model formulations that can be applied by insurance companies to improve Sharia microinsurance products in Indonesia (Firmansyah & Devi, 2019).

This study aims to identify and map research related to the development of Microinsurance research trends published by leading journals on Microinsurance. The analyzed data consisted of 198 indexed research publications from 2001-2021. This data will be processed and analyzed using the VoS viewer application to find out the bibliometric map of research development related to Microinsurance.

LITERATURE REVIEW

Microinsurance is insurance and more simply is a special category of insurance and not a new category of insurance. Microinsurance is intended to protect the poor because there are elements of a social protection system, similar to social insurance and national health insurance schemes (Hasim, 2014). Microinsurance intends to offer poor protection against certain risks in

exchange for regular premium payments commensurate with the likelihood and cost of the risks involved (FDC & Citigroup Foundation, 2006). According to Holzmann (2001), it would be better to protect people and reduce their vulnerability than to focus on poverty alleviation after the fact. "The aim of ex-ante action," says Holzmann (2001, p. 7), "is to prevent the risk from occurring or if this cannot be done, to reduce the effect of the risk." Simply put, it is easier to prevent sick people than to cure them once they are sick. It is also more difficult to bring them out of poverty once the economic downturn has surrounded them. Holzmann (2001) further suggests that social protection mechanisms such as microinsurance should help increase financial self-sufficiency and increase social sustainability. Social protection mechanisms can also contribute to better health, which can increase chances of survival and economic stability (Holzmann, 2001; Jutting, 2004).

Microinsurance policies should be simple, straightforward, and understandable to people with little education with a few exceptions. Microinsurance products must be able to protect against the risk of loss or short-term damage to low-value assets. The management of Sharia insurance company funds is regulated in the DSNMUI fatwa (National Sharia Council - Indonesian Ulema Council) DSN Fatwa No. 21/DSNMUI/X/2001. Management of funds that must be avoided: *gharar* (fraud), *usury* (interest), *z'bulm* (arrest), *riyy'wab* (extortion), illicit goods, and immorality (*makruh*). Of the two insurance variants, this article officially discusses the topic of Sharia microinsurance (Firmansyah and Devi., 2019).

The global takaful industry has grown significantly around the world over the last few years due to the expansion of Islamic financial services. DuniaTakaful Report 2011 states that global takaful contributions grew by 31 percent in 2009 to USD 7 billion and by 9.15 percent in 2010. It is estimated that this industry will continue to grow faster than conventional insurance in 2011, with contributions reaching USD 12 billion (John, 2011). This significant achievement reflects the recognition of takaful in the industry, as can be seen from the increasing number of takaful operators. One of the main markets in Malaysia (Dirrheimer and Jaffer, 2005).

Takaful has been defined as an insurance concept based on Sharia in which a group of individuals agrees together to insure themselves against any loss or damage related to life through *tabarru* (donations) into mutual takaful funds (Razak et al., 2013). In takaful, each contributor accepts that in the event of loss or

unforeseen damage to each member the funds must be used in assisting the member based on an agreed amount. Takaful is based on the Arabic word "Ta'awun" which is mutual assistance among participating members against the occurrence of unexpected events related to health, death, aging, fire, and disability (Kazaure & Abdullah, 2019).

Takaful is socially beneficial because it creates a caring relationship and a means of helping in times of adversity especially those who need financial protection. It seems that profitable operators focus more on middle and high-income groups while many low-income groups miss out on the benefits. The concept of micro takaful is said to be close to takaful. Khan (2010) defines micro takaful as "a mechanism to provide Sharia-based protection to disadvantaged blue-collar workers at a reasonable cost". Micro-takaful is designed as a protection program for low-income people and the product can be delivered to them with some modifications (Amin., 2015). According to the Financial Services Authority number 73/POJK.05/2016 that there are four principles of insurance company governance, namely: Transportation, Accountability, Independence, and Justice.

RESEARCH METHODOLOGY

This study uses data on the publication of papers sourced from various journals from 2001-2021 with research themed Microinsurance. Data collection was carried out through searching articles indexed by the Google Scholar database, the search was carried out by typing the keyword 'Microinsurance', then selected papers relevant to the Microinsurance research theme, for journal criteria filtered and processed in software indexed by Google Scholar only journals equipped with DOI. From the search results, there are 198 articles published from 2001-2021. Data in the form of topics used in the publication of Microinsurance-themed papers and analyzed using Microsoft Excel 2010. The trend of publication development on the Microinsurance theme was analyzed using VOSviewer software.

The computer program that was introduced was called VOSviewer. VOSviewer is a program developed for creating and viewing bibliometric maps. This program is available free of charge to the bibliometric research community (see www.vosviewer.com). VOSviewer can create author maps or journals based on cocitation data or create keyword maps based on shared incident data. The

program offers a viewer that allows bibliometric maps to be examined in detail.

To build the map, VOSviewer uses the VOS mapping technique, where VOS stands for visualization similarity. For previous studies where the VOS mapping technique was used. VOSviewer can display maps constructed using appropriate mapping techniques. Therefore, this program can be used to display maps built using the VOS mapping technique and display maps built using multidimensional scaling techniques. VOSviewer runs on many hardware and operating system platforms and can be started directly from the internet. Another study using the bibliometric method in the research area of Islamic economics and finance, for example, has been conducted by [As-Salafiyah et al., \(2021\)](#), [Rusydiana et al., \(2021\)](#), [Laila et al., \(2020\)](#),

[Rusydiana & Parisi \(2016\)](#), and also [Antonio et al., \(2021\)](#). Some of the topics are related to mosque economics, endowments (waqf), and Islamic finance in general.

RESULTS AND DISCUSSION

The following is a table that shows the collection of documents used in research with the theme of Microinsurance in Microinsurance research. Of the total 198 documents used, they are divided into 8 types of documents, including journal articles (150 documents), anthology/book chapters (17 documents), Books (5 documents), Reviews (13 documents), Conference Papers (6 documents), Erratum (2 documents), Conference Review (0 documents), Undefined (5 documents).

Table 1: Document Types

No	Document Types	Number of Articles
1	Journal article	150
2	Book chapter	17
3	Book	5
4	Review	13
5	Conference Paper	6
6	Erratum	2
7	Conference Review	0
8	Undefined	5
	TOTAL	198

Based on the results of the grouping of document types above, the most widely used document types as research subjects with the theme of Microinsurance are documents in the form of journal articles with a percentage of 85.17% or 150 documents. Meanwhile, the least used documents are in the form of Undefined by 0.38% or 1 document. This shows that the references used are quite valid because most of them come from documents in the form of scientific journals.

Bibliometric Graph Analysis

Bibliometrics is based on the calculation and statistical analysis of scientific outputs in the form of articles, publications, citations, patents, and other more complex indicators. It is an important tool in evaluating research, laboratory, and scientist activities, as well as scientific specialization and country performance. The report, after establishing the background for bibliometric development, presents the database from which the bibliometric was created, as well as the main indicators used.

To explore the results of the meta-analysis, in this section a visual mapping chart from 198 journals published by Microinsurance will be presented. The results of the keyword mapping analysis become the basis for mapping together important or unique terms contained in certain articles. Mapping is a process that enables one to recognize elements of knowledge and their configuration, dynamics, interdependencies, and interactions.

Related to bibliometrics, science mapping is a method of visualizing the field of science. This visualization is done by making a landscape map that can display topics from science ([Royani, et al., 2013](#)). The results of network visualization from 198-word map journals with the theme of Microinsurance can be seen:

Co-Authorship Analysis

Furthermore, the bibliometric results will be displayed based on the sub-themes, namely authors, organizations, and countries.

1. Co-authorship Authors

Using the VOSViewer software, we found the author's bibliometric mapping as shown in the following figure.

The bigger the shape and the brighter the color, the more the author publishes his writings related to Microinsurance.

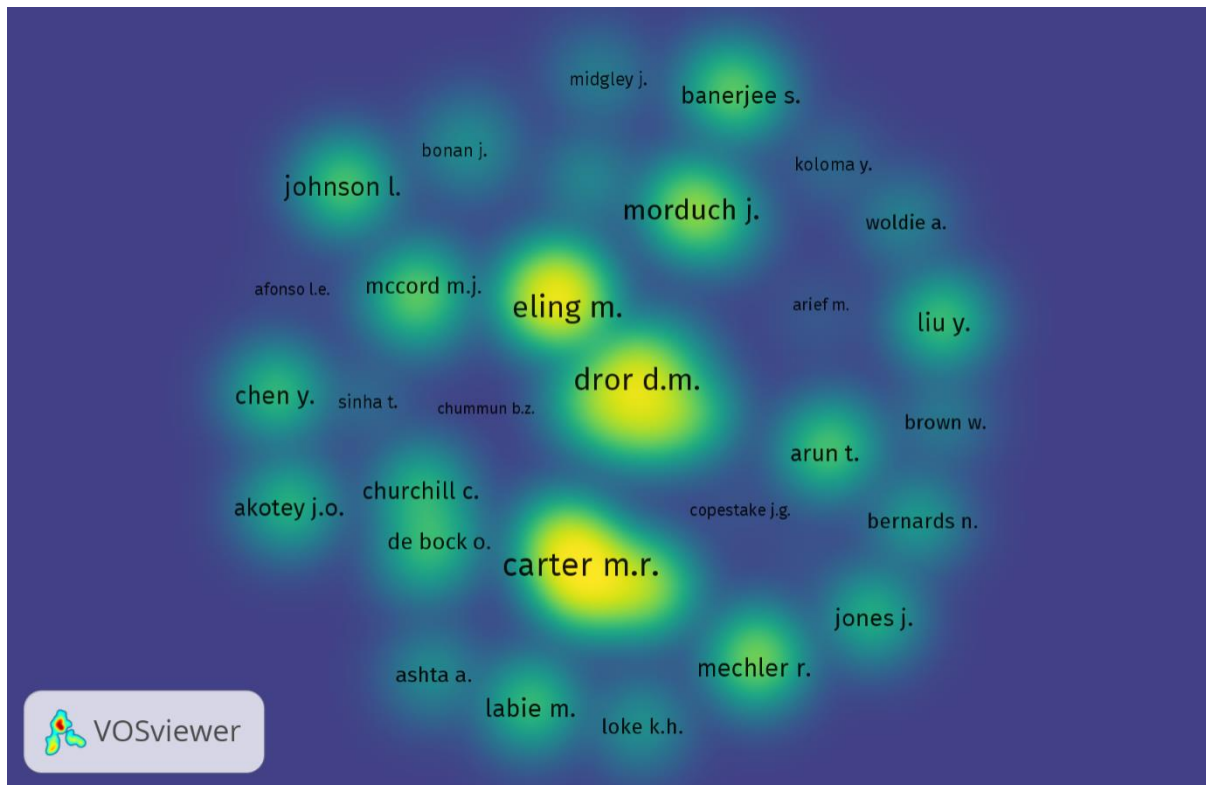


Figure 1. Co-authorship Authors

The appearance of the cluster density depends on the level of yellow light brightness. This identifies that the yellow color on the map depends on the number of items associated with other items. This section is useful for getting an idea of the general structure of a bibliometric map by paying attention to which parts of the light are considered important to analyze. From the map, it is possible to interpret the authors who have published the most.

In general, each researcher has different tendencies. Some writers are indexed as a single author, others co-author with other researchers so that multiple clusters appear which are indicated with different densities. However, the authors with a fairly large

density indicated that they published more research on the theme of Microinsurance than those with a lower density, so this result can be used as a reference for future researchers.

Based on these results, the bigger and brighter the name of the author, the more papers he publishes. The author of the most published publications related to Microinsurance based on bibliometric mapping, namely Carter M.R.

2. Co-authorship Organizations

In bibliometric analysis, the author's organization can be seen from which organization they belong. Through these results, we were able to interpret the organizations that wrote the most publications.

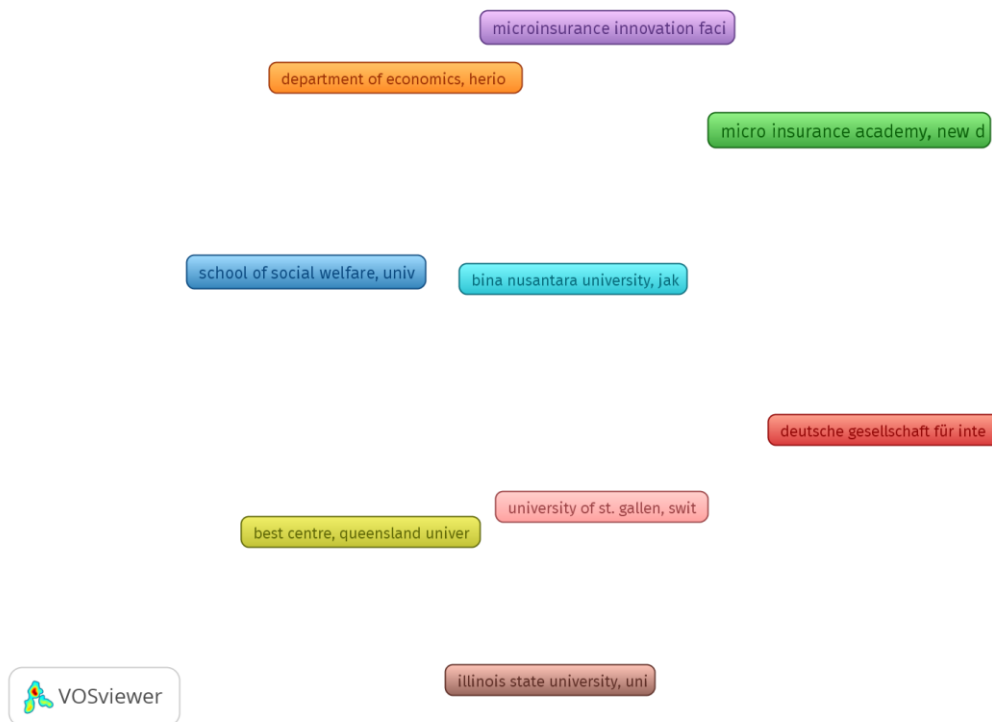


Figure 2. Co-authorship Organizations

Based on the following figure, the organization seen with colored frames shows how productively the institution has contributed to publishing a paper with the theme of Microinsurance. The largest number of institutions is calculated from the number of publications and the number of links to other institutions, where an author can write many papers in different journals.

The most popular organizations are calculated based on the number of publications and the number of links to other institutions, where a paper writer can write

many papers in different journals. The most famous organizational ranking shown by the results of bibliometric mapping is the microinsurance academy, new d.

3. Co-authorship Country

Furthermore, the visualization of the journal publisher mapping is illustrated in the bibliometric image of the journal source below. Based on the picture, it can be seen that several clusters of countries appear to publish the most articles with the theme of Microinsurance.

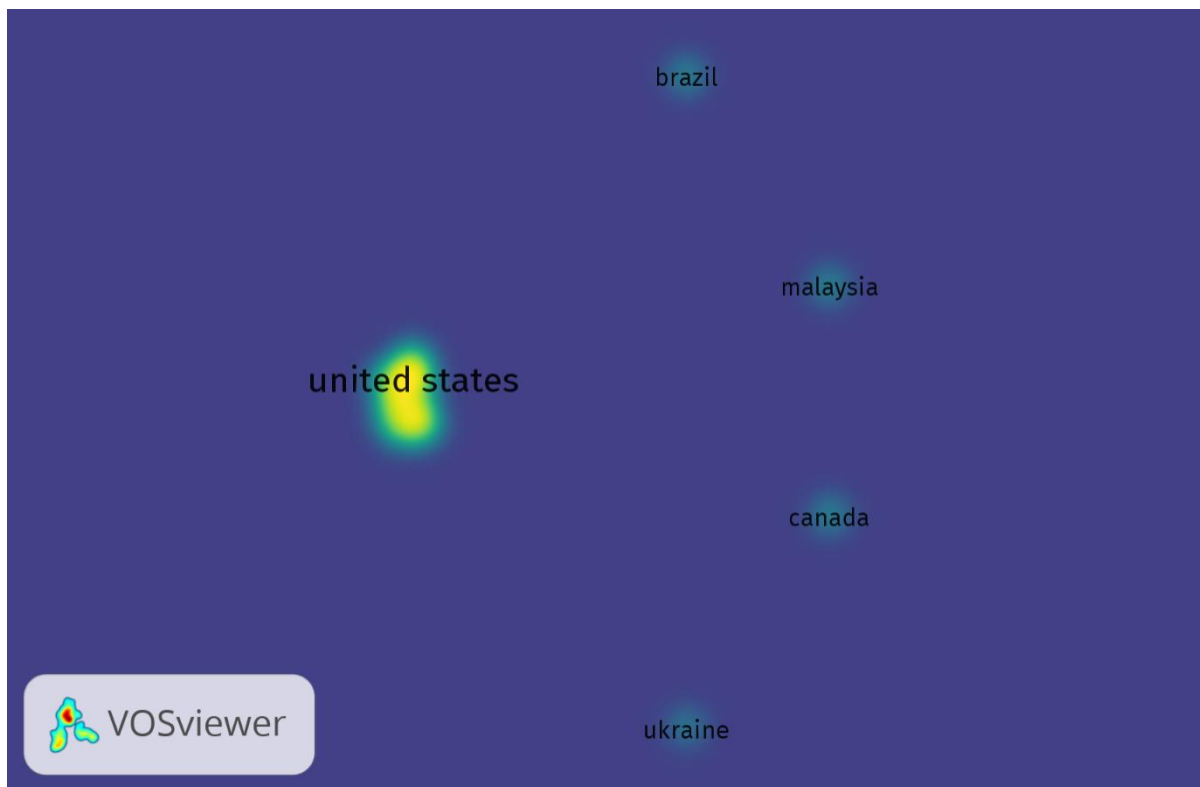


Figure 3. Co-authorship Country

Based on the picture above, the larger the circle of the publishing country, the more papers that country publishes. seen that the country of Malaysia has the brightest light. This means that the United States publishes the most Microinsurance-themed papers compared to other countries.

Co-occurrence Analysis

Furthermore, the bibliometric results will be displayed based on the sub-themes, namely all keywords, author keywords, and index keywords.

1. Co-occurrence All Key Word

VOSViewer can also find a bibliometric mapping of the most used keywords in Microinsurance themes related to Islamic economics. The bibliometric mapping of the keywords used can be seen in the image below. Keywords that have a larger form indicate that the word is used more in journals related to Microinsurance.

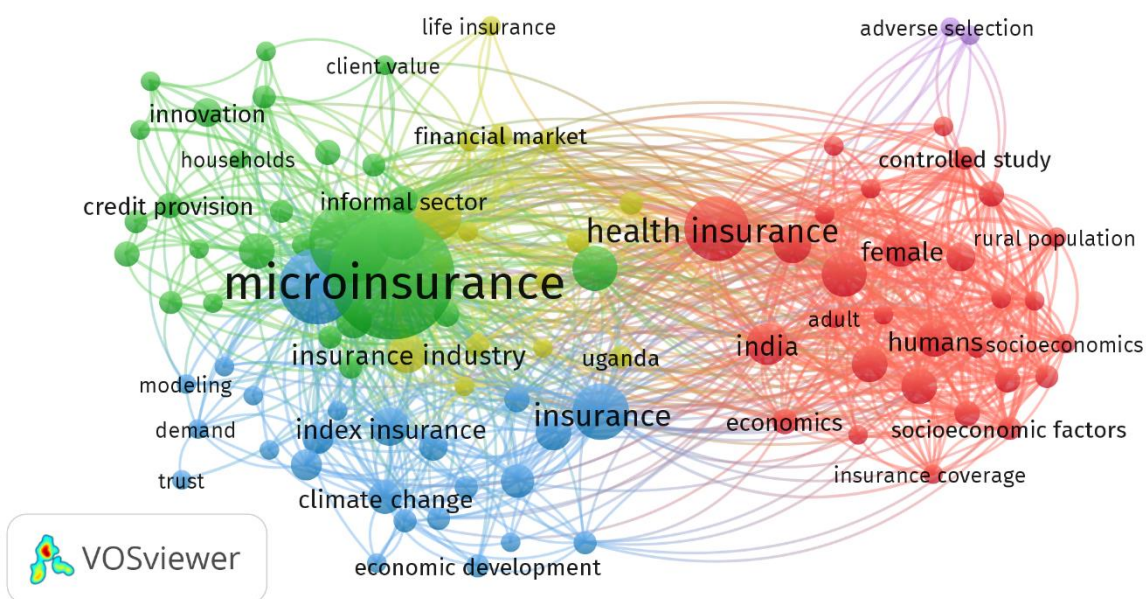


Figure 4. Co-occurrence All Key Word

This data can be used to find out the trend of keywords in recent times. The bibliometric analysis shows several keywords that are widely used in the research paper that is the object of research. The more keywords that appear, the wider the circle indication will be. While the line relationship between keywords shows how much they are related to other keywords.

Based on the results of the analysis using VOSviewer on Microinsurance-themed keywords, there are many clusters and are interrelated with other keywords. Keywords that have the same color indicate a

very close relationship. The most widely used keyword in microinsurance-themed journals is microinsurance.

2. Co-occurrence Authors Key Word

VOSViewer can also find the bibliometric mapping of the most used keywords by authors in Microinsurance themes related to Islamic economics. The bibliometric mapping of the keywords used can be seen in the image below. Keywords that have a larger form indicate that the word is used more by authors in journals related to Microinsurance.

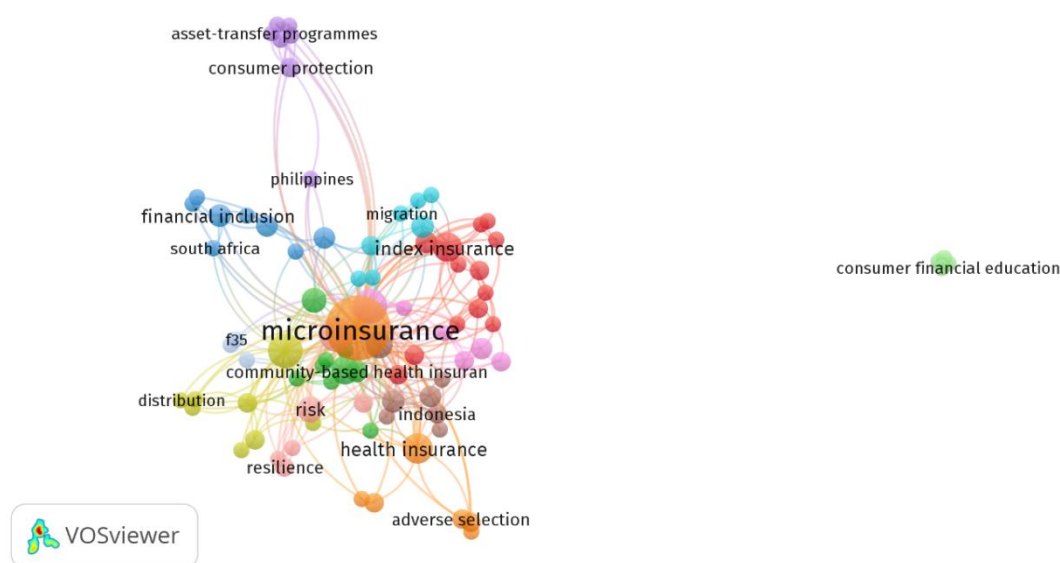


Figure 5. Co-occurrence Authors Key Word

Based on the results of the analysis using VOSviewer on keywords that are widely used by authors in journals with the theme of Microinsurance, there are many clusters and are interrelated with other keywords. Keywords that have the same color indicate a very close relationship. The most widely used keyword by the author is Microinsurance.

3. Co-occurrence Index

Then, this study also obtained results in the form of an index that is often used by the author and is interrelated in theme c related to Islamic economics as shown in the image below. The index that has the same color indicates a very close relationship.

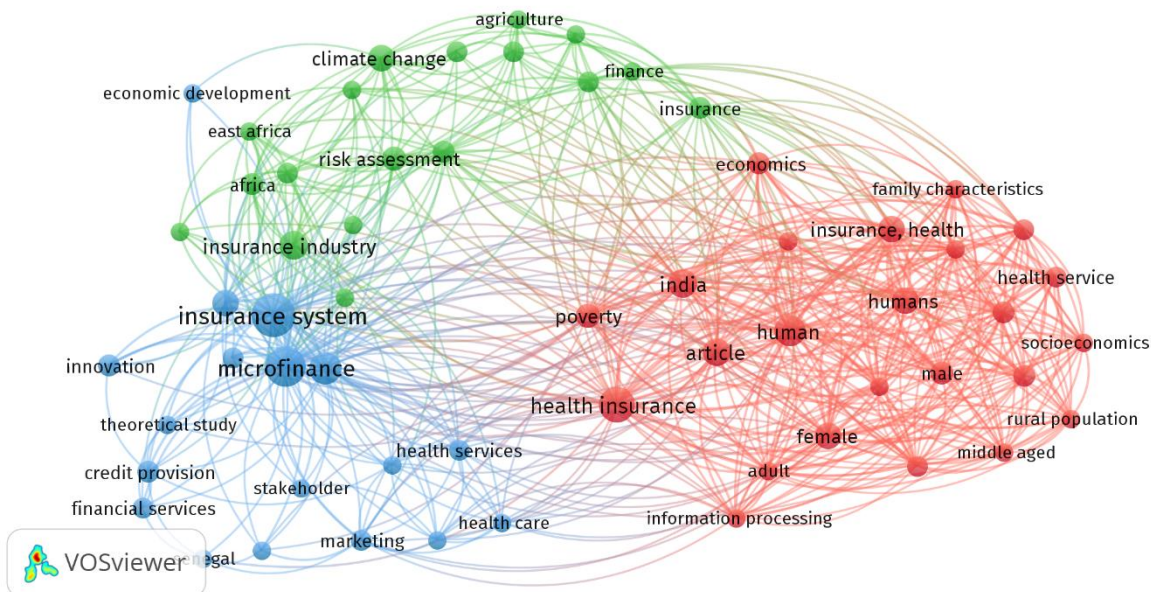


Figure 6. Co-occurrence Index

Based on the results obtained, the lighter the color, the more recent the index is used. In the word index paper with the theme of Microinsurance related to

Islamic economics, several words are most widely used, namely Insurance System. The following is a summary of the bibliometric results.

Table 2: Summary of results

Rank	Keyword by Occurrence	Authors with The Highest	Institution with The Highest Publication
1.	Economics	Carter M.R.	University of Sussex
2.	Microinsurance	Dror D.M.	Universite Claude Bernard, Frane
3.	Insurance Industry	Eling M.	University of St. Gallen
4.	Finance	Morduch J.	Professor of Public Policy and Economics, Wagner Graduate School of Public Service, New York
5.	Cultural Management	Mechler R.	Business Strategy and Leadership, University of Portland
6.	Microinsurance	Banerjee S.	University of Louisville
7.	Development Finance	Mccord M.J.	Universitas Negeri Ohio (BA), Universitas Pennsylvania (MA)
8.	Microfinance	Arun T.	Essex Business School, University of Essex
9.	Insurance and Risk	Labie M.	Université de Mons (UMONS)
10.	Takaful	Akotey J.O.	Kwame Nkrumah University of Science and Technology

CONCLUSION

The focus of this research is to try to find out how far the development of Islamic finance is to find out how many journals are written with the theme of Microinsurance. The results show that there has been an increase in the number of published articles on Microinsurance since 2001. Microinsurance research has been done in many countries. An increase in the Microinsurance score in a country will be positively related to economic growth in that country, which makes economists do a lot of research related to Microinsurance. Based on research using the bibliometric method found that Carter M.R. wrote the most about Microinsurance. The institution that publishes the most papers related to Microinsurance is the University of Sussex, United Kingdom. And the country that publishes the most papers related to Microinsurance is the United States. For all the most used keywords related to Microinsurance is Islamic Banks. The keywords most used by authors in journals with the theme of Microinsurance are Microinsurance. And the word Banking is the word most used in the index paper with the theme of Microinsurance. No less important is, there are at least 4 research paths related to the study of Islamic microinsurance.

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