

THE IMPACT OF ENHANCING RELIGIOUS MODERATION ON THE ECONOMIC DEVELOPMENT OF THE MODONGAN VILLAGE IN THE MOJOKERTO REGENCY

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Abstract: The objective of this study is to examine the promotion of religious moderation and its relationship with socioeconomic advancement. The current study utilized a qualitative research methodology, specifically employing a case study design. The current investigation was conducted in the Modongan Village of the Mojokerto Regency. The incumbent occupies the role of Chief of Villages and Religious Leaders in the Modongan Village. The data collection methods utilized in this study included several techniques such as observation, interviews, recording, and focus group discussions (FGDs). The study's findings indicate that the endeavors to improve and enforce religious moderation in Modongan Village have achieved success up to this point. The community, religious leaders, and the Village Government have cooperated to ensure a balanced and fair implementation of values and teachings. The principles of their respective religions. The economic facilities and infrastructure in the Modongan Village are currently limited in both their size and ability. To address the dependence of a substantial percentage of the population on the agriculture sector for their livelihoods, the Village Government, Community/Religious Leaders, and the local community have started protecting agricultural land in the Modongan Village. The goal is to improve the quality of life for the population by following applicable laws and regulations, and by promoting environmental sustainability.

Keywords: Religious Moderation, Economic Development, Socioeconomic



INTRODUCTION

Indonesia, as a nation that prioritizes the principles of God, democracy, and multiculturalism, attempts to incorporate religion within the fundamental human rights that are inherent to every Indonesian citizen and protected by the 1945 Constitution. The harmonization of religious, democratic, and multicultural aspects necessitates a moderate approach that can be perceived as a recognition and comprehension of multiculturalism. This approach should value differences and variety, while also fostering a desire for more equitable social interaction. The dominant culture typically exerts influence over the culture of minority or immigrant groups, resulting in the minority culture being impacted by the majority culture's cultural forces (Pandapotan, 2020).

The Indonesian government acknowledges that religious diversity is an integral and influential aspect of the nation's overall growth. Nevertheless, religious diversity can also lead to social conflicts, particularly when it lacks the endorsement of religious moderation. The economic situation of the population refers to the state of human life as measured by economic indicators (Shah et al, 2020). Ensuring economic growth is a crucial objective in a nation's economy, particularly for emerging countries such as Indonesia (Magdalena and Suhatman, 2020). The notion of human resource development aims to enhance technical, theoretical, conceptual, and educational aspects, as well as training and development. Development can be categorized into two main types: informal development and formal development. 1) Informal development refers to employees independently seeking to enhance their skills and knowledge by studying relevant material related to their work or position. Informal growth indicates that the person is motivated to progress by enhancing his work proficiency. 2) Formal development involves the company assigning personnel to participate in education and training programs, which can be conducted either by the company itself or by other educational and training organizations (Setiawan, D and Marfistasari, A. 2021)

Financial statements serve as a crucial source of information for investors, aiding them in making informed decisions on capital market investments. Additionally, these statements also hold management accountable for the resources they have been entrusted with (Prayoga and Afrizal, 2021). The financial performance serves as a metric for evaluating the utilization of a company's financial resources. It assesses the level of success in managing the organization and delivers advantages to the community. Sharia banking is regulated under the Law of the Republic of Indonesia No.21 of 2008, specifically in Article 5. According to this law, the Financial Services Authority is responsible for overseeing and monitoring banks. (Ichsan, R. et al., 2021). Increased leverage in a corporation is associated with reduced cash generation, which in turn might impact the likelihood of earning management. Companies with elevated levels of debt or leverage ratios typically retain their profits and prioritize the satisfaction of debt obligations as their primary focus. Brigham and Ehrhardt (2013) suggest that companies with more leverage tend to pay lower dividends as a means of decreasing reliance on external financing. The higher the proportion of debt in a company's capital structure, the more obligations there are that might impact shareholder wealth, as it influences the amount of dividends that can be delivered (Yanizzar and colleagues, 2020).

Indonesian citizens must be adequately prepared to compete in the global economic arena, given the ongoing era of economic globalization. To effectively compete with other



nations, the Indonesian nation must prioritize its efforts towards enhancing economic growth. Religious, democratic, and multicultural countries should strive to eliminate social tensions between religious communities. In the event of such an occurrence, it will undoubtedly disrupt the focus of the entire nation on the collective endeavor of national progress. The economic growth in Indonesia relies on microeconomic changes. Small and medium industries exhibit promising potential for development and possess a strong capacity for competitiveness and gaining a competitive advantage. Furthermore, they provide significant contributions to ensuring employment security (Pradata et al, 2020). Small and medium micro enterprises (Ulfha, 2019) are a type of microeconomics that involves the utilization of significant labor resources and minimal capital.

Modongan Village is a Village located in the Mojokerto Regency, East Java Province. It comprises 5 hamlets. The hamlets are Sasap, Modongan, Gambuhan, Genukwatu, and Tangkil. Modongan Village is renowned for its harmonious coexistence and religious tolerance among its people. The presence of religious moderation, deeply rooted in the daily practices of the village community in Modongan Village, undoubtedly serves as a fundamental asset for growth. Nevertheless, it has been determined that all settlements within the Modongan Village remain classified as undeveloped. The provision of fundamental services, infrastructure, accessibility/transportation of public services, and a small or restricted government administration (Bappenas and BPS, 2018). Undoubtedly, this has a significant impact on the economic state of rural towns in Modongan Village.

The description above highlights the significance of examining the enhancement of religious moderation in Modongan Village, which is achieved via the harmonization of religious life and its impact on the economic development of the community. This topic warrants more investigation due to its intriguing nature and importance. By conducting a comprehensive investigation, it is anticipated that the impact of enhancing religious moderation on the economic progress of the population in Modongan Village will be understood. Researchers are intrigued by the prospect of exploring the relationship between religious moderation and the populist economy in Modongan Village. This study, titled "The Role of Strengthening Religious Moderation on the Development of People's Economy in Modongan Village, Mojokerto Regency," aims to investigate this connection.

RESEARCH METHOD

This study employs a qualitative research methodology utilizing a case study technique. The selected methodology and approach seek to pinpoint a particular instance, specifically the enhancement of religious moderation and its correlation with the economic progress of the population in Modongan Village, Mojokerto Regency.

The data obtained in this study can be classified as primary data and secondary data. The primary data were collected through personal visits and direct interviews with key figures in Modongan Village and other relevant individuals. Religion in the Modongan Village. Secondary data refers to information acquired from pertinent organizations or sources that are related to the research, such as notes, reports, literature (including books and online resources), laws, regulations, and other written materials.

RESULTS AND DISCUSSIONS

This section provides an exposition of the findings obtained from the research. The research findings can be enhanced by the inclusion of tables, graphs, and/or charts. The



results and discussion part provides a comprehensive account of the outcomes of data processing, presents a logical interpretation of the findings, and establishes connections with pertinent reference materials.

Strengthening and Application of Religious Moderation in Modongan Village

The efforts to promote and implement religious moderation in Modongan Village have included various activities such as: a) Organizing joint purchases of Eid clothes by both Muslim and Javanese belief system communities to enhance the celebration of Eid Al-Fitr; b) Collaboratively preparing a traditional dish, during Eid al-Adha by both Muslim and Javanese belief system communities; c) Collecting funds from the Muslim community to support the some celebrations of the Javanese belief system community; d) Involving religious and Muslim community leaders in resolving conflicts among Javanese belief system communities; e) Prohibiting interfaith marriages to prevent family conflicts; f) Regular inter-religious dialogues with the Modongan Village Government to foster and maintain harmony and tolerance among religious communities.

Based on the findings of researchers in Modongan Village, it can be inferred that the efforts to enhance and implement religious moderation in the village have been successful thus far, promoting the values and teachings of each religion. The community has embraced and upheld Pancasila as the most comprehensive framework that ensures equal treatment of all individuals under the law, granting them equal rights and responsibilities as citizens, while preventing any form of discrimination based on ethnicity, religion, race, and inter-group differences (SARA).

Development of People's Economy in Modongan Village

The development of the people's economy that has been running so far in Modongan Village can be concluded in several ways; a) The Status of the Developing Village Index (IDM) of all villages in Modongan Village is included in the category of Underdeveloped Villages that needs attention from the Village Government, Community/Religious Leaders and the community; b) The use of agricultural land in Modongan Village needs to be managed properly, measured, directed and prioritizes the welfare of the people of Modongan Village; c) Cooperatives as one of the identities of the people's economy and BUMDes as one of the derivatives of cooperatives need to be developed to the maximum so that they make a real contribution to the welfare of the people of Modongan Village; d) Farmer groups as a forum for the community to gather and work together in managing their agricultural land need to be provided with knowledge, education and training from the Village Government through the Village Head more intensely and continuously so as to make a real contribution to the welfare of the people of Modongan Village; e) Facilities and infrastructure to support community economic activities in Modongan Village are also a separate homework for the Village Government to further maximize them.

The Role of Strengthening Religious Moderation on People's Economic Development in Modongan Village

Modongan Village, located in Mojokerto Regency, exemplifies religious tolerance via its cultural and religious variety. Interfaith social connection proceeds seamlessly and



without encountering substantial impediments. Amidst the global spread of technology and information, which encompasses various elements of people's lives, including socio-cultural and religious domains, the majority of the residents in Modongan Village exhibit a favorable response. The negative aspects of socio-cultural and widespread religious influence do not seem to have the ability to weaken the existing basis of inter-religious harmony.

The entire community of Modongan Village is cognizant of the significance of unity, familial bonds, acceptance, and concord among religious communities. Subsequently, this consciousness is implemented through a customary practice performed by all facets of society. Three of the several traditions upheld by the community over generations include the practice of collectively purchasing Eid garments, the tradition of preparing traditional dishes, and the custom of gathering finances.

Moreover, while considering the socio-economic component of the Modongan Village community, it remains classified as disadvantaged. The untapped inherent potential has yet to be effectively harnessed for the betterment of the community. Nevertheless, every facet of society continues to strive for the enhancement of their quality of life. Each village should serve as a platform for the community to enhance the productivity of their agricultural goods. The Village Government, led by the Village Head, remains dedicated to enhancing the overall well-being of the community. Efforts are underway to enhance the well-being of the community through the development of solutions. One approach is converting protected forests into agricultural land.

The essential elements for enhancing community well-being in the future in Modongan Village are togetherness, familial bonds, collaboration, acceptance, and peaceful coexistence among different religious groups, which are deeply ingrained in the village's social fabric. The absence of disputes arising from the current social and religious variety serves as a standard for all aspects of society to persist in fostering creativity and promoting economic advancement in Modongan Village.

CONCLUSION

The strengthening and application of religious moderation in Modongan Village which has been going on so far has been doing well. The community, Religious/Community Leaders, and the Village Government have collaborated to provide a harmonious and equitable approach to applying the principles and doctrines of their respective religions. The efforts to enhance and implement religious moderation in Modongan Village encompass several practices: a) The communal practice of purchasing Eid attire collectively; b) The collective preparation of some traditional dishes; c) The collective fundraising for Javanese belief system communities festivities; d) The practice of resolving conflicts between Javanese belief system communities by engaging Religious/Muslim Community Leaders; e) The practice of discouraging interfaith marriages; f) Regular inter-religious.

The economic facilities and infrastructure of Modongan Village are currently inadequate. According to the 2021 BPS data, Modongan Village in Mojokerto Regency has only one market that has permanent structures, but there are no hotels or



hostels/motels in the area. Modongan Village lacks any financial institutions, including commercial, private, and rural banks. Furthermore, there is just one Village Unit Cooperative which is still operational in Modongan Village. The majority of people who depend on the agricultural sector for their lives, responded to this, the Village Government, Community/Religious Leaders, and the community began to utilize protected agricultural land in the Modongan Village area to improve people's living standards while still paying attention to applicable laws and regulations and still paying attention to environmental sustainability.

Amidst the global spread of technology and knowledge, which impacts various elements of people's lives, including socio-cultural and religious aspects, the majority of the residents in Modongan Village exhibit a positive response that has been constructed thus far. The lack of conflicts that occur with the current social and religious variety is a benchmark for every element of society to continue to be creative and innovate in economic development in Modongan Village.

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