

Development Model in Economic Growth: Dynamic Cycle on Halal Tourism

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Abstract

The development of sharia tourism in Indonesia has some extraordinary challenges and obstacles throughout 2020-2022 due to the Covid-19 pandemic. On the other hand, the 2019 GMTI data shows that by 2030, the number of Muslim tourists is projected to exceed 230 million worldwide. The opportunities, challenges, and obstacles shown in the development of sharia tourism require stakeholder follow-up as part of the growth of the sharia economy in the country. This study offers a theoretical framework for economic growth built on dynamic cycle theory because very few studies investigate it. Even though it is imperative to consider an analysis of economic growth with a dynamic cycle that focuses on the halal tourism sector because it is known to make a significant contribution that supports sustainable development conditions and vice versa. This study investigates one of the Islamic tourism development models originating from Ibn Khaldun's thoughts regarding the concept of the state relating to justice to obtain wealth in economic activity (through trade). The research method used is a literature study using content analysis that focuses on the thoughts of Ibn Khaldun as contained in his work entitled Muqadimmah and several relevant previous literatures. The findings reveal that there are two important points. First, Ibnu Khaldun proposes a framework to help countries face challenges of growth or problems of back-and-forth economic development including a dynamic cycle. The framework is based on a proposition of eight principles from a policy known as the eight wise principles or sentence hikammiyah consisting of sovereign power (al-mulk), sharia, human resources (ar-rijal), property (al-mal), development (al-imarah), justice (al-adl), a yardstick (al-mizan), and responsibility are cycles that occur with different durations. So in the end created three generations. Second, if Ibn Khaldun's thoughts about the eight principles of justice policy are embodied in sharia tourism development policies that are supported by the role of human resources, it will affect the reversal of sharia economic growth. It can be concluded that the dynamic cycle can support the development of sharia tourism and have an impact on sharia economic growth as long as the eight policy principles are implemented correctly according to sharia. Stakeholders need to consider the dynamic cycle for future sharia tourism development policies.

Keywords: Economic Growth, Halal Tourism, Dynamic Cycle

Introduction

Global economic growth after the economic recovery is projected to weaken. This is influenced by the increasing risk of stagflation, uncertainty, global financial markets, inflationary pressures, declining global population, and the geopolitical situation (Goestjahjanti et al., 2022; Jones, 2022; Bagchi et al., 2020; Lea, 2019). Studies reveal that the global environment is projected to weaken, while inflationary pressures will increase for 2022 and 2023. Furthermore, the latest OECD report reveals that world financial conditions continue to tighten amid rising policy interest rates by central banks in recent months. The phenomenon of economic growth which is predicted to be increasingly dismal requires several strategic steps to face increasingly tough challenges. For example, by emphasizing the importance of the G20 Presidency's priority finance track agenda, which can play a role in efforts to overcome this phenomenon. Quality economic growth is expected to be able to solve the problems of unemployment and poverty (Numanovich & Abbosxonovich, 2020). This is because the economic growth of a country is closely related to the welfare of its people. Therefore, a country is required to create a dynamic condition

in the short, medium, and long term in the country. The findings reveal that the dynamic cycle can present a solution for better economic growth. The tourism sector can make a significant contribution to this economic growth and vice versa (Wijesekara et al., 2022).

In the framework of carrying out national economic recovery towards the post-Covid-19 pandemic, sharia tourism is starting to move forward to reach great opportunities in 2023. Indonesia as a destination country for sharia tourism has designed strategic steps to make Indonesia a major player in the globally Muslim Friendly Tourism industry next year. The positive development of sharia tourism can have a significant impact on increasing economic income and welfare for the community (Suryanto & Aslam, 2022; Fathan et al., 2022; Taqwiem & Diyan Pertiwi, 2021; Hasib et al., 2020). Recent literature explains that the sustainability of sharia tourism since the pandemic hit has created various conditions of uncertainty. So it is important to conduct a study of effective strategies in the future (Keliat & Sentanu, 2022). The study reveals that information disclosure is very important to support the readiness of facilities and infrastructure to be in line with market demand and the operational capacity of Muslim Friendly Tourism. Because if

the sharia tourism industry players do not have good preferences, then these destinations cannot be enjoyed by tourists. Even though the main components of Islamic tourism are similar to conventional tourism, this advantage rather than being Muslim-friendly is the main attraction of Islamic tourism throughout the world (Hall et al., 2022).

The sharia tourism sector in Indonesia has undergone a business model transformation towards digitization. Most of the research on the development of sharia tourism focuses on the digital tourism ecosystem which is expected to bring innovation and breakthroughs. The aim is to present innovations and breakthroughs as the main step to encourage even stronger dissemination of information on sharia tourist destinations Rakhmad et al. (2022); Berakon et al., 2021; Basrowi et al. (2020). Other factors that have been widely studied are related to sharia tourism regulations (Adinugraha et al., 2021), Maqashid syariah (Ismanto et al., 2021), halal certification and services (Junaidi, 2020). On the other hand, it is important to study the thoughts of Muslim scholars who are one of the centers of knowledge sources to find out what theories and planning models can influence the progress of sharia tourism. Research conducted by Husain et al. (2020) regarding the causal loop diagram (CLD) model in the development of sharia tourism.

Previous literature reveals that it is very important to look to the future through the past of halal tourism. The aim is to design strategic steps for the development of sharia tourism by learning from past experiences (Prayag, 2020). One of the theories is the cycle theory of Ibn Khaldun's thought in the book *Al-Muqaddimah*. This theory can explain how a cycle of a country or civilization achieves prosperity and destruction in a repeated cycle (Wicaksono & Faizah, 2020). *Muqaddimah Ibn Khaldun* is a book that specifically examines a social phenomenon. This phenomenon is the rise and decline of the human race. *Muqaddimah Ibn Khaldun* became the first written work to specifically discuss social sciences (Goodman, 1972). Previous studies have revealed sharia tourism in the minds of Indonesian Muslim scholars, where most of the opinions of the scholars agree with the contribution of sharia tourism to the Muslim economy (Miswanto & Tohirin, 2021).

This research refers to previous research conducted by Andhika (2019) regarding dynamic system models for simulating public policy formulation. The research argues that many global dynamics produce potential uncertainties and unfavorable cycles of economic growth, especially the problem of environmental degradation (Menueta et al., 2020). The interaction between dynamic cycles and economic growth refers to conditions that are constantly changing, moving actively, and experiencing significant developments. Other studies state that economic growth is said to experience a dynamic cycle when experiencing various conditions and ups and downs. The hysteresis effect is caused by the labor market, corporate activity, and government fiscal policy. The effect of economic growth on the dynamic business cycle occurs through mechanisms such as technological advances and population (Kaihatsu et al., 2019). Tatahi et al. (2016) revealed that economic growth with a dynamic cycle will be different for groups of low-income, developing, and developed countries. In the process, it relies on long-run elasticity and short-term dynamics between GDP growth rates and government spending. Most previous studies have not clearly described and investigated economic growth with dynamic cycles in certain sectors. Research is still fundamental by providing a general definition only. Instead, this research relies on the dynamic cycle theory which is implemented on economic growth in Indonesia related to the development of the halal tourism sector which is facing a slow recov-

ery. This research is expected to provide a theoretical reassessment of the dynamic system model of economic growth to build the characteristics of halal tourism. As previous studies suggest follow-up studies on economic development models using dynamic cycle models for specific case studies by identifying how the impact is likely and its implementation (Wang & Wang, 2022). The same study was conducted by Menueta et al. (2020), but with a different object, namely the relationship between economic growth and a balanced environment and global dynamics that produce the potential for a long-lasting cycle. The novelty of this research is demonstrated by the development of a dynamic system model based on Ibn Khaldun's thoughts on the basic concept of economic development 'eight wise principles for policy formulation that focuses on the development of Islamic Tourism and its impact on Islamic economic growth in Indonesia.

Literature Review

Economic Growth with Dynamic Cycle Theory

Martinez-Moyano & Richardson (2013) explained that the dynamic model illustrates a system that is constantly changing. Dynamic systems can see past system behavior or predict the future to understand sources of policy resistance and design more effective policies. Dynamic systems approach in policy studies can be used to obtain options for dealing with complex problems and to focus on feedback processes that are responsible for changes in various sectors over time. In a business, strategy, marketing, and sales are cycles that occur with different durations and occur continuously. Strategy spans several marketing cycles in which offers are determined, pricing policies are informed, and channels and promotions are selected for distribution. Several business cycles will occur in the marketing cycle in certain industries where the company carries out its (Sacca, 2013). Howlett (2019) explains that policy design refers to the stage of generating options to address the problems of various strategic sectors. The main characteristic of the main dynamic model is that it focuses on understanding the structures that make up phenomena and their relation to behavior (Uriona & Grobbelaar, 2019). The dynamic system model can build the causal relationships needed in the process of developing a policy so that it can be used as a tool to support effective government decisions. Implementation of the dynamic system model can produce quality policies by considering the effectiveness of these policies on various activities in other sectors which include policy consequences, information accuracy, and targeted actions (Coyle, 1996).

Theoretically, economic growth is dynamic. The theory of dynamic cycles refers to some stages that society must go through which do not end at the 'final stage' which is perfect, but ends at the stage of destruction, then cycles back to the initial stage for transition (change). This means that economic growth is always changing, not stagnant (Magill, 1978). This theory is also related to the longwave theory, which was investigated by Stosic et al. (2020) revealing that employment is not the only sufficient factor for economic growth. There has been a wave of technological innovation, financial instability, and infrastructure investment. The long cycle of economic growth is not always in a phase of progress, it could also be heading for a setback. The changes that occur can be small changes to big changes that have a big impact too. Even so, dynamic cycles are always directed toward linear transformation symptoms. Economic growth cannot be viewed only from one side. Because just one change in a particular sector can result in

changes in other sectors (Freeman, 1987). The theory of cycles in the understanding of the Muslim scholar Ibn Khaldun describes the social change as a wheel that is spinning. This means that the adoption of this theory can describe ongoing economic growth that cannot be avoided by anyone and cannot be controlled by anyone. According to this theory, the rise and decline of a nation's civilization have a correlated relationship with one another, namely challenges and responses (Kandiri, 2014). In an economic growth, if government policies can respond to challenges and can adapt, then development and progress will occur. Conversely, if they are unable to respond and adapt to challenges, they will experience setbacks, even destruction (Lyneis, 2009).

Relationship between Islamic Tourism and Islamic Economics

Sharia tourism is a tourism activity that is supported by various facilities and services based on sharia principles. This sharia principle is a principle of Islamic law related to various tourism activities explained by a fatwa issued by an authorized institution. Thus, sharia tourism must avoid all forms of religious prohibition and provide religiously permitted facilities such as halal food, hotels equipped with prayer facilities, and so on (Adinugraha et al., 2021; Rusby & Arif, 2020; Basrowi et al., 2020). Islamic tourism does not only have various sectors so that it can influence other sectors such as MSMEs, Islamic finance, transportation services, and trade (Menne et al., 2022). Studies reveal that the influence of Islamic tourism on the financial sector, and the development of Islamic tourism will affect Islamic economic growth (Srisusilawati, 2020). Society needs to instill sharia values through the process of education and exemplary (Yuswati, 2018). The development of physical and non-physical infrastructure for the Islamic tourism sector is an important part to be carried out as a new acceleration in supporting Islamic economic growth, including its regulations (Keliat & Sentanu, 2022).

Methodology

This research was conducted using a literature study with a synthesis of the qualitative research approach. Barnett-Page & Thomas (2009) explained that a meta-study has three components of analysis, namely meta-data-analysis, meta-method, and meta-theory. The meta-data-analysis research was carried out by processing relevant previous literature and government regulations related to the research theme. The data is then used to build a dynamic cycle model related to the development of sharia tourism. The research focuses on the economic growth of the halal tourism sector. The limitations of the simulation model built are based on basic analysis, the strategies that will be used to describe the phenomenon of sharia tourism in Indonesia, and trigger strategy sensitivity by implementing strategy identification, selection, and evaluation. The final limitation is to draw feedback from Ibn Khaldun's thinking and to test its impact on sharia economic growth with the context and policy objectives to be more consistent with current developments in sharia tourism. In the next stage, data analysis was carried out by comparing the selected previous literature to provide information that can be reduced to develop knowledge.

Results and Discussion

Ibn Khaldun's thoughts on the Dynamic Cycle Model

The first finding discusses the theme of Ibn Khaldun's thoughts on the Dynamic Cycle, namely an economic development model which is a practical decision-making support tool that allows for testing various scenarios of government policy formulation in developing the country's economy. Ibn Khaldun, with the full name Abu Zaid 'Abdurrahman bin Muhammad bin Khaldun al-Hadhrami (Arabic: *عبدالرحمن بن محمد بن خالدون الحضرمي*) (Mei 27, 1332 – March 19, 1406) is a Muslim historian from Tunisia and often referred to as the founding father of historiography, sociology, and economics (Benić, 2016). Ibn Khaldun explained scientifically the principles that govern the ups and downs of a country's development. Briefly summarized as follows;

“Sovereign power (al-mulk) will not be realized except with the implementation of sharia...; Sharia cannot be implemented except by a sovereign (al-mulk); Sovereignty will not gain power unless it is supported by human resources (ar-rijah); Human resources cannot be maintained except with property (al-mal); Property cannot be obtained except by development (al-imarah); Development cannot be achieved except with justice (al-adl); Justice is a yardstick (al-mizan) used by Allah to evaluate humans; and Sovereignty contains a charge of responsibility to uphold justice (Khaldun, 1989).”

This sentence of Ibn Khaldun's advice reflects the character of a dynamic cycle in developing a state policy for various existing sectors. These eight sentences are called eight wise principles (sentences of wisdom), where each factor is interrelated and cannot be separated from one another. Overall, the eight principles combine sharia (S), political authority (G), society (N), wealth (W), development (g), and justice (j) in an interdependent dynamic cycle. This cycle occurs in a chain reaction over a long period of at least three generations or an estimated 120 years. This dynamic process can show how moral, psychological, political, socio-economic, and demographic indicators interact throughout the period and have an impact on the country's progress or decline (Benić, 2016).

The role of human resources (N) is closely related to the dynamic cycle. This was stated by Ibn Khaldun who explained that humans have an important role in the progress and decline of civilization because humans are the goal and means of development. Humans are said to be the goal of development because welfare (Falah) is intended for humans. When prosperity is realized, humans can work effectively and creatively. Humans are said to be tools of development because new development can occur when humans have worked to build their lives. Ibn Khaldun added that the reason why messengers of Allah is aimed at improving humans and the institutions that influence them. Humans have the right and responsibility to strive to obtain an education and a decent socio-economic life in a country. The word of Allah Subhanahu wa ta'ala in the Koran, surah Ar-Ra'd (13) verse 11 which means,

“Surely Allah will not change the condition of a people before they change their condition. And if Allah wills evil against a people, then no one can reject it and there is no protector for them besides Him.”

Humans have a noble position and humans are perfect beings. Allah has appointed humans as caliphs on this earth as contained in the word of Allah Subhanahu wa ta'ala in surah Al-Isra (17) verse 70 and Lukman (31) verse 20 which means,

“And indeed, We have glorified the children of Adam, and We carried them on land and in the sea, and We gave them sustenance from the good and We have preferred them over many creatures that We have created with perfect advantages (QS. Al-Isra: 70). Do you not see that Allah has subjected what is in the heavens and what is in the earth to your (interests) and perfected His favors for you physically and mentally. But among humans, some argue about (the oneness) of Allah without knowledge or guidance and without a book that gives light (QS. Lukman: 20).”

From this verse, it can be understood that humans have a central role in economic development. Therefore, the size of the country's economic growth potential is strongly influenced by the quantity and quality of human resources. The role of development (g) and justice (j) becomes part of the second cycle, where if humans become the center of the analysis then development (g) and justice (j) become two hooks in the causal cycle. The dynamic cycle in Ibn Khaldun's model refers to all aspects of development so that G, S, N, W, j, and g are ultimately able to make a real contribution to human survival. Likewise with the role of justice (j) in supporting the creation of concern for fellow human beings, social equality, and guaranteeing state order and security. The role of sharia (N) builds human resources (N) in instilling good qualities such as obedience, honesty, integrity, simplicity, and togetherness in the development process and creating essential justice. Sharia refers to the values and rules for the behavior of human resources in fulfilling their rights and responsibilities (Saumantri, 2020).

Ibn Khaldun's next thought is about the role of the state (G) in a dynamic cycle. Ibn Khaldun emphasized that people who hold sovereignty (G) must have the good qualities demanded by religion and politics. He must be able to be tolerant, moderate, and fair and fulfill his responsibilities as the holder of sovereignty. The state must be obliged to guarantee the application of sharia and function as an instrument for human resource development and welfare. A sovereign state must provide the necessary resources to ensure justice (j) and development (g). The wealth of these resources depends on economic activity, market size, incentives, and facilities provided by the state. Theoretically, the greater the income, the greater the contribution to savings and the greater the investment in equipment and contribution to development (g) and wealth (W). Quoting Ibn Khaldun's statement about the role of investment in resource wealth,

“And know that wealth does not grow when hoarded and stored. It will grow and develop when it is spent for the benefit of people's welfare, to be given to those who are entitled, and to eliminate difficulties. The catalytic factors were low tax rates, security of life and property, and a healthy physical environment (Khaldun, 1989).”

It can be understood that the country's wealth will only grow and develop if it is used properly. Namely, use it for the benefit and welfare of society. In addition, wealth also depends on the division of labor and specialization. The greater the division of labor and specialization the higher the wealth. An increase in revenue will contribute to tax revenues and allow the government to spend more to meet people's needs. This can provide economic opportunities and development will further develop. So that it will encourage population growth, and labor migration throughout the country which in turn strengthens human capital. And conversely, a decrease in income can lead to a decline in tax revenues. The impact is that the state is unable to spend

for the welfare of the people which in the end undermines the ruling state.

Based on the cycle theory, it can be understood that the prosperity and destruction of a country will experience five stages. (1) The successful stage or the consolidation stage, in which state authority gains the support of the people ('asyabiyyah) and succeeds in overthrowing the previous sovereignty. (2) The tyrannical stage is the stage where the state leader tries to defend his sovereignty. (3) The prosperous stage is when sovereignty has been enjoyed and all efforts have been devoted to developing the country. (4) The stage of contentment, peace, and peace with everything that has been built by its predecessors. (5) The stage of extravagant and excessive life because the ruler becomes destructive and individualistic and only thinks about pleasure. This is the stage where the country is just waiting for destruction (Khaldun, 2011). At this stage, three generations will appear, namely the generation of builders with all their simplicity and solidarity; generations of connoisseurs who have benefited economically and politically; a generation that has no emotional connection with the country and does not care about the fate of the country. Ibn Khaldun explained that when the state has reached this third generation, the collapse of the state as a sunnatullah is imminent, the process of which will last for about a century (Wicaksono & Faizah, 2020).

The eight principles in the dynamic cycle put forward in Ibn Khaldun's thought emphasize the importance of the role of all stakeholders in playing their respective roles responsibly and in the fairest way to achieve common prosperity. Khaldun (1989) said that a great country starts from a society that has been forged with a hard life, poverty, and full of struggles. The desire to live in prosperity and be free from the troubles of life coupled with 'Ashabiyyah among them makes them try hard to realize their goals with a hard struggle. This dream then gave rise to a new civilization.

Economic Growth with Economic Cycles in the Halal Tourism Sector

The second finding explains the theme of the dynamic cycle contained in Ibn Khaldun's thought which can be implemented in Islamic Tourism Development. And learn how it impacts Sharia Economic Growth in Indonesia. The findings reveal that the Dynamic Cycle includes eight justice policies in government originating from Ibn Khaldun's thoughts on the theory of a country's development. The dynamic cycle in this finding is also related to justice for obtaining wealth in economic activities (through trade) that occur in sharia tourism activities.

Ibn Khaldun built a detailed Islamic economic development model that includes the relationship of interdependence between progress and decline in development, economic decline, and human resources. The model built by Ibn Khaldun provides answers on how to build economic progress quickly and continue to grow for several centuries, anticipate setbacks, and respond to the challenges faced by the country. Ibn Khaldun explained naturally.

Referring to the Dynamic System Model Simulation in Policy Formulation put forward by Lyneis (2009). The eight principles of dynamic cycles in the development of sharia tourism as a result of Ibn Khaldun's thoughts are illustrated in Table 1

GENERAL MANAGEMENT

Problem Structure	Identification of Potential Sharia Tourism Strategies based on eight wise principles	Evaluation of Problem Alternatives	Selection, Implementation, Government Strategy	Expected performance
Sharia tourism to encourage community economic recovery after the Covid-19 pandemic including income, business/muamalah opportunities, multi-player effect	<ul style="list-style-type: none"> - Efforts to develop infrastructure with the implementation of sharia, justice and sovereignty (al-mulk) - Outreach & training in human resources (ar-rijal) - Diffusion with property capital (al-mal) Development (al-imarah) Information technology - Local culture 	<ul style="list-style-type: none"> - Diffusion of central and local government policies - Policy innovation - Derivate sharia tourism development policies 	Based on eight wise principles, the policy network between policy design and impact on Islamic economic growth	Improving the community's economy, protecting foreign exchange opportunities as a source of income (state wealth) from sharia tourism

Table 1. Dynamic Cycle Activity of Sharia Tourism Development Policy Formulation
Source: Processed data, 2022

From table 1, it can be explained that there are three steps that the government can take for the development of sharia tourism using the dynamic cycle model based on Ibn Khaldun's thinking about eight policy principles in an economic development cycle. First, activities to identify problem structures that can describe a problem situation faced by sharia tourism in Indonesia. The correct problem structure must be able to reflect the reality that occurs in society. Collection of informational content and abstractions about values that drive solutions to sharia tourism problems including alternative solutions and possible solutions. Information on problems introduced in policies is very important as a basis for policy analysis to produce effective solutions. Previous studies stated that the development of sharia tourism requires various policies that are in favor of the sharia tourism sector and the collaboration of all stakeholders and increased consumer confidence. In Ibn Khaldun's thought, humans have an important role because they are the goal and means of development. This means that humans as stakeholders are the main tools of development that have the responsibility to create prosperity.

Second, identify potential strategies carefully as solutions in policies in the development of sharia tourism. Thus, Ibn Khaldun has provided a solution in economic development policies derived from eight wise principles. One of them is sharia. Ibn Khaldun explained that the power of sovereignty will not be realized except by implementing sharia. Da sharia cannot be implemented except by a sovereign. Its embodiment in the development of sharia tourism is contained in Law no. 10 of 2009 concerning Tourism and also Law No. 33 of 2014 concerning Guarantees for Halal Products. Likewise, sharia principles are more deeply discussed in the DSN Fatwa. Number, 108/DSN-MUI/X/2016. Year, 2016. Regarding, Guidelines for Organizing Tourism based on Sharia Principles. Other literature supports the importance of adopting a framework formulated by experts, namely Environmental, Social, and Government (ESG), namely the concept of eco-friendly tourism, tourism that can support social and cultural inclusion as well as a strong and sustainable tourism order.

Third, evaluate alternative activity strategies by providing information that when Islamic tourism development policies are not necessarily the alternative solutions offered will be accepted by the majority of policy-making members. Therefore, an

alternative solution is needed to ensure the discussion cycle continues. To answer this alternative solution, previous studies mentioned the importance of increasing digitization, and events, and promoting the excellence of Islamic tourism. Development of human resources towards a creative economy as a basic foundation for strengthening sharia tourism which includes accessibility, attractions, amenities, activities, accommodation, and ancillary.

Fourth, ensure the choice of problem solutions that are desired to be reduced in sharia tourism policies. The process of evaluating alternative strategies can help support the resolution of problems faced by Islamic tourism. Several studies have found problems that become obstacles and challenges in the development of sharia tourism in Indonesia. For example, lack of connectivity, basic services, and infrastructure; investment complexity and uncertainty, and business climate; hygiene and health which as a whole requires substantial financial support and human resources.

The following is an illustration of the activities of the dynamic cycle model in policy formulation which was developed based on the ideas of Ibn Khaldun and the theory put forward by Lyneis(2009). There is some information in Figure 1, where the dynamic cycle model approach is connected to some factors that can occur. The formulation of the eight principles of Ibn Khaldun's thought becomes the basic foundation for policies that will determine the possible connections between the role of human resources, the role of government, the role of wealth, and the role of justice. The current policy formulation involves systematic and continuous monitoring of performance as well as effective feedback on successes, problems, threats, opportunities, and experiences gained from the dynamic cyclical process of sharia tourism development. for 3 decades.

Going deeper, the analysis is usually triggered by significant deviations between actual and expected performance. This involves iterative structuring, testing, and refinement of various operational issues or strategies for dealing with gaps when they occur. Sharia tourism development policies must uphold sharia values, justice, sovereignty, and responsibility for the welfare of the people. This planning involves evaluating, selecting, and implementing strategies. Alternative strategies will depend heavily on the achievement of development goals

and the realities of current performance. Next is the control process of expected performance estimates against actual per-

formance which is monitored regularly.

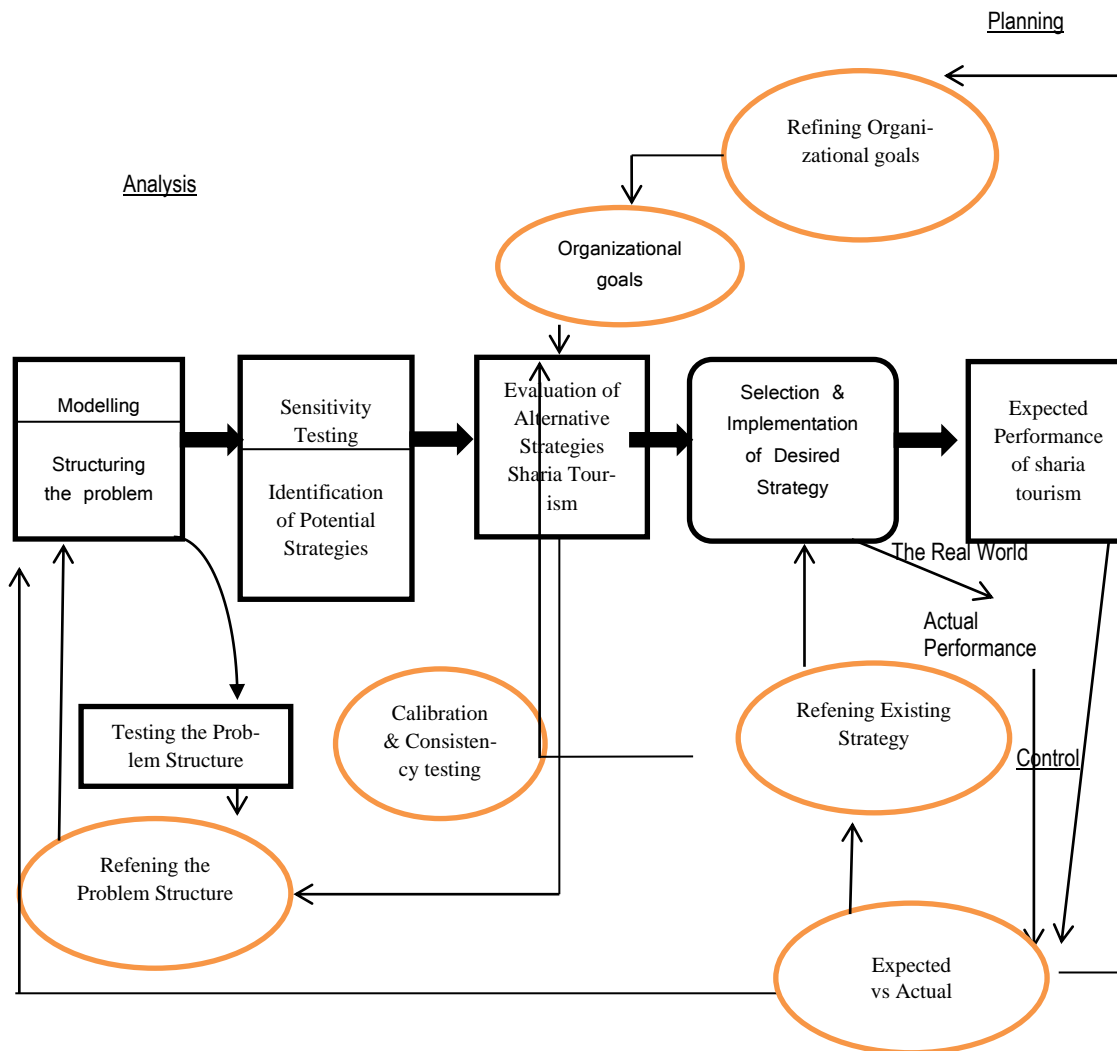


Figure 1. Dynamic Cycle Model in Policy Formulation
Sharia Tourism Development

Source: Processed data, Lyneis, 2009

Figure 1, describes a series of dynamic cycle activities that can be introduced in policy formulation which aims to provide early warning about the need for follow-up action so that policies can be effective. A series of dynamic policy formulation activities consists of information sources, methods, and references to establish feedback in a dynamic system (Andhika, 2019; Lyneis, 2009). Each activity is mutually connected in a cycle path by implementing the eight wise principles. Furthermore, several studies have investigated the steps for carrying out a dynamic cycle model study. First, the conceptualization stage (dynamic review), namely mapping the problems of problematic sharia tourism policy issues. Several practitioners and academics wrote about the identification of problems between the policies implemented and the identification of potential future successes of the designed policies. Second, formulation (feedback), namely activities to convert feedback into decisions and possibly be able to change what has been done to trigger other people to act. Thus allowing the emergence of new situations that will affect subsequent decisions. The model that is often used at this stage is the Causal Loop Structure etc. The

third stage, is validity testing, aspect validation, and policy analysis. This stage simulates the model and tests dynamic hypotheses, tests model assumptions, and tests model behavior and sensitivity to disturbances. The fourth step is the use of analysis tools (software) such as dynamo, I-think, and Vensim.

In the end, the dynamic cycle of the economic growth process will lead to direct penetration to build long-term and medium-term policies related to the negative projections of the modern economy and the threat of economic recession. For example, devaluing currencies, declining profitability, and increasing debt. And if the economy is under a cyclical phase, then it is not surprising that it is characterized by depressive features (Grinin et al., 2016). If the government's policy efforts encourage accelerated economic growth with a dynamic cycle that continues to improve over time, it will support the ongoing global economic recovery, including in Indonesia. Most economic actors, especially in the halal tourism sector, have to struggle with difficulties and wait until the wheels of the cycle make this sector grow again. This has been explained by that

economic growth will always rotate, experience changes, and not stagnate. The changes that occur can be small changes to big changes that have a big impact too (Magill, 1978).

Although some opinions reveal that the phenomenon of certain economic growth cannot be predicted to create an economic recession that makes vital sectors experience the lowest phase. The fact is, that it is only during the production phase that economic growth begins to sufficiently acquire the new fundamental characteristics of the struggle during Covid-19 for a steady and sustainable expansion. The development of this feature then causes the emergence of various kinds of cycle dynamics with various inhibiting factors. For example, the emergence of stagflation risks, economic uncertainty, global financial markets, increasing inflationary pressures, declining global populations, and geopolitical situations. (Jones, 2022; Menueta et al., 2020; Bagchi et al., 2020; Lea, 2019). Wang & Wang (2022) have explained in their study that in certain cases, the dynamic cyclical model of economic growth will require efforts to overcome it such as the role of labor and entrepreneurship to achieve the creative potential for the common good. Of course, the cycle that occurs cannot be uniform for all elements in the halal tourism sector, there will be different rhythms along with changes in the acceleration and deceleration phases caused by the exhaustion of available resources.

The cycle of 'dynamic capital' in the development of Sharia Tourism based on Ibn Khaldun's thinking emphasizes the importance of eight principles combining sharia (S), political authority (G), society (N), wealth (W), development (g), and justice (j). This dynamic cycle model will facilitate planning or assessing sharia tourism development which can be measured through complex information to generate conclusions and represent various actual phenomena with all the possibilities that influence them. So that the use of a dynamic cycle model can reflect the compatibility between reality and data and have an impact on future Islamic economic growth as part of Ibn Khaldun's rationale about the role of the state in development. His previous studies explained that there is no right or wrong approach and it is important for business people to ensure consistency in dynamic cycle factors (Sacca, 2013). The government needs to consider sharia tourism development activities that can have a positive impact on sharia economic growth if the eight principles are properly implemented according to sharia as stated in the laws and fatwas of the DSN MUI. The dynamic cycle model shows how the policy structure and external events together led to the performance of Islamic tourism in the past, and how future performance will develop to impact Islamic economic growth if the external structures, policies, and events differ.

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Conclusion

From the findings that the power of sovereignty (al-mulk), implementation of sharia, human resource support (ar-rijal), availability of property (al-mal), development (al-imarrah), embodiment of justice (al-adl), existence of yardstick (al-mizan) to evaluate humans, and responsibility is a cycle that occurs in building a country. The stages of this dynamic cycle can be a model of activity to help countries, especially actors in the development of sharia tourism, face the challenges and problems of the sharia tourism business. Prosperity as the goal of sharia tourism will only be obtained if stakeholders strive to realize their goals by implementing the eight policy principles. And in the end, raises a new Islamic tourism trend which will usually be followed by a decline in other trends. The dynamic cycle model aims to facilitate planning or assessing the development of sharia tourism. The dynamic cycle which contains eight policy principles that can be outlined in sharia tourism development policies will have an impact on the ups and downs of sharia economic growth. Thus this study concludes that the dynamic cycle in the Ibnu model on sharia tourism development includes the implementation of the eight principles in all sharia tourism sectors as contained in the DSN MUI fatwa No.108/DSN-MUI/X/2016 concerning Guidelines for Organizing Tourism based on Sharia Principles.

Implications, Limitations, and Future Research Directions

Practically, economic growth with a dynamic cycle can illustrate how this cycle encourages strategic policies on the halal tourism industry in Indonesia which tends to be not optimal. If the government fails to understand how this dynamic cycle works, the sectors that should be leading will experience setbacks. Theoretical implications support previous findings about the possibility of the dynamic cycle theory of economic growth having an impact and implementation in the halal tourism sector. This research has limitations because it only examines economic growth with a dynamic cycle which refers to one of the thoughts of Muslim scholars, namely the thought of Ibn Khaldun. Apart from that, the pilot study only focuses on the halal tourism sector using the relevant literature. Subsequent studies need to investigate more deeply the dynamic cycle of global economic growth by considering various sectors based on empirical evidence. And considering the various influences of religion (S), political authority (G), society (N), wealth (W), development (g), and justice (j) on other important sectors apart from halal tourism in the future

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