

The new “sub-economy” in Indonesia

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For more than two decades, Indonesia has seen the expansion of an important Islamic banking and financial sector. Less documented is the recent emergence of an “Islamic sub-economy” to use Timur Kuran’s expression. This sector is constituted of businesses that declare adhering to an Islamic ethic and cater to the growing market of Islamic consumption. This orientation has been considered by some as the only way to promote the growth of Indonesian Muslims and protect their interests in light of the Chinese minority’s economic prominence. In this process, it seems that Indonesia is also seeing the growth of a new type of self-defined “religious entrepreneur” among the middle-class. Religious mass-organizations and Islamist political parties are also taking this economic turn by setting up their own businesses and by using the motivational techniques of Western management to mobilize their adherents and compete on the “salvation goods market”. The increasingly de-structured modern urban life setting brings to the fore a new generation of charismatic figures who are preaching “pious materialism” and responding to the demands of those in search of meaning. Different case studies will be presented to better understand this phenomenon, as well as its social and political implications.

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