



Development Model of Halal Fashion Industry In Indonesia

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ABSTRACT: *The development of the financial industry continues to experience an increase, which is marked by the development of the halal industry, one of which is the halal fashion industry, according to the Global Islamic Economy Report 2017/2018 with the largest Muslim population in the world. Indonesia is still inferior to neighboring countries such as Malaysia who have started to develop the halal fashion industry first. Therefore a halal fashion development model is needed in order to compete with the country and remain on the path of halalness. This study aims to answer the problem formulation, namely: how the potential of the halal fashion industry in Indonesia and how to develop the halal fashion industry in Indonesia. The data of this study are collected from the literatures and the results of previous studies and then analyzed by descriptive analysis method. From the results of research conducted at several sources, researchers found some potential in Indonesia for the development of halal fashion industry, they are: First, the need for Halal Products (goods and services). Second, the diversity of Halal Products. Third, the completeness of Legal Framework. Fourth, many business actors in the Halal Product Market. Fifth, Export Needs of Halal Products.*

KEYWORDS: *Halal Products, Halal Fashion, Halal Fashion Industry Models*

INTRODUCTION

The development of Islamic economics in Indonesia has progressed quite rapidly. This was followed by the mushrooming of the Islamic finance industry in Indonesia, which indicated a fairly rapid development of Islamic economics which experienced significant progress. When viewed from this far the development of the Islamic banking industry has progressed quite well. It can be seen from the statistics of the Financial Services Authority in December 2018, stating that the number of Islamic banks in Indonesia has now reached 14 Sharia Commercial Banks (BUS), with a total of 478 Operational Headquarters (KPO), 1199 Sub-Branch Offices (KCP), and 198 Offices Cash (KK). While the number of Sharia Business Units (UUS) is 153 Operational Headquarters (KPO), 146 Sub-Branch Offices (KCP), and 55 Cash Offices (KK) (OJK: 2018).

But this achievement has not been followed by sharia-based industrial sectors such as; Halal food industry, halal fashion, halal travel, halal cosmetics and pharmaceuticals, halal media and recreation, Islamic finance. As Adiwarman Karim said, the thing that needs to be done to boost the market share of Islamic banking is to create a stable and sustainable economic and sharia financial ecosystem. One of them is working on other markets outside of finance, such as the halal life style of the community. According to him, "so far it has focused too much on the sharia financial sector. Now, it has been realized that there is not enough financial side, but also must be strengthened by people who need their finances (halal industry) so that halal life styles can be developed".

In Asian countries the halal industry has developed more rapidly than Indonesia. Like Thailand, which has confirmed as a state that has a halal kitchen, even though the percentage of Muslim communities in the country is only 5%. Then Australia has been producing and exporting halal beef. In the fashion category, South Korea is famous for its beauty industry that masters the halal cosmetics world. Furthermore, the People's Republic of China also dominates the world's halal textile industry. The world's Muslim population has touched 1.5 billion in 2010 and this population will continue to grow every year.

Table 1.1

World Muslim Population in 2010 (Kettaini: 2010)

Continent	Population	Muslim	Muslims	Muslim Ratio
Asia	4,184,149,728	27.44	1,148,173,347	69.38
Africa	1,031,761,881	6.74	49,545,462	2.99
America	939,510,388	1.03	9,704,062	0.59
Oceania	35,799,477	1.33	475,708	0.03
World	6,925,824,107	23.90	1,654,941,394	100



The data from the table above shows that the Muslim population throughout the world is estimated to reach 1.654 billion people with muslim population spread in the world in the Asian Continent, with a percentage of 69.38% and in the second position followed by the African continent with a percentage of 27.01%. Furthermore, in the third rank, the largest Muslim population is in the America, with a percentage of 0.59%, and followed by the Oceania with a Muslim population of 0.03%. The population will grow periodically by 1,705% each year.

If specified again, Indonesia has a Muslim population of 205,266,773 people and the most in Southeast Asia and will continue to increase every year. Pakistan became the largest Muslim population in southwest Asia, reaching 178,253,811 people. Then the Chinese state has a Muslim population of 54,439,473 people which is the country with the largest Muslim population in Eastern Asia. Whereas in Central Asia is dominated by the country of Iran with the number of Muslim population at 74,645,558 people. Then Turkey occupied the largest in Western Asia, reaching 74,983,021 people (Kettaini: 2010). When viewed from the total population, Indonesia is a country with the largest Muslim population in Asia compared to countries in the Asian region.

The Muslim population in Southeast Asia can be seen as follows:

Table 1.2
Population of Muslim Population in Southeast Asia (Kettaini: 2010)

Country	Population	Muslim %	Muslim	APGR%
Brunei	407,297	67.17	273,581	1.904
Cambodia	15,048,610	1.92	288,933	1.643
Indonesia	232,676,007	88.22	205,266,773	1.179
Laos	6,434,702	0.02	1,278	1.808
Malaysia	27,936,164	60.36	16,862,268	1.705
Myanmar	50,454,947	10.00	5,045,495	0.870
Philippines	93,652,595	5.06	4,738,821	1.851
Singapore	4,855,632	14.90	723,489	2.507
Thailand	68,207,210	4.56	3,110,249	0.654
Timor Leste	1,171,331	0.32	3,748	3.329
Vietnam	89,077,289	0.08	71,262	1.145
Total	589,921,784	40.07	236,385,907	1.247

Table 1.2 above illustrates the number of Muslim population in the Southeast Asia region. The population of Muslims in the Southeast Asia is dominated by Indonesia with a total Muslim population of 205,266,773, followed by Malaysia with a Muslim population of 16,862,268, and third by Myanmar with a Muslim population reaching 5,045,495 and the Philippines 4,738,821.

When viewed from the Muslim population in Indonesia, the population census survey data of the Central Bureau of Statistics states, in 2010 the population of Indonesia reached 237,641,326 people, with a Muslim population reaching 207,176,162 people. This illustrates that every year the Muslim population continues to grow from the previous 205,266,773 people with a percentage of 87.18 percent of the total population of Indonesia is Muslim (BPS: 2019).

If seen from the above data with a large Muslim population, this has become the market share of halal industries. By developing halal products it is not impossible for the Indonesian country to become the center of halal industries. With the high Muslim population in Indonesia indirectly it will increase domestic demand for halal products in Indonesia followed by international market demand.

In its development halal life style includes several industries, namely halal food, halal fashion, halal travel, halal cosmetics and pharmaceuticals, halal media and recreation, Islamic finance. The potential is quite large when seen from the large Muslim population in Indonesia in order to enter the top 10 halal industrial countries in the world. According to the Global Islamic Economy Report 2017/2018, Indonesia ranks 10th in the Islamic finance industry sector (Islamic Finance) and ranks 4th, in the halal travel sector, and ranks 8th, in the halal cosmetics and pharmaceuticals sector. In addition to the sector mentioned earlier, Indonesia is not included in the top 10 largest countries in the halal food industry, halal fashion, and halal media and recreation (Global Islamic Indicator: 2018)

In the halal fashion sector, countries that are members of the United Arab Emirates are still dominated, followed by second place Turkey, and as the third there are Italy, Singapore, France, China, Malaysia, India, Sri Lanka and Morocco. These countries have a minority Muslim population, but they can dominate the halal fashion sector (Global Islamic Indicator: 2018). The reality that occurs in the Indonesia with the largest Muslim majority population is not directly proportional to the halal fashion



industry.

In Indonesia, fashion continues to develop. This can be seen from the export value of domestic fashion products experiencing a trend that continues to increase by 10.48%, which is from US 11.28 billion in 2012 to US \$ 16.24 billion by the end of 2016. Meanwhile, during January-June 2017, the fashion export transaction that has been booked is US \$ 7.9 billion, equivalent to Rp. 102.7 trillion (exchange rate of Rp13 thousand). Some of the destination countries for Indonesian fashion exports include the United States, Switzerland, Japan, Singapore and Germany. Then, the government in this case the Ministry of Trade sees songket products as one of the mainstay products that can be developed to have added value and can also compete in the global market (Ministry of Trade: 2019).

With the large potential of selling power and demand from both domestic and local, a study and research for the development of halal fashion in Indonesia are needed. This potential must be supported by halal fashion products that can be accepted by consumers, especially the maintenance of the products offered. Specifically, the Qur'an has explained in Surah al-Baqarah verse 168, Allah confirms:

يَا أَيُّهَا النَّاسُ كُلُوا مِمَّا فِي الْأَرْضِ حَلَالًا طَيِّبًا وَلَا تَتَّبِعُوا خُطُوَاتِ الشَّيْطَانِ إِنَّهُ لَكُمْ عَدُوٌّ مُبِينٌ ١٦٨

Meaning:

O mankind, eat the halal good of what is on the earth, and do not follow the steps of the shaitan that are your real enemies

The verse only regulates globally about the rules for consuming an item, however, there needs to be more specific rules, because the development of the halal industry in fashion is increasing rapidly.

Then, in Article 1 of Law Number 33 of 2014 concerning Guaranteed Halal Products explained, products are goods and / or services related to food, beverages, drugs, cosmetics, chemical products, biological products, genetic engineering products, and goods worn, used, or utilized by the community. While the notion of halal products is products that have been declared halal in accordance with Islamic law.

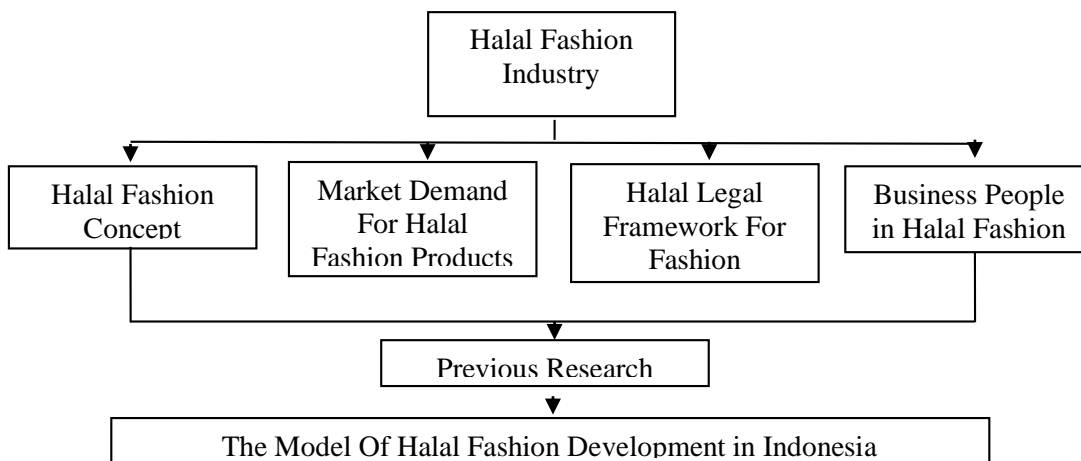
Therefore, here the author wants to examine the Development Model of Halal Fashion Industry in Indonesia, so that the halal fashion industry in Indonesia can become a halal fashion center by looking at the potentials in Indonesia. By looking at Indonesia's majority Muslim population of 85% and also supported by the high demand for halal fashion products, it is not impossible that Indonesia will become the world's halal fashion center.

RESEARCH METHOD

The method in this study uses descriptive material with a qualitative approach. By explaining the description of halal fashion products and the potential for developing halal products in Indonesia through research and literature. With the aim of making a systematic, factual, and accurate enunciation of the facts and nature of a particular population or area that will later find a model for the development of halal fashion products in Indonesia.

As for the concept of this research can be seen in the conceptual framework below :

Picture Research Concept





The research was conducted in several stages, namely the preliminary stage, reducing the data, presenting the data, presenting the model and drawing conclusions, the steps are as follow:

1. The preliminary stage is carried out by doing preliminary observations, finding the phenomenon of the problem and identifying the initial problem in the research and making a research proposal.
2. The second stage is the stage of reducing data by a process of synthetic thinking that requires intelligence and breadth and high depth of insight. While reducing data means summarizing, choosing the main things, focusing on things that are important to look for.
3. The third stage is the stage of presenting data, presenting data can be done in a brief description, chart, relationships between categories, flowcharts and etc. Data presentation carried out by the author is data from library studies and previous research related to the topic of discussion.
4. The fourth stage is the presentation of the model by interpreting the results and comparing the results of previous studies.
5. The stage of drawing conclusions is to conclude the results achieved and recommend to the relevant parties.

RESULT AND DISCUSSION

The Potential of Halal Industry in Indonesia

Indonesia is the largest Muslim-majority country in the world. In the religious direction, every Muslim is obliged to consume and use products that are guaranteed to be halal. Manufacturers are required to fulfill a large enough market demand related to the halalness of a product, starting from the raw material, the process until the product is ready for consumption. Therefore Muslims are required to find solutions to these problems.

Sharia economic developments continue to enter a positive trend. Indirectly, this is a breath of fresh air for the Muslim, because each aspects of life will change towards Islamic law which is desired by the Muslim people. Although the Islamic economic movement is relatively slow. The active role of the government as well as the positive response from the public in general to the development of Islamic economics, including the halal fashion product industry has become its own potential for domestic business. Therefore the author will explore the potential of the halal fashion industry for business people, it will be examined as follows;

a. Demand and Needs for halal products

Economic behavior, both consumption and halal production, in addition to meeting the demands of religious law, has also become a culture for Muslim communities in various parts of the world. One of the reasons for consuming halal products, aside from the aspect of hygiene, is the fulfillment of Islamic law. Based on data from the Indonesian Population Census in 2010, the population of Indonesia who embraced Islam accounted for around 88 percent of the total population of Indonesia. This number and proportion are predicted to continue to increase in the next few years. And the majority of the Muslim population is economically at the middle class level, which recently has increased its purchasing power. This middle class is believed to bring major changes in this country. They have finished and fulfilled their primary needs. But they will continue to look for ways to meet other needs, namely the need for expression and the need to fulfill spirituality. Islamic economics can be the answer to those needs. Islamic economics built on an economic system derived from Islamic teachings are believed to bring more economic justice. It can be the choice of the middle class because it is believed that being able to answer the needs of expression in economics and it can also answer the side of the spiritual needs (Amin: 2017). Muslims are more concerned with halal of what they eat or what they use rather than halal from the financial products they use (Shaukat: 2017). For example in Russia the recognition of halal products has exceeded the recognition limit and is now favored by all people who live a healthy lifestyle and choose halal goods because of their high quality (Halal Globe: 2018). In Europe the Muslim market or "halal market" is undergoing tremendous expansion, which has prompted many researchers and academics to engage and adjust the marketing rules of Islam in accordance with the reality of life in the West (Ameur: 2011). Halal market in London, most have not been touched because very few brands of global companies have found the key to truly resonating with consumers who demand very different rules of engagement. Young people, for example, encourage the demand for halal beauty products that fit their lifestyle and beliefs (Le Monle: 2017).

b. Various halal products



Increased public preferences in general towards halal products, making the diversity of halal products on the market also increasingly diverse, as with the derivatives of their products. The diversity of halal products is nothing but to fulfill the demand for products that are increasingly high, as explained earlier that the two main factors driving the demand for halal products are the need to fulfill Islamic law in economic behavior and increase the income of Muslim communities. Indonesia with a majority population is Muslim, of course the need for a diversity of halal products is high. Likewise, the Muslim population of the world, if seen from the quantity available, shows that the Islamic population in the entire world is currently estimated reaching two trillion. Spread throughout continents such as Asia, 805 million, Middle East, 210 million, Africa, 300 million, Europe 18 million and North America, 8 million people. And it is estimated that it will continue to grow 3.5% per year. The halal food industry is able to provide extraordinary benefits (Yaakob and Mariam: 2002). Wardah's Indonesian cosmetics sector also has made halal as its main motto in gaining market share supported by halal fashion through the motto of *hijabers* for its endorsers. Because a well-dressed lifestyle can support a harmonious social life (Yani: 2016). Syifa Fauzia also emphasized that young people nowadays must know halal values in their daily lives so that they can be familiar with halal lifestyle terms, for example by developing a *hijab lifestyle*.

c. Clear Legal Framework

The government has begun to show its sincerity in the effort to accelerate the growth and development of this sharia economic sector. The government has been intensively fixing several laws and regulations which are considered to be the inhibiting factors for the acceleration policy. The government as a legal ruler who has the power to make and run a country regulation has responsibility in sharia economic development, including the development of domestic halal product industries. After two decades of actively developing the domestic Islamic finance sector, in recent years the government has also been active in developing the Islamic economy in the real sector. In 2014 the government announced that Law No. 33 of 2014 concerning Halal Product Guarantee (JPH). In the Law consisting of 68 articles, it is affirmed that products that enter, circulate and trade in the Indonesian Territory must be halal certified. As for the purpose of the Act as contained in Article 3, that the Implementation of JPH aims, *First*, to provide comfort, security, safety, and certainty of the availability of Halal Products for the community in consuming and using the Products. *Second*, increasing added value for Business Actors to produce and sell Halal Products. At least there are two parties who will benefit from the existence of the Law, namely consumers as users of halal products and producers as providers of halal products. Furthermore, if demand is accompanied by supply, it will increase economic activity nationally. For consumers with the enactment of the Law on JPH, it will provide a sense of comfort in consuming and utilizing goods and services circulating in the market. So that for Muslim communities there is no need to feel anxious in consumption activities. In addition, with the adoption of the Halal Product Guarantee Bill (JPH Bill) on September 25, 2014 it also became an encouragement for entrepreneurs and producers to participate in the national halal industry movement. This is considering that regulations and legislation are a condition for producers and businesses to develop their business. In Indonesia, several regulations have been issued which implicitly move products that are compatible with religious principles, especially for food products circulating in the community. The existing laws and regulations aimed at protecting the public from the production and distribution of products that do not meet the requirements, especially in terms of quality, health, and religious beliefs, the existing laws and regulations such as; a. Minister of Health Regulation R1, No. 280 / Menkes / Per / XI / 76 concerning *provisions of Circulation and marking on foods containing ingredients originating from pigs*. b. Joint Decree of the Minister of Health and Minister of Religion No. 427 / Menkes / S K B / 85 concerning *inclusion of halal writing on food labels*. c. Presidential Instruction No. 2 of 1991 concerning *"increasing the guidance and supervision of the production and distribution of processed food"*. d. Decree of the Minister of Agriculture No. 41 3Kpts / TM / 3 I0 / 7 / T 992 about *cutting slaughterhouses and handling meat and their by-products*. e. Letter of Decision of the Minister of Health No. 924 / Menkes / SWVEII / 1996 (This decree is a joint decision between the Ministry of Health, Religion Department and MUI). And with the birth of the Law on JPH, as well as a positive response from the community, it is possible that other regulations will be issued to support the Law on JPH. As well as new rules relating to the halal product industry in Indonesia, so that the potential for the halal product industry can be optimally developed, both for business people and the community in general, or even bring in world large companies to invest in the halal product industry in Indonesia.

d. Many Offers in Halal Products



Indonesia has enormous potential and opportunities in the development of the Islamic financial industry, considering that Indonesia is a country with the largest Muslim population in the world. Large numbers of population provide potential for Indonesia, namely in the form of adequate resources that act as the actors and the users of Islamic financial products and services. The development of this sector has had a multiplier effect on other sectors. Especially the real sector, which is marked by the development of halal products. Islamic countries will be a potential target market with a large market size for various non-financial industry sectors, especially in consumer goods, fashion and tourism, as in market theory, that the large profits will attract business actors to enter the market, until profits reach zero. So it is not surprising that many countries have developed halal products, both for domestic needs, or for exports to countries with the majority of Muslim population. Some countries that are oriented to develop and become producers of halal products, such as, Malaysia. Malaysia is one of the countries that is quite serious in developing halal products in the world. Some of the efforts made to develop halal products include the establishment of the Halal Industry Development Corporation (HDC) and the construction of halal industrial zones, the Malaysian government also participated actively in developing halal products by utilizing technology and cooperating well with business people or academics. Besides Malaysia, other Southeast Asian countries are the Philippines, Thailand and Vietnam. The Philippines has responded well, to the phenomenon of the development of the world's halal industry, at least about 50 companies in the Philippines have received halal certification issued by the Philippines Islamic Da'wah Council (IDCP). Thailand and Vietnam are the same, even Thailand is one of the major producers of halal goods in the world. While China as the country with the largest trade value in the world, also a producer for the halal product industry, this can be seen from the type and value of exports of halal products produced by China, even further the main producers of Muslim clothing in Indonesia are China. Other Asian countries that develop halal products are Australia, which is the largest halal food exporter to Malaysia, by exporting beef. In addition, Australia also exports halal beef to various countries, one of them is Japan. Although Japan is also trying to become a halal food producer, this can be seen from a growing number of Japanese companies that develop and produce halal products made in Japan. (market intelligence) And among European countries that also develop halal products are England, France and New Zealand. The UK has developed a cosmetics industry and a halal butcher shop. Now almost all shopping areas in the UK are easily found halal butchers. New Zealand, as a country known for its meat exporters to various parts of the world, has been intensifying halal certification for a long time. Nearly 80 percent of meat companies in New Zealand have received halal certification. Indonesia in this case has great potential in the utilization of opportunities for the halal product industry, where one of the main factors is the relatively large Indonesian Muslim population, besides natural resources which can still be maximized to meet the demand for halal products. Therefore, the Indonesian government has always tried to encourage domestic business actors to engage in the halal product industry, for the sake of seizing the halal product market. one of the efforts of the Indonesian government is that the Government will use part of the funds from the country budget to help small and medium industry (IKM) actors get halal certificates. The total budget reaches Rp 5 billion (Ministry of Industry: 2018). In addition, the government also made industrial estates, in anticipation of the entry of halal goods from the outside, Ministry of Industry data shows, currently there are 74 industrial areas in Indonesia with a total area of 36.29 thousand hectares. Of that number, 50 of them are on the island of Java with an area of 26.12 thousand hectares, or around 71.9 percent of the total industrial land area (Ministry of Industry: 2018). The increasing number of world countries that dedicate themselves as producers of halal products, causing many business actors to capture market share from this sector. At present, the world halal market is valued at more than USD 2 trillion per year which includes industrial, food, medicine and cosmetics segments (Ministry of Trade: 2018) And this value is projected to always experience significant growth along with the increase in the world's Muslim population, projected by 2025, Muslim population is 30% of the world's population. This is the potential market that is contested by producers in trade among countries. As an illustration of the potential of the halal product industry, it can be described by global trade data, whose volume always experiences positive growth every year, assuming 2 to 3,6 percent as shown in 4.1. as well as the halal product industry, assuming the world's Muslim population is increasing and sharia compliance is carried out, the trade in halal products will also experience an increase in volume each year.

e. Export Demand

As explained earlier, that in addition to the increasing Muslim population, the world community's preference for halal products has also increased, world trade has always been positive,



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such matters have made export needs for halal products also increased. Of course this is an opportunity for domestic business actors. Currently, demand for halal products globally continues to increase. For the Southeast Asian market, exports of halal products reach 100 million dollars. This number has increased 100% compared to the previous year, which only reached 50 million dollars. Meanwhile, the growth of the export value of halal products from Indonesia in 2011 amounted to 11.17% (kemenperin: 2018) The need for halal products, not only in the Arab country or the majority Muslim population, but seemed to have become a lifestyle and needs of the people in the world. The halal food product market, which is the main business portion of the world, is in Muslim majority countries such as Algeria, Bahrain, Egypt, Indonesia, Iran, Iraq, Jordan, Kuwait, Lebanon, Yemen, Malaysia, Morocco, Oman, Qatar, Syria, Saudi Arabia, Tunisia, Turkey and the United Arab Emirates. Some capital to seize the world halal product market, in principle, is already owned by domestic businesses, one of them is formal legal (halal certificate) to produce and distribute halal products, which are not limited to food and beverage products, in this case Indonesia has MUI whose *fatwa* (rules) and halal certificate have been recognized by the world. Coupled with the passing of the Halal Product Guarantee Act. According to data from the Brand Research Institute, Inc., the total market for halal products in Japan as a whole is around US \$ 919 million. The Muslim population in Japan is estimated to be around 185 thousand people, with a composition of 50 thousand Japanese people, and the rest are foreigners living in Japan. The market for halal food products in Japan is strongly influenced by the number of foreign arrivals to Japan, and the market for halal food products in Japan is expected to continue to increase with the increase in foreign tourists visiting. Two countries with the majority Muslim population who frequently visit Japan are citizens of Indonesia and Malaysia, other countries in Asia that have the potential to become export destinations for Indonesian halal food products are Malaysia. But unfortunately until now Indonesia is still ranked fourth after Australia, China and New Zealand in terms of exporting halal food and beverage products to Malaysia. Even though Indonesia is very likely to market halal food and beverage products in Malaysia because the halal certification issued by the Indonesian Ulama Council (MUI) has been recognized by halal authorities in Malaysia. Other countries that are targeted to become Indonesia's export destinations are OIC countries. In the food sector, especially commodities of meat and live animal, OIC countries annually import these commodities at 15.4 billion US dollars each year and 91% of these imports come from countries that are not affiliated with the OIC while in the European Union, despite the population Muslims are a minority and the number is small, the growth in demand for halal products, especially food and beverages is quite large due to high purchasing power, such as in France and the Netherlands. In France, residents spend 30% of their income on halal food. The quantity of meat food consumption is around 400 thousand metric tons a year. "*Diversity Baby-Boomers Du Halal*" or the era of birth of halal product variations began in 2009 marked by the rise of halal food products launched, not only by small entrepreneurs, such as meat sellers, but also French national companies, such as Fleury Michon, Herta, Knorr, Labeyrie, Liebig, and Maggi. The company is investing in halal products by launching a variety of products. While in the Netherlands, as reported by the *halalguide.com* website cited by the Indonesian Ministry of Trade's export news, halal food is not only consumed by Muslims, but also non-Muslims, so the total halal market demand is able to reach 2.8 billion dollars per year. For Indonesia, it is estimated that there will be an increase in demand for halal meat food products reaching 1.3 million metric tons a year. The large potential of the world's halal product industry, an opportunity and challenge for the country of Indonesia, is an opportunity because Indonesia has capital both human resources, natural resources and supporting institutions for halal products in this case MUI (Indonesian Ulama Council) and some formal legal regulations already exist, so that domestic businesses can take advantage from all of them to capture the opportunity for the halal product industry to become a challenge because along with the large share market in the halal product industry, other countries also dedicate and prepare themselves to become halal products producers of the world. If Indonesia is not able to develop halal products, then Indonesia will forever be the market for halal products for exporters countries of halal products. Therefore, cooperation between the stakeholders of the halal product industry is needed, starting from the government, institutions related to halal products, business people and the general public. Public awareness is needed to consume halal products domestically, by itself will protect from imported halal products. So that Indonesia is able to become a producer of halal products in the world, and the development of Islamic economics in Indonesia, both the financial sector (monetary) and the halal product industry sector (real sector) can develop optimally.



CONCLUSION AND RECOMMENDATION

Based on the results and discussion, the conclusions can be drawn as follows:

Firstly, The need for Halal products (goods and services). Economic behavior, both consumption and production of halal food, in addition to fulfilling the demands of Islamic principles, has also become a culture for Muslim communities in various parts of the world. As for the global level, the total of Muslim population is projected to increase from 1.6 billion in 2010 to 2,2 billion in 2030. This will certainly be a separate driving force for the world's halal product industry, because demand for halal products will be comparable straight with an increase in the Muslim population. The demand for halal products in fact does not only come from Muslims, but also from non-Muslims, this is due to the increasing preference of non-Muslims to consume halal products.

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