

ABSTRACT

Islamic banks as an essential element of the Islamic financial system should play an important role in realizing the values and principles of Maqashid Sharia as an Islamic goal, from protecting private property rights to safeguarding the public and environmental benefits. However, in its development, there have been many criticisms directed at the Islamic banking industry for not being able to realize the aspirations of the Islamic Moral Economy (IME) which is the moral foundation for the Islamic financial system as reflected by Maqashid Sharia.

This study aims to analyze the social performance of Islamic banks in Indonesia in the 2015 – 2019 period with Maqashid Sharia ratios based on the IME foundation. Abdul Majid Najjar's concept of Maqashid Sharia was adopted to build a suitable evaluation framework. This study uses content analysis which is carried out simultaneously by analyzing several financial indicators and applying multi-attribute decision-making methods to produce overall performance results. The type of data used is secondary data in the form of annual reports from the official website of each Islamic bank.

The results of this study indicate that by involving Maqashid Sharia in measuring the social performance of Islamic banks, Bank Syariah Mandiri (BSM) is ranked first, Bank Negara Indonesia (BNIS) is ranked second, and Bank Rakyat Indonesia Syariah (BRIS) is ranked third.

Keywords: Maqashid Sharia, Islamic Bank, Performance