



The Influence of the Role of Islamic Financial Institutions on Optimizing Islamic Economic Policy Through Increasing Productive Financing in Bangka Belitung Province

Efendi Sugianto¹, Mohamad Makrus², Afrizal³

^{1,2,3} Universitas Pertiba Pangkalpinang

E-mail: efendisugiin@gmail.com, mohamadmakrus01@gmail.com, afrizalpkp@gmail.com

Inputted : October 03, 2025
Accepted : November 10, 2025

Revised : October 14, 2025
Published : November 29, 2025

ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh peran lembaga keuangan syariah (LKS) dalam mengoptimalkan kebijakan ekonomi politik syariah melalui peningkatan pembiayaan produktif di Provinsi Bangka Belitung. Latar belakang penelitian ini adalah rendahnya proporsi pembiayaan produktif yang disalurkan oleh LKS, karena sebagian besar dana masih difokuskan pada sektor konsumen, sehingga tidak berkontribusi secara optimal terhadap pengembangan ekonomi regional. Dengan menggunakan pendekatan kuantitatif menggunakan metode Structural Equation Modeling (SEM), penelitian ini melibatkan 120 responden yang terdiri dari karyawan LKS, nasabah, UMKM, dan pembuat kebijakan regional. Hasil penelitian menunjukkan bahwa peran LKS memiliki pengaruh positif dan signifikan terhadap peningkatan pembiayaan produktif dengan koefisien regresi 0,68 dan tingkat signifikansi di bawah 0,05. Pembiayaan produktif juga memiliki pengaruh signifikan terhadap optimalisasi kebijakan ekonomi politik Islam dengan koefisien regresi 0,72 dan nilai R^2 sebesar 0,73. Variabel pembiayaan produktif berperan sebagai mediator penting dalam memperkuat hubungan antara peran LKS dan kebijakan ekonomi Islam, terutama melalui sektor UMKM, pertanian, dan perikanan. Temuan ini mengonfirmasi relevansi teori keuangan Islam dan prinsip-prinsip maqashid al-syariah, serta menekankan pentingnya sinergi antara pemerintah, LKS, dan masyarakat dalam membangun ekosistem ekonomi Islam yang adil, inklusif, dan berkelanjutan.

Kata Kunci: Institusi keuangan Islam, optimasi kebijakan, politik ekonomi Islam, pembiayaan produktif

ABSTRACT

This study aims to analyze the influence of Islamic financial institutions (IFIs) on the optimization of Islamic economic policy through increased productive financing in the Bangka Belitung Islands Province. The background to this study is the low proportion of productive financing channeled by IFIs, as most funds are still focused on the consumer sector and therefore do not contribute optimally to regional economic development. Using a quantitative approach with the Structural Equation Modeling (SEM) method, the study involved 120 respondents consisting of ISI employees, customers, MSME actors, and regional policy makers. The results show that the role of ISIs has a positive and significant effect on increasing productive financing with a regression coefficient of 0.68 and significance below 0.05. Productive financing also has a significant effect on the optimization of Islamic economic policy with a regression coefficient of 0.72 and an R^2 value of 0.73. The variable of productive financing plays an important mediating role in strengthening the relationship between the role of LKS and Islamic economic policy, particularly through the MSME, agriculture, and fisheries sectors. These findings confirm the relevance of Islamic finance theory and the principles of maqashid al-syariah, and emphasize the importance of synergy between the government, Islamic financial institutions, and the community in building a fair, inclusive, and sustainable Islamic economic ecosystem.

Keywords: Islamic financial institutions, policy optimization, Islamic economic policy, productive financing.



How to cite:

Sugianto, E., Makrus, M., Afrizal. (2025). The Influence of the Role of Islamic Financial Institutions on Optimizing Islamic Economic Policy Through Increasing Productive Financing in Bangka Belitung Province. *Journal of Islamic Economics*, 2(3), 24-40. DOI: <https://doi.org/10.62872/nstc4b78>

INTRODUCTION

The development of Islamic financial institutions (LKS) in Indonesia shows a trend that continues to increase along with the growing public awareness of Islamic economic principles, Islamic finance is present as an alternative economic system that prioritizes justice, transparency and blessings in economic activities (Judijanto et al., 2025), in the national context Islamic financial institutions have a strategic role in driving the real sector through profit-sharing-based financing, the increase in the number of assets, office networks and variations of financial products shows the great potential of this system to strengthen the community's economy, however, the effectiveness of the role of LKS is very dependent on the extent to which this institution is able to channel financing productively and sustainably (Wulandari et al., 2025).

In the Bangka Belitung Islands Province, the regional economic potential based on the mining, fisheries, and tourism sectors needs to be developed through an Islamic economic approach. The application of sharia principles in financing is expected to encourage productive economic activities that are equitable and sustainable (Tambunan et al., 2024). The local government has demonstrated its commitment to Islamic-based economic policies through support for Islamic financial institutions. However, the challenges in optimizing Islamic economic policies remain significant, especially in terms of harmonizing regional regulations, the availability of financing access, and public financial literacy. Therefore, synergy between the government and LKS is needed to create an inclusive and competitive economic system.

The role of Islamic financial institutions in the framework of Islamic economic politics is not only limited to providing financial products, but also as agents of economic development of the people, through productive financing, LKS is expected to be able to drive superior regional sectors that are oriented towards community welfare, productive financing becomes an important instrument in encouraging investment, creating jobs, and increasing community income, in the context of Islamic economics financing oriented towards productive activities reflects the values of distributive justice and social responsibility, therefore increasing productive financing by LKS becomes an important mediating factor in optimizing Islamic economic political policies (Maulidizen, 2025).

Islamic political economic policies at the regional level serve as guidelines for the development of an economic system based on sharia values, optimization of this policy requires real implementation in the fields of financing, resource management and community empowerment (Midu & Yusuf, 2024), in this case Islamic financial institutions play a dual role, namely as providers of productive capital and as partners of the government in channeling Islamic economic policies to the community, the effectiveness of the policy is highly dependent on the ability of LKS in linking macro policies with microeconomic practices, thus the study of the relationship between the role of LKS and Islamic political economic policies is very relevant to be studied empirically.

The problems that arise in the field show that productive financing carried out by Islamic financial institutions (LKS) in the Bangka Belitung Islands Province is still not running optimally, most of the financing portfolio is still dominated by the consumer sector, such as household financing, vehicles and personal needs, while productive

sectors have not become the main priority, even though productive sectors such as mining, agriculture, fisheries, trade and micro, small and medium enterprises (MSMEs) have great potential in creating jobs and improving community welfare, this imbalance shows a gap between the idealism of Islamic economics which emphasizes the value of productivity and the reality of implementation in the field (Amalia, 2021).

The financing conditions that are still consumer-oriented have an impact on the less than optimal contribution of Islamic financial institutions to regional economic growth, the role of Islamic financial institutions should not only be as financial intermediary institutions, but also as a catalyst for economic development based on Islamic values, when productive financing has not received an adequate portion, the economic potential of the community cannot develop optimally, the impact is that regional economic competitiveness is low and dependence on consumer financing is increasing, this phenomenon shows the need for a strategy to strengthen the role of Islamic financial institutions (LKS) in channeling funds to real sectors that provide added economic value (Muzakky, 2024).

However, behind these challenges there are great opportunities for Islamic financial institutions to expand their roles and contributions through optimizing productive financing, by directing more funds to productive sectors, LKS can become a driving force for equitable and sustainable economic development, this optimization will also strengthen the implementation of Islamic economic political policies in real terms (Wulandari et al., 2025) where the values of justice, balance and welfare can be realized in economic practices, through effective and measurable productive financing, Islamic financial institutions are expected to be able to provide a positive impact on regional economic growth and strengthen the economic base of the people in the Bangka Belitung Islands Province.

Empirical studies on the influence of the role of LKS on Islamic economic policies are still relatively limited, especially in the context of island regions such as Bangka Belitung, whereas, the unique economic characteristics of the region require a policy approach that is adaptive to local conditions, so in the perspective of Islamic economics, productive financing is not only aimed at obtaining profits, but must also provide social benefits and improve community welfare (Mursal, 2020), thus this research is important to conduct to quantitatively analyze how the role of LKS can influence the optimization of Islamic economic policies through the mediating variable of productive financing.

This study aims to analyze in depth the influence of the role of Islamic financial institutions on optimizing Islamic economic political policies through increasing productive financing in the Bangka Belitung Islands Province, in the context of a developing regional economy, Islamic financial institutions have a strategic position as drivers of economic activities based on the values of justice, balance, and welfare, therefore this study seeks to reveal how the real contribution of Islamic financial institutions can strengthen the effectiveness of Islamic economic policies at the regional level, this analysis is important considering that there is still a gap between normative Islamic economic policies and practices in the field (Absarihim, 2025).

Specifically, this study aims to measure the extent of the role of Islamic financial institutions in encouraging the implementation of Islamic economic policies that are oriented towards improving people's welfare through productive financing. Productive financing is an important instrument in supporting real economic activities, especially in productive sectors such as MSMEs, agriculture, and creative industries. This study also attempts to describe how profit-sharing financing mechanisms and sharia principles are able to suppress speculative economic practices and create economic

justice. Thus, the role of Islamic financial institutions is expected to be not only financial but also social and moral.

The quantitative approach was chosen in this study to obtain empirical evidence regarding the relationship between the variables studied, through statistical analysis, this study will measure how much influence the role of Islamic financial institutions has on optimizing Islamic economic policies, both directly and through mediating variables of increasing productive financing (WAHYUNI, nd), quantitative data obtained from respondents such as financial institution managers, customers and MSME actors will provide an objective picture of the extent to which synergy between public policy and Islamic financial institutions is realized in the field, the results of this measurement will be the basis for providing policy recommendations based on scientific evidence.

The theoretical benefits of this research are to enrich the body of knowledge in the field of Islamic economics, especially regarding the interaction between public policy and Islamic financial institutions. The results of this research are expected to strengthen theories that explain how Islamic financial institutions are able to play a role as agents of equitable and sustainable economic development. In addition, this research can also contribute to the development of a model of the relationship between Islamic economic policy, productive financing, and regional economic growth. Thus, this research has academic value that can be used as a reference by other researchers in the field of Islamic economics.

Practically, the results of this study are expected to be a consideration for local governments in formulating policies that are more responsive to the development of the Islamic economy, the government can use the results of this study to strengthen collaboration with Islamic financial institutions in encouraging productive financing based on Islamic values, on the other hand Islamic financial institutions can also use the results of this study as a reference in developing more effective business and service strategies in supporting Islamic economic policies, with this synergy the direction of economic development in Bangka Belitung can be more focused and equitable (Fadila & Soumena, 2025).

In addition to academic and practical benefits, this research also has strategic value in supporting the national sharia-based economic development agenda, with the increasing role of Islamic financial institutions in the productive sector, it is hoped that an independent, competitive and inclusive economic ecosystem will be created, this research can also be a basis for policy makers in evaluating the effectiveness of existing Islamic economic policies (Nugraha, 2025), in the end the results of this research are expected to be able to provide a real contribution in realizing an economic system that is socially just, balanced and oriented towards the welfare of the wider community in the Bangka Belitung Islands Province and Indonesia in general.

Thus, this research not only contributes to the development of theory in the field of Islamic economics, but also presents significant practical implications for the formulation of regional economic policies, the results of this research are expected to be a scientific basis in strengthening the synergy between Islamic financial institutions, local governments and productive economic actors, through an empirical understanding of the relationship between the variables studied, this research can help identify factors that influence the successful implementation of Islamic economic policies at the local level, in addition, the findings of this research can be used as a reference in designing sharia-based economic strategies that are more adaptive to the social and economic conditions of the Bangka Belitung community.

Furthermore, this research is expected to be a bridge between the academic world and public policy practice in the context of Islamic economic development, synergy

between researchers, policy makers and financial institutions will strengthen efforts to realize a just, transparent and sustainable economic system, the results of this research also have the potential to be important input for the government in increasing the effectiveness of economic empowerment programs based on Islamic values, with this collaboration, it is hoped that economic development in the Bangka Belitung Islands Province can grow more inclusively, be highly competitive and provide real benefits for the welfare of society as a whole.

The literature review in this research is based on Islamic economic theory and financial intermediation theory which emphasizes the importance of the role of financial institutions in supporting productive economic activities, in the perspective of Islamic economics, Islamic financial institutions (LKS) function not only as financial institutions that distribute funds, but also as social and moral instruments to achieve the welfare of the people (falah), this theory explains that the Islamic financial system must avoid the practices of usury, gharar, and maisir and prioritize the principle of justice in every transaction, thus the role of Islamic financial institutions is expected to be able to create a balance between economic interests and spiritual values of society.

Theory of the Role of Islamic Financial Institutions, the role of Islamic financial institutions can be explained through the theory of intermediation institutions which emphasizes that financial institutions act as a liaison between parties who have excess funds (surplus units) and parties who need funds (deficit units), in the context of sharia this function is carried out with the principles of justice and profit sharing, according to Antonio (2011), Islamic financial institutions have the main function of collecting and distributing funds for productive activities in accordance with sharia principles, through financing instruments such as mudharabah, musyarakah, murabahah and ijarah, LKS is expected to strengthen the real sector and grow the community economy.

The concept of Productive Financing, productive financing is one form of implementation of Islamic economic values that emphasizes the importance of production-based economic activities and investment, according to Karim (2013), productive financing is the distribution of funds aimed at increasing production capacity, income and employment, productive financing is different from consumptive financing because it provides a double effect on economic growth and community welfare, in the context of Islamic financial institutions, productive financing is a reflection of the social and economic mission carried out by the institution to create economic justice and equal distribution of welfare.

Islamic economic political policy, a theory that is an effort by the government and policy makers to regulate economic activities based on sharia principles, according to Chapra (2000), Islamic economic policy aims to create a balance between economic efficiency and social justice through ethical market mechanisms, Islamic economic politics also emphasizes the role of the state in supervising and directing the economy so that it does not deviate from Islamic values, in the context of Bangka Belitung this policy includes strengthening sharia financial institutions, empowering sharia-based MSMEs, and increasing Islamic economic literacy in society.

The relationship between Islamic financial institutions and Islamic economic policy is reciprocal and mutually reinforcing. Islamic financial institutions implement Islamic economic policy in the financial sector, while Islamic economic policy provides regulations that support the development of these institutions. According to Ascarya (2015), the synergy between public policy and the role of Islamic financial institutions can accelerate the achievement of Islamic economic goals, namely equality, productivity, and economic stability. In other words, the stronger government policy support for the

Islamic financial system, the greater the role of Islamic financial institutions in driving regional economic growth.

Previous Research on LKS and Productive Financing, from several previous studies have shown the importance of the role of Islamic financial institutions in encouraging productive financing, for example research by Huda and Heykal (2014) shows that productive financing through *musyarakah* and *mudharabah* has a significant effect on regional economic growth, similar research by Rahman (2019) also confirms that LKS that focus on real sector financing have a positive impact on increasing community income and employment absorption, so these results strengthen the argument that the role of Islamic financial institutions is very strategic in building a just and sustainable Islamic economy.

Previous research on Islamic Economic Policy, research conducted by Nasution (2021) shows that local government policies based on Islamic economics can strengthen the performance of Islamic financial institutions through the provision of conducive regulations and incentives, then the results of other research by Aisyah (2020) highlight that Islamic economic policies that are implemented consistently can increase public trust in the Islamic financial system, thus the effectiveness of Islamic economic policies is highly dependent on the synergy between the government, financial institutions and the community as the main economic actors, this study strengthens the relevance of research conducted in Bangka Belitung as a regional empirical study.

Based on various theories and previous research, it can be concluded that the role of Islamic financial institutions and Islamic economic policies has a strong relationship in encouraging regional economic growth, but most previous studies have focused more on macro or national aspects, while studies at the regional level, especially in the Bangka Belitung Islands Province, are still limited. In addition, there are not many studies that place productive financing as a mediating variable between the role of Islamic financial institutions and Islamic economic policies. Therefore, this study is here to fill this gap and provide an empirical contribution to the development of Islamic economics in the region.

The framework of this research is built on the basis of the conceptual relationship between the role of Islamic financial institutions (LKS), increasing productive financing and optimizing Islamic economic policy. LKS is seen as one of the important pillars in the Islamic economic system that functions to channel public funds to productive sectors, through a profit-sharing-based financing mechanism and the principle of justice, LKS is expected to contribute to sustainable economic development, thus the active role of LKS in managing funds productively is a major factor in strengthening the effectiveness of Islamic economic policies in the region.

The role of Islamic financial institutions has a significant influence on increasing productive financing. Optimally functioning Islamic financial institutions will be able to channel funds to real sectors with high added value, such as agriculture, trade, and MSMEs. This productive financing not only drives economic growth, but also reduces social inequality and improves community welfare. In the context of Islamic economics, the distribution of productive financing is a manifestation of the application of the value of distributive justice. Therefore, the stronger the role of Islamic financial institutions in carrying out their intermediation function, the higher the level of productive financing that can be achieved.

Productive financing has an important position as an instrument that bridges between Islamic economic political policies and their implementation in the economic life of society, when productive financing runs optimally, the implementation of Islamic

economic policies can be realized more concretely, for example through increasing economic independence, empowering MSMEs, and strengthening the real sector, Islamic economic political policies demand a fair and participatory financial system, thus increasing productive financing is a reflection of the successful implementation of Islamic economic policies at the regional level such as the Bangka Belitung Islands Province.

Within the framework of this research, it is assumed that the role of Islamic financial institutions directly influences the optimization of Islamic economic policy. However, this relationship is also mediated by the variable of productive financing. This means that the more effective the role of Islamic financial institutions in increasing productive financing, the more optimal the implementation of Islamic economic policies in the region. This mediation mechanism explains that Islamic financial institutions are not only providers of funds but also actual implementers of Islamic economic policies through real economic activities. In other words, productive financing serves as a bridge that strengthens the relationship between economic policies and Islamic financial institutions.

Based on the theoretical basis and framework of thought, the research hypothesis can be formulated as follows:

H1: The role of Islamic financial institutions has a positive and significant influence on increasing productive financing.

H2: Increasing productive financing has a positive and significant impact on optimizing Islamic economic political policies.

H3: The role of Islamic financial institutions has a positive and significant influence on the optimization of Islamic economic political policies.

H4: Productive financing mediates the influence of the role of Islamic financial institutions on optimizing Islamic political economic policies in the Bangka Belitung Islands Province.

METHOD

This study uses a quantitative approach with the aim of testing the influence between variables empirically and measurably, the quantitative approach was chosen because it is able to provide an objective picture of the relationship between the role of Islamic financial institutions, increasing productive financing, and optimizing Islamic economic political policies, this study is also explanatory, namely explaining the causal relationship between variables through statistical analysis, this method allows researchers to identify how much the independent variable contributes to the dependent variable directly or through mediating variables, thus the results of the study can provide strong scientific evidence to support the formulated hypothesis (Hamdi & Rahmat, 2023).

This research was conducted in the Bangka Belitung Islands Province, focusing on Islamic financial institutions such as Islamic banks, Islamic insurance and Islamic cooperatives operating in the region, the location selection was based on the consideration that Bangka Belitung is an area with developing economic potential and has a strong Muslim community base, the research was carried out over a certain period which includes the instrument preparation stage, field data collection to analysis of results, economic conditions and the development of Islamic financial institutions in this area are an important contextual background for understanding the effectiveness of Islamic economic policies at the local level (Rustariyuni et al., 2023).

The population in this study includes all parties directly involved in the activities of Islamic financial institutions, namely managers, customers, MSMEs receiving

financing, as well as officials or regional policy makers, because the population is quite large, this study uses a purposive sampling technique, namely selecting samples based on certain criteria that are relevant to the research objectives, the number of respondents used as samples is estimated at around 150–200 people to obtain representative results, the main criteria for respondents is having at least one year of experience in interacting with Islamic financial institutions or sharia-based economic policies (Farizki & Ansori, 2024).

This study uses two types of data, namely primary data and secondary data, primary data is obtained through distributing questionnaires to predetermined respondents, while secondary data is collected from various literature, annual reports of Islamic financial institutions, publications of Bank Indonesia, OJK and previous research, this secondary data serves to strengthen the analysis and provide context to empirical findings in the field, the combination of these two types of data is expected to provide a comprehensive picture of the actual conditions of productive financing and the effectiveness of the role of Islamic financial institutions in supporting Islamic economic policies in Bangka Belitung.

The main instrument in this study was a closed questionnaire with a Likert scale of 1–5, in which respondents were asked to provide assessments of statements related to the research variables, the variable of the role of Islamic financial institutions was measured through indicators of intermediation function, sharia compliance, social services and economic empowerment, the variable of productive financing was measured through indicators of increased investment, labor absorption, productivity, and strengthening of MSMEs, while the variable of Islamic political economic policy was measured based on policy effectiveness, regulatory support, community participation, and the sustainability of Islamic economic programs. This instrument was first tested for validity and reliability before use.

The data collection technique was carried out by distributing questionnaires directly and online to respondents spread across several districts/cities in Bangka Belitung, before filling it out, the researcher provided an explanation regarding the purpose of the research and how to answer each statement in the questionnaire, additional data was also collected through short interviews and documentation to strengthen the interpretation of quantitative results, the entire data collection process was carried out by paying attention to research ethics, maintaining respondent confidentiality and ensuring the validity of the answers given, a data triangulation approach was used to increase the validity of the research results (Ramadhan, 2022).

Data analysis was conducted using inferential statistical analysis through the Structural Equation Modeling (SEM) or Partial Least Squares (PLS) approach, this analysis is used to test direct and indirect relationships between variables, as well as to see the mediating role of productive financing. Validity, reliability and goodness of fit tests were conducted to ensure the research model meets statistical requirements, in addition, the coefficient of determination (R^2) test was used to see how much the independent variables are able to explain the dependent variable, this approach is expected to produce a deep understanding of the influence of the role of LKS on optimizing Islamic economic policies in Bangka Belitung.

The results of the data analysis are then interpreted descriptively and analytically to answer the research hypothesis, empirical findings will be compared with theories and previous research results to obtain comprehensive conclusions, if the hypothesis is proven then it can be concluded that increasing the role of Islamic financial institutions and productive financing is actually able to strengthen the implementation of Islamic political economic policies in the region, these results are also expected to be used by

local governments and Islamic financial institutions as a basis for formulating more effective, inclusive, and sustainable sharia-based economic policy strategies in the Bangka Belitung Islands Province.

RESULTS AND DISCUSSION

Validity and Reliability of Instruments

This chapter presents the results of quantitative data analysis obtained from distributing questionnaires to respondents consisting of employees or managers of Islamic Financial Institutions (LKS), LKS customers, MSME actors receiving financing, as well as officials or regional policy makers in the Bangka Belitung Islands Province, the collected data were analyzed using the Structural Equation Modeling (SEM) method to test the relationship between research variables, namely the role of LKS, productive financing and optimization of Islamic economic political policies, the results of this analysis are expected to provide an empirical understanding of the extent to which the role of Islamic financial institutions is able to support the implementation of Islamic economic policies effectively and sustainably (Febriani et al., 2025).

The discussion in this chapter focuses on the interpretation of the results of the structural model test that describes the direct and indirect relationships between research variables, the analysis is carried out in stages by reviewing the validity and reliability of the instrument, the feasibility of the model (goodness of fit), and testing the previously formulated hypotheses, in addition to presenting statistical results, the discussion also explains the theoretical and practical implications of the research findings on the development of Islamic economics at the regional level (Sholihin & Ratmono, 2021), thus this chapter serves to comprehensively explain the empirical meaning of the research results in the context of Islamic economic development in the Bangka Belitung Islands Province.

Structural Model Analysis (SEM)

Based on the results of quantitative data analysis using the Structural Equation Modeling (SEM) method, the results obtained show that the role of Islamic Financial Institutions (LKS) has a significant effect on increasing productive financing in Bangka Belitung Province, the regression coefficient value shows a positive relationship with a significance level below 0.05, which means that the more optimal the role of LKS, the greater the increase in productive financing distributed to productive sectors, this confirms that the LKS intermediation function runs effectively when focused on the real economic sector, thus the strategic role of LKS can be the main driving force in strengthening the economic base of the community.

It can be clarified that the results of data analysis using the Structural Equation Modeling (SEM) method obtained empirical evidence that the role of Islamic Financial Institutions (LKS) has a significant effect on increasing productive financing, the regression coefficient value shows a positive relationship direction of 0.68 with a significance level of $0.000 < 0.05$ indicating that the greater the role of LKS in distributing Islamic financing, the higher the increase in productive economic activities of the community, these results support the first hypothesis (H1) which states that the role of LKS has a positive effect on productive financing, so this proves that the intermediation function of LKS has been running effectively when directed at the real sector based on Islamic values.

Furthermore, the SEM results also show that productive financing has a significant effect on optimizing Islamic economic political policies, with a regression coefficient of 0.72 and a significance value of $0.001 < 0.05$. This indicates that increasing productive financing carried out by LKS plays a role as the main driver in realizing fair, inclusive,

and sustainable Islamic economic policies, meaning that through channeling funds to the agricultural, fisheries, and MSME sectors, LKS can strengthen the regional economic structure in accordance with the principles of maqashid al-syariah. Thus, productive financing not only increases economic growth but also strengthens the foundation of the Islamic economy in Bangka Belitung.

The results of the mediation effect test indicate that productive financing is a connecting variable that strengthens the influence of the role of LKS on optimizing Islamic economic political policies, the indirect effect value of 0.49 indicates that most of the influence of LKS on Islamic economic policies occurs through increasing productive financing, this means that the greater the distribution of productive financing by LKS, the more optimal the implementation of Islamic economic policies that support equitable distribution of community welfare. This finding provides an empirical basis that strengthening the function of LKS as an Islamic financial intermediary institution is a strategic step in building a competitive and equitable regional economy.

Table 1. Results of Structural Equation Modeling (SEM) Analysis

Relationship between variables	Regression Coefficient	t-statistic value	Significance (p-value)	Information
The Role of LKS → Productive Financing	0.68	7,214	0,000	Significant (H1 accepted)
Productive Financing → Optimization of Islamic Economic Policy	0.72	8,003	0.001	Significant (H2 is accepted)
The Role of LKS → Optimization of Islamic Economic Policy (directly)	0.35	4,582	0.004	Significant
The Role of LKS → Islamic Economic Policy through Productive Financing	0.49	6,921	0,000	Significant mediation (H3 accepted)
R ² Productive Financing	0.61	—	—	Variance explained 61% by LKS
R ² Islamic Economic Policy	0.73	—	—	Variance explained 73% by the model

Table interpretationBased on the results of data processing using the Structural Equation Modeling (SEM) method, it can be interpreted that all relationships between variables in the research model show a strong level of significance with a p value <0.05. This means that the model built has high empirical validity and supports the proposed hypothesis. The regression coefficient on the relationship between the role of LKS on productive financing (0.68) shows a substantial positive relationship, meaning that the greater the contribution and effectiveness of the role of LKS in distributing financing according to sharia principles, the higher the increase in productive financing in the real sectors of the community economy.

In addition, the relationship between productive financing and Islamic economic policies also shows a high coefficient value of 0.72 which strengthens the evidence that productive financing is the main bridge in realizing the implementation of Islamic economic policies at the regional level, the R^2 value of 0.73 indicates that the variables in the model are able to explain around 73% of the variation in optimizing Islamic economic policies in Bangka Belitung Province. Thus, this research model is categorized as fit and statistically valid because it has strong, consistent, and relevant explanatory capabilities with Islamic economic theory which emphasizes justice, productivity, and the welfare of society.

Validity testing is carried out to ensure that each question in the questionnaire is truly capable of measuring the intended construct or variable in accordance with the research objectives.(Widyawati et al., 2025)In this test, the Pearson Product Moment correlation method is used, namely by measuring the relationship between the score of each item with the total score of the variable, based on the results of data processing from 120 respondents, it was obtained that all items had a calculated r value greater than r table (0.176) and a significance value smaller than 0.05. This indicates that each statement item has a strong and significant relationship with the variable it represents, thus it can be concluded that all items in the research instrument are declared valid so that they are suitable for use to collect empirical data in analyzing the influence of the role of LKS on Islamic economic policies through productive financing in Bangka Belitung Province.

Table 2. Results of the Validity Test of the Research Instrument

Research Variables	Number of Items	Range of r count	r table (n=120)	Sig. (p-value)	Information
The Role of Islamic Financial Institutions (X)	10	0.451 – 0.782	0.176	< 0.05	Valid
Productive Financing (Z)	8	0.498 – 0.801	0.176	< 0.05	Valid
Islamic Economic Policy (Y)	10	0.462 – 0.755	0.176	< 0.05	Valid

Table InterpretationThe validity test results show that all statement items in the three research variables have correlation values above the minimum r table limit of 0.176 with a significance level below 0.05. This indicates that each question item in the instrument is able to represent the construct being measured accurately and consistently. Furthermore, a 95% confidence level indicates that the relationship between item scores and the total variable score is statistically significant. Thus, all questionnaire items are declared suitable and valid for use in the research data collection process. This validity is an important basis in ensuring that the data obtained truly reflects empirical conditions in the field, particularly in analyzing the influence of the role of Islamic financial institutions on productive financing and Islamic economic policies in Bangka Belitung Province.

Reliability testing is carried out to ensure that the research instrument is able to provide consistent and reliable results when used to measure the same variables under different conditions. In this study, reliability testing uses the Cronbach's Alpha coefficient.(Subhaktiyasa, 2024), where the value of $\alpha \geq 0.70$ indicates a good level of reliability, based on the test results, all variables have a Cronbach's Alpha value above 0.80 which means that each statement item in the questionnaire has strong internal consistency, this indicates that respondents provide stable answers to the statements submitted, without any significant differences in meaning or interpretation, thus it can be concluded that the instrument used in this study has met the requirements of high reliability, so that the results of data collection are suitable for use in further analysis, especially at the stage of testing the SEM (Structural Equation Modeling) model.

Table 3. Results of the Reliability Test of the Research Instrument

Research Variables	Number of Items	Cronbach's Alpha	Reliability Criteria	Information
The Role of Islamic Financial Institutions (X)	10	0.874	≥ 0.70	Reliable
Productive Financing (Z)	8	0.861	≥ 0.70	Reliable
Islamic Economic Policy (Y)	10	0.889	≥ 0.70	Reliable
Total Research Scale	28	0.902	≥ 0.70	Very Reliable

Table InterpretationBased on the reliability test results shown in the table, the total Cronbach's Alpha value of 0.902 indicates that all research instruments have a very high level of reliability, this value far exceeds the minimum limit of 0.70 which is generally used as an indicator of good reliability, thus it can be concluded that each question item in the questionnaire has strong internal consistency in measuring the same construct. This instrument is able to produce stable data, is not easily influenced by changes in time, or differences in respondent characteristics, this confirms that the research instrument can be relied upon to measure variables such as the role of Islamic financial institutions, productive financing, and Islamic economic policies accurately, with this high level of reliability, the research results are expected to have strong empirical validity and can be used as a basis for further analysis, especially in the Structural Equation Modeling (SEM) model used.(Hamdi & Rahmat, 2023).

The results of the study indicate that productive financing has a positive and significant influence on optimizing Islamic economic political policies in the region, through channeling funds to productive sectors such as MSMEs, agriculture and fisheries, Islamic financial institutions (LKS) play an active role in strengthening the economic structure based on Islamic values, the positive impact of increasing productive financing is seen in the growth of local economic performance, expansion of

employment, and increasing the competitiveness of small and medium enterprises in the Bangka Belitung Islands Province, in addition to that, the direction of productive financing encourages economic equality and reduces the community's dependence on consumer financing, so that a balance is created between economic aspects and social justice values within the framework of Islamic economics(Isti'anah, 2024).

The Influence of the Role of LKS on Productive Financing

Furthermore, the findings of this study also show that the implementation of Islamic economic policies becomes more optimal when LKS focuses its activities on financing the real sector, the active involvement of Islamic financial institutions in supporting productive economic activities directly encourages an increase in community income and strengthens the foundation of a sustainable regional economy, increasing the capacity of MSMEs through access to Islamic financing also serves as concrete evidence that the Islamic economic system can be implemented efficiently in the context of regional development, this also shows that Islamic political economic policies are not only normative, but can also provide real and measurable economic benefits for the community.

From the results of the mediation test using the SEM method, it was found that the productive financing variable plays a significant role as a mediator between the role of LKS and the optimization of Islamic economic political policies. The high indirect effect value indicates that most of the influence of LKS on Islamic economic policies occurs through increasing productive financing. In other words, the greater the role of LKS in channeling funds to the productive sector.(Wara Aspadiah, 2024), the stronger its influence on achieving the objectives of Islamic economic policy, this finding emphasizes the importance of regional policy strategies that encourage increased allocation of LKS funds to the real sector, so that the impact of Islamic economics can be felt more widely, inclusively and fairly by all levels of society in Bangka Belitung Province.

The Influence of Productive Financing on Islamic Economic Policy

Empirically, the results of this study strengthen the theory of Islamic finance which emphasizes the social and economic functions of Islamic financial institutions as instruments of community development, when Islamic financial institutions (LKS) direct their financing to productive sectors, then the economic added value is created in line with the principle of maqashid al-syariah, namely realizing the welfare of the people through justice and prosperity, in the context of the Bangka Belitung Islands Province, this condition opens up great opportunities to develop regional economic potential based on local resources, such as the maritime, fisheries, agriculture, and creative industry sectors. Optimal implementation of sharia principles can be the foundation of a fair, inclusive, and sustainable economy, while strengthening the role of LKS as agents of social change and regional development.

The Role of Productive Financing Mediation

Furthermore, the findings indicate that although the role of LKS in distributing productive financing is quite good, challenges in optimizing productive financing still

exist, several obstacles identified include the still low level of Islamic financial literacy among the community, limited capital and managerial capacity of MSMEs, and the perception that Islamic financing procedures are too complex, this condition causes some small business actors to not be able to access Islamic financial services optimally, therefore a strategy is needed to strengthen the Islamic financial ecosystem through education, mentoring, and community empowerment so that the effectiveness of distributing productive financing can continue to increase.

To address these challenges, flexible and adaptive financing product innovation is an urgent need for LKS in Bangka Belitung, strategic collaboration between local governments, Islamic financial institutions, and MSMEs must be strengthened to create a more inclusive financing mechanism and oriented towards empowering the people's economy, this collaborative approach is expected to expand the scope of productive financing, increase access to Islamic finance for the lower classes, and encourage the creation of a healthy business climate, thus the synergy formed not only strengthens the regional economic structure, but also supports the realization of an Islamic economy that is just, sustainable, and in accordance with Islamic values.

From a public policy perspective, the results of this study provide empirical evidence that the success of the implementation of Islamic economic politics at the regional level is largely determined by the effectiveness of Islamic financial institutions (LKS) in carrying out their functions, the role of strong and targeted LKS is able to support government policies in growing a productive economy based on sharia values, regional governments can strengthen this ecosystem through the provision of fiscal incentives, the preparation of supporting regulations, and easy access to sharia financing for productive sectors, in addition, policy synergy is needed between the government, financial institutions, and the community so that the Islamic economic system can run sustainably, this synergy is the key to realizing a regional economy that is fair, inclusive and oriented towards shared prosperity (Muzakky, 2024).

Empirical Implications for Regional Economic Development

From a theoretical perspective, the findings of this study strengthen the concept of Islamic economics which emphasizes the importance of a harmonious relationship between public policy, financial institutions, and community participation. (Asshobirin et al., 2024), the basic principles of Islamic economics that prioritize justice, balance and sustainability are reflected in the role of LKS as the main driver of the real sector, by optimizing the function of Islamic financial intermediation, local governments can create competitive advantages based on highly competitive local potential, in the context of Bangka Belitung, the integration between Islamic economic policies and the Islamic financial system opens up great opportunities to develop an economic model that is not only efficient, but also based on Islamic spiritual and moral values.

Challenges and Opportunities for Strengthening LKS

Furthermore, the results of this study expand the academic literature on the role of Islamic financial institutions in the context of regions with mixed economic characteristics, such as the Bangka Belitung Islands Province, which has primary and

secondary sectors that develop simultaneously. With appropriate policy support, LKS can be a catalyst for equitable economic development through inclusive financing that grows the people's productive sector. The theoretical implications of these findings emphasize that collaboration between government policies, financial institution innovation, and community participation is the main foundation in realizing a resilient Islamic economic system. Therefore, this study provides a strategic direction for strengthening the Islamic economy at the regional level that is relevant to the needs of the times.

Overall, the results of this study indicate that optimizing Islamic economic policy is determined not only by ideal policy design but also by the effectiveness of implementing institutions, such as Islamic financial institutions (LKS), in channeling productive financing. The practical implications of these findings are the need to increase institutional capacity, product innovation, and Islamic financial literacy among the public. This allows LKS to play a more active role as a pillar of Islamic economics, capable of driving inclusive, sustainable, and sharia-compliant regional economic development.

CONCLUSION

This study concludes that the role of Islamic Financial Institutions (LKS) has a significant influence on optimizing Islamic economic political policies in the Bangka Belitung Islands Province through increasing productive financing, the results of quantitative analysis show that the greater the role of LKS in channeling financing based on sharia principles to productive sectors, the greater its contribution to the effectiveness of regional Islamic economic policies, this positive relationship confirms that LKS is not only a financial entity, but also an instrument of sharia economic policy that plays an important role in realizing economic justice and sustainable community welfare.

In more detail, the results of the study show that productive financing acts as a mediating variable that strengthens the relationship between the role of LKS and the optimization of Islamic economic policies, meaning that LKS that are active in distributing productive financing funds can significantly accelerate the implementation of Islamic economic policies that favor the real sector, this finding strengthens empirical evidence that sharia financing activities oriented towards the productive sector are able to create a multiplier effect on local economic growth, income equality, and poverty alleviation based on the principles of justice and blessings.

From the theoretical side, the results of this study contribute to the development of literature on Islamic economics, especially in the context of the relationship between public policy and Islamic financial institutions, empirically this study confirms that the synergy between local governments and LKS is a key factor in the success of Islamic economic politics, this emphasizes the relevance of the *maqashid al-syariah* theory and the theory of competitive advantage in explaining the strategic role of Islamic financial institutions in the region thus, this study not only enriches the academic aspect, but also provides strategic direction for the implementation of Islamic economics in a more measurable and integrated manner.

Based on the findings, it is recommended that Islamic financial institutions in Bangka Belitung increase their focus on productive financing by expanding their service reach to MSMEs, farmers, and fishermen. The local government is expected to provide policy support in the form of fiscal incentives, Islamic entrepreneurship training, and easier access to permits for productive business actors. Furthermore, it is necessary to

increase the public's Islamic financial literacy to improve their understanding of Islamic financing products and mechanisms. Synergy between stakeholders is key to strengthening an inclusive and competitive Islamic economic ecosystem.

For future research, it is recommended that the focus be expanded to other variables such as Islamic financial literacy, LKS service quality and regional regulatory support for Islamic economic policies. Further research can also use a mixed methods approach to gain a deeper understanding of the social, institutional and policy dynamics that influence the role of LKS. Thus, the research results not only describe the quantitative relationship between variables, but also explain the socio-economic context behind the strengthening of Islamic economic politics in Bangka Belitung.

BIBLIOGRAPHY

- Absarihim, A. (2025). Peran Bank Muamalat Indonesia cabang Kabupaten Belitung dalam pemberdayaan ekonomi pelaku Usaha Mikro Kecil dan Menengah (UMKM). Institut Agama Islam Negeri Syaikh Abdurrahman Siddik.
- Amalia, R. (2021). Analisis Pembiayaan Bermasalah Di Lembaga Keuangan Mikro Syariah Ukhuwah Bintang Ihsani Kota Bengkulu (Studi Kasus LKMS Ukhuwah Bintang Ihsani Kota Bengkulu Tahun 2019). IAIN BENGKULU.
- Asshobirin, M. P., Robbani, M. I., & Rahmawati, R. (2024). Implementasi Prinsip-Prinsip Ekonomi Syariah untuk Memperkuat Toleransi dalam Masyarakat Multikultural. *J- Alif: Jurnal Penelitian Hukum Ekonomi Syariah Dan Budaya Islam*, 9(2), 147–161.
- Fadila, N., & Soumena, F. Y. (2025). Sinergi Pemerintah Dan Lembaga Keuangan Syariah Dalam Peningkatan Literasi Ekonomi Islam. *Jurnal Ekonomi Islam*, 3(1), 56–86.
- Farizki, I. L., & Ansori, M. (2024). Peran Lembaga Keuangan Syariah dalam Meningkatkan Perekonomian Melalui Pembiayaan Modal Kerja Pada UMKM di Jepara. *Al-Sharf: Jurnal Ekonomi Islam*, 5(3), 338–354.
- Febriani, S., Lubis, A., & Novanto, Y. A. (2025). Optimalisasi Kebijakan Fiskal Indonesia Dalam Prespektif Ekonomi Islam. *UANG: Journal of Fiscal and Monetary Studies*, 1(1), 31–42.
- Hamdi, A. S., & Rahmat, A. (2023). Metode Penelitian Kuantitatif Ekonomi Syariah. Ideas Publishing.
- Isti'anah, I. (2024). Analisis peramalan pembiayaan sektor usaha Bank Syariah terhadap pertumbuhan ekonomi di Indonesia. Universitas Islam Negeri Maulana Malik Ibrahim.
- Judijanto, L., Harmaini, H., Esya, L., Amran, E., Firdayetti, F., & Prabandari, A. I. (2025). Ekonomi Syariah: Teori dan Penerapannya di Indonesia. PT. Sonpedia Publishing Indonesia.
- Maulidizen, A. (2025). BAB 3 Peran Lembaga Keuangan Syariah. *Membangun Ekosistem Ekonomi Syariah: Strategi Dan Praktik*, 25.
- Midu, M., & Yusuf, S. D. (2024). Optimalisasi Peran Bank Syariah Dalam Mendukung Inklusi Keuangan Syariah Di Indonesia. *Journal of Innovation Research and Knowledge*, 4(7), 4581–4592.
- Mursal, M. (2020). Pengembangan Ekonomi Syariah Berbasis Kearifan Lokal. Calina Media.
- Muzakky, H. N. (2024). Peranan Lembaga Keuangan Syariah Dalam Ketersediaan Modal Usaha Berbasis Syariah Untuk Peningkatan Ekonomi Usaha di Daerah Sleman. *Jurnal Ilmiah Ekonomi Dan Manajemen*, 2(6), 449–462.
- Nugraha, J. A. (2025). Ekonomi Syariah, Mcda-Wdma dan Pentahelix Collaboration di Kota Tasikmalaya. *La Zhulma| Jurnal Ekonomi Dan Bisnis Islam*, 6(1), 71–93.

- Ramadhan, B. A. (2022). kinerja dinas kesehatan kabupaten bangka dalam pelaksanaan vaksinasi guna percepatan penanganan bencana pandemi covid-19 di kabupaten bangka provinsi kepulauan bangka belitung. institut pemerintahan dalam negeri.
- Rustariyuni, S. D., Larasatie, R., & Pramusinta, E. D. (2023). Lembaga Keuangan Mikro sebagai Pilar Perekonomian Nasional-Jejak Pustaka. Jejak Pustaka.
- Sholihin, M., & Ratmono, D. (2021). Analisis SEM-PLS dengan WarpPLS 7.0 untuk hubungan nonlinier dalam penelitian sosial dan bisnis. Penerbit Andi.
- Subhaktiyasa, P. G. (2024). Evaluasi Validitas dan Reliabilitas Instrumen Penelitian Kuantitatif: Sebuah Studi Pustaka. *Journal of Education Research*, 5(4), 5599–5609.
- Tambunan, A. H., Prayoga, T., & Saptono, Y. (2024). Ketahanan ekonomi wilayah dalam perspektif tata kelola pengelolaan tambang di Provinsi Bangka Belitung. *Co-Value Jurnal Ekonomi Koperasi Dan Kewirausahaan*, 15(1).
- WAHYUNI, N. U. R. A. D. W. I. (n.d.). PENGARUH KINERJA KEUANGAN DAN MODAL INTELEKTUAL TERHADAP IMPLEMENTASI MAQASHID SYARIAH DENGAN UKURAN PERUSAHAAN SEBAGAI VARIABEL MODERASI (Studi Empiris pada Bank Umum Syariah di Indonesia Periode 2019-2023).
- Wara Aspadih, V. (2024). PENGARUH SOCIAL CAPITAL TERHADAP KINERJA PERUSAHAAN DENGAN FINANCIAL LITERACY, FINANCIAL INCLUSION DAN FINANCIAL INTERMEDIATION SEBAGAI VARIABEL MEDIASI= THE EFFECT OF SOCIAL CAPITAL ON COMPANY PERFORMANCE WITH FINANCIAL LITERACY, FINANCIAL INCLUSION AND FINANCIAL INTERMEDIATION AS MEDIATION VARIABLES. Universitas Hasanuddin.
- Widyawati, S. E., Syafrinadina, S. E., Sabda Aji Kurniawan ST, M. M., Neneng Nurbaeti Amien, S. E., Esty Naruliza, S. E., Ryalno Stefano Noya, S. E., Martha Racwel Patty, S. E., Asniati Bindas, S., Munawara Salfitri, A. M., & SM, M. M. (2025). Metode Penelitian Manajemen. MEGA PRESS NUSANTARA.
- Wulandari, P. D., Astutik, R. P., Anggraeni, A. S., & Manikati, D. F. (2025). Peran Lembaga Keuangan Syariah Dalam Memfasilitasi Optimalisasi Dana Sosial Islam Untuk Perencanaan Keuangan Di Indonesia. *Menulis: Jurnal Penelitian Nusantara*, 1(5), 31–38.