



**Measurement of Cigarette Consumption
Of Indonesian People as Approach to Measurement
Of Cash Waqf Potential**

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Abstract

This article aims to provide an alternative approach to measuring the waqf potential that is clearly measured, by paying attention to economic behavior guidelines in an Islamic perspective while being able to reveal some of the fundamental problems of the people, especially Muslims in Indonesia. In addition, also to be able to propose the development of the Islamic consumption model as a useful contribution to the development of the Islamic economic concept more broadly. This is a literature study and uses secondary data, using inductive thinking patterns with development goals. Research activities are carried out by digging deeper from knowledge about measuring the potential for prior cash waqf and searching for related data and then developing it. This study has obtained the measurement of cigarette consumption as *tabdzir/israf* behavior as an alternative approach to measuring the potential of waqf that is clearly measured and meets good measurement needs. An Islamic consumption model that at the same time can provide awareness of the problems of the Ummah has also been developed.

Keyword: Cash Waqaf, Potential, *Tabdzir*, Islamic Consumption.

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Introduction

Pulungan, T. (quoting the words of the Managing Director of the Waqf Initiative) said that there are many benefits of waqf which is to get the perfect good (heaven), the reward that the charity will never break until the final yaumul, the most alms form noble, so it becomes part of the Islamic Sharia which is highly recommended. Historically, according to Deni, & Som, & Ismail (2014); and Yalawae & Tahir n.d revealed that waqf has helped Muslims a lot since the time of the Prophet in various social aspects such as worship, health and education and so on. Misbahuddin (2019) revealed the results of a study conducted by BAZNAS and the Faculty of Economics and Management of the Bogor Agricultural Institute showed that the potential for zakat (and waqf) nationally reached 3.40 percent of GDP (Gross Domestic Product), or not less than Rp 217 trillion consisting of household (individual) zakat, industrial zakat potential and State-Owned Enterprises, as well as zakat savings potential. Whereas *Republika* (October 2018) wrote that the Indonesian Waqf Agency said the potential for cash waqf in the country reached Rp 180 trillion.

With such enormous potential, of course, it should be that waqf cannot be separated from the instruments of Indonesia's economic development, it can play a very important role to accelerate economic development and support financial stability. Based on the above, it is clear how much the benefits of waqf both in terms of benefits for the providers of waqf and as one of the highest instruments in Islamic economics if it can be managed for productive ventures and the results for the welfare of the ummah. However, so far there has not been any study on how the potential for cash waqf is measured or calculated. The approaches and assumptions used by various parties that provide estimates of the potential for cash waqf are different. Of course the results of the potential figures obtained also vary.

Here are some approaches that seem to be used to measure the potential for cash waqf obtained from several media, namely:

- a. The Indonesian Waqf Board (2008) illustrates that a waqf fund of 20 trillion would be collected if only 20 million Indonesians donated their assets, each amounting to 1 million per year.
- b. The Indonesian Waqf Board (2009), assumes that the number of capable Muslim families in Indonesia is around 18 million families, then Rp. 180 billion/month or Rp.2.16 trillion/year will be collected if 10% of those families make a Rp.100.000/month, or become Rp. 900 billion/month or Rp.7.2 trillion/year will be collected if 50% of them do waqf.
- c. Rasyid (2016) (citing Nasution, ME), that an cash waqf of Rp.20 billion/month or Rp.240 billion/year will be collected with only four million Muslims giving an endowment of Rp.5,000 /month, and an endowment will be collected. Rp.100 billion/month or Rp1.2 trillion/year if there are one million Muslims to donate Rp100,000 /month
- d. Medcom (2018) revealed that the Indonesian Waqf Board noted that the assets of the waqf money collected in Indonesia as of December 2013 only reached Rp145.8 billion. While the potential for waqf of money amounting to Rp120 trillion per year assuming 100 million citizens are willing to cash waqf amounting to Rp100 thousand per month.

From the many examples above, it seems that the measurement of cash waqf potential is only done with a rough approach, with different assumptions, it has not been taken seriously enough by taking into account the clear indicators needed for the formulation of policies and strategies further. The absence of an appropriate potential measurement approach results in not obtaining the potential value for cash waqf given by a country, or region, now and in the future and cannot be identified the drivers of

growth and barriers to that potential, and no understanding of how to exploit the potential available by adjusting various strategies as needed

Therefore, it is necessary to formulate alternative approaches to measure the potential of waqf with clearer indicators and also be able to show the root of the problems of the people, Muslims in particular, so that policy makers can develop policies and strategies that are more in-depth, comprehensive to realize the existing potential that can far better than the current achievements while reducing the problems of the people.

Research and Method

The purpose of this study is to provide an alternative approach to measuring the potential of waqf (cash) that is clearly measured, taking into account economic behavior guidelines in an Islamic perspective while being able to reveal some of the fundamental problems of the Ummah especially Muslims in Indonesia. In addition, also to be able to propose the development of the Islamic consumption model as a useful contribution to the development of the Islamic economic concept more broadly. It is expected from the results of this study, an alternative measurement of waqf potential (cash) and modeling can be used to clearly 1) Measure the potential of cash waqf for a region or globally, now and in the future; 2) Identifying the drivers of growth and potential obstacles; and 3) Understand how to exploit the growing potential by adjusting strategies for development, cash waqf products and overcoming obstacles and can raise awareness of the improvement of the lives of (especially) Muslims and the wider community generally in the long run.

This is a literature study and uses secondary data. The literature studied is mainly related to potential (and its measurement), waqf (especially cash waqf), *tabdzir / israf* and, in particular, the impact of cigarette and tobacco consumption from various aspects, both health (along with the

report of research) and socio-economics. The study uses inductive thinking patterns with the aim of development, namely research activities carried out with the aim to be able to dig deeper from a study and knowledge that has been done before that is about measuring the potential for cash waqf and then developing it. Because this concerns issues that might be controversial, the authors have tried only to take papers and reports from credible institutions. As a basis for measuring the proposed alternative approaches, the author uses several official financial reports published by some of the largest cigarette manufacturers in Indonesia that have gone public. Quantitative data was also obtained from several reports from relevant government agencies.

Result and Discussion

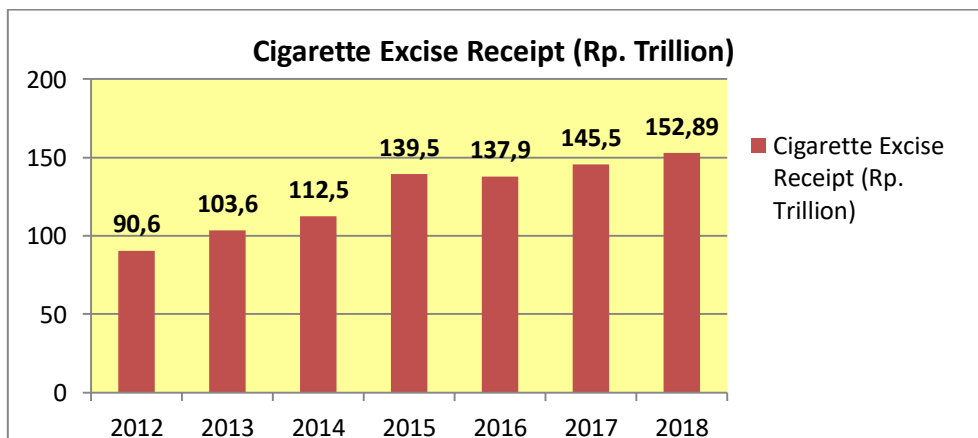
Macro Financial Aspects of Smoking.

Ekpu & Brown (2015) recognize that smoking produces several potential economic benefits. Tobacco production and consumption activities provide economic stimulus, and generate large tax revenues for most governments, as well as providing employment in the tobacco industry. However, it must also be considered the cost of smoking. Ekpu & Brown (2015) revealed the total health care expenditure associated with smoking. In the United States (US), the proportion of health care expenditure caused by smoking ranges between 6% and 18% in all different states and about 1% of US GDP. While the indirect costs (not related to health) for smoking, the total productivity loss caused by smoking every year in the US is estimated at US \$ 151 billion. Chronic illnesses caused by tobacco use are the leading cause of death and disability in the United States and are unnecessary channels in the US health care system. The economic burden from using cigarettes includes more than \$ 193 billion per year in health care costs and lost productivity (Surgeon General Report in 2010). In the UK, the direct

cost of smoking is estimated to be between £ 2.7 billion and £ 5.2 billion to the British National Health Service (NHS), which is equivalent to around 5% of the total NHS budget each year. In China, the economic burden of smoking is around 0.7% of its GDP.

Likewise Indonesia, so far, cigarettes have become one of the main sources of revenue from the state treasury through excise which reaches trillions of rupiah every year. Figure 1 below shows data on the development of cigarette excise value received by the Indonesian state. It appears that the value of cigarette excise shows a tendency to increase. The figure of more than 100 trillion rupiahs per year is only from the cigarette excise tax that goes into state revenue. Of course, the public expenditure that is used every year to consume is far greater, an activity that is not only a waste but also, based on various health and social research results, threatens the health, education, social life of both users and young people.

Figure 1. Penerimaan Cukai Rokok Di Indonesia



Sources: PT. Bentoel Internasional Investama Tbk. | 2016, 2017, 2018 Annual Report (quoting source from Directorate General of Customs and Excise).

Harmful Effects of Smoking for Health.

Various bad effects of smoking on health have been widely reported by various institutions and experts that are credible both globally and

nationally. The United States is one example of a country that is very concerned about the health effects of smoking. In 1964, the Surgeon General of the U.S. The Department of Health and Human Services released the first report on the effects of smoking on health. In nearly 50 years since, extensive data from thousands of studies have consistently proven the ill effects of smoking on the lives of millions of Americans. The Surgeon General's report (from various general surgeons) in 2010 focused on cigarettes and cigarette smoke, which provided further evidence of how smoking causes addiction and death and will further add strong evidence to the need for effective interventions for tobacco control and prevention. Kathleen Sebelius (United States Secretary of Health and Human Services) in the report said that cigarettes are responsible for approximately 443,000 deaths each year in the United States, which is one in every five deaths.

Most of these deaths come from early heart attacks, chronic lung disease, and cancer. US. National Cancer Institute (2017: 3) stated tobacco use, particularly in the form of cigarette smoking, remains the leading preventable cause of death in the United States. For every person who dies from tobacco use, another 20 Americans continue to suffer with at least one serious tobacco-related illness. The harmful effects of smoking also don't end on smokers. Every year, thousands of nonsmokers die from heart disease and lung cancer, and hundreds of thousands of children suffer from respiratory infections due to exposure to other people's cigarette smoke. Study by McGinnis & Foege (1993) and the year Mokdad (2000) concluded that the main causes of death were tobacco (highest), poor diet, physical activity and alcohol consumption. Studies by Rumberger, JS., & Hollenbeak, CS., & Kline, D. (2010, April), which support the results of other studies, adding that smoking is still the single most important cause of preventable diseases in the US, and there are differences in smoking rates still across population strata.

In addition, smoking is the most important contributor to atherosclerotic cardiovascular disease, lung cancer, and chronic obstructive pulmonary disease, all of which are associated with premature death. This can cause or worsen other lung diseases, including asthma, and can increase the risk for other conditions, such as peptic ulcer disease and osteoporosis, in patients with lung disease.

Similarly, the results of studies in other parts of the world. Parascandola (2019) report that an epidemic of lung cancer is occurring in China on an unprecedented scale. In China in 2015, there were an estimated 733,000 cases of lung cancer, the most commonly diagnosed cancer and the leading cause of cancer deaths. Exposure to tobacco smoke is a major factor driving the current lung cancer trend. Doll (2004) have reported the results of a study in the United Kingdom that the greater death rate associated with smoking mainly involves vascular, neoplastic and respiratory diseases that can be caused by smoking. Men born in 1900-1930 who only smoked and continued to smoke, died an average of about 10 years younger than a lifetime non-smoker. Chances of smokers from death in middle age (35-69) are two to three times more than non-smokers.

Study results of Rotroff, (2016) found that mothers who smoke influence methylation in newborns at certain CpG locations (CpGs). This provides new insight into biological mechanisms that can contribute to the adverse health effects of exposure to tobacco smoke in the womb. Previously, Samet, JM. and Yoon (2010) presented the results of studies that women who smoke have a higher risk for many cancers, including cancer of the mouth, pharynx, esophagus, larynx, bladder, pancreas, kidney, and cervix, as well as acute myeloid leukemia, Chronic, potentially fatal obstructive pulmonary disease, which includes chronic bronchitis and emphysema. Smoking also affects reproductive health so it is more likely to experience inferiority and delay in pregnancy than non-smokers. Smoking a mother

during pregnancy increases the risk of prematurity, stillbirth, and neonatal death and can cause a decrease in breast milk.

Ministry of Health of the Republic of Indonesia (2018) in *Indonesia Health Profile Year 2017* said that one of the risk factors for non-communicable diseases (NCD include heart disease, stroke, cancer, diabetes and chronic obstructive pulmonary disease) is smoking and exposure to secondhand smoke, while NCDs are the cause of death of almost 70% of all the deaths globally. In Indonesia, NCDs show an increasing tendency from time to time. According to the results of the Riskesdas 2007 and 2013, the prevalence of NCDs appears to be increasing and predicted to continue.

Harmful Effects of Smoking for Socio-Economics.

In addition to adverse effects on health, it also has negative socio-economic impacts. Most of the victims of second-hand smoke are women and children, who are exposed in their homes through male smokers. Vineis (2008) states that tobacco is a strong multisit carcinogen with worldwide impact, causing lung cancer, upper gastrointestinal tract, pancreas, stomach, liver, lower urinary tract, kidneys, uterine cervix and myeloid leukemia and people who nonsmokers who inhale other people's fumes (eg, unconscious smoking) breathe the same carcinogens as active smokers, even at much lower doses.

Samet, JM. and Yoon (2010) stated that the results of a study in the United States found that neonatal costs due to smoking amounted to almost US \$ 367 million (in 1996 dollars). Annual costs calculated for New York City related to delays in infant development caused by prenatal exposure to second-hand smoke amount to US \$ 99 million. Whereas in China, the direct cost of smoking in 2000 was estimated at 3.1% of national health expenditure. At the household level in Indonesia, where smoking is most common among the poor, 15% of the total expenditure of the lowest income

earners is for tobacco, while 20% of the poorest households in Mexico spend almost 11% of their income on tobacco. Productivity losses for smokers and their caregivers - including lost wages due to leave from work - are a huge cost to society. US. National Cancer Institute (2017: 3) said racial / ethnic minority groups, people living in poverty or having low levels of education, blue-collar workers and service workers are people who continue to experience greater adverse effects from tobacco use and Second Hand Smoke exposure (passive smokers). These data support the conclusion of Vineis (2008) which reveals that most of the future tobacco burden is in low-income countries.

Even more concerning, Hum, HL., Hsien, CCM., Nantha, YS. (2016) suggested that there were 5 million smokers categorized as children or adolescents younger than 18 years in Malaysia, in 2010. Based on the results of a recent study in Cambodia, Vietnam, and Malaysia, women's efforts to influence tobacco use among men are complicated by gender norms and traditional values. Nearly all Malaysian female participants worry that the money spent on tobacco will reduce important household expenses (food, health care, and education) because the amount of money their father spends on tobacco varies from as low as 5.0% to as high as 65.0 % of total household expenditure.

The Indonesian government has been concerned and continues to pay attention to the adverse effects of smoking. (As published by the Center for Public Communication of the Secretariat General of the Indonesian Ministry of Health, May, 2014 on page www.depkes.go.id), the Indonesian Minister of Health, Dr. Nafsiah Mboi, Sp.A, MPH stated that the problem of tobacco consumption if left unchecked, is feared could causing ongoing intergenerational poverty, i.e. impoverishment continues from the present generation to the next generation. He also added that the results of the National Research and Development Agency's study in 2013 also showed an

increase in premature deaths from tobacco-related diseases from 190,260 (2010) to 240,618 deaths (2013), and the increase in disease sufferers due to tobacco consumption from 384,058 people (2010) to 962,403 people (2013).

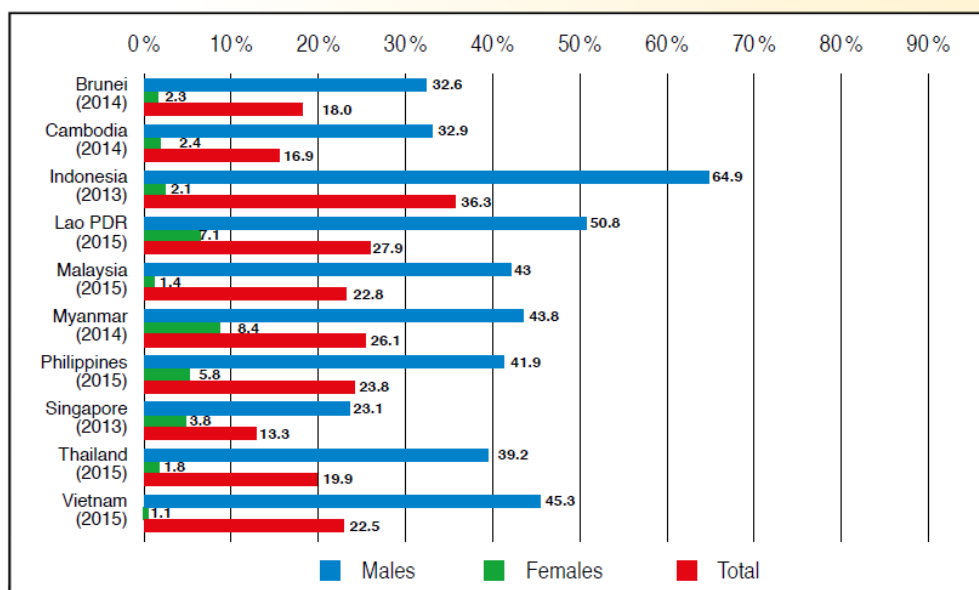
This condition also had an impact on the cumulative increase in macro economic losses due to tobacco use. If valued in money, economic losses rose from 245.41 trillion rupiah (2010) to 378.75 trillion rupiah (2013). This loss value is greater compared to the amount of money the state obtained from cigarette excise, which was 87 trillion rupiah in 2010 and 113 trillion rupiah in 2013. The results of the latest study written in *Antaranews.com* (2019) stated that according to calculations by the Health Research and Development Agency of the Ministry of Health, the losses borne by the government due to illnesses caused by cigarette consumption are worth more than one-third of the Gross Domestic Product (GDP) or around Rp.4,200 trillion due to smoking-related illnesses, namely due to premature deaths and productive years lost due to illness, and the value of economic losses due to the use of tobacco products up to Rp375 trillion. Obviously that is a much greater number than the excise value of cigarettes which 'only' Rp155 trillion.

Similar to what happened in Malaysia, Ramadhani (2018) wrote that observers of health and environmental issues (Dr. Ridwan Mochtar Taha MSc) said the number of smokers under the age of 10 in Indonesia each year increased by 2.5 percent and even more alarming, there were children aged 6 years have smoked; and (in Indonesia Health Profile Year 2017) smoking prevalence in the age group of children / novice smokers (≤ 18 years) was found to be 8.8% so they have the potential to experience other health problems over a long period of time.

ASEAN Tobacco Tax report Card Trend November 2016 reported (Figure 2) that smoking prevalence rates among male remained generally higher than female, with Indonesia facing a very high prevalence rate (above

64%) among their male, while Laos, Malaysia, Myanmar, the Philippines, and Vietnam has male smoking rates approaching 50%. Cigarette consumption per capita in the Asia Pacific number around 1.314 billion cigarettes every day, and the average smoker spends around USD 52.90 for cigarettes per year.

Figure 2



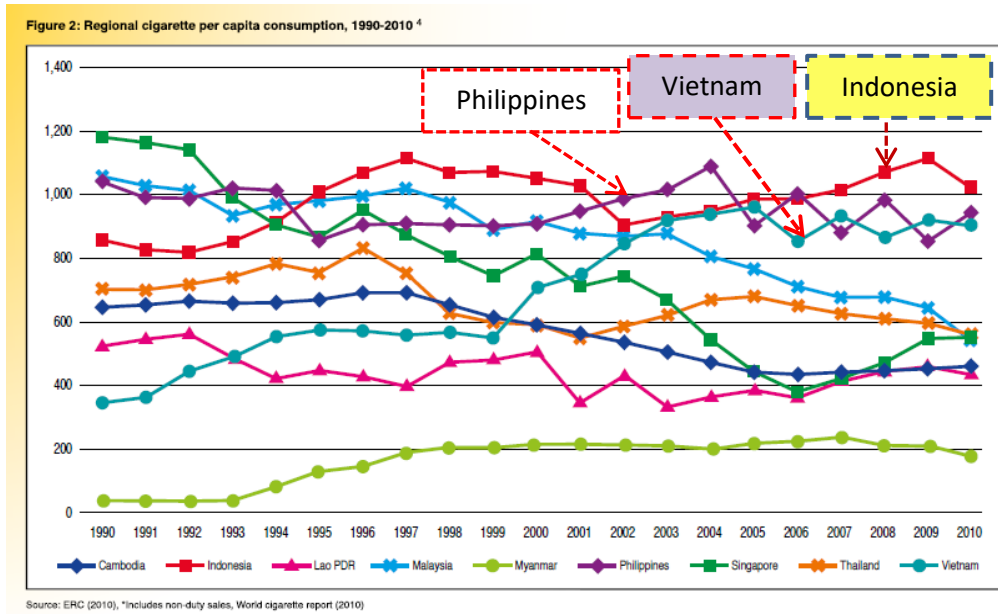
Note: Years in which prevalence surveys were conducted differ from country to country

Source: ASEAN Tobacco Tax report Card Trend November 2016.

For the ASEAN region (Figure 3) shows that countries such as Indonesia, the Philippines, and Vietnam have higher per capita cigarette consumption levels than the regional average. In addition, from the standpoint of public health, there is a tendency for increased consumption in Indonesia, Myanmar.

Ahsan, A., Kiting, AS., & Wiyono, (2014) stated that the problem of tobacco consumption still showed the same pattern in 2013 compared to the figures in previous years. The prevalence of tobacco consumption tends to increase in both men and women. The increase in prevalence was more in women from 1.7% in 1995 to 6.7% in 2013, whereas in men from 53.4% in 1995 to 66% in 2013. In general, the prevalence of smoking was higher in populations with educational levels and low income level, rural living and work status.

Figure 3



Source: ASEAN Tobacco Tax report Card Trend November 2016

Passive smoking is also still a major public health problem in Indonesia. Women, children and toddlers are the group most exposed to cigarette smoke in the home than men. In looking at the relationship between smoking and disease, this book shows that the prevalence of acute respiratory infections in active smokers is higher in both men and women than in nonsmokers. Likewise, the prevalence of hypertension is higher in active smokers than in nonsmokers. Therefore, there is a strong suspicion of a relationship between smoking and poverty.

Sicca, (2018) (in page tirto.id, 2018) quoting the statement of the Minister of Development Planning / Bappenas Bambang Brodjonegoro mentioned the pattern of spending / consumption of unproductive goods is a determining factor in a person's poverty level, in addition to state inflation, one of which is mainly cigarettes. Bambang said, cigarettes accounted for the second largest national contributor to poverty in Indonesia after rice. The

poverty rate due to cigarette consumption at the urban level was 9.98 percent, while at the rural level it was greater, at 10.70 percent. It seems relevant to the National Health Indicators Survey (SIRKESNAS 2016- in Indonesia Health Profile Year 2017) data that the prevalence of smoking in rural areas is 29.1% higher than in urban areas (27.9%).

Current approach to waqf potential measurement.

All approaches to measuring the potential for waqf so far (as given previously in the Literature Review) have in common i.e.:

- a. All of them use the assumption approach of the number of people who are willing to do cash waqf multiplied by the estimated cash waqf rupiah in the yearly.
- b. Most use assumptions without a strong foundation on how to determine the assumptions of determining the number of people who are willing to make cash waqf and how to determine the number of cash waqf they are willing to pay.

According to the authors, the approach used in measuring the potential of waqf has several important weaknesses, i.e:

- a. This approach ignores the fact that cash waqf receipts have so far been outside the estimated range.
- b. This approach fails to provide an indicator of the fundamental problems facing the majority of Indonesian people.
- c. Use references or bases that are not clear, the assumptions used are not established so that it causes unclear how much potential waqf is close to reality that needs to be pursued.
- d. Thus, the kinds of large-scale systematic assessments needed by policy makers are not yet available. Therefore, the potential for serious improvements that can bring new methods to a better policy process has not been done by policy makers.

Smoking consumption (consumption that is not sharia comply) as an approach to measuring the potential of Waqf.

Quoting the model presented by Khan (1984) that every Muslim's Expenditure should be as follows:

$E = E_{wo} + E_a$ <p>(Model 1- Basic Islamic consumption (Kahn))</p> <p>*) Where: E_{wo} = Expenditure (for) the world. E_a = Expenditure (for) the afterlife.</p>

The author develops the Model 1, by basing that the afterlife expenditure (E_a) is distinguished, there are laws that are *mandatory (m)*, for example: *zakat*, and some are *sunnah (s)*, for example: *Infaq*, *Shedekah*, and, *Waqf*, then the authors develop the Expenditure model into Model 2 where the consumption every Muslim should be as follows:

$E = E_{wo} + E_{am} + E_{as}$ <p>(Model 2 – developed by Author)</p> <p>*) Where: E_{am} = Expenditure (for) afterlife which is mandatory; E_{as} = Expenditure (for) the afterlife which is sunnah.</p>

Furthermore, that all Expenditure (E) is limited to one's Revenue (Y), and the E_{wo} component is classified as follows:

- a. All expenses are referred to as consumption in secular economic terminology (Consumption (C));
- b. Saving (S).

So Model 2 was developed into Model 3:

$E = E_{wo} + E_{am} + E_{as}$ <p>(Model 2 – Islamic consumption (by Author))</p> <p>→ $Y = E_{wo} + E_{am} + E_{as}$</p>
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$$\rightarrow Y = C + S + (Eam + Eas) \quad (\text{Model 3 – Islamic consumption (by Author)})$$

Model 3 explains that someone's income (Y) will be used for:

- 1) Expenditures (for) the world (Ewo) consisting of:
 - a) (partially or wholly) for Consumption (C), and
 - b) (in part) for Savings, and
- 2) Expenditures (for) the afterlife, which consists of:
 - a) Expenditure (for) afterlife which is Mandatory (Eam);
 - b) Expenditure of the afterlife which is Sunnah (Eas).

Assuming that Revenue (Y) is fixed, it means that each Eas (and its addition), such as expenses for waqf, will be taken from Savings, if any, and / or from the reduction of Consumption (C). Muslims who understand the provisions of religion certainly will not reduce the zakat funds (which are mandatory) to be put into endowments such as waqf (which is sunnah).

Approach to measuring the potential for cash waqf so far, which only bases on the assumption of the number of people who are willing to make cash waqf multiplied by the estimated cash waqf cash that can be extracted from each resident, means modeling the concept of Islamic consumption of society farthest only to Model 3, without digging deeper how consumption patterns of Muslims to be better. This means that each expenditure of the afterlife (additional) for Waqf (cash) (the author termed as "Expenditure of the afterlife Sunnah Waqf ($Easwq$)", without reducing the expenditure of the afterlife before, will be taken from the reduction of consumption (C) and or Savings (S) of the ummah. So that the previous Model 3 becomes Model 3 (a) below.

$$\rightarrow Y = ((C + S) - Easwq) + (Eam + Eas + Easwq) \quad (\text{Model 3 (a) – developed by Author})$$

The main weakness of the existing approach so far is that there is no consumption guidance model that should be reduced so that the afterlife

expenditure (additional) for waqf (cash) can be done by the people but their lives and their families can also be better. In short, in other words, the approach so far means only assuming encouraging people to be in waqf cash but by not caring (allowing) the people to keep consuming bad or unhealthy consumption for their lives.

Although it has been forbidden in Islamic teachings not to behave *Israf* (excessive or luxurious) and moreover *Tazbir* (waste of resources) especially in consuming, in reality in the community it can be found that quite a lot of people practice the *israf or tazbir* every day. The most obvious and easiest example to find is that there are still many people who smoke. Thus, people's consumption attitudes can be grouped into two:

- 1) *Consumption according to sharia= Islamic Consumption* (the author refers to as "***C_i***");
- 2) *Consumption that is not in accordance with sharia= non-Islamic* (the author referred to as "***C_n***").

By incorporating attitudes in consumption from the community, the authors develop again the consumption model that occurs in society from Model 3 above to become (Islamic Consumption) Model 4, 5, and 6, as follows:

$Y = C + S + (E_{am} + E_{as})$ <p style="text-align: right;">(Model 3 – by Author)</p> $\Rightarrow Y = (C_i + C_n) + S + (E_{am} + E_{as})$ <p style="text-align: right;">(Model 4 – by Author),</p> <p style="text-align: center;">or</p> $\Rightarrow Y = (C_i + C_n) + E_{am} + S + E_{as}$ <p style="text-align: right;">(Model 5 – by Author)</p> $\Rightarrow Y = (C_i + C_n) + (E_{am} + E_{as}) + S$ <p style="text-align: right;">(Model 6 – by Author).</p>

Given the reality that exists in society, the consumption model that exists in people who smoke (as representing *Tazbir / Israf's* attitude) is that, assuming a fixed income (Y), they will spend on:

- 1) Consumption according to sharia / Islamic (*C_i*);

- 2) Consumption that is not in accordance with sharia / non-Islamic (*Tazbir/Israf*) (C_n);
- 3) (If available) Mandatory afterlife Expenditure (E_{am});
- 4) (If available) Sunnah afterlife Expenditure (E_{as}) and or for Savings,

Which have been described in Model 4, or 5 or 6. This means, for smokers, any expenses and additions to the afterlife of the Sunnah, such as expenditures for waqf, will tend to be taken from Saving, if any. If the sequence of variables in the model shows priority scale, the conditions in Model 5 are better than Model 4, because E_{am} is issued first before making a Saving. Model 6 is better than Model 5, because expenditure for the afterlife both Mandatory and Sunnah is issued first before making Savings.

By understanding the consumption model of smokers, it is easy to understand that as long as this reality is not realized by policy makers, and no comprehensive and strategic improvements have been made by the government and various related community components, it is very difficult to expect that smokers will undertake Expenditure (or add) to the afterlife of the Sunnah, for example Waqf, because they have to reduce their Savings (if any) or moreover reduce their cigarette consumption (C_n). It may even be Expenditure for the mandatory (E_{am}) is not done.

The ideal conditions expected for every Muslim should be as described in Model 7 below.

$$Y = (C_i + C_n) + (E_{am} + E_{as}) + S \quad (\text{Model 6 - by Author})$$

$$\Rightarrow Y = C_i + (C_n - C_{nc}) + (E_{am} + E_{aswq} + E_{as}) + S,$$

(Where: $-C_{nc} = +E_{aswq}$) or in short:

$$\Rightarrow Y = C_i + 0 + (E_{am} + E_{aswq} + E_{as}) + S$$

(Model 7 - by Author)

Model 7 is the Ideal Model, a condition in which expenditures for non-Islamic consumption *Tazbir / Israf* (waste / unuseful / damage or excessive (*Cn*)) has been cessated (**- Cnc**) and then the funds are switched to (add to) the Sunnah afterlife Expenditure (**+ Easwq**), for example for Waqf. Certainly with the assumption that the mandatory afterlife expenditure has been fulfilled.

Actually, there are various *Tazbir / Israf* activities that have taken place in the community so far, for example, drinking alcohol, wasteful use of various resources (for example, water, energy, collectible expensive items, and so on). The author focuses the discussion on cigarette consumption for the following reasons: First, because the results of the study show that most smokers are low to middle income groups of people; Second, the data from the *Tazbir / Israf* smoking activity shows clear numbers recorded with very large values; Third, the practice of *Tazbir / Israf* smoking is clearly evident everyday; Fourth, the results of studies on the detrimental effects of cigarette consumption have been carried out by credible experts and institutions.

Measuring the Potential of Cash Waqf Based On Cigarette Sales.

How to measure the amount of cigarette consumption as an embodiment of the *Tazbir / Israf* (**Cn**) consumption activities discussed in the previous description? The Author uses a simple but clearly recorded approach, which uses a reference to Sales Revenues from cigarette manufacturers in Indonesia that clearly reflects the expenditure or consumption of cigarette consumers. This method is similar to calculating GDP using the Expenditure or Income Approach. Thus, the simple logic is that *local cigarette sales revenue from cigarette manufacturers can be said to be the same as the total Indonesian cigarette consumption expenditure* (smokers of foreigners living in Indonesia temporarily ignored because they are so small).

Based on excise taxpayer report data, there are four largest cigarette companies in Indonesia at this time, namely PT. Hanjaya Mandala Sampoerna (HMSP), PT. Gudang Garam Tbk, PT. Djarum, and PT. Bentoel Internasional Investama, Tbk. Of the four companies, PT Djarum is the only major cigarette company in Indonesia that does not register on the Indonesia Stock Exchange so no financial data is published. Table 1 below summarizes the sales data of four largest cigarette manufacturers in Indonesia.

Tabel 1. Financial performance of four largest cigarette companies in Indonesia

Financial Performance in Summary						
No	Producers		2015	2016	2017	2018
1	PT. HMSP, Tbk.	a. Sales (Trillion rupiah)	88.51	95.005	98.43	106.292
		b. Excise tax included value added tax (Trillion rupiah)	54.23	50.02	54.98	60.78
		c. Excise tax on Sales (%)	61.27%	52.65%	55.86%	57.18%
		d. Market share	35.00%	33.40%	33%	33.00%
		e. Vol (miliar unit)	109.80	105.5	101.3	101.4
		f. Average price/Unit	806	901	972	1,048
2	PT. Gudang Garam, Tbk.	a. Sales (Trillion rupiah)	67.58	73.3	80.6	93.1
		b. Excise tax included value added tax (Trillion rupiah)			49.62	60.08
		c. Excise tax on Sales (%)			61.56%	64.53%
3	PT. Bentoel, Tbk.	a. Sales (Trillion rupiah)	16.80	18.80	19.20	20.30
		b. Excise tax included value added tax (Trillion rupiah)	11.58	12.79	13.96	14.79
		c. Excise tax on	68.93%	68.03%	72.73%	72.84%

		Sales (%)					
4	PT. Djarum	Sales (Trillion rupiah)*)	N.A	N.A	N.A	N.A	52.17
5	Total	Sales (Trillion rupiah)	172.89	187.11	198.23		271.86
6	PT. HMSP, Tbk.	a. Sales (Trillion rupiah)	88.51	95.005	98.43		106.292
		b. Market share	35.00%	33.40%	33%		33.00%
7	Estimation (100%) on PT. HMSP market share)	Sales National (Trillion rupiah) (Based	252.89	284.45	298.27		322.10

Processed from Annual Report PT. HMSP, PT. Gudang Garam, PT. Bentol, Tbk.
 *) The sales value of PT. Djarum is a conservative estimation based on 2018 excise payment information on Customs Revenue in Kudus (Gojali, R., 2019)-Tribunjateng.com (2019)

Based on the data in Table 1 it can be estimated the potential cash waqf from the transfer (partially or wholly) of people's cigarette consumption clearly as follows:

- a. When only using official data from the three largest cigarette factories and the estimated figures of PT. Djarum, obtained 2018 cigarette sales value of around Rp.271 trillion, multiplied by an estimated 87% are Indonesian Muslim consumers, then the value of cigarette sales derived from the expenditure of Indonesian Muslim consumers around Rp.236 trillion per year.
- b. Meanwhile, when referring to the sales figures of PT. HMSP, Tbk. with a 33% market share of Rp. 106 trillion, the estimation of national cigarette sales value of all manufacturers will be around Rp.322 trillion, multiplied by an estimated 87% of Indonesian Muslim consumers, the value of cigarette sales derived from the expenditure of Indonesian Muslim consumers is around Rp.280 trillion per year.

In summary, based on these data, there is the potential for cash waqf from switching cigarette spending between Rp.236 - 280 trillion annually, if the community, specifically, Muslims can be made aware of quitting or, at

least significantly reducing their smoking consumption because the consumption of cigarettes that are not mandatory (even wasteful / destructive) is very feasible to be a source of funds (potential) for the Expenditure of the afterlife that is Waqf (and for the mandatory). Implementing the previous model $Y = Ci + (Cn - Cnc) + (Eam + Eas + Easwq) + S$ (Model 7) with cigarette sales figures will explain that if smokers, for the efforts of the government with various other key community components, especially community leaders, can improve their awareness so that they want to reduce significantly or even cease the consumption of cigarettes (Cnc) (consumption of *Tabzir* / waste or even destroy) and move it to the sunnah afterlife expenditure which is waqf ($Easwq$) or mandatory for those who have not, then all parties will benefit. For smokers, they will get an uninterrupted charity even though they have died and their health and family will be better. For the community, will get a very large source of funds that can be used for the development of the prosperity of the wider community.

Conclusion

Approach to measuring the potential for cash waqf based only on the assumption of the number of people who are willing to make cash waqf multiplied by the estimated cash waqf cash that can be extracted from each population means modeling the concept of Islamic consumption of society farthest only up to Model 3, without delving deeper into how people's consumption patterns Muslims to be better. The main weakness of the existing approach so far is that it only assumes encouraging people to take part in cash but by not caring (allowing) the people to keep consuming unhealthy or unhealthy consumption for their lives. Calculation of the potential for cash waqf with a more appropriate approach will provide stronger and more useful information for policy makers and community

economic development strategies. Even more important because there is a large task that is the joint responsibility of experts, academics and stakeholders, namely how to prevent the most disadvantaged groups of the community, both from the socio-economic, health and intellectual aspects, from falling into the trap of waste that endangers them and his family.

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