

Consolidating Wealth and Power: Arab Family Businesses and Politics in Post-Reform Purwokerto

Tika Mardianti Lestari¹

Received: November 27th 2025 | Accepted: June 22nd 2026 | Published: July 22nd 2026

Abstract

This study examines how the Basalamah family business was strengthened using political and social strategies. A qualitative method and case study approach was used for data collection, involving observation, in-depth interviews and documentation. Unlike previous business and political studies, this paper considers social capital as well as economic capital. This study complements political economy literature by demonstrating the influence of economic, political and religious identity forces on business and politics at the local level. The political strategy employed involved building a patronage network with local political elites, such as the Regent of Banyumas under the leadership of Joko Sudantoko, Aris Setiono and Mardjoko, and entering the world of practical politics by holding strategic positions in the Banyumas Regency Regional House of Representatives (Regency Council). Both strategies are important because informal connectivity is needed to build relationships with local political elites and to become directly involved in politics (i.e. policy-making) for the sake of business interests. The social strategy employed was to strengthen social networks and reinforce the religious social space through the Al-Irsyad Al-Islamiyyah social foundation in Purwokerto. This social strategy strengthens the bond between economic and political forces in perpetuating their business interests while safeguarding ethnic identity.

Keywords: Business; patronage; politics; strategy

¹ Faculty of Social and Political Sciences, Universitas Jenderal Soedirman. Email: tikamardiantilestari@gmail.com

Introduction

The economic development of Purwokerto is closely linked to the economic activities that influence the rate of economic growth in the area. As the capital of Banyumas Regency, Purwokerto serves as the centre of government and economic activity in the southern part of Central Java Province, with the largest business centre in the region. Banyumas Regency is one of the areas in Central Java with the fourth-highest economic growth, at 5.86%, which is higher than the regional growth rate of 5.31% (BPS Kabupaten Banyumas, 2022). This was influenced by increased business activity, including that of the Basalamah family from

the Arab community. The business sector in Purwokerto is dominated by two ethnic groups: Chinese and Arab. Since the New Order era, the Chinese ethnic group has dominated business in Purwokerto (Nurprojo, 2019). Following the reforms, the Chinese and Arab ethnic groups coexisted, and both now hold economic power in Purwokerto. Currently, the Arab ethnicity holds a more dominant position in terms of the power dynamic between the Chinese and Arab ethnicities. Besides their economic and political power, the Arab community has also been more easily accepted due to a shared identity: Islam is the majority religion in Purwokerto.



The Basalamah family has a huge business network in the property sector under the name PT Griya Satria and PT Sapphire Group. They are the leading player in the property sector and are known for their PT Sapphire Group label in regions such as Banyumas, Brebes, Cirebon, Pekalongan, Slawi and Tegal. Purwokerto is Sapphire's largest housing development area, comprising approximately 17 housing estates and 1,000 units across 10 housing cluster types (Sapphire Group, 2024). In the education sector, the Al-Irsyad Al-Islamiyyah social foundation has established ten schools ranging from kindergaten to senior high school level, which are considered the best private schools in Purwokerto. The

family has also developed a family-like business networks in the construction, education, health, and tourism sectors. They are not only trying to build political power in the business sector; their family has also held legislative power in the Golkar Party-affiliated Banyumas Regency Council. Despite being a minority group, they have successfully entered the political arena due to their economic and social strength, religious identity and strong mass base in Purwokerto. This has affected their business and political activities at the local level.

Studies on the relationship between business and politics within the state still largely rely on economic power rather than social capital. Many still see the Chinese ethnic group

dominating business within the state sphere. The struggle for the state's material capital will revolve around the strength of the capital of both the Chinese ethnic group and the 'indigenous' capitalist class, with the former continuing to dominate private businesses (Hadiz, 2013). In the context of Purwokerto, a strong religious identity influences business and politics at a local level. As a wealthy minority in Purwokerto, Arab families have sought to build political power and religious identity as a binding force for economic and political strength, maintaining their dominance in Purwokerto through a large mass base. This phenomenon supplements the study of political economy, which

suggests that the relationship between business and politics within a state reflects its economic, political, and religious identities. This research aims to explain the political and social strategies employed by the Arab family to strengthen their business and political influence in Purwokerto post-reform.

Conceptual Framework

Business and politics are often referred to together as 'business and the state' because the state is a collective of political actors (Heywood, 2002). However, political understanding is broader than the state because politics involves anyone who is involved in activities through which people create, maintain, and



change the general rules that underpin their lives (Heywood, 2002). Politics is not limited to individuals who join political parties or engage in government activities; it encompasses anyone who can develop influence and allocate resources within a broader context of life (Heywood, 2002). Meanwhile, business is related to the allocation of material resources to generate profit. The two are closely linked: political processes are used to achieve business interests, while economic aspects are used to achieve political power. The state also views politics as an activity undertaken by business actors to accumulate wealth through political parties, political elites, community

organisations or business organisations in order to access business opportunities. The relationship between business actors/entrepreneurs and the state is characterised primarily by patronage (Savirani, 2015). As Robison (1986) explains, business and politics during the New Order Era show the relationship between the state and business, where the state became a space to protect and support business power. This business patronage network centred on the Soeharto family and was based on a political-economic structure controlled by the president (the patron) and his cronies (the clients). This structure used the political-economic logic of capitalism



to benefit of the family and surrounding elites. The state provided businesses with facilities such as subsidies, licenses and monopolies, or eased credit restrictions (Robison, 1986).

After the New Order ended, patronage networks continued in the era of decentralisation, growing stronger through a more fluid and open political arena. A decentralised political structure down to regional level, including the political economy agenda implemented by the old elite (part of the New Order legacy), as well as the emergence of new elites comprising more diverse actors, strengthens patronage relationships locally.

The study of the family as a political institution that operates alongside, and sometimes independently of, other institutions, as a political actor with strategic goals and agency (Purdey & Savirani 2016). As a political institution, the family reflects the role that shapes, influences, and participate in politics in modern democratic states. This includes formal, informal, and non-institutional (shadow) forms, such as the formation of networks within family ties and the family's relationships with ruling elites (Purdey & Savirani, 2016).

This institutionalist approach to analysing elites and their families connects them to the electoral democratic system, including the direct election of regional



heads, the multiparty system, and the ways in which these systems help ensure the survival of elites and their families (Purdey & Savirani, 2016). This approach shows how local elites and their families utilise patronage and clientelism to succeed. The election of regional heads strengthens the position of local elites because the system facilitates individuals' and their family networks' role in mobilising political support (Purdey & Savirani, 2016). Local elites and their families exploit the electoral system, political parties and the strengthened patronage networks among elites to secure political power and advance their business and political interests at the local

level through complex relational patterns.

Through direct elections, decentralisation politics became an instrument of collusion, strengthening business and political patronage for economic interests (Hadiz, 2005). Patronage is defined as the relationship between individuals who possess advantages in terms of wealth, status or influence (Haryanto, 2005). At the local level, the relationship between business and politics is inseparable from electoral democracy (Savirani, 2015). Electing regional heads under an open proportional system significantly increases open market competition among local businesses for easier access to state resources.

Institutional reforms have created more opportunities for democratic institutions, such as elections. This has led to the formation of business and political relationships that are inextricably linked to electoral democracy. One business actor took advantage of these opportunities to develop their business, building relationships with politicians, bureaucrats and civil society organisations in order to access business opportunities (Savirani, 2015). The relationship between business actors and political actors is highly interdependent, with a strong focus on patron-client relationships. Business actors leverage this direct election system to build connections

with state actors or participate directly in elections, gaining access to business and political concessions at the local level. Understanding business activities in the local sphere requires attention not only to economic and political aspects, but also to informal rules relating to society, culture, and religion. The value of these rules depends on the situation, context, and actors involved, and they are related to different forms of capital (Savirani, 2015).

Social capital acts as a binding force between economic and political capital, emphasising the importance of social relationships and community trust. It is a characteristic of social organisations, including networks, norms and trust,



that facilitate coordination and cooperation for the common good. Putnam (1993) also describes social capital as the properties of social organisations that can increase the efficiency of joint work emphasising collective and participatory action. Social capital can be transferred from individuals and groups to larger populations. Social capital is often cumulative and self-reinforcing. It can be accumulated to strengthen networks and achieve common political and economic goals.

Ultimately, the Basalamah family's network in Purwokerto exemplifies the strategic integration of economic, political, and social capital to consolidate local

power. By mobilising wealth across strategic sectors, positioning family members as political actors, and leveraging socio-religious networks, they construct robust patronage systems. This framework will be used to examine how the Basalamah family utilises electoral democracy—whether by cultivating alliances with state actors or engaging directly in elections—as a mechanism to secure exclusive business and political concessions at the regional level.

Research Method

This study employs a descriptive qualitative case study approach to examine the relationship between Arab family business and politics in Purwokerto. Data is gathered

through semi-structured interviews, direct field observations, and document analysis. Following Gerring (2004), this approach was selected because it prioritises depth over breadth, enabling an in-depth analysis of specific incidents, relationships, and political processes from multiple perspectives. The sixteen informants selected for this study are categorised as follows:

1. Private sector representatives: The Basalamah family and their business colleagues, including Syafiq Basalamah, Ali Rofi Basalamah, Burhani Islami, Yasir Basalamah, Budi Santoso, and Yusri Adi Wisena.

2. Banyumas Regency Government: Achmad Husein (Regent of Banyumas), Sardi Susanto (Chairman of Commission A, Banyumas Regency Council), Budhi Setiawan (Chairman of the Banyumas Regency Council), Andrie Subandrio (Former Head of the Housing Agency), and Tauqif Noerarifin (Head of the Investment Agency).

3. Religious and community figures: Abu Ibrahim Zain, Ahmad Rofiq, and Farkhan Aji.

4. Civil society organisations: Sambadi (Chairman of the LIBAS).

To ensure in-depth information, the interviews and observations were conducted between 20 and

180 minutes. Data validity was established through source and methodological triangulation. This was done by comparing interview results with observations, as well as comparing what informants said publicly versus privately, and during the research versus in general. Furthermore, perspectives were compared across different backgrounds, including ordinary citizens, educated individuals, wealthy people, and government officials. Finally, the interview results were cross-checked with related documents.

Data analysis was conducted in four systematic stages. First, raw data collected from observations, in-depth interviews, and documentation were

transcribed and cross-referenced with secondary sources. Second, data reduction was applied to simplify, abstract, and filter the raw data, retaining only the information most relevant to the research objectives. Third, the refined data were displayed using matrices, graphs, and charts to help identify structural patterns. Finally, conclusions were drawn and verified based on these synthesized findings.

Finding and Discussion

The Origins of Arab Families in Purwokerto and Their Business Expansion

Arab first arrived in Southeast Asia around the 10th century (Berg, 2010). They established relations with the natives in the

archipelago through trade, which connected the region to areas that became centres for the spread of Islam (Berg, 2010). The origins of Arab families in Purwokerto can be traced back to the migration of Hadrami Arabs to Indonesia from the Hadramaut region in the 13th century via trade routes connected to areas that were centres of Islamic dissemination, including Java Island. The largest number of Hadrami Arab migrants are found in cities such as Jakarta, Tegal, Pekalongan, Semarang, and Surabaya (Kesheh, 2007). The 14 Arabs in the former Banyumas Residency are believed to be of mixed descent from migration bases in these five regions, spreading to Purwokerto. This includes

those who are not Sayyids, such as the Basalamah family (Lestari, 2025). The spirit of Arab migration in Java was trading in coastal areas, and their activities later expanded to include economic development, as with the Basalamah family, who attempted to expand their business in Purwokerto.

Arab family businesses in Purwokerto expanded rapidly in the post-New Order era. Driven by new opportunities created by regional development initiatives and local electoral democracy, these families strategically combined economic expansion with political power-building. This dual approach enabled them to establish extensive networks across strategic sectors,

including construction, education, and tourism, as property, healthcare, furniture, detailed below:

Table 1. Arab Family Business Network

No	Arab Family	Business Sector	Type of Business	Year
1.	Abdullah Basalamah	Trade	Building materials (operated through Gunung Jati hardware store), Islamic jewelry, and furniture	1990 to 2004
2.	Umar Basalamah	Trade	Building materials (operated through Prapatan hardware store)	1990 to 2003
3.	Nasir Basalamah	Construction, oil and gas	Project contracting (operated through PT Linggar Jati Permai) and a petrol station	2000 to present
4.	Ali Umar Basalamah	Property and construction	Housing development (operated through PT Griya Satria) and construction (operated through PT Binagung Damar Buana Group)	2000 to present
5.	Ali Rofi Basalamah	Property and tourism	Real estate (PT Sapphire Group) and tourism (Caping Park)	2007 to present
6.	Syafiq Basalamah	Healthcare	Siaga Medika Hospital	2003 to present
7.	Muhammad Basalamah	Healthcare	Omnia children's clinic	2016 to present
8.	Afif Basalamah	Trade	Building materials (operated through Gunung Jati hardware store)	2004 to present
9.	Haidar Basalamah	Trade	Building materials (operated through Prapatan hardware store)	2003 to present
10.	All members of Basalamah Family	Education	Al-Irsyad Al-Islamiyyah schools, from kindergarten to high school	2000 to present

Source: Primary interviews conducted with the Basalamah family (April–October 2024), processed by the author.

The Political Strategy of Arab Families in Building Their Business Networks

1. Building Relationships with the State: Establishing Patronage

As business actors, Arab families strive to connect with state actors in order to access business opportunities. They continuously build patronage relationships with Purwokerto's political authorities. Nasir Basalamah and Ali Umar Basalamah are well-known contractors in Purwokerto who have cultivated close relationships with local political actors, including former Regents of Banyumas, since the time of Regent Joko Sudantoko (1988–1998). The Basalamah family frequently facilitated

local government projects to maintain a privileged partnership with the Regent. This alliance smoothed the region's development during the initial economic zoning in central Purwokerto. Regent Joko Sudantoko was a prominent New Order figure and a high-ranking regional official within the Golkar Party. This proximity to the New Order power structure likely catalysed Ali Umar Basalamah's political ascent, paving the way for him to join the Golkar Party leadership at the end of the regime. He served as the party treasurer and remained a key Golkar official in Banyumas Regency from 1998 to 2018. To this day, he retains significant influence within the local party leadership.



Following the end of Regent Joko Sudantoko's leadership in 1998, Arab entrepreneurs continued to foster patronage with the local political elite through their close tied with Regent Aris Setiono (1998-2008), who was a member of the Golkar Party. Their position within the Golkar Party made it easier for them to communicate with and lobby Regent Aris Setiono regarding regional development policies. The entrepreneurs' position drove this condition, influencing Regent Aris Setiono to expand the policy of exchanging village-owned land.

Under the leadership of Regent Aris Setiono, Arab entrepreneurs enjoyed considerable success, including in their efforts to

influence the regent to implement policies. This indicates that Arab entrepreneurs have significant economic resources that can influence local government policies. The regent also benefits from the resource exchange related to the presence of Arab businesspeople, who consistently supported Regent Aris Setiono's victory in the Banyumas local elections. This reflects the relationship between entrepreneurial actors and state actors, who both have resources to exchange. This situation provided the Basalamah family with an initial gateway into the state's sphere of influence, enabling them to build patronage and strengthen their business and

political relations at the local level. Exchanging resources between entrepreneurial and political actors is a step towards building patronage to facilitate business and political activities.

2. The Land Policy Exchange for Banda Desa from 1988 to 2008: Strategic Land Control

Strategic land ownership and business dominance in Purwokerto were deeply intertwined with the local political structure throughout the New Order and Reform eras. Over a 20-year period spanning the administrations of Djoko Sudantoko (1988–1998) and Aris Setiono (1998–2008), patronage practices were monopolised by two primary factions: Chinese-Indonesian networks,

represented by Made Widiana, and Arab-Indonesian networks, led by Nasir and Ali Umar Basalamah. This dominance was facilitated by a closed political system heavily influenced by the military and bureaucracy. For instance, enjoying significant political intimacy with Regent Djoko Sudantoko, Widiana largely controlled local land swap processes. Backed by the New Order regime, his network successfully acquired strategic areas across Arcawinangun, Tambaksogra, and Sokanegara villages (Nurprojo, 2019).

Following the collapse of the New Order, the Basalamah family rose to prominence by leveraging their established business networks to penetrate the



local political arena. Their patronage network with the regents facilitated political lobbying acquire village-owned land. This was driven by Ali Umar Basalamah's strategic position in the Golkar Party and his political intimacy with Regent Aris Setiono, which made it easier for Arab businesspeople to acquired land in strategic locations, including Sumampir, Berkoh, Pasir, and Karanglewas villages, which remain heavily dominated by their businesses today. Ultimately, this demonstrates how effectively patronage alliances with the Regent were leveraged to monopolise strategic land acquisitions.

During the land swap process for village-owned properties, the Basalamah

family's acquisition of state resources triggered minimal community resistance. This smooth acquisition was largely driven by prevailing local dynamics. During the New Order, public resentment had grown towards Chinese-Indonesian developers who previously dominated such land acquisitions. The Arab-Indonesian network successfully capitalised on this situation, benefiting from the local residents' unfavourable perception of the Chinese faction, which was deeply rooted in identity differences (Nurprojo, 2019).

Additionally, a more open political structure that directly involves society in the land swap process leads to greater societal acceptance of Arab ethnic group, based on a

shared sense of emotional connection through religious identity. Furthermore, distribution politics are used to allocate economic resources and actively engage in the socio-religious field through the Al-Irsyad Al-Islamiyyah social foundation, which acts as a social capital binder influencing the process of acquiring village-owned land. The patronage network formed between Arab businesspeople and local political actors, particularly the Regent, reflects the ease with which strategic land can be acquired. The development of business patronage in a more open political system is significantly influenced by economic, political and religious identity capital, making it easier for Arab

groups to take ownership of strategic land for business development.

3. The Banyumas Regional Election 2008: An Arena for the Exchange of Interests between Businesspeople and Politicians

The relationship between business and politics at the local level cannot be separated from electoral democracy. Business leaders have capitalised on institutional reforms by networking with politicians, policymakers, and civil society to advance their commercial interests (Savirani, 2015). The 2008 Banyumas regional election provided an arena for the Basalamah family and Regent Mardjoko to forge a mutually beneficial alliance.



Beyond material wealth, the Basalamahs provided crucial electoral support through the Al-Irsyad Al-Islamiyyah network's substantial mass base, which proved instrumental to Mardjoko's victory. In return, the family gained privileged political access to expand their businesses in Purwokerto City, directly facilitated by Mardjoko's 'Building Banyumas with Investment' policy.

Under Regent Mardjoko's leadership, the Basalamah family received significant regulatory accommodations, including expedited property permits and the conversion of agricultural land into residential areas. Notably, they secured housing permits on the city's outskirts despite

these areas being designated as green zones in the Regional Spatial Plan (RTRW). This political patronage permanently solidified the family's property networks. Ali Rofi and Ali Umar Basalamah established major real estate firms—PT Sapphire Group and PT Griya Satria, respectively. Sapphire Group has seen particularly rapid growth, expanding extensively across the Purwokerto Barat, Purwokerto Selatan, Purwokerto Utara, Ajibarang, Baturaden, and Sokaraja districts.

This condition indicates a classic patronage exchange. The Arab family became a political force for the victory of Regent Mardjoko, and in return, his administration facilitated their wealth

accumulation. Leveraging their real estate dominance, the Basalamah business networks have since diversified beyond housing into other strategic sectors across Purwokerto, including healthcare, education, and tourism.

4. Entering the Legislative Arena to Strengthen Business and Political Relations

When expanding their businesses, Arab families did not limit themselves to operating as indirect political actors who built close relationships with local politicians. They also involved themselves directly in politics as a strategy to strengthen their business and political standing. The greater the need

to maintain wealth, the more necessary it is for businesspeople to engage with political power (Hadiz, 2005). In 2009, Arab families entered electoral politics directly for the first time in Banyumas, nominating their family member Ali Umar Basalamah as a legislative candidate for the Golkar Party in Electoral District 4, which covers Kembaran, Sokaraja, Purwokerto Barat, Purwokerto Timur, Purwokerto Selatan and Purwokerto Utara.

The nomination in Banyumas Electoral District 4 presented the Arab family with a unique challenge in getting Ali Umar Basalamah elected to the Banyumas Regency Council. This was because they were a minority group



that had never been directly involved in local politics. However, the family possessed the resources to mobilise votes, making it relatively easy for them to win the electoral contest. In the 2009 election, Ali Umar received approximately 14,000 votes out of the total 33,964 votes for the Golkar Party in Electoral District 4 (KPU Kabupaten Banyumas, 2009). This contributed about 12% to the total 116,830 votes for the Golkar Party in Banyumas (KPU Kabupaten Banyumas, 2009). This was considered a significant achievement given his status as a newcomer to the political world, despite his long-standing involvement in business. Ultimately, he was

the only legislative candidate from the Golkar Party in Electoral District 4 to be elected to parliament.

Firstly, this electoral victory was underpinned by the Arab family's economic strength, leveraging their financial resources as a decisive political instrument. They used financial capital to mobilise votes by buying and selling them in five sub-districts: Kembaran, Sokaraja, Purwokerto Barat, Purwokerto Timur, Purwokerto Selatan, and Purwokerto Utara. The aim was for each sub-district to obtain a minimum of 2,000 votes in order to secure a parliamentary seat (Lestari, 2025). Secondly, in addition to economic capital, Arab families utilised their social

capital, as they have a relatively large mass base through the Al-Irsyad Al-Islamiyyah social foundation network and Salafi Islamic boarding schools spread throughout the Purwokerto area. Money politics is ineffective without social capital, and similarly, social capital can be bound by money. When social capital and money are combined, they have a significant influence (Assidiq, 2019).

The position of the Basalamah family was further consolidated when Ali Umar Basalamah was appointed as the Chairman of the Banyumas Regency Council's Commission D, a highly strategic position. Other family members were also elected to key roles, such as Ali Rofi Basalamah as

Chairman of the Real Estate Indonesia (REI) Banyumas branch and Vice Chairman of REI Central Java for the 2009-14 period (Helmy, 2018). REI is an organisation with the authority to issue housing permits. Ali Umar Basalamah also served as Chairman of the Indonesian Employers Association (Gapensi) in Banyumas from 2009 to 2019. The rapid expansion of the family's property business through PT Sapphire Group began at a strategic intersection of political and industrial power: the administration of Regent Mardjoko, Ali Umar Basalamah's chairmanship of Banyumas Regency Council's Commission D, and other family members securing key positions within local REI and Gapensi branches.

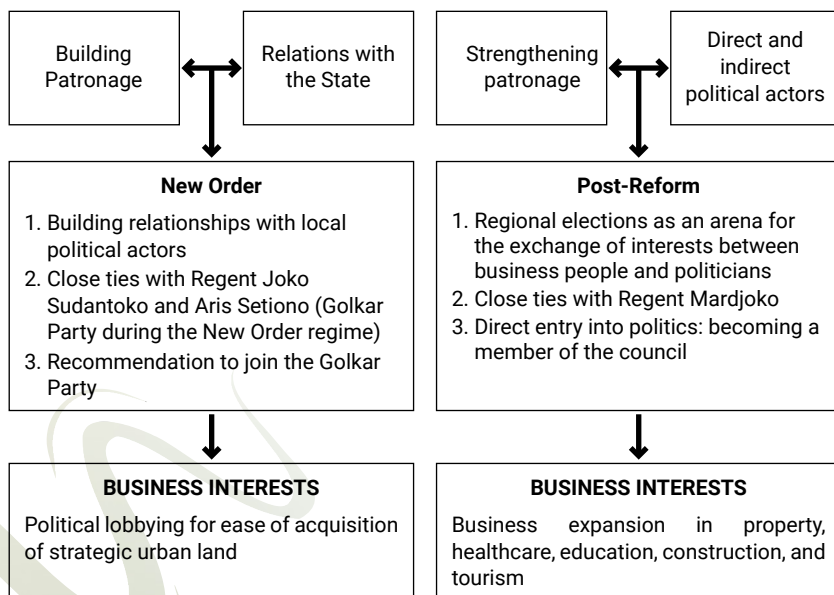
Table 2. Business and Politics Arab Family

No	Name	Business	Politics	Social	Business Location
1	Ali Rofi Basalamah	PT Sapphire Group	Having a close relationship with Regent Joko Sudantoko (1988-1998) and Regent Mardjoko (2008-2013)	First Chairman of the Development Division of the Al-Irsyad Al-Islamiyyah social foundation	Purwokerto, Brebes, Tegal, Slawi, Pemalang, Kajen, Pekalongan, Purbalingga, Cirebon
2.	Ali Umar Basalamah	PT Griya Satria	Golkar Party official, Chairman of Commission D at the Banyumas Regency Council, and the PKS candidate for Regent in 2019	First Chairman of the Education and Instruction Division of the Al-Irsyad Al-Islamiyah social foundation	Purbalingga, Purwokerto, Banjarnegara, Cilacap, Kebumen
3.	Nasir Basalamah	Construction, petrol station, Al-Irsyad Al-Islamiyyah social foundation	Having a close relationship with Regent Joko Sudantoko (1988-1998) and Regent Mardjoko (2008-2013)	General Chairman and First Chairman of the Education and Instruction Division of the Al-Irsyad Al-Islamiyah social foundation	Purwokerto, Purbalingga, Banjarnegara, Cilacap, Kebumen
4.	Syafiq Basalamah	Siaga Medika Hospital	Having a political ties with Regent Mardjoko (2008-2013)	Manager of the Al-Irsyad Al-Islamiyyah social foundation	Purwokerto, Purbalingga, Pemalang
5.	Afif Basalamah	Building materials distributor	-	Manager of the Al-Irsyad Al-Islamiyyah social foundation	Purwokerto, Purbalingga

No	Name	Business	Politics	Social	Business Location
6.	M. Basalamah	Omnia children's clinic	-	Manager of the Al-Irsyad Al-Islamiyyah social foundation	Purwokerto
7.	Haidar Basalamah	Building materials distributor	-	Manager of the Al-Irsyad Al-Islamiyyah social foundation	Purwokerto

Source: Primary interviews conducted with the Basalamah family (April–October 2024), processed by the author.

Figure 1. Strengthening Patronage Networks and Business Interests



Source: Data processed by the author.

Social Strategy: Using Religious Identity to Build Social Power

Arab families in Purwokerto are building social power to manifest their economic dominance and sustain their business and political existence. Religious identity is used to bolster this power, functioning as a strategic tool to maintain networks. This serves both business and ethnicity interests. The use of religious identity as a source of strength has intensified alongside growing market competition in Purwokerto.

The Basalamah family lives alongside Chinese businesspeople. While economically comparable, the Basalamah family is more dominant in strengthening its

socio-religious base in Purwokerto. In addition to their success in developing business networks, they are increasingly involved in politics to reinforce their position by leveraging Islamic identity. This has created a disadvantage for Chinese business owners, as they lack the social power that the Basalamah family wields. By utilising religious identity to protect their business and ethnic interests, the family has effectively fostered emotional bonds and gained greater societal acceptance within the majority Muslim community.

Arab families translate this economic expansion into social strength through the following:

- a) The Al-Irsyad Al-Islamiyyah social foundation,

managed by the Basalamah family, allocates the wealth owned by Arab families to become the main donor for the development of religious sites, such as mosques, prayer rooms and Islamic boarding schools. For example, they have established several large mosques in the centre of Purwokerto and prayer rooms on the outskirts of the city. To date, the foundation has built approximately 650 prayer rooms in Purwokerto and other areas, including Tegal, Pemalang, Pekalongan, Cilacap and Purbalingga (Saputra, 2018). Large and famous mosques in Purwokerto built by the Al-Irsyad Al-Islamiyyah include the Fatimatuazzahra (Mafaza),

PJKA Darussalam, Jenderal Soedirman, Tujuh Belas, Gelora Indah and Al-Islah. This strengthening the bargaining position of the Basalamah family, improving their acceptance within society and safeguarding their business interests (Saputra, 2018). In order to expand their influence, the Basalamah family regularly and systematically hosts Salafist studies in the mosques they have established. They also publish a bulletin commonly distributed in Salafi mosques to provide reading material for others. Additionally, they also have a radio channel that can be accessed from outside the region for these studies.

b) The Basalamah family became a donor in the

formation of a Sharia-based economic group called the Komunitas Pengusaha Muslim Banyumas (KPMB). This group operates in the field of small and medium-sized economic activities. The Basalamah family provided capital to members of several mosque administrators under the Al-Irsyad Al-Islamiyyah network, while simultaneously involving local community members who ran businesses but lacked funds.

The economic and political rise of the Basalamah family influenced the formation of the mass base within the Al-Irsyad Al-Islamiyyah network and the Hafizhul Qur'an Al-Manshuroh pesantren in Purwokerto. They expanded

their political influence by supporting religious study, preaching, and hosting community events. This strategy succeeded because the community recognises the family's role as consistent donors for social and religious causes. Furthermore, the family actively collaborates with the Nahdlatul Ulama and Muhammadiyah to organise religious and educational events. By leveraging these networks, which command large congregations in Purwokerto, the Basalamahs have effectively transformed their religious social capital into a significant force for vote mobilisation during regional elections.

The influence of social forces on the business and politics of the Basalamah

family at the local level is distinct. In Purwokerto, rather than exploiting social strength for controversial business activities or managing social friction, the Arab family utilises this social influence to secure electoral political capital. This strategy enables them to expand their political influence for business interests and perpetuate patronage networks.

Furthermore, the intersection of business and politics extends beyond economics, influencing the formation of social forces that ensure the continued existence of Arab-owned enterprises amidst recent local developments. Religious identity serves to strengthen social capital, fostering social embeddedness that acts as a

bond for economic and political capital, which is particularly relevant to the priorities of Arab businesspeople regarding their business and ethnic interests. The Basalamah family does not operate in a one-way manner; instead, they utilise economic dominance to benefit their ethnic identity, which subsequently enhances their social capital and helps sustain their economic dominance in Purwokerto.

Conclusion

In sum, the business and political trajectory of the Basalamah family reflects the broader impacts of political decentralisation, which has incentivised the consolidation of patronage networks in Purwokerto. Their strategy



hinges on cultivating informal ties with local elites to secure access to formal business procedures, while direct political participation enables them to influence policies favouring their commercial interests. They utilise electoral democracy to facilitate the survival of Arab entrepreneurs and access to business concessions. Parallel to this, their social strategies, allocating Arab family wealth through the Al-Irsyad Al-Islamiyyah to build mosques, schools and Sharia cooperatives, builds profound

community acceptance. These religious spaces serve as effective channels for maintaining their social base, which in turn reinforces their business and ethnic dominance. Ultimately, the Basalamah family's activities demonstrate the symbiotic relationship between political patronage and business expansion, offering a valuable lens for understanding local democracy in Indonesia today and providing a robust reference point for further political economy studies.



References

- Assidiq, F. (2019). Menguatya Perkembangan Salafisme dan Dominasi Kelompok Bisnis Arab di Banyumas. *Integralistik*, 30(1), 132-144. <https://doi.org/10.15294/integralistik.v30i2.20875>
- BPS Kabupaten Banyumas. (2022). Kabupaten Banyumas Dalam Angka 2022. BPS Kabupaten Banyumas. Retrieved from <https://banyumaskab.bps.go.id/id/publication/2022/02/25/0b57c6a1da99bb1e54bdaec3/kabupaten-banyumas-dalam-angka-2022.html>
- Berg, V. (2010). *Orang Arab di Nusantara*. Jakarta, Indonesia: Komunitas Bambu.
- Gerring, J. (2004). What Is a Case Study and What Is It Good for?. *American Political Science Review*, 98(2), 341-354. <https://doi.org/10.1017/S0003055404001182>
- Hadiz, V. R. (2005). *Dinamika Kekuasaan: Ekonomi Politik Pasca Soeharto*. Jakarta, Indonesia: LP3ES.
- Hadiz, V. R. (2013). The Rise of Capital and the Necessity of Political Economy. *Journal of Contemporary Asia*, 43(2), 208-225. <https://doi.org/10.1080/00472336.2012.757433>
- Haryanto. (2005). *Kekuasaan Elit: Suatu Bahasan Pengantar*. Yogyakarta, Indonesia: Program Pascasarjana (S2) Politik Lokal dan Otonomi Daerah, Universitas Gadjah Mada.
- Helmy, F. (2018). *Oligarki dan Ekonomi Politik Lokal: Studi Kasus Kekuatan Politik Oligarki Keluarga Arab Pemilik Sapphire Group*. [Thesis, Universitas Jenderal Soedirman]. Universitas Jenderal Soedirman Repository. (Unpublished).
- Heywood, A. (2002). *Politics*. New York: Palgrave Macmillan.

- Kesheh, N. M. (2007). *Hadrami Awakening: Kebangkitan Hadrami di Indonesia*. Jakarta, Indonesia: Akbar Media Eka Sarana.
- KPU Kabupaten Banyumas. (2009). *Pemilu Dalam Angka KPU Banyumas*. KPU Kabupaten Banyumas. Retrieved from <https://kab-banyumas.kpu.go.id/page/read/pemilu-dalam-angka-kpu-banyumas>
- Lestari, T. M. (2025). *Bisnis dan Politik Keluarga Keturunan Arab Basalamah di Kota Purwokerto, Jawa Tengah*. [Thesis, Universitas Gadjah Mada]. Universitas Gadjah Mada Repository. (Unpublished).
- Nurprojo, I. S. (2019). *Relasi Bisnis dan Politik Paska Orde Baru: Kontestasi Pebisnis Tionghoa dan Arab di Ranah Lokal*. [Dissertation, Universitas Gadjah Mada]. Universitas Gadjah Mada Repository. (Unpublished).
- Sapphire Group. (2024). *Proyek dan Unit Bisnis Sapphire Group*. Sapphire Group. Retrieved from <https://sapphiregroup.com/>
- Purdey, J., Savirani A. (2016). Survival Against the Odds; The Djunaid Family of Pekalongan, Central Java. *SAGE Journal*, 24(3), 407-419. <https://doi.org/10.1177/0967828X16659731>
- Putnam, Robert D. (1993). *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton, New Jersey: Princeton University Press.
- Robison, R. (1986). *Indonesia: The Rise of Capital*. Australia: Equinox Publishing.
- Savirani, A. (2015). *Business and Politics in Provincial Indonesia: The Batik and Construction Sector in Pekalongan, Central Java*. [Dissertation, Universiteit van Amsterdam]. Universiteit van Amsterdam Repository. (Unpublished).
- Saputra, R. C. (2018). *Politik dan Dakwah Salafi di Banyumas*. [Thesis, Universitas Jenderal Soedirman]. Universitas Jenderal Soedirman Repository. (Unpublished).

