

TABLE OF CONTENTS

| | |
|---|------|
| TITLE PAGE | i |
| SUPERVISORS AGREEMENT PAGE | ii |
| AUTHORIZATION PAGE..... | iii |
| DECLARATIONPAGE | iv |
| MOTTO PAGE..... | v |
| TRIBUTE PAGE | vi |
| ABSTRACT..... | vii |
| ACKNOWLEDGEMENT..... | viii |
| TABLE OF CONTENTS..... | x |
| LIST OF TABLE | xii |
| LIST OF FIGURE..... | xiii |
| CHAPTER I INTRODUCTION..... | 1 |
| A. Background of Research..... | 1 |
| B. Problem Statement..... | 10 |
| C. Problem Limitation..... | 10 |
| D. Research Problem..... | 11 |
| E. ResearchObjective..... | 11 |
| F. Research Contribution..... | 11 |
| CHAPTER II LITERATURE REVIEW..... | 13 |
| A. Theories..... | 13 |
| B. Previous Research..... | 38 |
| C. Research Hypothesis..... | 42 |
| CHAPTER III RESEARCH METHODOLOGY..... | 44 |
| A. Research Variable and Data Types..... | 44 |
| B. Data Collecting Method and Source | 44 |
| C. Research Model | 45 |
| D. Variable Research and Operational Definition | 45 |
| E. Analysis Method..... | 47 |

| | | |
|------------|------------------------------------|----|
| | F. Hypothesis Testing..... | 49 |
| CHAPTER IV | RESEARCH FINDING..... | 55 |
| | A. Research Variable Overview..... | 55 |
| | B. Analysis Statistic..... | 63 |
| CHAPTER V | CONCLUSION..... | 79 |
| | A. Conclusion..... | 79 |
| | B. Suggestion..... | 80 |
| | REFERENCES..... | 82 |
| | APPENDIX..... | 89 |

LIST OF TABLE

| | |
|---|----|
| 1.1 The Growth of Financing Islamic Banks in Indonesia..... | 3 |
| 3.1 Data and Sources..... | 44 |
| 4.1 Unit Root Test..... | 63 |
| 4.2 Lag Length Criteria..... | 64 |
| 4.3 Polynomial..... | 65 |
| 4.4 Johansen Cointegration Testing | 66 |
| 4.5 Pairwise Granger Causality..... | 68 |
| 4.6 Long Term VECM..... | 69 |
| 4.7 Short Term VECM..... | 71 |
| 4.8 Variance Decomposition..... | 77 |

LIST OF FIGURE

| | |
|--|----|
| 1.1 Mudharabah, Musyarakah and Murabahah on Islamic Banks in Indonesia.... | 5 |
| 2.1 Musyarakah Scheme..... | 32 |
| 2.2 Mudharabah Scheme | 33 |
| 3.1 VECM Process | 52 |
| 4.1 Research Variables | 56 |
| 4.2Research Variables | 59 |
| 4.3 Impulse Respond..... | 74 |

