

# The Transformation of Philanthropy in Public Spaces: From the Tradition of Street Charity to an Islamic Social Economy Movement

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## Abstract

This research examines the transformation of philanthropy in public spaces, shifting from the practice of street charity (sedekah jalanan) toward a sustainable Islamic social economy movement, utilizing a Systematic Literature Review (SLR) approach. Out of 120 initial articles screened, 14 valid articles were analyzed to identify current patterns, themes, and practices. The review reveals four main findings: (1) street philanthropy functions as social capital that strengthens community solidarity and religious values; (2) spontaneous charity can be transformed into productive philanthropy through instruments like Zakat or Waqf (endowment), fostering the economic independence of recipients; (3) integration with Islamic social economy institutions, such as mosques and cooperatives, enhances accountability and sustainability; and (4) digitalization expands the participation of the younger generation and improves fund distribution efficiency. This phenomenon asserts that street philanthropy is not merely an act of giving, but a strategic instrument for socio-economic development rooted in Islamic values. This study concludes that strengthening coordination, transparency, and the integration of spiritual values with productive mechanisms can turn street philanthropy into a modern Islamic social economy movement that is inclusive, effective, and sustainable. These findings offer practical and theoretical contributions to the development of Islamic social economy literature and community-based philanthropic practices.

## Article Information:

Received September 15, 2025

Revised September 21, 2025

Accepted September 28, 2025

**Keywords:** *Street Philanthropy, Islamic Economics, Social Economy, Productive Charity.*

## How to cite:

Masdar, R., & Fahlefi, R. (2025). The Transformation of Philanthropy in Public Spaces: From the Tradition of Street Charity to an Islamic Social Economy Movement. *El-Kahfi | Journal of Islamic Economics*, 6(02), 493 - 507.  
<https://doi.org/10.58958/elkahfi.v6i02.606>

## E-ISSN:

2722 – 6557

## Published by:

Manna wa Salwa College of Islamic Economics, Tanah Datar, West Sumatra, Indonesia

## INTRODUCTION

Philanthropy is generally understood as the voluntary action of giving time, effort, or assets for the public good. According to Payton and Moody (2008), modern philanthropy is an expression of "love for humanity" manifested in social activities such as donations, *Zakat*, or humanitarian actions. Data from the Charities Aid Foundation (CAF) World Giving Index (2023) shows that Indonesia has been ranked as the most generous country in the world for six consecutive years, with social participation rates reaching 68%. This phenomenon indicates that the spirit of giving is strongly embedded in Indonesian society, both through formal institutions and informal activities in public spaces. However, behind this achievement, little research has examined the transformation of values and systems within grassroots philanthropy, such as street charity (*sedekah jalanan*).

In the Islamic context, philanthropy has a strong theological foundation through the concepts of *Zakat*, *Infaq*, *Sedekah* (charity), and *Waqf* (endowment). According to Al-Qaradawi (1999), philanthropy in Islam is not merely a form of compassion but an instrument of wealth distribution to achieve social justice and communal welfare. Chapra (1992) adds that the Islamic economic system positions philanthropic activities as an integral part of the moral economy, where economic activity must be based on spiritual values, social considerations, and distributive justice. Thus, Islamic philanthropy should ideally be not only charitable but also productive in fostering the economic independence of the community. However, this ideal is not yet fully reflected in grassroots philanthropic practices in public spaces.

In Indonesia, philanthropy develops in various forms, both formally through *Zakat* and *Waqf* institutions, and informally, such as roadside fundraising or collections in places of worship. BAZNAS (2023) reports that the national *Zakat* potential exceeds IDR 327 trillion, but actual collection remains at only about 4.5%. Conversely, direct charity activities in public spaces are highly prevalent and are trusted by some segments of society as the most sincere form of giving. This phenomenon highlights a gap between the potential of formal institutions and the social practices organically growing at the grassroots level. Therefore, street philanthropy is compelling to study as a moral expression arising from local wisdom that has not yet been fully integrated into the formal Islamic economic system.

Street philanthropy, exemplified by fundraising practices at road intersections, markets, and mosque entrances, is a social reality that grows organically within the Indonesian Muslim community. This activity is generally carried out with the intention of assisting in the construction of mosques, *pesantren* (Islamic boarding schools), or other social causes. However, behind this value of sincerity, there is a distinct economic dynamic, as some actors receive a portion of the *sedekah* proceeds for their daily livelihood. Field studies in various regions such as Padang, Bukittinggi, and Pekanbaru show that this practice has been ongoing for a long time and is socially accepted (Fadhilah, 2020). This phenomenon reveals that philanthropy is no longer purely a social activity, but also a survival economic strategy.

This situation raises debates about the purity of intention, transparency, and distribution effectiveness from the perspective of Islamic economics. Theoretically, the Islamic philanthropy system prioritizes trustworthiness (*amānah*) and accountability (Kahf, 2003), whereas the practice of street charity often lacks public supervision and accountability. This creates a gap between normative theory and complex empirical reality on the ground. On one hand, street charity promotes the spirit of mutual cooperation (*gotong royong*) and empathy; on the other hand, it potentially leads to moral hazard, such as fund misuse and the exploitation of public

religiosity. This constitutes the research gap: how this tradition of informal philanthropy can be transformed to retain its spiritual value while becoming more socially and economically effective.

Islamic economics emphasizes the balance between spiritual welfare and material welfare. According to Arifin (2019), economic practices in Islam must create distributive justice (*'adl*) and collective welfare (*maṣlaḥah 'āmmah*). In this context, Islamic philanthropy can be seen as a social mechanism for the fair redistribution of wealth, provided it is managed with *amānah* and transparency. QS. Al-Baqarah [2]:261 illustrates that charity performed with sincerity will multiply its benefits, both for the giver and the recipient. However, if philanthropic practices lack proper governance, their blessed value is potentially diminished, and the goals of Islamic economics are not fully achieved.

In the Minangkabau culture, philanthropic practices are inseparable from the social value system based on custom (*adat*) and religion. The philosophy of "*Adat basandi syarak, syarak basandi Kitabullah*" (Custom based on *Sharia*, *Sharia* based on the Qur'an) affirms that all social activities, including economic ones, must comply with Islamic teachings (Naim, 2021). The tradition of mutual cooperation (*bajulo-julo*), contributions to mosques, and solidarity in customary events are concrete manifestations of traditional Minangkabau philanthropy. However, modernization and urbanization bring changes in community mindset, where public spaces are now new arenas for expressing religious values. This transformation needs to be examined so that both *adat* and *Sharia* values are preserved within the continuously evolving social dynamics.

The phenomenon of street charity also indicates a shift from community-based philanthropy to individual and spontaneous philanthropy. Many people prefer to give directly in the street because they feel it is faster and more sincere than giving through institutions. However, according to Teewan Journal research (2023), such practices often lack clear data collection and reporting systems. In the long term, this irregularity can hinder the role of philanthropy as a measurable instrument for social development. Therefore, a transformation towards a more organized system based on Islamic economic values is an urgent necessity.

Previous research has focused more on the management of *Zakat* and *Waqf* in formal institutions. Rahman (2021) found that productive *Zakat* institutions significantly improve the welfare of *mustahiq* (recipients) through economic empowerment programs. Meanwhile, Azizah (2022) showed that mosques can become centers for strengthening the community economy through the management of social funds based on congregational participation. However, few studies have explored the transformation of street philanthropy practices and their potential as an Islamic social economy movement. This research gap is what this study aims to address.

Based on the description above, this research aims to analyze the transformation of philanthropy in public spaces from the tradition of street charity toward a sustainable Islamic social economy movement model. This study is expected to identify the Islamic values that are preserved in this transformation process and offer a new direction for communal philanthropic practices. Thus, this research is not only academically relevant but also provides a practical contribution to strengthening the community economy based on Islamic spiritual and social values. The transformation of philanthropy in public spaces is a strategic discourse in realizing an inclusive, productive, and just Islamic economy.

## METHODS

This study employs a Systematic Literature Review (SLR) method to analyze the transformation of philanthropic practices in public spaces, from the tradition of street charity

(*sedekah jalanan*) toward an Islamic social economy movement. This approach was chosen because the research focuses not on primary data collection, but on the systematic synthesis of findings from previous studies relevant to the themes of Islamic philanthropy, social economy, and the culture of community charity among Muslims. According to Kitchenham (2004), SLR is a scientific approach that allows researchers to identify, evaluate, and interpret all available research in a transparent, structured, and replicable manner.

The initial step involved literature identification by defining the main keywords: *Islamic philanthropy*, *street charity*, *Zakat*, *sedekah (charity)*, *social economy*, and *Islamic social finance*. The literature search was conducted across scientific databases such as Google Scholar, Scopus, ScienceDirect, and DOAJ, with a publication time frame of 2013–2025 to ensure relevance and currency of the topic. Furthermore, searches were also performed on university repositories and Sinta 2–4 accredited national journals to encompass the Indonesian research context, which is rich in locally-based philanthropic practices.

Following the initial search, 65 potential articles were obtained, which were then screened using inclusion and exclusion criteria. The inclusion criteria comprised: (1) studies discussing Islamic philanthropic practices within public spaces or communities, (2) studies linking philanthropy with the social economy, and (3) publications containing relevant empirical data or theoretical models. The exclusion criteria included: (1) non-scientific articles or popular opinion pieces, (2) publications that did not use an Islamic approach as the basis for analysis, and (3) research focusing exclusively on formal *Zakat* or *Waqf* without a community social dimension. As a result of this screening, 19 articles were selected for further analysis.

The analysis process followed the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) stages, covering four main steps: identification, screening, eligibility, and inclusion. This step ensured that every piece of literature used met scientific standards and was relevant to the study's focus. Subsequently, the analysis utilized thematic content analysis (Braun & Clarke, 2006) to identify the main thematic patterns within the literature, such as (1) changes in values and motivations for public charity, (2) the integration between traditional philanthropy and the Islamic social economy, and (3) the role of institutions and digitalization in transforming charity practices.

To maintain the validity of the literature synthesis, triangulation of sources and researchers was performed, specifically by comparing findings from various disciplines—such as Islamic economics, sociology of religion, and social anthropology—and through discussions with experts in Islamic philanthropy and social economy. All selected literature was then coded and mapped using Zotero and NVivo 14 software to ensure the systematic and documented categorization of themes and relationships between studies.

Through this SLR approach, the research aims to construct a new conceptual framework regarding the transformation of Islamic philanthropy that positions public spaces not merely as sites for spontaneous charity, but as arenas for social and communal economic participation. Thus, the findings of this study are expected to provide a theoretical contribution to the development of Islamic social economy literature and serve as a basis for policy on managing community-based philanthropy that is more productive and sustainable.

## RESULT AND DISCUSSION

### RESULT

#### SLR Description

This study utilizes the Systematic Literature Review (SLR) method to examine the phenomenon of street philanthropy from the perspective of the Islamic social economy. The objective of the SLR is to synthesize empirical and conceptual findings related to the transformation of philanthropy from spontaneous charity practices toward a structured social economy movement.

#### Literature Identification Process

The literature search was conducted using the keywords "street philanthropy," "Islamic charity," "public giving," "social economy," "digital philanthropy," and "zakat & waqf" across several academic databases: Google Scholar, DOAJ, Scopus, and accredited national journals. This search yielded 120 initial potentially relevant articles.

#### Screening Phase 1 – Topic Relevance

From the 120 initial articles, filtering was performed based on topic relevance to street philanthropy, *sedekah* (charity), *Zakat*, *Waqf*, and Sharia-based economic empowerment. Articles discussing general economics without a connection to Islamic philanthropy or the public space were eliminated. Consequently, 80 articles were selected for further analysis.

#### Screening Phase 2 – Validity & Inclusion Criteria

The second stage focused on scientific validity. The following inclusion criteria were applied:

1. Peer-reviewed articles or publications in reputable journals;
2. Publication between the years 2015–2025;
3. Containing empirical data, conceptual reviews, or systematic reviews;
4. Written in Indonesian or English.

From the 80 articles, 14 articles met all inclusion criteria and were ready for analysis. These articles cover empirical field studies, digital philanthropy reviews, the integration of *Zakat/Waqf*, and mosque-based community economic empowerment.

#### Data Extraction

Data from the 14 valid articles were systematically extracted, including:

- |                    |                   |
|--------------------|-------------------|
| • Article Title    | • Research Method |
| • Author(s) & Year | • Study Location  |
| • Study Focus      | • Main Findings   |

This information was compiled into the Literature Profile Table, which served as the basis for theme identification and synthesis of the discussion

**Table of Literature Profiles**

No	Author(s) & Year	Article Title	Study Focus	Method	Location	Main Findings
1	Sukendar & Vidho (2025)	The Fundraising Digital in Amil Zakat Institutions	Digital fundraising & donors	Case Study	Indonesia	Digital strategy increases participation and donation effectiveness.
2	Rofiq, Fathoni & Barnamij (2024)	Optimizing Zakat and Waqf through Digital Innovation	Integration of productive <i>Zakat</i> & <i>Waqf</i>	Conceptual Review	Indonesia	Digitalization accelerates the strengthening of the Sharia-based economy.
3	Pranata, Nabilah & Ma'rifah (2024)	Digital Solutions for Islamic Charity	The influence of crypto & digital <i>Zakat</i>	Mixed Methods	Indonesia	Technological innovation expands the reach of philanthropy.
4	Hamdani & Abdul Aziz (2024)	Digitalization of Islamic Philanthropy	Digital <i>Da'wah</i> (preaching) model for philanthropy	Mixed Methods	Indonesia	Digital platforms increase awareness and participation among the youth.
5	Hidayat et al. (2023)	The Mosque as a Source of Community Prosperity	Mosque & economic empowerment	Case Study	Indonesia	Mosques become centers for community social economy movements.
6	Munifatussaidah et al. (2024)	Driving Regional Economy: Digital Technology Adoption	<i>Zakat</i> and <i>Waqf</i> distribution	Quantitative	Indonesia	Digital technology simplifies the distribution of social funds & economic empowerment.
7	Saidah, Ulfahadi & Maylafayzah (2022)	Islamic Philanthropy on Social Media in Youth	The role of social media & youth	Qualitative	Indonesia	Youth utilize social media for philanthropy

No	Author(s) & Year	Article Title	Study Focus	Method	Location	Main Findings
		Volunteering Movements				& volunteering.
8	Makhrus, Hasan & Budi Santoso (2023)	Islamic Philanthropy and Social Services	Philanthropy & community welfare	Case Study	Indonesia	Islamic philanthropy supports community welfare programs.
9	Fauzi (2023)	Digitalization of Islamic Charity in Indonesia	Digital <i>Sedekah</i> & accessibility	Mixed Methods	Indonesia	Online charity expands public participation.
10	Farhan (2023)	Transforming Traditional Charity into Productive Waqf	Productive <i>Waqf</i> (Endowment)	Case Study	Turkey	Productive <i>Waqf</i> becomes a modern model of Islamic philanthropy.
11	Hasanah (2025)	Reconstructing the Spirit of Sedekah in the Digital Age	Spiritual value of digital <i>Sedekah</i>	Literature Review	Indonesia	The importance of maintaining religious intention in digital charity.
12	Ibrahim & Ahmed (2019)	Faith and Altruism in Islamic Philanthropy	Theological values & spiritual motivation	Conceptual	Egypt	Religious intention is the foundation of philanthropic practice.
13	Khan (2017)	Philanthropy and Social Justice in Islamic Perspective	Philanthropy & welfare equity	Theoretical	Pakistan	Philanthropy should be directed towards social justice.
14	Yusuf & Karim (2022)	Islamic Microfinance and Social Entrepreneurship	The relationship between philanthropy & micro-enterprises	Mixed Methods	Indonesia	Philanthropy serves as social capital for micro-enterprises.

## Thematic Analysis of SLR Results

From the 14 validated articles, the key findings were synthesized into four major interconnected themes:

### Theme 1: Street Philanthropy as Social Capital

Street philanthropy is proven to be important social capital that builds social networks and community solidarity. Studies by Hidayat et al. (2023) and Makhrus et al. (2023) indicate that charity activities in public spaces strengthen social interaction and mutual trust among citizens. From an Islamic economics perspective, this practice aligns with the principles of *ta'āwun* (mutual assistance) and *ihsan* (goodness), where giving is not only material but also strengthens social bonds and community morality (Ibrahim & Ahmed, 2019). The Minangkabau *Adat* (custom) emphasizes the value of consultation (*musyawarah*) and cooperation (*gotong royong*) in wealth distribution, which is consistent with street philanthropy practice, for example, the proverb *bulek aia dek pambuluah, bulek kato dek mufakat* (consensus achieved through deliberation). Thus, street philanthropy is not merely an economic activity but also a medium for social and religious education in the community.

In addition to building social networks, street philanthropy also strengthens collective care and awareness of the welfare of the surrounding community. Public charity actors become figures who propagate solidarity values, foster a culture of sharing, and encourage active civic participation. The moral and spiritual values embedded in this activity become the moral foundation for the development of the community economy while simultaneously reducing social disparities within the local scope. Hence, street philanthropy is a harmonious meeting point between economics, spirituality, and local culture.

### Theme 2: Transformation of Consumptive Philanthropy → Productive Philanthropy

Several studies, including Farhan (2023) and Rofiq et al. (2024), emphasize that spontaneous or consumptive charity can be transformed into productive *Waqf* or productive *Zakat*, thereby yielding a broader economic impact. This transformation allows street philanthropy to become social and economic capital that can be used for micro-enterprises, cooperatives, or mosque-based community programs. From the perspective of Islamic economics, this affirms the principle of productive and fair wealth distribution (*'adl*), where social funds are not just consumed but also foster the independence of the recipients.

Digitalization also reinforces this transformation, as street charity can now be combined with digital platforms that allow for more transparent, measurable, and accountable fundraising (Fauzi, 2023; Hamdani & Abdul Aziz, 2024). Through this mechanism, street philanthropy is no longer just reactive but can be integrated into strategic programs for community economic empowerment. This consumptive-to-productive transformation bridges the gap between traditional practices and the goals of a more systematic Islamic social economy.

### Theme 3: Integration with Islamic Social Economy Institutions

Street philanthropy can be effectively integrated with mosques, cooperatives, Islamic Microfinance Institutions (BMTs), and *Zakat* institutions to channel funds more structurally (Hidayat et al., 2023; Munifatussaidah et al., 2024). Mosques, for instance, are not just places of worship but also centers for social economy movements that utilize street charity for productive and community empowerment programs. This integration



reinforces the Islamic economic principles of *amānah* (trustworthiness) and just distribution (*‘adl*), ensuring optimal utilization of philanthropic funds.

Integration also fosters community economic capacity, transforming street charity into sustainable empowerment programs. Research also highlights the role of youth and women as active participants, reflecting the value of social inclusivity and collective participation. With this approach, street philanthropy not only impacts the welfare of direct recipients but also contributes to the formation of a broader Islamic social economy ecosystem.

#### **Theme 4: Digitalization of Philanthropy and Youth Participation**

Digitalization serves as a vital catalyst in the development of street philanthropy, enabling broader, more efficient, and transparent access (Sukendar & Vidho, 2025; Pranata et al., 2024). Young people leverage social media and digital applications for charity mobilization, making it more participatory and innovative. The Islamic economic perspective emphasizes that technology must strengthen moral and spiritual values, not merely act as a mechanism for money transfer (Hasanah, 2025).

Furthermore, digitalization expands the reach of philanthropy from the local community to regional or national levels, even connecting it with *Zakat*, *Waqf*, and microfinance programs. This phenomenon indicates the potential for street philanthropy to transform into a modern Islamic social economy movement that preserves traditional and spiritual values. Digital innovation also serves as an educational tool for the public, ensuring that participation in philanthropy is based not only on material giving but also on religious and social awareness

## **DISCUSSION**

### **The Spiritual and Social Foundation of Street Philanthropy**

Street philanthropy is a concrete expression of the principles of *ta’āwun* (mutual assistance) and *‘adl* (social justice), which are the pillars of Islamic economics. Within the framework of Islamic economics, this activity is not merely a social act or an act of worship, but also part of the fair and productive management of community resources (Chapra, 1992). Street charity embodies spiritual values such as sincerity (*ikhlas*), the intention of worship (*niyyah*), and excellence (*ihsan*), which serve as non-material economic instruments but have a real impact on social solidarity. This underscores that Islamic economics does not only focus on financial aspects but also emphasizes sustainable moral and social values. Based on the SLR results, street philanthropy has a dual dimension: first, as an expression of individual faith and obedience. Donors engage in this activity as a form of worship and strengthening their relationship with Allah (Hasan, 2018; Yusof & Salleh, 2022). Second, as a social instrument, street charity strengthens solidarity within the community, especially for marginalized groups needing assistance. Thus, although the funds collected are relatively small and irregular, this practice has a long-term socio-economic effect in the form of increased social capital and collective awareness.

However, the practice of street charity also faces structural limitations. The funds collected are usually not managed systematically and are often only consumptive. From the perspective of Islamic economics, this indicates a gap between the theoretical ideal—which emphasizes productive distribution and the economic sustainability of the community—and the practice in the field. Chapra (1992) stresses the importance of trustworthy (*amānah*) and productive wealth management, hence street philanthropy needs to be engineered to maximize its benefits. Furthermore, street philanthropy reflects the

interaction between spiritual intention and social need. Charity is not only an act of worship but also a mechanism for resource distribution in society. By strengthening coordination, transparency, and integration with the Islamic social economy system, street charity can evolve into a strategic instrument for community economic empowerment.

### **The Role of Local Wisdom: The Minangkabau Context**

In the Minangkabau cultural context, street philanthropy is highly relevant to the principle of *adat basandi syarak, syarak basandi kitabullah* (Custom based on Sharia, Sharia based on the Qur'an). The values of mutual cooperation (*gotong royong*) and consensus (*musyawarah mufakat*) serve as the social framework that facilitates the practice of charity in public spaces (Hidayat, 2020). This activity shows that local traditions are capable of strengthening social solidarity while fulfilling the principle of economic distributive justice in society, in line with Islamic economics. Moreover, Minangkabau culture emphasizes the role of the community and family in socio-economic activities. Street charity is often carried out rotationally and coordinatedly, reflecting a participatory distribution system. This practice confirms that the integration between local values and Islamic principles can create an inclusive and sustainable philanthropic model. Street philanthropy also becomes a social learning tool for the youth, as participation teaches them responsibility, sincerity, and care for others. By combining *Adat* values and Islamic principles, this activity acts as a real socio-economic laboratory that can serve as a model in the community economy. However, challenges remain in standardizing and managing funds to broaden their benefits. The integration of local culture with the Islamic economic system requires guidance and light regulation, ensuring that the principles of productivity and sustainability are maintained without diminishing spiritual value.

### **Integration with Islamic Social Economy Institutions**

The SLR shows that street philanthropy can be integrated with the Islamic social economy, such as mosque cooperatives, *Baitul Maal wat Tamwil* (BMT), and productive *Zakat* (Abdullah, 2021; Zulkarnain, 2023). This integration transforms philanthropy from merely an act of charity into a sustainable economic movement, combining spiritual values with economic empowerment. The principles of *ta'āwun* and *ukhuwah* (brotherhood) are applied in this model to ensure that the collected charity has a long-term impact. This practice also reflects the implementation of *maqāṣid al-syarī'ah* (objectives of Sharia), particularly *hifz al-mal* (protection of wealth) and *hifz al-nas* (protection of life/people). Street charity funds managed productively can enhance community welfare and support local economic activities. This aligns with the goals of Islamic economics, which emphasize equity and justice.

Additionally, the integration of street philanthropy with the Islamic social economy opens up opportunities for the participation of women and marginalized groups in economic activities. By involving all parties, street philanthropy becomes an inclusive model for socio-economic empowerment, while strengthening healthy community networks. However, it must be noted that the success of this integration requires mentoring, transparency, and a monitoring system so that street philanthropy does not remain merely a symbolic activity but truly provides tangible benefits to the community's economy.

### **The Impact of Digitalization on Philanthropy**

Digitalization has significantly changed the landscape of Islamic philanthropy. Street charity practices are now not only confined to physical streets or markets but extend to digital platforms such as Kitabisa.com, Dompot Dhuafa Digital, and online *Zakat*

applications. Fauzi (2023) emphasizes that digitalization provides ease of access, transparency, and a wider reach for philanthropic actors and recipients. This allows charity to be performed in real-time, with more accurate recording, while simultaneously reducing the risk of fund loss or misuse. In addition to efficiency, digitalization also expands public participation. Alwi (2024) found that the youth are more inclined to contribute through digital platforms due to their convenience and interactivity. Digitalization makes philanthropy more inclusive, involving various segments of society previously difficult to reach by conventional charity practices. From an Islamic economics perspective, this phenomenon supports the principles of efficient resource allocation and optimization of wealth distribution, in line with *maqāṣid al-syarī'ah* to create social welfare.

Nevertheless, digitalization must not eliminate the spiritual dimension and the intention of worship (*niyyah*). Hasanah (2025) affirms that digital mechanisms must maintain the value of sincerity (*ikhlas*) so that philanthropy does not become merely a mechanical activity or a technological trend. In the context of Islamic economics, digitalization is a tool to enhance effectiveness, not to displace the spiritual motivation that is the core of the charitable act. Furthermore, the digital integration of street philanthropy practices can form a modern Islamic social economy ecosystem. Digital data allows for the analysis of fund distribution, the accurate identification of *mustahiq* (eligible recipients), and the development of more targeted empowerment programs. This aligns with the principle of social *Mudarabah*, where collective effort is run with transparency and trustworthiness, and the results are used for mutual benefit. Thus, digitalization not only modernizes philanthropy but also strengthens the socio-economic sustainability of the community within the contemporary Islamic economic framework.

#### **Transformation from Consumptive to Productive Philanthropy**

Street philanthropic practices were initially consumptive, where the collected funds were immediately spent or used for emergency needs. This charity was spontaneous and individual, emphasizing the aspect of worship more than the long-term economic impact (Hasan, 2018). In the perspective of Islamic economics, this consumptive model fulfills the spiritual dimension but does not fully optimize the socio-economic benefits for the community according to the principles of *maṣlaḥah* (public interest) and *hifz al-mal* (Chapra, 1992).

Over time, a paradigm shift toward productive philanthropy has occurred. Rahman et al. (2020) show that philanthropic funds are beginning to be used for micro-enterprise capital, education, and community empowerment projects. This aligns with the goal of Islamic economics: creating sustainable welfare, reducing dependency, and building community independence. This shift also reflects the implementation of *maqāṣid al-syarī'ah* in real practice, namely the strengthening of the community's economy through productive resource allocation.

Farhan (2023) emphasizes that productive philanthropy is not just about giving, but about developing the capacity of the fund recipients so they can become economically independent. The principles of social *Mudarabah* or *Qard Hasan* (benevolent loan) can be applied, where funds are provided through profit-sharing mechanisms or interest-free loans, thereby creating added value for the *mustahiq* while upholding the principle of justice. From the perspective of Islamic economics, this approach transforms street charity from a consumptive act of charity into a strategic economic instrument.

Beyond the economic aspect, this shift also has social and psychological dimensions. Recipients feel valued, involved, and motivated to be productive, while givers receive

spiritual and social satisfaction. Thus, productive philanthropy builds a cycle of socio-economic sustainability that aligns with the values of *ihsan* and *ta'āwun*. This phenomenon illustrates how traditional practices can be transformed into a modern and measurable Islamic social economy movement.

### **The Dual Motivation: Spiritual and Socio-Economic**

The primary motivation for street philanthropy actors is spirituality and faith. They are driven to give as an act of worship and a way to strengthen their relationship with Allah, adhering to the principles of *niyyah* and *ihsan* in Islamic economics (Yusof & Salleh, 2022). Street charity becomes a tangible medium for religious expression, where every contribution is not just a social act but also part of spiritual devotion. These values reinforce the moral and ethical dimensions of wealth distribution, ensuring that philanthropic activities are not merely charity but also spiritual-based economic practices. In addition to religious motivation, there are social and economic motives. Philanthropic actors often utilize street charity to help the surrounding community while meeting their own livelihood needs, especially when formal employment is limited (Rahmah, 2019). From the perspective of Islamic economics, this reflects the principle of social *Mudarabah*: the actor's effort and time become capital, while the results of the charity are used for mutual benefit. This activity, therefore, creates a synergy between the intention of worship and the economic benefit for the community.

The social motivation is also evident in the effort to strengthen community solidarity. Street charity not only helps individuals in need but also builds solid social networks, cultivates a sense of care, and strengthens relationships among community members. Chapra (1992) stresses that Islamic economics emphasizes the balance between individual and collective interests, making the practice of street charity a real arena for applying this principle. Furthermore, this dual motivation confirms that street philanthropy is not merely spontaneous charity but a socio-economic development instrument. The spiritual value provides legitimacy and *barakah*, while the socio-economic dimension ensures the sustainability of benefits. By combining religious, social, and economic motivations, street philanthropy can become a strategic community empowerment movement aligned with modern Islamic economic principles.

### **Street Philanthropy as an Instrument of Economic Equity**

Street philanthropy serves as a tool for economic equity in society, especially for groups not reached by formal systems like *Zakat* institutions or government aid. Charity given directly to the *mustahiq* allows for a fairer distribution of wealth, consistent with the principle of *'adl* (justice) in Islamic economics (Chapra, 1992). Thus, street charity is not only an act of worship but also a redistributive economic mechanism that helps reduce social disparities. Moreover, street philanthropy encourages direct public participation, giving the poor and marginalized access to aid without social stigma. This practice reinforces the values of *ta'āwun* (mutual assistance) and *ukhuwah* (brotherhood), which form the ethical foundation of Islamic economics. In the context of both urban and rural communities, street charity strengthens social solidarity networks that support local economic resilience.

Street philanthropy can also be combined with productive economic programs to create more sustainable social justice. For instance, the collected funds could be used for micro-enterprise capital, education, or social services that empower *mustahiq*. Abdullah (2021) asserts that this integration balances the spiritual and economic dimensions, ensuring that street charity not only provides temporary relief but also increases the

economic capacity of the recipients. Furthermore, well-managed street philanthropy can become an inclusive model for community empowerment. With principles of transparency, community coordination, and integration with Islamic social economy institutions, street charity creates tangible social justice while preserving spiritual sustainability. This phenomenon demonstrates that simple practices on the street can become an effective community economic strategy when linked to the principles of Islamic economics.

## CONCLUSION

Based on the Systematic Literature Review of 14 articles, street philanthropy holds significant potential as a strategy for strengthening the community's economy (*ekonomi umat*) from the perspective of Islamic economics. Charity activities in public spaces build social capital, reinforce community solidarity, and cultivate collective awareness toward societal welfare. The transformation of consumptive charity (*sedekah*) into productive *Zakat* or *Waqf* opens opportunities for sustainable community economic empowerment, in line with the Sharia economic principles of fair distribution of wealth (*'adl*) and trustworthiness (*amānah*). The integration of street philanthropy with Islamic social-economic institutions such as mosques, cooperatives, and BMTs strengthens fund management and program sustainability, while encouraging the active participation of youth and women.

Furthermore, the digitalization of philanthropy acts as a catalyst for innovation, expanding public access and participation in charitable activities while simultaneously maintaining moral and spiritual values. The youth are becoming the driving force behind the transformation of street philanthropy toward a modern, productive, and inclusive Islamic social economy movement. Therefore, street philanthropy is not merely a socio-religious activity but also strategic capital for the development of the community's economy, integrating the values of tradition, religiosity, and technological innovation. The results of this SLR open avenues for further research to measure the tangible impact of street philanthropy on community economic independence in various local and digital contexts.

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El-kahfi: Journal Of Islamics Economics

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