

ESTABLISHING ECONOMIC EMPOWERMENT SYSTEM THROUGH MOSQUE BASED COMMUNITY

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ABSTRACT

Mosques serve not only as places of worship but also as centers for education, social cohesion, and community welfare. Despite this, their potential role in economic empowerment remains significantly underexplored. Addressing this gap, the study aims to develop a holistic, mosque-based model for economic empowerment that aligns with Islamic values and responds to contemporary socio-economic challenges. The research adopts a qualitative conceptual methodology, synthesizing insights from secondary sources including academic literature and institutional reports on Islamic finance, governance, and community development. The resulting framework is structured around five key stages: community needs assessment, resource mobilization, program development, implementation and monitoring, and long-term sustainability. Findings emphasize the integration of core Islamic principles justice, equity, participation, rewards, and mutual aid (ta'awun) within the broader dimensions of faith (iman), knowledge ('ilm), and social action ('amal). The study concludes that mosques can serve as dynamic hubs for inclusive economic growth when empowered with strategic planning and institutional capacity. Its contributions lie in bridging theoretical gaps in mosque-led development models and offering actionable insights for policymakers, mosque administrators, and community stakeholders. The study also highlights the need for future empirical validation to test the model's adaptability across different cultural and institutional contexts.

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INTRODUCTION

Mosques have long been the cornerstone of Muslim communities, serving not only as places of worship but also as centers for

education, social cohesion, and welfare (Jaffar et al., 2020). However, their potential as agents of economic empowerment remains underexplored, particularly in addressing modern socio-economic challenges such as

poverty, unemployment, and inequality. Despite the presence of Islamic financial instruments such as zakat, waqf, and sadaqah, these resources are often underutilized or mismanaged, resulting in a limited impact on the lives of the disadvantaged. For instance, a 2022 study by the Islamic Research and Training Institute revealed that only 30% of global zakat funds reach their intended beneficiaries effectively, leaving significant room for improvement in resource mobilization and distribution ([Islamic Development Bank, 2023](#)). Moreover, many mosques lack structured systems and institutional capacity to integrate economic programs with their religious and social roles, further exacerbating the inefficiency ([Rahman et al., 2021](#)).

The urgency to address these challenges has never been greater. Rising income inequality and the economic marginalization of vulnerable groups, including women, youth, and low-income individuals, have created a pressing need for innovative solutions. Mosques are uniquely positioned as trusted institutions within communities, capable of mobilizing financial and human resources ([Afriyanti, 2024](#)). However, the absence of a strategic framework to guide their role in economic development limits their ability to effect meaningful change ([Cheema et al., 2014](#)). Leveraging mosques as platforms for economic empowerment is crucial not only for addressing immediate socio-economic disparities but also for promoting long-term, sustainable development within Muslim societies.

This study is significant as it aims to transform the traditional role of mosques into comprehensive community empowerment centers. By developing a conceptual framework that aligns mosque-based activities with

economic and social development goals, the research seeks to address key inefficiencies in the utilization of Islamic financial instruments. This framework will demonstrate how zakat and waqf can be strategically employed to enhance community resilience, reduce poverty, and create inclusive economic opportunities. Furthermore, the study addresses the critical gap in existing research by proposing a practical, mosque-driven model that integrates governance, resource management, and community engagement.

Previous studies have highlighted both the potential and challenges of mosque-based community development. Research by Avdukic and Khaleel (2025) demonstrated the effectiveness of mosque-led microfinance programs in Scotland, which improved local incomes by up to 20%. Similarly, Mohammad Qutaiba, Mohd Owais, and Muharam (2024) identified inefficiencies in zakat distribution in Indonesia, emphasizing the need for mosque-led digital platforms to enhance transparency and outreach. Khan and Hassan (2019) explored the success of waqf-based educational initiatives in rural Bangladesh, showcasing the viability of mosque-driven empowerment programs. While these studies provide valuable insights, they often lack a comprehensive framework that integrates these elements into a cohesive economic empowerment system.

Despite the wealth of research on individual components of mosque-based initiatives, there is a lack of integrated frameworks that combine Islamic financial instruments, governance mechanisms, and community participation. Furthermore, most studies are region-specific, limiting their generalizability. This study aims to fill these gaps by proposing a holistic model for mosque-based economic empowerment, grounded in

both theoretical foundations and practical applicability. Such a framework has the potential to redefine the role of mosques as agents of socio-economic transformation, contributing to the discourse on sustainable development in Muslim communities.

The novelty of this research lies in its holistic approach to redefining the role of mosques in economic empowerment. Unlike previous studies that focus on isolated aspects of mosque-led initiatives, this study proposes a unified system that incorporates Islamic financial principles, community participation, and institutional governance. By bridging the gap between traditional practices and contemporary needs, the research offers a transformative model for utilizing mosques as agents of socio-economic change. This study not only builds on the foundation laid by prior research but also provides a fresh perspective on how mosques can lead the charge in creating sustainable and inclusive economic systems within Muslim communities.

LITERATURE REVIEW

To achieve novelty, this study requires a literature review centered on mosque-based community empowerment, exploring key themes such as the socio-economic role of mosques, the application of Islamic financial instruments, governance and institutional capacity, community participation, and economic empowerment models. The review systematically examines these themes to provide a comprehensive understanding of the subject and identify areas for further research.

Studies in Economic Empowerment

Economic empowerment is a multifaceted concept grounded in key theoretical frameworks, including Sen's

Capability Approach and social capital theory. Sen's Capability Approach emphasizes enhancing individuals' abilities to access resources, opportunities, and freedoms, thereby improving their quality of life, and stresses the role of institutions in enabling economic agency (Rajakpakse, 2016). Social capital theory, on the other hand, emphasizes the significance of trust, networks, and collective action in promoting community-based economic development. These theories provide a foundation for understanding how structured economic empowerment systems, particularly those involving community-driven institutions like mosques, can drive sustainable development (Clarke, 2014).

An economic empowerment system refers to a structured approach that integrates financial resources, skills development, and institutional support to create sustainable economic opportunities (Noch & Rumasukun, 2023). These systems are designed to address poverty, enhance livelihoods, and promote inclusive growth. Key components typically include access to financial resources, capacity-building initiatives such as vocational training and education, and institutional frameworks that ensure the effective utilization of resources (Franco & Tracey, 2019). Mosque-based systems offer a distinctive approach by incorporating Islamic principles and utilizing instruments such as zakat, waqf, and sadaqah, thereby aligning economic empowerment with spiritual and ethical values (Utama et al., 2018).

Existing studies have highlighted the effectiveness of targeted economic empowerment programs in various contexts. For instance, Ullah and Khan (2017) demonstrated that microfinance programs in South Asia significantly improved household incomes and reduced financial vulnerabilities among participants. By providing small loans

for entrepreneurial ventures, these programs enabled beneficiaries to create sustainable income streams and escape poverty traps. Similarly, vocational training programs have shown promising results in improving employability and productivity. A study by Blattman and Dercon (2018) in Ethiopia found that industrial job training programs significantly increased participants' earnings and job retention rates. These findings emphasize the importance of integrating financial and educational components within economic empowerment systems.

The role of governance in economic empowerment systems has been widely studied. Transparency, accountability, and community participation are critical to the success of such initiatives. According to Mansuri and Rao (2013), programs that involve beneficiaries in the decision-making process are more likely to succeed, as they foster a sense of ownership and trust among stakeholders. Poorly governed systems, on the other hand, often fail due to mismanagement and a lack of community engagement. Effective governance ensures that resources are allocated efficiently, minimizing leakages and maximizing the impact of empowerment programs.

Integrated models of economic empowerment, which combine financial, educational, and social support, have proven particularly effective in achieving sustainable outcomes. A notable example is the BRAC Graduation Model, which integrates asset transfers, cash stipends, training, and savings to help ultra-poor households transition out of poverty. Studies by Balboni et al. (2022) show that this model not only improved immediate financial conditions but also had long-term impacts on participants' economic stability and resilience. Such integrated approaches highlight the importance of addressing

multiple dimensions of poverty simultaneously to achieve lasting empowerment.

While the literature provides valuable insights into various components of economic empowerment systems, several gaps remain. Most studies focus on isolated aspects, such as financial instruments or vocational training, without proposing comprehensive frameworks that integrate these elements. Additionally, there is limited research on the scalability of mosque-based initiatives and their application in diverse contexts. This study addresses these gaps by conceptualizing an integrated mosque-driven economic empowerment system. By aligning Islamic financial principles with modern governance and community engagement strategies, this framework provides a novel approach to promoting sustainable development within Muslim communities.

Economic Empowerment in Islamic Perspective

Economic empowerment from an Islamic perspective is deeply rooted in the principles and values of the Shariah, which emphasize justice, equity, and the well-being of all members of society. Islamic economic theory places a strong focus on eradicating poverty, promoting social justice, and achieving socio-economic balance through mechanisms that align with divine guidance. Core concepts, such as zakat, waqf, sadaqah, and profit-and-loss sharing instruments, underpin the Islamic approach to economic empowerment, providing a faith-based framework to address contemporary socio-economic challenges.

The Quran and Sunnah serve as foundational sources for economic empowerment in Islam. Verses such as "...and spend of that which We have provided you..." (Quran 63:10) emphasize the duty of wealth

redistribution to ensure societal balance. This is operationalized through obligatory acts, such as zakat, which serve as an institutionalized mechanism for transferring wealth to the poor and needy. According to Kahf (2002), zakat plays a dual role in Islamic economics: addressing immediate poverty alleviation and fostering long-term economic empowerment by enabling the recipients to achieve financial independence. Similarly, waqf (Islamic endowment) is a historically significant instrument that has been utilized to fund social welfare initiatives, including education, healthcare, and infrastructure development, thereby contributing to community-wide economic empowerment.

The operationalization of Islamic economic instruments for empowerment has been widely studied. Pebruary et al. (2022) examined the impact of zakat funds on poverty reduction, finding that well-governed zakat institutions not only alleviate immediate financial needs but also enable recipients to establish small businesses, thereby fostering long-term economic independence. Another study by Yumna, Marta, and Yanuarta RE (2025) explored the role of waqf-based microfinance in Indonesia, highlighting its success in providing interest-free capital to marginalized groups, particularly women, to start income-generating activities. These studies demonstrate the transformative potential of Islamic financial instruments when managed effectively.

Community engagement and trust are pivotal elements in economic empowerment from an Islamic perspective. As highlighted by Pranata and Maulana (2024), mosques and other Islamic institutions serve as trusted intermediaries between donors and beneficiaries, ensuring equitable distribution of resources. Their study on mosque-based

economic initiatives in Nigeria revealed that programs grounded in Islamic values fostered greater community participation and ownership, leading to higher rates of success and sustainability. This aligns with social capital theory, which emphasizes the importance of trust and networks in mobilizing resources for economic empowerment.

Governance and accountability are central to the effectiveness of Islamic economic empowerment systems. Abdul-Rahman, Nor, and Yaacob (2023) analyzed governance structures in zakat institutions across Southeast Asia, emphasizing that transparent and accountable practices enhance trust and encourage greater community contributions. Effective governance ensures that resources are allocated efficiently, minimizing leakages and maximizing impact. Moreover, integrating modern technologies such as digital zakat platforms has further enhanced transparency and widened the reach of Islamic economic instruments, as seen in countries like Indonesia and Malaysia.

Islamic financial instruments, including profit-and-loss sharing mechanisms, also play a significant role in promoting economic empowerment. For example, Musharakah (partnership) and Mudarabah (trust-based financing) are interest-free financial products that promote entrepreneurship and the development of small businesses. Muhammad (2019) demonstrated the effectiveness of Musharakah-based financing in Pakistan, where small enterprises utilized these funds to scale their operations, creating jobs and contributing to local economic growth. These instruments align with the Islamic prohibition of *riba* (interest) while fostering shared risk and reward, ensuring ethical financial practices.

The Islamic perspective on economic empowerment also emphasizes the importance

of capacity building and education. Khan and Hassan (2019) examined waqf-based educational initiatives in rural Bangladesh, which provided vocational training to underprivileged youth, enabling them to secure employment and contribute to their households. This focus on human capital development underscores the holistic nature of Islamic economic empowerment, which seeks to address not just financial poverty but also educational and skill-based deficits.

While the existing literature provides valuable insights into Islamic economic empowerment, certain gaps remain. Many studies focus on specific instruments such as zakat or waqf, with limited attention to integrated approaches that combine these elements with modern governance and technological innovations. Additionally, the scalability of Islamic economic initiatives across diverse contexts, particularly in non-Muslim-majority regions, is underexplored.

Islamic financial instruments, including zakat, waqf, and sadaqah, play a crucial role in poverty alleviation and community development within Islamic societies. Despite their significance, the management and application of these systems often suffer from inefficiencies. For instance, the Islamic Development Bank (2023) reported that, although global zakat contributions have the potential to exceed \$500 billion annually, only a fraction of this amount reaches its intended beneficiaries due to poor management and distribution practices. Rarasati and Priyadi (2024) proposed mosque-led digital platforms as a solution to enhance zakat collection and transparency in Indonesia, offering a practical approach to addressing these inefficiencies. Meanwhile, Khan and Hassan (2019) explored waqf-based models for funding educational and infrastructural projects in rural

Bangladesh, showcasing their potential for sustainable community development. These findings highlight the promise of Islamic financial instruments but emphasize the need for their integration into a cohesive mosque-based economic framework.

Governance and Institutional Capacity

Governance plays a crucial role in determining the success of mosque-led initiatives. Poor resource management and the absence of standardized operational frameworks have been identified as significant barriers to effective implementation. Osman and Muhammad (2017) emphasized the importance of robust governance mechanisms, arguing that accountability, inclusivity, and transparency are essential for building community trust and ensuring the sustainability of mosque-based programs. Furthermore, incorporating Islamic principles into modern management practices can enhance governance outcomes, enabling mosques to function as reliable institutions for economic empowerment. Despite these insights, existing studies lack a detailed exploration of governance models tailored to mosque-led initiatives.

Community Participation and Social Capital

Community participation is essential for the success and sustainability of mosque-based programs. Social capital theory, which emphasizes trust, networks, and collective action, is particularly relevant in this context. Khan and Hassan (2019) found that involving community members in the design and implementation of mosque-led initiatives fosters a sense of ownership and strengthens program outcomes. The mosque's unique position within the community provides an

opportunity to mobilize social capital effectively. However, without structured strategies for inclusivity, particularly for marginalized groups such as women and youth, the full potential of community participation remains unrealized.

Models for Economic Empowerment

Several models have been proposed for mosque-based economic empowerment, though most focus on specific aspects rather than offering an integrated approach. Ahmed (2007) developed a waqf-based microfinance model that demonstrated the sustainability of interest-free loans for small businesses. Similarly, Riwajanti and Fadloli (2019) examined the role of mosques in providing vocational training, noting their success in improving employment rates. While these studies provide valuable insights, they often lack scalability and fail to address the broader structural issues required for a comprehensive empowerment system.

RESEARCH METHOD

This study adopts a conceptual research method, focusing on the theoretical exploration and development of a comprehensive framework for mosque-based economic empowerment. Conceptual research involves analyzing existing theories, models, and literature to propose a novel framework that addresses gaps in the current understanding. The approach is suitable for studies aiming to construct new ideas or refine existing concepts, particularly in underexplored areas such as mosque-driven socio-economic development (Hardani et al., 2015).

The objective of this study is to explore the theoretical potential and practical applications of mosques as institutions for

economic empowerment. The research examines the intersection of Islamic financial principles, governance, and community participation to conceptualize an integrated framework. This theoretical model aims to redefine the role of mosques as agents of sustainable development in Muslim communities.

The data in this research are derived from secondary sources, including an extensive review of existing literature, such as academic journals and books, as well as peer-reviewed studies on Islamic finance, community development, and the socio-economic role of mosques. Reports and policy documents such as publications by Islamic financial institutions, non-governmental organizations (NGOs), and mosque management bodies (Moleong, 2018).

The data collection process involves a systematic review of the literature. Using keyword searches in academic databases such as Scopus, Web of Science, and Google Scholar, relevant studies are identified and reviewed. Key search terms include "mosque-based economic empowerment," "Islamic finance," "zakat and waqf utilization," and "community development in Islamic contexts." The inclusion criteria for the literature should be relevant to mosque-based initiatives or Islamic financial instruments, and include empirical or theoretical contributions to community empowerment, published within the last decade to ensure contemporaneity, with exceptions for foundational works (Islam et al., 2022). This systematic approach ensures the comprehensiveness and relevance of the collected data (Hassan et al., 2024; Kuanova et al., 2021).

This study employs a qualitative, inductive analysis to synthesize existing literature and derive a conceptual framework. The analytical process involves thematic

analysis, which categorizes the literature into themes such as governance, resource mobilization, and community engagement to identify recurring patterns and gaps. Then, a critical evaluation is conducted, analyzing existing models and theories to assess their applicability, limitations, and relevance to mosque-based economic empowerment.

Furthermore, framework development based on the insights from the thematic analysis is synthesized to propose an integrated framework that aligns Islamic financial principles with practical strategies for mosque-led socio-economic development (Sugiyono, 2011). The conceptual research method is justified given the study's aim to develop a theoretical framework that integrates diverse elements such as Islamic financial instruments, governance mechanisms, and community participation. While empirical data can provide localized insights, the conceptual method allows for a broader and more flexible exploration of the subject. Additionally, it enables the synthesis of multidisciplinary perspectives, contributing to a holistic understanding of the mosque's potential role in economic empowerment.

This review highlights the crucial role of mosques in community empowerment, while also identifying the gaps and challenges that persist in current practices. By addressing these issues, this study lays the groundwork for developing innovative solutions to harness the full potential of mosques in promoting sustainable economic growth.

RESULT AND DISCUSSION

Islamic Empowerment

Islamic empowerment may refer to involving the society in developing the country within itself. Hence, it is important to increase

their level of prosperity. Empowerment could succeed if the societal framework were more developed. Empowerment represents a transition from powerlessness to future independence and well-being. A holistic teaching of Islam suggests that Muslims should be independent in their activities while, at the same time, supporting one another in kindness. Islam emphasizes that Muslims should provide mutual aid to achieve collective welfare. Many scholars are attempting to define and compose what Islamic empowerment is, along with the indicators for a Muslim society that has been empowered or can empower other Muslims.

Susilo (2016b) stated that empowerment in Islam should be based on the principles of the Qur'an and Sunnah, which can be summarized into five key principles: justice, equity, participation, rewards, and ta'awun (mutual aid). These principles also should be integrated through 3 dimensions, namely the dimension of faith (iman), the dimension of knowledge (ilm), and the dimension of social ('amal). Meanwhile, Syamsuri (2018) stated that there are six principles for developing Muslims in a state. First, building Insan as a human resource. Second, the development of utility production. Third, improving quality of life. Fourth, balanced development. Fifth, the development of technology and innovation. Lastly, reducing dependence on other countries and integration between Islamic countries. These principles refer to the design of Islamic economics, where economic activity aims to achieve the triumph of this world and the hereafter, which is always stated as "falah".

The difference between Susilo (2016b) and Syamsuri (2018) lies in their views on empowerment itself, specifically the first view that empowerment should involve direct action in society. Hence, the five principles proposed are applicable in society. Meanwhile, the

second view is from the government's perspective. Hence, it is more general than the first view. Both views of Islamic empowerment are applicable and should work in tandem to

empower society through government regulation and direct community engagement.

Below is the mind mapping of both Islamic Economic empowerment principles:

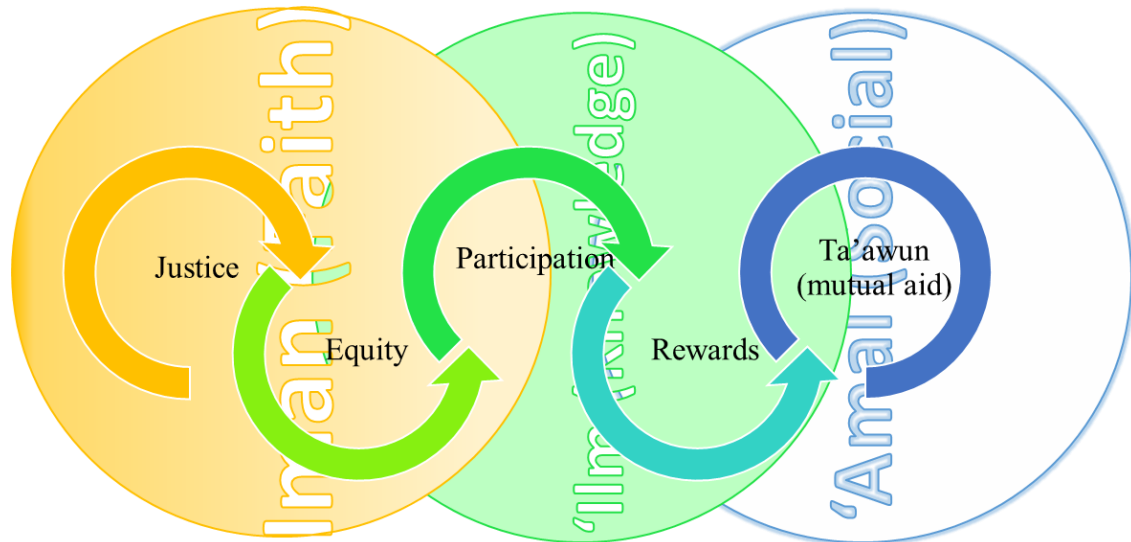


Figure 1. Islamic Empowerment Principles and Dimensions of Islamic Empowerment

Source: Elaboration of the Author from Susilo (2016b) and Syamsuri (2018)

Both Islamic economic empowerment and its necessary funding. According to Syamsuri (2018), several instruments of shariah finance can be utilized to empower society. For example, zakah, waqf, tax, sukuk, strategic asset management, and public debt. Indeed, zakah, from the beginning of the zakah commandment, is aimed at empowering Muslim society, as zakah funds need to be distributed to eight parties. These parties include Fakir, which refers to individuals who do not possess wealth or income and are therefore unable or find it challenging to meet their daily basic needs. Hence, zakat benefits them by helping to fulfill their essential needs.

Furthermore, miskin is similar to fakir, as this group also struggles to meet their needs. However, the difference lies in the fact that miskin individuals have some income. Nevertheless, they still struggle to fulfill their needs adequately. Next, amil are those who

manage zakat, from its collection to its distribution. Amil, therefore, is entitled to receive a share of zakat. To qualify as an amil, specific criteria must be met, including being a Muslim, having reached maturity (baligh), and possessing integrity. Their scope of work includes managing, distributing, collecting, and organizing all matters related to zakat. Moreover, mualaf refers to individuals who have recently embraced Islam. Zakat serves to bring joy to their hearts, as mualaf may face rejection from their families or lose their jobs, which can impact their economic condition. Next, riqab refers to individuals in difficult circumstances or those who are enslaved. Enslaved persons may include victims of human trafficking, those captured by enemies of Islam, or people living under oppression or exploitation.

Furthermore, gharimin are individuals burdened with debts due to survival needs.

These debts may arise from personal necessities, such as medical treatment, or public welfare purposes, such as constructing places of worship. If they are unable to repay these debts when due, they are considered among those eligible to receive zakat to alleviate their financial burdens. Next, *Fi Sabilillah* refers to individuals striving in the path of Allah, such as through preaching (*dawah*) or engaging in *jihād*. In pursuing their efforts in the path of Allah, they face numerous challenges and dedicate a significant amount of time. Therefore, Those Who are included among those entitled to receive zakat are *Fi Sabilillah*. Lastly, *Ibnu Sabil* is the final category entitled to receive zakat. *Ibnu Sabil* refers to individuals on a journey, commonly known as travelers. Specifically, this refers to travelers undertaking a journey for the sake of upholding Islam, not for sinful purposes. Travelers may run out of provisions during their journey, and as such, they are eligible to receive zakat to fulfill their needs while traveling.

Another financial instrument to support society empowerment is the *waqf*. *Waqf* has been proven to be a social institution that is also sustainable and continues to grow. As an instrument for developing social welfare, *waqf* has been able to increase welfare not only within the *waqf* institution or institution-based *waqf*, but also among the neighborhood community as a stakeholder (Susilo, 2016a). There are numerous examples of *waqf*-based institutions that effectively bring welfare to society. Mostly, it starts from educational institutions such as Gontor, UII, UNISULA, and UMI in Indonesia. In Egypt, there is Azhar University. Similarly, Harvard and Oxford University have a similar source of funds to *waqf*, namely endowments. Hence, it can be said that *waqf* can sustain and develop while

simultaneously distributing its benefits to those in need.

Mosque-Based Community

Regarding *waqf* in empowering the society in Indonesia. Mosques in Indonesia are proliferating at an alarming rate, with a new one being built every day. There is an area in Indonesia (Lombok) that was later dubbed the city of a thousand mosques because of the many mosques in this city. The growth of this mosque is unfortunately not accompanied by the prosperity of the mosque. Whereas eating to prosper refers to the mosque mentioned in the hadith, it is not just about building and decorating the mosque, but also about how we, as Musli, can create a mosque as an institution to address the problems of the people. One of the challenges is how to empower the community so that it achieves independence. Additionally, how can we foster awareness in the community to support the mosque through the five daily prayers, charity activities, and other positive initiatives? So that people do not make the mosque a place to be afraid of visiting. However, the mosque can become a solution for the community, even for minor things, such as providing free meals.

Afif et al. (2017) found that most mosque managers (*takmir*) were unable to manage mosque activities and routines, including educational, religious, and economic activities around the mosque. Hence, companionship is necessary to empower both the mosque manager and the surrounding society. When the knowledge and ability of the mosque manager increase, they are able to handle the mosque in a way that involves the society, and at the same time, they are able to empower the society. Ultimately, the mosque, as the center of Muslim revival, is an inevitability.

Indeed, creating a program in a mosque for economic independence would increase societal awareness of the mosque's empowerment agenda. Afif and Anggoro (2018) stated that by maximizing the mosque's funding sources properly and trustworthily, people with full awareness are more likely to donate their property to be managed by the mosque. Mosques that effectively manage trust funds from Muslims can empower the surrounding community from an economic perspective. Provide a comfortable place for people to worship and rest at the mosque. This not only encourages but also raises awareness of the importance of trust in managing funds provided by the mosque for economic independence. However, it also encourages people who are able to participate in economic empowerment. Moreover, people who have been empowered through the mosque often return to assist, in turn empowering others. This concept is known as *ta'awun* (mutual aid) in empowerment, one of the principles of Islamic empowerment.

Therefore, the foundation of the community is the mosque's function, which dates back to the time of the Prophet and the golden age of Islam. The mosque is used as the centre of Muslim activities. Activities in the field of government, which encompass aspects of ideology, politics, and economics, as well as social, judicial, and military aspects, are studied, discussed, and resolved in the mosque. Furthermore, the mosque serves as a hub for the development of Islamic culture, providing a platform for deliberation, a venue for *halaqahs* (small group discussions), and a space for studying all sciences, encompassing both religious and general knowledge. Even the economic mission, namely the fairness of wealth distribution, is applied from the

mosque, which is realized by the management of the *Baitul Mal* institution.

Economic Empowerment System with Mosque Based Community

A mosque, as the center for Muslim activity, should be able to function as a means to distribute wealth from the rich to the needy or poor. That is the primary function of the economy and its role in empowering the Muslim society. The problem is that the collected funds or wealth in the mosque are usually only used for mosque repairs. Rarely are mosque funds able to be managed productively or distributed to the community in a productive form.

A mosque has the potential to play a significant role in improving the economic well-being of its community by adopting a thoughtful and structured approach rooted in Islamic values and strong community ties. The first step in this process is conducting a community needs assessment. This involves mosque leaders and volunteers engaging with the community to understand their struggles, such as unemployment, lack of skills, or limited access to financial support. Tools such as surveys, focus groups, and open discussions can help identify areas where support is most urgently needed (Afriyanti, 2024; Sofii & Pertiwi, 2021).

Once the needs are precise, the next step is mobilizing resources. Mosques can tap into Islamic charitable practices, such as *zakat*, *sadaqah*, and *waqf*, while encouraging community donations. Beyond this, mosques can collaborate with other organizations, such as NGOs, local businesses, or even government agencies, to gather the additional support and expertise needed. These partnerships not only increase the resources available but also

strengthen the mosque's ability to deliver impactful programs (Cizakca, 2010; Kahf, 1999).

The third step is developing programs tailored to meet the identified needs. This could involve offering vocational training, organizing workshops to teach practical skills, or creating support systems for budding entrepreneurs. Financial assistance systems, such as interest-free microloans (Qard al-Hasan) or community savings groups, can also be established to help individuals start small businesses or address urgent financial needs (Rarasati & Priyadi, 2024; Riwijanti & Fadli, 2019).

Once the programs are in place, the focus shifts to implementation and monitoring. This involves putting the plans into action, organizing job fairs, establishing cooperative ventures, or hosting marketplaces where local products can be sold. To ensure these efforts are making a real difference, regular monitoring and feedback from participants are crucial. Staying connected with the community during this phase enables adjustments and

improvements, making the programs more effective (Cokrohadisumarto & Sari, 2024).

The final step is ensuring sustainability and growth. Long-term plans, such as setting up waqf-based projects that generate ongoing income, can provide stability. Partnering with schools, universities, or businesses can also create opportunities for further training and job placements. These efforts help ensure that the mosque's role in economic empowerment is not just a one-time intervention but a lasting support system that evolves with the community's needs (Afriyanti, 2024; Omar et al., 2019; Sofii & Pertiwi, 2021). Hence, it is necessary to refine the integration of the Islamic Economic Empowerment Principles and the Mosque-Based Economic Empowerment System.

Below are how Islamic empowerment principles and their dimensions should be integrated into the mosque-based economic empowerment system.

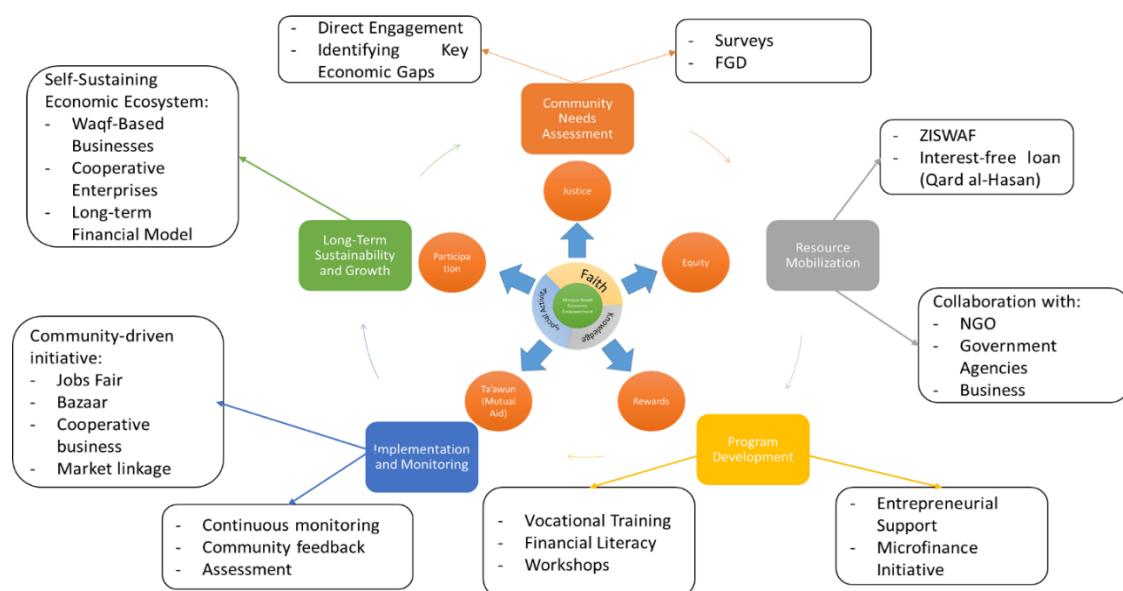


Figure 1. Implementation of Islamic Economic Empowerment

Source: Author

Based on the figure above, it can be summarized that a mosque serves not only as a place of worship but also as a hub for economic empowerment, guided by core Islamic economic principles and structured within three key dimensions: Faith (Iman), Knowledge (Ilm), and Social Activity (Amal). This integrated approach ensures that empowerment is both ethical and sustainable, promoting justice, equity, participation, rewards, and mutual aid (Ta'awun). The steps are as follows:

First. Community Needs Assessment (Guided by Justice & Equity)

Before initiating economic programs, mosque leaders must first assess the economic struggles within their community. This process aligns with justice (Adl) and equity (Qist) – ensuring fair treatment and understanding the financial and social disparities among individuals. Using tools such as surveys, focus groups, and direct engagement, mosques can identify key economic gaps, including unemployment, a lack of education, or financial instability.

Second. Resource Mobilization (Driven by Participation & Mutual Aid)

Once the needs are identified, the mosque can mobilize financial and non-financial resources using Islamic economic instruments, such as zakat, waqf, sadaqah, and Qard al-Hasan (interest-free loans). This step is rooted in participation (Musharakah) and mutual aid (Ta'awun), encouraging collective responsibility and wealth distribution. External collaborations with NGOs, government agencies, and businesses further strengthen the financial sustainability of these initiatives.

Third. Program Development (Empowered by Knowledge & Rewards)

The mosque can then develop structured programs such as vocational training, financial literacy workshops, entrepreneurial support, and microfinance initiatives. This aligns with the dimension of Ilm (Knowledge) – ensuring that economic empowerment is built on education and skill development. Moreover, rewards (Thawab) serve as a motivational factor, encouraging active participation and long-term commitment from both beneficiaries and donors.

Fourth. Implementation & Monitoring (Ensuring Sustainability)

Implementation involves launching community-driven initiatives, including job fairs, cooperative businesses, bazaars, and market linkages. Continuous monitoring, community feedback, and assessment are crucial for enhancing these programs and ensuring they yield lasting benefits. The mosque's involvement in this process fosters sustainable economic empowerment while maintaining the principles of justice, participation, and equity.

Fifth. Long-Term Sustainability & Growth (Building an Empowered Society)

The final step involves creating a self-sustaining economic ecosystem where community members no longer depend on aid but instead contribute back to the system. Establishing waqf-based businesses, cooperative enterprises, and long-term financial models ensures that economic empowerment efforts continue beyond immediate interventions. This aligns with the dimension of 'Amal (Social Activity) where the mosque plays an active role in uplifting society.

CONCLUSION

To conclude, this study aimed to propose a holistic model for mosque-based economic empowerment, grounded in both theoretical foundations and practical applicability. Hence, this study found that the Islamic Empowerment principles (justice, equity, participation, rewards, and mutual aid or ta'awun) and their dimensions (faith, knowledge, and social activity) are necessary to be integrated with mosque-based economic empowerment. The integration between these two concepts creates a model as discussed in the previous section.

The The model of mosque-based economic empowerment, grounded in Islamonomics principles, consists of five key steps: 1) Community Needs Assessment (guided by justice and equity); 2) Resource Mobilization (driven by participation and mutual aid); 3) Program Development (empowered by knowledge and rewards); 4) Implementation & Monitoring (ensuring sustainability); and 5) Long-Term Sustainability & Growth (fostering an empowered society).

Therefore, by taking these steps into action, the mosque not only becomes a ritual house but also a center of hope and opportunity, providing practical solutions to economic challenges and a home for everyone in need. Despite the finding, this study also has several limitations. For example, this study is a conceptual framework. An implementation of this concept and model has become part of the future agenda as a suggestion. Moreover, the model will be implemented in the future and examined empirically to determine its suitability in various demographic contexts.

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