

The Relevance of Mosque Financial Inclusion and Economic Sustainability

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Abstract: This study aims to investigate the relevance of mosque-based financial inclusion in promoting sustainable economic development, using case studies from Jogokariyan Mosque in Yogyakarta and Sabillillah Mosque in Malang, Indonesia. Employing a qualitative, policy-oriented case study approach, the research explores how Islamic social finance instruments—particularly *zakāh*, *infāq*, and *ṣadaqah* (ZIS)—are leveraged through mosque-based institutions to deliver accessible, interest-free, and community-centered financial services outside the formal banking sector. The findings demonstrate that mosques can function as effective platforms for grassroots financial inclusion, offering consumptive and productive support via mechanisms such as *qard ḥasan*, microgrants, and cooperative savings. These practices contribute not only to financial access but also to enhanced social capital and community trust. Theoretically, this research advances the discourse on Islamic economic empowerment by framing mosques as decentralized agents of inclusive financial ecosystems. It introduces a practical model for sustainable Islamic microfinance, grounded in Shariah principles and responsive to socio-economic inequality. This study invites future cross-regional and cross-faith research into mosque-led financial inclusion as an alternative strategy for inclusive growth, especially in underserved or unbanked populations globally.

Keywords: Mosque Financial Inclusion, Islamic Social Finance, ZIS, *Qard Ḥasan*, Community Empowerment

Introduction

Sustainable financial and economic inclusion are interconnected when financial inclusion policies are implemented in a directed and targeted manner, both through formal and non-formal financial institutions. One of the non-formal and non-profit institutions that can make financial inclusion relevant and a sustainable economy is a mosque. Mosque financial inclusion has two objectives: equal distribution of economic development and equal distribution of income. It has a good impact on people who are classified as needy, poor, *ḍu'afā'*, migrants, and recipients of *zakāh* (*mustahiq*). Where money is distributed more widely, there will be more opportunities for people to access financial goods and services, both formal and informal. Equitable income It also allows low-income people to use the services of financial institutions, ensuring that these services are not only available to the wealthy.

Because it is closely related to poverty alleviation, the agenda of sustainable financial and economic inclusion has always been a topic of discussion and research in the international community.¹ According to recent studies on sustainable financial and economic inclusion, these two goals have only been studied independently and as mutually exclusive ideas without attempts to integrate these two interesting ideas into an inclusive concept. Mosque financial inclusion can potentially strengthen Islamic economic principles in corporate ethics. Financial inclusion is the idea that all people and businesses can access formal and affordable financial services without exception. Financial inclusion ensures that people and companies have access to essential and affordable financial services and services for target communities within the existing financial system.²

The importance of financial inclusion through Islamic mechanisms such as *zakāh* can benefit the short and long-term finances of people experiencing poverty.³ Meanwhile, Hassan and Sarac propose Islamic microfinance as a solution for dealing with poor households.⁴ According to research Hassan on the Sharia microfinance system and financial inclusion of the poor, through this service, the underprivileged will be helped to grow their savings into an amount sufficient to cover a range of personal, social, and asset development needs, as well as the requirements of small businesses and consumption.⁵ In their article, Iqbal and

¹ Mohammad H. Holle, "Inklusi Keuangan Syariah Masjid Untuk Pemberdayaan Ekonomi Umat (Studi Multikasus Pada Masjid Jogokariyan Yogyakarta, Masjid Al-Falah Surabaya, Dan Masjid Sabilillah Malang)" (Universitas Islam Negeri Sunan Ampel Surabaya, 2020).

² Tharsten Beck, AsLi Demirgü-Kunt, and Honohan Patrick, *Access to Financial Services: Measurement, Impact, and Policies*, ed. Emmanuel Jimenez. World Bank, *Syria Studies*, vol. 7 (Oxford: The World Bank : Research Observer, 2015). Also read Mochammad Andre Agustianto, "Wakaf Sebagai Strategi Pemberdayaan Ekonomi Masyarakat". *El-Qist: Journal of Islamic Economics and Business (JIEB)* 9, no. 2 (December 18, 2020): 143–163. Accessed September 20, 2023. <https://jurnalfebi.uinsby.ac.id/index.php/elqist/article/view/232>.

³ Ak Md Hasnol Alwee Pg Md, "Integrating Financial Inclusion and Saving Motives into Institutional Zakat Practices: A Case Study on Brunei," *International Journal of Islamic and Middle Eastern Finance and Management* 8, no. 2 (2015): 150–170.

⁴ Ashraf Khan M. Kabir Hassan, Mehmet Sarac, *Islamic Finance and Sustainable Development; A Sustainable Economic Framework for Muslim Countries* (Swiss: Palgrave Macmillan, 2021).

⁵ Abul Hassan, "The challenge in poverty alleviation: Role of Islamic microfinance and social capital," *Humanomics* 30, no. 1 (2014): 76–90, <https://doi.org/10.1108/H-10-2013-0068>.

Mirakhor complain that Muslim countries themselves do not take advantage of Islamic redistribution channels.⁶ Mohieldin urged Muslim policymakers to seriously promote financial inclusion to utilize the potential of Islamic instruments to achieve goals.⁷ On the contrary, financial inclusion and financial growth are essential. Economic inclusion and progress are mutually beneficial, as demonstrated by the established OIC countries. People who are prohibited from accessing financial services will be impacted socially.⁸ The prediction of erosion of social cohesion and societal polarization could be that the prediction of erosion of social cohesion and societal polarization increases the perceived level of severity, and there is a loss of social capital and community breakdown, which causes a decline in social stability, individual and collective well-being and economic productivity.⁹

According to Lederle, the importance of financial inclusion can change people's lives and conditions drastically.¹⁰ To overcome low income, policies are needed. According to Kunt, Beck, and Honohan Finance for All? Issues with financial inclusion and the benefits of expanding access go far beyond financial services for people experiencing poverty. Consequently, access to independent financial institutions is required,¹¹ which limits wealth to only the wealthy. In addition to inequality and economic equity, constraints on using accounts such as costs, distance, and verification requirements have always been a scourge for people experiencing poverty.¹² On the other side, financial inclusion can promote development.¹³

The accessibility component has a significant impact on financial inclusion in Indonesia, while the availability and consumption dimensions have a small impact. It suggests that the impoverished have just a restricted number of options for financial services.¹⁴ The way to overcome this is through financial inclusion, which can give birth to initiatives and provide benefits through empowerment for the target community. Consequently, to develop a sustainable economy, there is a need for an effective Islamic strategy based on Sharia that prioritizes eradicating

⁶ Zamir Iqbal and Abbas Mirakhor, "Financial Inclusion : Islamic Finance Perspective," *Journal of Islamic Business and Management* 2, no. 1 (2012): 35–64.

⁷ Mahmoud Mohieldin et al., "The Role of Islamic Finance in Enhancing Financial Inclusion in OIC Countries," *8th International Conference on Islamic Economics and Finance* 20, no. 5920 (2011): 1–57, <https://platform.almanhal.com/Files/2/27662>.

⁸ Ahmed Tahiri Jouti, "Islamic Finance: Financial Inclusion or Migration?," *ISRA International Journal of Islamic Finance* 10, no. 2 (2018): 277–288.

⁹ Global Risk Report, *The Global Risks Report 2023 - 18th Edition*, 2023, www.weforum.org.

¹⁰ Nicole Lederle, "Exploring the Impacts of Improved Financial Inclusion on the Lives of Disadvantaged People" (Heriot-Watt University School, 2009).

¹¹ Manh Hao Quach, "Access to finance and poverty reduction an application to rural Vietnam," *Department of Accounting and Finance, The University of Birmingham*, no. May (2005): 1–328.

¹² Asli Demirguc-Kunt, Leora Klapper, and Dorothe Singer, "Financial Inclusion and Inclusive Growth: A Review of Recent Empirical Evidence," *Financial Inclusion and Inclusive Growth: A Review of Recent Empirical Evidence*, no. April (2017).

¹³ Shadiya T Hossain, "Financial Crisis, Inclusion and Economic Development in the US and OIC Countries" (2016).

¹⁴ I Made Sanjaya, "Inklusi Keuangan Dan Pertumbuhan Inklusif: Analisis Antar Provinsi Di Indonesia," *Buletin Ekonomi Moneter dan Perbankan* 18 (2016): 281–306.

poverty.¹⁵

According to the interim release OECD¹⁶ of the November 2022 edition of the World Economic Outlook, lower commodity prices and China's reopening have boosted the near-term economic outlook, and it is anticipated that global growth will accelerate. Modest and a steady decline in inflation. However, downside risks continue to outweigh upside opportunities. The economic recovery is still in its early stages. It faces severe dangers from the unpredictability of the war in Ukraine and developments in the energy markets, in addition to severe financial vulnerabilities.¹⁷ To reduce inflationary pressures, ensure more focused fiscal policy assistance, and generate sustainable growth, well-designed policy measures are needed.¹⁸

As a result, academics, practitioners and policymakers must engage in dialogue about the connection between a sustainable economy and financial inclusion.¹⁹ The financial inclusion programs' economic gains for specific communities, companies, and governments working to achieve economic sustainability provide evidence of the relationship between financial inclusion and a sustainable economy. Economic arrangements frequently give financial service providers access and avenues for serving those without bank accounts.²⁰

Economic sustainability, on the other hand, is becoming an increasingly visible business trend in 2022, and this momentum is expected to continue in the year ahead. However, economic realities may hinder specific initiatives to increase economic sustainability. Handling complex difficulties associated with diverse dynamic and interdependent systems²¹, and the field of sustainable economic growth research is expanding.²² Linkage, emergence, resilience/adaptive capacity, self-organization and feedback are critical to global sustainability efforts.²³ Therefore, systems-based frameworks for sustainability measurement, management, and decision-making are crucial for the shift to a sustainable economy.

For addressing economic growth and global economic sustainability, solutions to global economic puzzles are needed. As a result, the presence of

¹⁵ Mohammed Obaidullah & Hajah Salma Haji Abdul Latiff, "Islamic Finance for Micro and Medium Enterprises," *Islamic Research & Training Institute (IRTI) A Member of Islamic Development Bank Group (IDB)* 19, no. 1 (1964): 97–98.

¹⁶ Organization for Economic dan Cooperation and Development (OECD), "OECD Economic Outlook, Interim Report March 2023: A Fragile Recovery," 2023, <https://doi.org/doi:/10.1787/d14d49eb-en>.

¹⁷ Deputy Secretary-General. Interdivisional UNCTAD working group led by Isabelle Durant and The, *Impact of the on Trade and Development; Lessons Learned*, 2022, <http://creativecommons.org/licenses/by/3.0/igo/>.

¹⁸ Vivek Arulnathan et al., "Economic Indicators for Life Cycle Sustainability Assessment: Going beyond Life Cycle Costing," *Sustainability (Switzerland)* 15, no. 1 (2023): 1–27.

¹⁹ Arno J. van Niekerk, "Inclusive Economic Sustainability: SDGs and Global Inequality," *Sustainability (Switzerland)* 12, no. 13 (2020).

²⁰ Paola Boel and Peter Zimmerman, "Unbanked in America: A Review of the Literature," *Economic Commentary (Federal Reserve Bank of Cleveland)*, no. 2022–07 (2022).

²¹ John Boardman dan Brian Sausser, "Systems Thinking; Coping With 21st Century Problems," in *Innovation Book Series*, 1st Editio. (Boca Raton: CRC Press, 2008).

²² Gabriela Sabau, "The Political Economy of Sustainability," *Sustainability* 12, no. 4 (2020): 1537.

²³ Amanda Williams et al., "Systems Thinking: A Review of Sustainability Management Research," *Journal of Cleaner Production* 148 (2017): 866–881.

mosque financial inclusion with the power of sharia instruments in the form of *zakāh*, *infāq*, and *ṣadaqah* (ZIS) can be a solution for the current global economic crisis, especially the global economy. Economic severity experienced by Muslim countries²⁴, thereby creating a sustainable economy. ZIS can help mitigate emergencies by providing appropriate financial solutions for households with net deficits.²⁵

Sharia instruments such as ZIS can be a strategic solution for poverty alleviation and low-income, marginalized, and immigrant communities because the requirements for inclusion target communities must be accompanied by the trust for ZIS managers so that trust arises and the community will rely on expectations and contribute sincerely. Trust is compared to Fukuyama as a lubricant that increases the efficiency of a group or organization.²⁶ Because trust is connected to social capital and access to resources, it is quite expensive. It is underlined once again that trust leads to social capital. According to Harrison and Huntington, trust will increase community output.²⁷

By integrating the objectives of financial inclusion into the broader sustainable economic agenda, this research contributes to the body of knowledge on the topic. The association between financial inclusion and some development features has been extensively studied, whereas the relationship between financial inclusion and economic sustainability has received far less attention. By utilizing mosques equipped with *zakāh*, *infāq*, and *ṣadaqah* (ZIS) instruments as a medium for financial inclusion, the research contributes to the literature by examining and analyzing the relevance of financial inclusion and sustainable economic development. The reason for using a mosque with its ZIS attribute is due to the exclusive nature of formal financial institutions, which is an obstacle to the target community's inclusion, so the presence of a mosque with its social function is strategic as a solution. So, This study aims to answer questions regarding the relevance of mosque financial inclusion and a sustainable economy.

Research Method

This study uses a case study approach with a qualitative paradigm was used in writing this article. This study examines the impact of mosque financial inclusion on the economic sustainability of the ummah of the mosque by using primary data from research objects, namely the Jogokariyan Mosque in Yogyakarta and the Sabilillah Mosque in Malang City, as well as secondary data

²⁴ Timur Kuran, "Islam and Economic Performance: Historical and Contemporary Links," *Journal of Economic Literature* 56 (2018): 1292–1359.

²⁵ Ak Md Hasnol Alwee Pg Md Salleh, "Integrating Financial Inclusion and Saving Motives into Institutional Zakat Practices: A Case Study on Brunei," *International Journal of Islamic and Middle Eastern Finance and Management* 8, no. 2 (2015): 150–170., Lihat juga; Rahmad Hakim and Arif Luqman Hakim, "The Role of Zakat, Infāq and Shadaqah In Mitigating the Impact of Covid-19 Pandemic on Orphans In Indonesia," *Iqtishodia: Jurnal Ekonomi Syariah* 7, no. 2 (2022): 36–42.

²⁶ Francis Fukuyama, *Trust: The Social Virtues and The Creation of Prosperity* (Free Press; First Paperback, 1996). Lihat juga; Mohammad H. Holle, "Inklusi Keuangan Syariah Masjid Untuk Pemberdayaan Ekonomi Umat (Studi Multikasus Pada Masjid Jogokariyan Yogyakarta, Masjid Al-Falah Surabaya, Dan Masjid Sabilillah Malang)."

²⁷ Lawrence E. Harrison dan Samuel P. Huntington, *Kebangkitan Peran Budaya*, Cet. ke-2. (Jakarta: Pustaka LP3ES, 2011).

from various sources including the World Bank, Bank Indonesia, OECD, the Central Bureau of Statistics, Financial Services Authority, and several other research-related sources. While critical theory is used to augment the case study approach,²⁸ confirms that Critical theory researchers must be aware of their strengths, engage in conversation, and use theory to interpret or explain social activities. Access, usage, and quality are the measures used to analyze the inclusion of mosque finance and a sustainable economy.

Result and Discussion

Relevance of Mosque Financial Inclusion and A Sustainable Economy

From a policy standpoint, it is critical to have evidence of the connection between financial inclusion and a sustainable economy. Already existing social and economic institutions handle numerous policy initiatives to promote financial inclusion. When financial institutions operating within current economic and social frameworks that are crucial to the long-term well-being of society apply financial inclusion policies, financial and economic inclusion are continuously interrelated. As a result, cooperation from the larger community, including the mosque community, is required.

Currently, financial inclusion requires the cooperation of various stakeholders, including mosques and religious organizations. Mosques are significant for implementing Indonesian initiatives to combat poverty and promote financial inclusion, which has been running since 2013.²⁹ With the Bayt al-Māl institution, mosque residents have the opportunity to have access to a financial system that the mosque management (*Takmir*) regulates as a forum for citizen financial services that the community can utilize for family economic continuity.

The community or congregation can find access to Sharia financial inclusion at the Yogyakarta Jogokariyan Mosque through the official announcement of the *Takmir* after every prayer, announcements on computer screens, the Jogokariyan mosque website, and the results of *Takmir* identification using neighbourhood and community associations officers (RT/RW). The community benefits from the *qardḥ ḥasan* contract,³⁰ *infāq*, and loans through *Bayt al-Māl* with straightforward criteria, namely becoming a congregation in the mosque. The presence of the Bayt al-Māl at the Jogokariyan mosque greatly facilitates access for the poor to financial assistance or loans.

This funding can be canceled or withdrawn if people no longer perform prayers and do not attend the recitations, which are the program of the Yogyakarta Jogokariyan Mosque. The *Takmir* is entrusted with immediately socializing ZIS so that the target community can benefit from programs that are creative, innovative

²⁸ John W. Creswell, "Penelitian Kualitatif & Desain Riset," *Mycological Research* 94, no. 4 (1990): 522.

²⁹ Mohammad H. Holle, "Inklusi Keuangan Syariah Masjid Untuk Pemberdayaan Ekonomi Umat (Studi Multikasus Pada Masjid Jogokariyan Yogyakarta, Masjid Al-Falah Surabaya, Dan Masjid Sabilillah Malang)."

³⁰ Abidin Alhassan et al., "The Relationship between Political Instability and Financial Inclusion: Evidence from Middle East and North Africa," *International Journal of Finance and Economics* 26, no. 1 (2021): 353–374. Also read Bakhrul Huda, "Analisis Keabsahan Penyaluran Harta Zakat Dalam Bentuk Al-Qardh Al-Hasan: Studi Atas Materi Ijtima' Ulama Komisi Fatwa MUI 2021". *Management of Zakat and Waqf Journal (MAZAWA)* 3, no. 2 (March 28, 2022): 66–86. Accessed September 24, 2023. <https://jurnalfebi.uinsby.ac.id/index.php/MAZAWA/article/view/805>.

and relevant to the realities of society. This application can be either consumable or productive. Consumptive expenditure includes education costs, distribution of necessities whenever the price of goods rises, distribution of rice at rice ATMs every two weeks, free health care assistance, relief for residents affected by moneylenders and bank loans, and provision of business capital for small businesses.

The benefits of ZIS are managed very well, and the way ZIS is managed and distributed by *Takmir* at the Jogokariyan Mosque has an impact on public trust (infāq donors). Trust increases social capital because it helps communities to unite with one another.³¹ Maintaining trust in the organization's management will improve the organization's position in the eyes of the community, as was done by the *Takmir* of the Jogokariyan Mosque. It is to the findings of this study in the community or congregation of the Jogokariyan Mosque, who expressed trust in the *Takmir* to manage the Ziswaf that was granted to them.

The Sabilillah Malang Mosque operates financially in the same way as a representation of sustainable community welfare, both productive and consumerist. It is achieved effectively through micro-actor initiatives to expand financial inclusion through sustainable economic development. Loans for business capital use *qardḥ* contract with straightforward payments of 1% of the loan amount, although there may be further deductions according to the parties' agreement.

Communities or micro business actors who want to finance with a *qardḥ ḥasan* contract will start with registration. It is an absolute requirement for cooperative membership. Where each member continues to deposit a principal deposit of IDR 50,000, this payment can be made in cash or installments. Then the obligatory saving is IDR 5,000 per month, and depositing an infāq of IDR 10,000 and administration as a sign of a new member is also IDR 10,000.

It is a Sharia cooperative operated by Sabilillah Mosque, which provides grants in the form of money or work tools to micro businesses or those who want to start a business but lack the necessary funds. Grant assistance targets the Islamic financial inclusion community who already have or aspire to open a business. The Sabilillah Mosque usually assists in the form of business carts, agricultural equipment, compressor workshops, and other goods tailored to the needs of the target community. Micro entrepreneurs who take loans with a *qardḥ ḥasan* contract face the risk of having to pay off the installments according to the nominal amount lent based on the ability of the borrower. However, there is no element of coercion in the process of repaying the installments of the Sabilillah Cooperative.

The practice of sharia financial inclusion in the Sabilillah Mosque Cooperative as a social microfinance institution that is not owned by the Jogokariyan Mosque in Yogyakarta or the Al-Falah Mosque in Surabaya, namely a public savings service, is indeed tempting. The *wadī'ah* contract is used by the community or congregation who wish to save or deposit their money in the Sabilillah Cooperative. So far, people have set aside money for education, *walīmah* savings, *umrah* and *haji*, *qurbān* savings, *wadī'ah*, and deposits.

The Sabilillah Mosque's Sharia financial inclusion can be quite well

³¹ Francis Fukuyama, *Trust: The Social Virtues and The Creation of Prosperity*.

implemented through the Mosque Cooperative. However, it has yet to be supported by assistance and guidance for target communities who take advantage of loans using *qard* contracts or grant contracts. As a result, this impacts increasing income and the level of success of micro business actors or people who use financial access services at the cooperative. According to Chapra, this follows Islamic values because the public interest takes priority.³²

The existence of Mosque Cooperatives can overcome the economic backwardness of the communities targeted for inclusion. Chapra's statement was emphasized by Darsono et al., that the existence of microfinance institutions such as cooperatives can meet the real needs of the community. Darsono explained that conventional financial institutions, such as commercial banks and capital markets, need help serving micro, small or poor business groups. These community groups are largely informal, with companies currently needing more specific financial record requirements and financial reports with which to determine business viability. This category includes businesses that do not meet the general criteria known as 5C, namely character, capacity, capital, conditions, and collateral.³³

The presence of the Sabilillah Mosque Cooperative, which aims to alleviate poverty, encourage social justice, and distribute money to the less fortunate, is a part of the Islamic economic structure. Islamic values must serve as the foundation of the Islamic economic system.³⁴ Social justice and virtue form the entire philosophical foundation of the Islamic financial system, and these principles must be represented in all of its operations.³⁵ In other words, "social justice" underlies the implementation of Islamic financial inclusion, which ensures that resources are dispersed equally among society's members. According to Hadad, this can encourage income equality, poverty alleviation, and financial system stability.³⁶

The use of Islamic ZIS instruments will make the target community economically independent. According to Wahid, quoting Rostow's modernization theory, poverty in Indonesia can be eliminated by making the community self-sufficient by providing financial assistance to build community potential. Likewise, rich countries donate funds to least developed countries.³⁷ The sharia instruments used by *Takmir* through Islamic financial inclusion are sufficient to help achieve the national goal of financial inclusion to develop a financial system that the public can access. It shows that the three mosques can reach non-bankable inclusion target groups previously difficult to reach by official financial institution businesses. Furthermore, the Jogokariyan mosque and the Sabilillah Mosque in Malang City can potentially become accurate models of the intensity of financial inclusion services that can be used for economic sustainability in overcoming the

³² M Umer Chapra, "Islamic Economic Thought and the New Global Economy," *Islamic Economic Studies* 9, no. 331 (2001): 1–16.

³³ Darsono Dkk, *Peta Keuangan Mikro Syariah Indonesia* (Jakarta: Tazkia Publishing kerjasama Bank Indonesia, 2018).

³⁴ Chapra, "Islamic Economic Thought and the New Global Economy."

³⁵ Tariqullah Khan, "Islamic Economics: Where From, Where To? Muhammad Nejatullah Siddiqi," *Journal of King Abdulaziz University, Islamic Economics* 27, no. 2 (2014): 95–103.

³⁶ Sanjaya, "Inklusi Keuangan Dan Pertumbuhan Inklusif: Analisis Antar Provinsi Di Indonesia."

³⁷ Nusron Wahid, *Keuangan Inklusif, Membongkar Hegemoni Keuangan; Peran Kredit Usaha Rakyat Dalam Menurunkan Kemiskinan Dan Pengangguran* (Jakarta: Gramedia, 2004)., Lihat juga; Nelly Lestari et al., "Teori Pembangunan Ekonomi," *REVENUE: Jurnal Manajemen Bisnis Islam* 2, no. 2 (2021): 95–112.

problem of poverty in society.

From the research results regarding the relevance of financial inclusion and sustainable economic development at the Jogokariyan Mosque and Sabilillah Mosque in Malang, it is proven that financial inclusion provides benefits and changes in the economy of the communities targeted for inclusion. It can be seen from the public's recognition that their income and daily living needs have changed for the better. However, for business actors who have just set up their business, it is not yet optimal because the funds or financing they receive are still minimal.

Therefore, the presence of this mosque is very strategic for the community to access and utilize financial products and services provided by mosques and not owned by formal financial service institutions. Moreover, the community perceives that accessing finance from the mosque is more accessible, less complicated and less of a burden to them. Likewise, mosques have ethical values compared to formal financial service institutions. Mosques are seen by the target audience for financial inclusion, namely low-income people and poor groups.

Chapra emphasized that income distribution, eradicating poverty, and promoting socio-economic justice are the main objectives of Islam and must play a significant role in the Islamic economic system.³⁸ Social justice and virtue, according to Siddiqi, are the philosophical pillars of the entire Islamic financial system and must be represented in their operations.³⁹ To implement Islamic financial inclusion, the spirit of Islamic economics, which is based on social justice, must be able to ensure that money is spread evenly throughout society.

Since financial inclusion is a link between the economic and social justice components of a sustainable economy, financial inclusion activities must incorporate economic and social factors. Mosques, as places of financial inclusion and potential providers of financial services, should prioritize social life issues for unbanked people. It can increase community members' understanding of financial services, foster social trust in mosques, and harmonize financial inclusion with long-term economic objectives.

It is crucial to acknowledge the connection between financial inclusion and a sustainable economy. The importance of mosque financial inclusion in achieving sustainable economic goals can be recognized through policies and initiatives based on this knowledge. Understanding these issues is crucial for their potential to alleviate poverty and save resources, as well as for the socio-economic advantages and economic sustainability of communities, according to the growing interest in financial inclusion globally.

³⁸ Chapra, "Islamic Economic Thought and the New Global Economy."

³⁹ Taufeeque Ahmad Siddiqi, Mohammad Naushad, and M. K. Ummer Farooque, "A Study on Islamic Finance as an Approach for Financial Inclusion in India," *Accounting* 7, no. 2 (2021): 487–496., Lihat juga; Abul Bashir Bhuiyan et al., "The Islamic Economics Philosophy and Application Reality in the Existing Islamic Economic Activities in the World," *International Journal of Shari'ah and Corporate Governance Research* 3, no. 2 (2020): 25–39.

Conclusion

The relevance of mosques' access to finance for a sustainable economy can be demonstrated in the two mosques that are the subject of this study. *Bayt al-Māl*, 'Amil Zakāh Institution (LAZ), cooperatives and mosque organizations implement outreach indicators without the participation of the formal financial sector or government. These organizations are easily accessible to the target community for inclusion. It is consumable according to the signs of use of the Jogokariyan and Sabilillah Malang mosques. *Qard ḥasan* and subsidies are the three financial methods of the three mosques. By providing cash loans without interest or collateral, the two mosques launched financial inclusion for target communities without bank accounts. It is ideal for productivity while meeting quality criteria for public consumption. The use of *zakāh*, *infāq* and *ṣadaqah* tools further illustrates the close connection between financial inclusion and sustainable economies. Community access to essential services, education, health and social mobilization demonstrates its importance.[]

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