

**FAITH AND THE STATE:
A HISTORY OF ISLAMIC PHILANTHROPY IN INDONESIA**

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ABSTRACT

Zakat (almsgiving), *sedekah* (donation, giving) and *waqf* (religious endowment) are forms of philanthropy Muslims in Indonesia, as well as in other parts of the world practice. This thesis examines the historical development of Islamic philanthropy and questions how Islamic philanthropic activities have affected the relationship between faith and the state. It discusses a contestation between the state and Muslim civil society in managing Islamic philanthropy.

The thesis shows that the history of Islamic philanthropy in Indonesia is one of rivalry between faith and the state: between efforts to involve the state in managing philanthropic activities and efforts to keep them under the control of Muslim civil society which uses Islamic philanthropy to empower itself and to promote social change. Activities and efforts to modernise Islamic philanthropic practices have mostly been supported by Reformist Muslims in their aim to Islamise society and by Islamists who aim to Islamise the state. The interrelation between Muslim civil society and the state in the history of Islamic philanthropy in Indonesia is dynamic. It demonstrates a contested balance between private faith and the public realm, or between Muslim civil society and the state. From the time of the Islamic monarchs, through the period of Dutch colonialism and up to contemporary Indonesia, there have been different levels of development and interest in Islamic philanthropy, either from the rulers or from Muslim civil society.

Philanthropy is an indication of the strength of civil society. Throughout Islamic Indonesian history, there has been a balance between the efforts to either keep philanthropy under the control of Muslims or to institutionalise it under state control. When the state was weak, philanthropy developed powerfully and was used to challenge the state. When the state was strong and powerful, Muslim civil society tended to weaken but still found ways to use philanthropic practices in the public sphere to promote social change. In modern-day Indonesia this phenomenon is very much still the practice.

While state imposition of philanthropic practices, in particular *zakat*, has been contested, philanthropy remains a firm basis of civility. The thesis argues that although political circumstances influence the development of Islamic philanthropy, the state's

capacity to control it is sharply limited because Muslim philanthropic practice is generated by the altruistic and reciprocal nature of people. For the most part, Islamic philanthropy remains in the hands of Muslim civil society, irrespective of the political nature of the state.

DECLARATION

This is to certify that:

- The thesis comprises only my original work towards the Ph.D.
- Due acknowledgement has been made in the text to all other materials used.
- The thesis is less than 100,000 words in length, exclusive of tables, figures and bibliographies.

Amelia Fauzia

This thesis is dedicated to
Amir, Elkana, and Farhan

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A NOTE ON SPELLING AND TRANSLITERATION

I use a simplified form of transliteration for Arabic and Arabic derived proper names and terms. In many cases I use Indonesian spelling rather than Arabic for a number of technical terms like *sedekah* rather than *sadaqa* and *madrasah* instead of *madrasa* as they have been Indonesianised. Arabic terms in general use in English follow the spelling of the Oxford Dictionary of English.

In the text, non-English words are italicized throughout. For clarity reasons, plurals of non-English words are indicated by adding the English plural -s.

Indonesian terms are written according to modern spelling usage, except in titles and quotations. Names are spelled the way she or he wrote his/her name.

CHAPTER ONE INTRODUCTION

I. Philanthropy and the State-Civil Society Relationship

Philanthropic practices—ranging from voluntarism, communal self-help and the provision of donations and services to organised voluntary associations and philanthropic foundations—are indicators of the functioning of civil society. Philanthropy, or voluntary private giving and service for the public good,¹ is a universal phenomenon which is found in various historical periods and in different traditions and civilisations.² It is closely related to the development of civil society, because it consists of voluntary efforts that demonstrate concern for the welfare of others and the betterment of the community. Mainstream studies of philanthropy in America and elsewhere tend to support the idea that philanthropy, including religious philanthropy, provides a firm basis for civility.³

Muslims in Indonesia as well as in other parts of the world have long practiced various forms of philanthropy, such as *zakat* (almsgiving), and the closely associated *fitriah* (giving at the end of Ramadan), *sedekah* (donation, giving) and *waqf* (religious endowment, foundation). Two recent surveys⁴ find that almost all Indonesians (98%, which is the highest rate by world standards) donate their wealth through these forms to charitable causes and that religion is the main motivating factor.⁵

¹ W. F. Ilchman, S. N. Katz, and E.L. Queen, eds., *Philanthropy in the World's Traditions* (Bloomington: Indiana University Press, 1998), ix; and R. L. Payton, *Philanthropy: Voluntary Action for the Public Good* (New York: American Council on Education/McMillan, 1988).

² Ilchman et al. is a well written book which promotes the universality of philanthropy.

³ See for examples McCharthy, *American Creed*; Robert Wuthnow, Virginia A. Hodgkinson and Associates, *Faith and Philanthropy in America: Exploring the Role of Religion in America's Voluntary Sector* (San Francisco: Jossey-Bass, 1990); Lawrence J. Friedman and Mark D. MacGarvie, eds., *Charity, Philanthropy, and Civility in American History* (Cambridge University Press, 2003); and McCharthy, *Women, Philanthropy, and Civil Society*.

⁴ The first survey was coordinated by the Asia Pacific Philanthropy Consortium (APPC). In Indonesia it was conducted by PIRAC (Public Interest Research and Advocacy) in 2001. The second survey was conducted by the Center for Language and Culture in the State Islamic University Jakarta Syarif Hidayatullah Jakarta in 2003/4.

⁵ According to APPC findings, the rate of giving in Thailand is 91%, 78% in the Philippines, 73% in India. See *Investing in Ourselves Giving and Fundraising in Asia*. PIRAC, *Investing in Ourselves: Giving and Fund Raising in Indonesia*, (Jakarta: PIRAC-ADB, 2002). *Times* July 20, 2002 stated that in America the figure is 73%, in Germany 44% and in France 43%.

Throughout the history of Islam in the Indonesian archipelago-- the place that has the largest number of Muslims in the world-- there have been voices of resistance against or demand for state involvement in philanthropic activities in support of the Muslim faith. The examples are as follows.

On 10 October 2005 about 4,000 teachers from East Lombok district (in Eastern Indonesia) rallied at the regent's office protesting against the regulation of regional *zakat* collection which was deducted from their salaries. More than a century prior to this, several *fatwas* issued in Mecca had recorded resistance by Indonesian Muslims to the collection of *zakat* and *fitrah* carried out by local Indonesian rulers for the establishment of mosques. Contrary to this, on 10 January 1968 eleven *'ulama* (Muslim scholars) proposed and encouraged President Soeharto to establish *zakat* agencies and become involved in *zakat* collection, and on 3 November 2007 Islamic philanthropic organisations proposed the creation of the Ministry of Zakat.

The Indonesian Teachers Association (PGRI) of East Lombok which organised the protests stated that the 2.5 percent salary deduction in the name of *zakat* was illegal, its management was abused and it was not in accordance with correct *shari'a* (Chapter Seven). The *fatwa* seekers questioned the rulers' right according to Islamic law to collect *zakat* and *fitrah*, the right of the people to get their money back, and whether the mosques which were established by "forced" donations could legally be allowed to be used for communal prayers (Chapter Four). Those who demanded the institutionalisation and enforcement of *zakat* by the state referred to the compelling moral notion for the implementation of *zakat* and other Islamic charities from both the Qur'an and the Prophet's tradition (*hadith*) and the early history of Islam.

These voices are only examples of two different expressions from faith-based civil societies in response to the involvement and enforcement of the pre-modern ruler or modern nation-state in faith-based philanthropic practices, especially *zakat*. The first expression mainly considers faith as a personal matter and practises charity as part of reciprocal culture; the second expression considers that the application of faith should be endorsed by the state. The first is mostly voiced by Traditionalist Muslims⁶ (those

⁶ There are two basic epistemological categories in Indonesian Islam, namely Traditionalism and Reformism. This thesis makes use of definitions of analytical categories developed by M.C. Ricklefs, R. Michael Feener and Chaider Bamualim in a research project based at the National University of Singapore. See detailed definitions on p. 243.

who adhere to the authority of the four Sunni Schools of law as legitimate guides to the practice of Islam, and are mainly represented by Nahdlatul Ulama).⁷

The second expression has been voiced by Reformist Muslims (who seek the faith of Islam directly to the Qur'an, Prophet's traditions, and the Prophet's companions, denying the authority of the four Sunni Schools of Law as valid guides). The Reformist tendency exists mostly among educated and urban Muslims and is closely related to Modernism and puritanism. As a social movement, Islamic Reformism has advanced and transformed Islamic philanthropy into a system of modern management. Post-New Order philanthropic activism, supported by Reformist Muslims, has inclined towards supporting the voices of Islamists, namely those who aim to control state bodies in order to impose a more ideal Islamic society. The Reformist movement, which previously aimed to Islamise society, transformed itself to include Islamisation of the state. In this respect, *zakat* which is obliged under Islamic law will be enforced by the state. This tendency was obviously observed in the *Reformasi* period when the state was weak and civil society was strong.

Another social expression of Islamic faith that is not reflected in the above examples is the moderate position of Modernist Muslims⁸ (a variant of Reformism), represented by the Muhammadiyah organisation.⁹ Muhammadiyah's voluntary and

⁷ Nahdlatul Ulama (abbreviated as NU) claims to have 45 million followers, although it has hardly any actual members. It was established in 1926 amid concerns about the abolition of the caliphate, the inclination of the Saud kingdom towards Wahabi teachings, the elimination of freedom for different Islamic schools of law in Saudi Arabia, and also as a reaction against Reformist movements in Indonesia. This organisation defends the traditional thinking of Islam, and this brings it into conflict with the ideas of Muhammadiyah, the leading Reformist voluntary organisation. This organisation adopts the "*ahlu sunnah wa al-jamaah*" (followers of the Sunnah and the Community of the Prophet). NU (and followers of this organisation) is regarded as Traditionalist, in contrast to Muhammadiyah, which is regarded as Modernist. About NU see Martin van Bruinessen, *NU: Tradisi, Relasi-relasi Kuasa, Pencarian Wacana Baru* (Yogyakarta: LKiS, 1994); Greg Barton and Greg Fealy eds., *Nahdlatul Ulama, Traditional Islam and Modernity in Indonesia* (Clayton: Monash Asia Institute, 1996). See also its website <http://www.nu.or.id/>

⁸ It is one variant of Reformism. Two more variants of Reformism are Contextualism and Revivalism. See detailed definitions in p. 243.

⁹ Muhammadiyah is the largest Reformist (or specifically called Modernist) organisation. Established in 1912, it claims to have 35 million followers. Its actual members are far fewer than this number. The term "Modernist" is used to identify this organisation since it was established in response to the Islamic modernisation movement led above all by Jamal al-Din Al-Afghani, Muhammad 'Abduh and Rashid Ridha. The followers of this movement thought that Islam was backward because Muslims did not want to do *ijtihad* anymore. One important act of *ijtihad* by this organisation was the use of modern infrastructure and the use of rational thinking. On Muhammadiyah, see Alfian, *Muhammadiyah: The Political Behaviour of a Muslim Modernist Organization under Dutch Colonialism* (Yogyakarta: Gajah Mada University Press, 1989), Mitsuo Nakamura, *The Crescent Arises over the Banyan Tree: A Study of the Muhammadiyah Movement in a Central Javanese Town* (Yogyakarta: Gajah Mada University Press, 1983). See Muhammadiyah's website <http://www.muhammadiyah.or.id/>

philanthropic activism holds to the concept that philanthropy is a private matter but cooperation with the state is important. Active since 1912, Muhammadiyah's non-profit and charitable institutions have been the largest in Indonesia and most probably in the Islamic world. In 2005 it owned 7,488 legal institutions (including hospitals, universities, schools, financial institutions, orphanages, and aged care facilities)¹⁰ in addition to its huge assets of mosques and *waqf*, along with many other sub-organisations (from self-defence clubs to religious gatherings) scattered all over the country.

In this respect, the history of Islamic philanthropy in Indonesia shows a contestation between those who favour or advocate state control over faith, those who are against interference and institutionalisation by the state, and those who want to keep philanthropy in the hands of civil society but demand partnership with the state.

While the state position towards religion has been challenged and questioned by those civil societies, there have indeed been many cases in which rulers or government mobilised charities for their own interests (as in the case of the *fatwas* cited above). Both civil society and the state were aware of the financial, social and political forces behind these *zakat*, *fitrah*, *sedekah* and *waqf*. The New Order ruler, Soeharto, was not exempt from the effort to mobilise them. One of his speeches in 1968 clearly shows his plan to gain at least 2.5 billion rupiah each year in *zakat* money. He led the national collection of *zakat* but it ended in 1970 without getting a good response from the majority of Muslims (Chapter Six). The interests of the state are usually in line with those of Reformists who are seeking to modernise Islamic philanthropy away from the practices maintained by Traditionalist leaderships and with those of Islamists who are seeking to establish an Islamic state and impose deeper Islamisation. Unsurprisingly, state institutionalisation of Islamic philanthropy —especially *zakat*—is somehow encouraged by Islamists, state bureaucrats, and opportunist groups such as political parties. This can be seen palpably during the *Reformasi* period when the state was weak.

The history of Islamic philanthropy in Indonesia shows that the interrelation between Muslim civil society and the state is not monolithic, but is dynamic. It demonstrates a balance between the private faith and public realm, between civil society and the state that existed throughout Indonesian Islamic history, including the period of

¹⁰ See Chapter Six for details. Many of Muhammadiyah's hospitals, universities and schools have a competitive quality at district, provincial and national levels.

Islamic kingdoms, Dutch colonial administration, and the modern Indonesian state. The interrelations are not only vertical (between so-called Muslim civil society and the state) and horizontal (between Muslim civil society groups). They show a blurred demarcation on concepts of state-civil society, a non-uniformity in the approaches of Muslim civil society philanthropic activism towards the state, and a subtle dynamic relationship between faith and the state.

In modern Indonesia, the relationship between the state and faith shows a unique position. If we agree to the three classifications of the social status of religion vis-à-vis the state—first, religion becomes an ideological basis of the state; second, the state is indifferent because religion is regarded as a private individual matter; and third, the state is hostile to religion¹¹—then modern Indonesia sits somewhere between the ideological and indifferent ones. Although the Indonesian Constitution (*Undang-undang Dasar* 1945) represents a secular state that acknowledges religion without referring to any specific faith as its ideology,¹² Islam is a significant factor since the majority of the population is Muslim. Public creed has undergone changes¹³ which are somehow observed in the practices of Islamic philanthropy.

This thesis follows other studies of philanthropy in maintaining that philanthropy is a significant part of civil society.¹⁴ It specifically shows that philanthropy is an indicator of the state-civil society relationship. Islamic philanthropic activism is on the rise when state power is weak, and it operates in a modest way when the state is powerful. Weak state and powerful state refer to the social, economic and political situation of a state or government in relation to their efficient administration. The Dutch colonial administration and the New Order period are regarded as strong

¹¹ Gordana Siljanovska, “Homo Religiosus, Between Faith and the State,” *East European Human Rights Review* 10 (2004): 120.

¹² Article 29 of the Indonesian Constitution 1945 states “(1) The State shall be based upon the belief in the One and Only God” and “(2) The State guarantees all citizens the freedom of worship, each according to his/her own religion or belief.” The first principle in the basic foundation of the Indonesian state, the Pancasila (five principles), is “belief in the one and only God.”

¹³ Robert W. Hefner, “State, Society, and Secularity in Contemporary Indonesia,” in *Religion and Religiosity in the Philippines and Indonesia Essays on State, Society, and Public Creed*, ed. Theodore Friend (Washington: Southeast Asia Studies Program John Hopkins University, 2006), 39-51. For general discussion on Faith and the State see Roger Trigg, *Religion in Public Life: Must Faith Be Privatized?* (New York: Oxford University Press, 2007).

¹⁴ For examples, see Kathleen D. McCarthy, *American Creed Philanthropy and the Rise of Civil Society 1700-1865* (Chicago: The University of Chicago Press, 2003); Lawrence J. Friedman and Mark D. MacGarvie eds, *Charity, Philanthropy, and Civility in American History* (Cambridge University Press, 2003); and Kathleen D. McCarthy, ed., *Women, Philanthropy, and Civil Society* (Bloomington: Indiana University Press, 2001).

states or as being under a strong government. The Old Order (1945-1965) and the *Reformasi* period (1998-2004) are regarded as weak governments in terms of the political turbulence, internal conflicts and economic crisis, though they could not be categorised as failed states.¹⁵ It is generally known that an excessively strong state rarely coexists with strong civil society.

People power has become a support as well as curse for the ruling government during the *Reformasi* period. With this people power, activities of Islamic philanthropy developed considerably. The number of Islamic philanthropic organisations increased rapidly, the Zakat Management Law and the Waqf Law were passed, the National Body of Zakat was created, and a regulation on tax deduction for those who paid *zakat* was enacted a few years before the law on general tax deduction for donations is finally regulated.¹⁶ This situation was totally different from what was in place during the authoritarian New Order rule. Few community-based Islamic philanthropic organisations were founded at that time other than those which had ties with government officials and/or were formed under state administration offices. However, unregulated *zakat* and *fitrah* committees in mosques and neighbourhoods were discretely developed in addition to the ongoing grass-roots payment of *zakat*, *fitrah* and *sedekah* to local religious persons/leaders and the poor. Soeharto's attempt at national collection of *zakat* between 1968 and 1970 failed. The Old Order government was weak because of the independence struggles and political instability. Islamic voluntary activism and practices during this period were mainly driven by nationalism and were mobilised to assist the newly independent republic.

Distinct from the above equation is the Dutch colonial period. The Dutch administration was powerful, but its rule allowed for the growth of philanthropy and voluntary associations. Although the government acted severely against anti-colonial movements, it allowed space for the development of "civil" faith-based philanthropic practices and activities. The Dutch prevented native officials from interfering or from

¹⁵ Although Indonesia is not included in the world's category of weak states or failed states, Indonesia's economic and political situation is fragile. The Crisis States Research Centre sets Indonesia's status as "warning" to be failed states. The categorisation is somehow dynamic and the perception of "failed state" maybe controversial. Even Noam Chomsky argues that the United States is becoming a failed state. *Failed States: The Abuse of Power and the Assault on Democracy* (New York: Metropolitan Books, 2006). For detailed discussion on weak states and strong states see Daron Acemoglu, "Politics and Economics in Weak and Strong States," National Bureau of Economic Research, working paper 11275, April 2005, available in <http://www/nber.org/papers/w11275>.

¹⁶ The amendment of Income Tax Law no 7 1983 was passed by the Parliament in September 2008.

obtaining benefits from those philanthropic resources, due to its secular principle of the separation of religion and the state. This policy of non-interference provided space for philanthropy, and this had the unintended effect of stimulating the growth of Muslim civil society organisations in the early twentieth century.

Studies on Islamic philanthropy in general uphold the idea that Muslim values and the practice of Islamic philanthropy—like other forms of philanthropy—support the notions of social justice¹⁷ and democracy;¹⁸ and *waqf* have played a role as a public sphere institution supporting Sufi groups¹⁹ and women.²⁰ However, after the events of September 11 2001 in particular, there have been studies suggesting the “uncivil” impact of religious philanthropy, and that Islamic philanthropy has been used for terrorist activities.²¹ These studies are usually set in the context of conflict and civil wars or favour the notion that Islam is inimical to democracy. The issue with which they are mainly concerned is not Islam, philanthropy, or Islamic philanthropy, but rather the wars or conflicts in question. Even the giant humanitarian foundations and United Nations agencies are not totally free from the accusation that their humanitarian aid may prolong conflicts.²² These topics are outside the scope of this thesis, not only because the “uncivil” use of charity is not part of philanthropy, but also because such usage is

¹⁷ Samiul Hasan, *Philanthropy and Social Justice in Islam: Principles, Prospects and Practices* (Kuala Lumpur: AS Noorden, 2007); Irfan Abubakar and Chaider S. Bamualim, eds., *Filantropi Islam dan Keadilan Sosial* [Islamic philanthropy and social justice]: *Studi tentang Potensi, Tradisi, dan Pemanfaatan Filantropi Islam di Indonesia* (Jakarta: Center for the Study of Religion and Culture, 2006). The second book is the outcome of a global project regarding Philanthropy for Social Justice in Muslim Societies covering research from 2002-4 in six countries: Egypt, India, Indonesia, Turkey, Tanzania and the United Kingdom. The global project was coordinated by the Center for the Study of Religion and Culture at the State Islamic University Jakarta and was funded by the Ford Foundation.

¹⁸ Riaz Hassan, *Inside Muslim Minds* (Melbourne: Melbourne University Press, 2008). Chapter 8 discusses Philanthropy and Social Justice based on sources from surveys in seven Muslim countries (Egypt, Indonesia, Iran, Khazakhtan, Malaysia, Pakistan, and Turkey). A few data in this book relating to the CSRC research on Islamic philanthropy for social justice in Indonesia are not correct.

¹⁹ R.D. McChesney, *Waqf in Central Asia: Four Hundred Years in the History of a Muslim Shrine, 1480-1889* (Princeton, N.J: Princeton University Press, 1991).

²⁰ Amy Singer, *Constructing Ottoman Beneficence: An Imperial Soup Kitchen in Jerusalem* (Albany: State University of New York Press, 2002) and Miriam Hoexter, *Endowments, Rulers and Community Waqf al-Haramayn in Ottoman Algiers* (Leiden, Boston: Brill, 1998); the same author also wrote “The Waqf and the Public Sphere,” in *The Public Sphere in Muslim Societies*, ed. Miriam Hoexter, Shmuel N. Eisenstad, Nehemia Levtzion (Albany, New York: State University of New York Press, 2002).

²¹ Among the studies are J. Millard Burr and Robert O. Collins, *Alms for Jihad Charity and Terrorism in the Islamic World* (Cambridge: Cambridge University Press, 2006) and Evan F. Kohlmann, *Al-Qaida’s Jihad in Europe. The Afghan-Bosnian Network* (Oxford: Berg, 2004).

²² A dilemma of humanitarian aid, see for example David Bryer and Edmund Cairns, “For better For worse? Humanitarian aid in conflict,” *Development in Practice* Vol 7, no 4 (November 1997): 363-74.

quantitatively insignificant compared to the mainstream activities of Islamic philanthropy²³ and philanthropy in general.

Studies on Islamic philanthropy also reflect a reluctance among Muslims (if not resistance) faced with state efforts to control, organise, or even enforce the collection of philanthropic resources, in particular *zakat*. In Indonesia, even though a 2003/4 survey found that 98.5 percent of the Muslim population paid *fitrah* and 34.7 percent paid *zakat*, only 5.6 percent of respondents paid them to philanthropic organisations which were dominated by state-based *zakat* agencies.²⁴ James Scott has shown how Muslims evade *zakat* collection by the state in Malaysia.²⁵ In Pakistan, there is a common mistrust of the state *zakat* collection and administration, because this is regarded as corrupted,²⁶ and *zakat* evasion occurs frequently. There are only six Muslim countries (Saudi Arabia, Libya, Yemen, Malaysia, Pakistan, and Sudan) that enforce some form of *zakat* by law,²⁷ which make up 10 percent of the members of the Organisation of the Islamic Conference. *Zakat* collection and disbursement in most Islamic countries and also non-Islamic countries has been organised by civil society organisations. In present-day Indonesia, a “religiously secular” country that has about an 87 percent Muslim population, *zakat* is encouraged but not imposed under the law. Even though the government has created state-based philanthropic agencies, it allows community-based Islamic philanthropic organisations to operate.

As has also happened in some other parts of the world, the effort to modernise Islamic philanthropy in Indonesia was mostly initiated by Reformist Muslims.²⁸ One of the most important Reformist movements is the Muslim Brotherhood, established in Egypt in 1928 by Hasan Al-Banna, which also established strong charitable activities.²⁹ Since they consider Islam as a whole system of state and society, modernisation of charity is related to the movement for Islamic economy (also Islamic banking) that has

²³ Burr and Robert state in their book that the percentage of Islamic charities in support of Islamist jihadist activities is only small. *Alms for Jihad*, 1.

²⁴ Survey of Islamic Philanthropy for Social Justice in Indonesia, the Center for the Study of Religion and Culture, State Islamic University Syarif Hidayatullah Jakarta, 2003/4, hereafter Survey of Islamic Philanthropy. Some findings have been published in Abubakar and Bamualim, eds., *Filantropi Islam dan Keadilan Sosial*. Selected findings are presented in Appendix 4.

²⁵ Scott, *Resistance without Protest*.

²⁶ Hassan, 240-1.

²⁷ A. Zysow, “*Zakat*” in *The Encyclopaedia of Islam: New Edition*, vol XI (Leiden: Brill, 2002).

²⁸ Scholars have used various terms, such as Neo-revivalist Muslims.

²⁹ See for example Janine A. Clark, *Islam, Charity, and Activism: Middle-Class Networks and Social Welfare in Egypt, Jordan, and Yemen* (Bloomington: Indiana University Press, 2004).

been promoted by the same groups, following the global Islamic resurgence movement.³⁰ In Indonesia, activities of Islamic philanthropy post the New Order period show the impact of this resurgence movement.

This thesis will show that in modern times, there is an ongoing effort to modernise Islamic philanthropy and to incorporate the obligatory aspect of *zakat* into law as part of the effort to Islamise society and the state. This becomes a test for those Islamist “civil societies,” that take the risk of handing over community-based philanthropic efforts to the control of the state—which is a setback for the civil society movement itself.

As stated at the beginning of this section the history of Islamic philanthropy in Indonesia is one of a contestation between faith and the state, in other words between efforts to involve the state in managing philanthropic activities and efforts to keep these under the control of Muslim civil society. This thesis will show a close relationship between the activities of philanthropy and the political nature of the state. *Zakat*, *sedekah*, and *waqf*, the main Islamic philanthropic forms, have been used by Muslim civil society to empower itself. Islamic philanthropic practices can be seen as supporting civil efforts, such as establishing schools and maintaining mosques, and “uncivil” ones, such as supporting religious violence. However, the “civil” efforts have undeniably prevailed. In Indonesia, for example, the majority of Islamic organisations and other “civil” efforts such as private schools, mosques, hospitals and orphanages have been established and financed through giving and volunteering—efforts that have a strong tradition. This thesis compliments to the study on the role of Muslim civil society in Indonesia.³¹

The thesis will explore the ways in which the practice of philanthropy by Indonesian Muslims has evolved and how it has affected the relationships between the state and faith. Looking into the change and continuity of philanthropic practices from the early stages of Islamisation to the *Reformasi* period this study explores the way in

³⁰ On the Islamic resurgence movement see Chandra Muzaffar, “Islamic Resurgence: A Global View,” in *Islam and Society in Southeast Asia*, ed Taufik Abdullah and Sharon Shiddique, 5-39 (Singapore: Institute of Southeast Asian Studies, 1986). Abdullah Saeed has shown that in Indonesia as elsewhere in Islamic communities, the Islamic economy (including banking) is promoted by “neo-revivalist” Muslims. Abdullah Saeed, “Indonesian Islamic Banking in Historical and Legal Context,” in *Indonesia: Law and Society*, ed. Timothy Lindsey, 2nd ed. (Sydney: The Federation Press, 2008), 313-5.

³¹ Two of them are Robert W. Hefner, *Civil Islam. Muslims and Democratization in Indonesia* (Princeton: Princeton University Press, 2000). Nakamura Mitsuo, Sharon Siddique and Omar Farouk Bajunid, eds, *Islam and Civil Society in Southeast Asia*, Singapore: ISEAS, 2001.

which philanthropic practices have contributed to the development of civil society, both in rural and urban communities. The charitable practices of *zakat*, *sedekah* and *waqf* have played an important role in the empowerment of civil societies. Muslim communities have established mosques, *madrasah*, *pesantren*, and other social, economic and political organisations by contributing their wealth through Islamic charitable forms. In turn, these organisations formed distinctive institutions which are either critical of the state, collaborate with it or are opposed to it. Islamic philanthropy mechanisms have been used by governments for their political purposes, and also by civil society to bring about religious and social change. It is not only Islamic institutions and social movements that have been established and financed by local Islamic philanthropic activities, but non-Islamic ones as well.

While it is generally perceived that the modernisation of philanthropic practices is a recent development starting from the 1990s, this study maintains that Muhammadiyah had already constructed a philanthropic culture and practices by means of a modern organisation from the time of its initial development in the second decade of the twentieth century. Muhammadiyah transformed the traditional practices of charitable giving, so that they were not only for religious activities, but also for purposes of social change.

However, even though almost all Islamic social and political organisations use philanthropy as a means to achieve social, economic, and political aspirations and goals, practices of philanthropy are still mainly traditional. The transformation brought by Muhammadiyah in urban communities has proceeded slowly alongside the traditional charitable giving and older mechanisms prevailing in rural societies due to theological and legal understandings and socio-political conditions. Traditional charity is therefore still dominant.

Most studies on philanthropy around the world argue that the development of philanthropy is related with welfare. Janine Clark's study, employing social movement theory, also shows that Islamic voluntary and charitable activism in Egypt, Jordan and Yemen benefited most the Middle-class Muslims.³² To some extent this is true in Indonesia too, where the Muhammadiyah organisation and most other developed philanthropic organisations grew from urban communities as a result of economic

³² Clark, *Islam, Charity, and Activism*.

fortune. However, Islamic philanthropy is practised and has become a means for empowerment in rural Muslim communities as well. It seems that there is a sense of “shared poverty” (that is charitable giving among poor communities) and a strong theological influence so that voluntarism and self-help operate best in non-middle class communities. In many cases, economic crisis boosts philanthropic activism where poverty becomes a good cause for charity. The number of new *waqf* endowments in East Java increased significantly in 1941-2. Dompét Dhuafa, a leading Islamic philanthropic organisation, received about double its charitable donations in 1998 and 1999, compared to its income before the crisis. Welfare is only one among many other causes for charity. Among the most prominent one is faith.

II. Significance of the Study

While there are several studies on theological and legal aspects of *zakat* and *waqf* in Indonesia, little attention has been paid to the study of philanthropy as an initiative of civil society or as a part of the study of the Third Sector or independent sector.³³ Given the fact that the outcome of philanthropic activities appears in almost all public spaces in Indonesia, the rarity of studies on philanthropy is surprising. This thesis is nonetheless built on various existing studies, in areas such as history, Islam, law, anthropology, and social movements, all of which provide valuable data and perspectives upon giving and voluntarism, and in particular *zakat*, *sedekah*, and *waqf*.

Studies on Islamic philanthropy in Indonesia can be differentiated into those focusing on the institutions of *zakat* and *waqf*, and on charity or philanthropy. Studies on *zakat* and *waqf* mostly focus on legal and theological aspects and have only recently begun to focus on practice.³⁴ Studies of social movements that refer to voluntary

³³ The third sector refers to civil society, while the first is the state, and the second is the market. The Third Sector is also known as Voluntary Sector. As the category of state-civil society, this categorisation is blurred and fluid.

³⁴ Among the exceptions are Mohammad Daud Ali, *Sistem Ekonomi Islam: Zakat dan Wakaf* (Jakarta; UI Press, 1988), and Taufik Abdullah, “Zakat Collection and Distribution in Indonesia,” in *Islam and the Economic Development of Southeast Asia: The Islamic Voluntary Sector in Southeast Asia*, ed. Mohamed Ariff (Singapore: Institute of Southeast Asian Studies, 1991). A survey on *waqf* studies by Miriam Hoexter does not mention any study on *waqf* in Indonesia or Southeast Asia. “Waqf Studies in the Twentieth Century: The State of the Art.” *Journal of the Economic and Social History of the Orient*, Vol 41 no 4 (1998): 474-95. However, there are a few studies on *waqf* in Indonesia: Rahmat Djatnika, “Les Biens De Mainmorte (Wakaf) A Java-Est.” (PhD diss., École des Hautes Études et Sciences Sociales, 1982), and Uswatun Hasanah, “Peran Wakaf dalam Mewujudkan Kesejahteraan Sosial (Studi Kasus

associations, such as Muhammadiyah and Nahdlatul Ulama, also provide important data on how these organisations developed from the benefits of voluntarism and giving such as *zakat*, *sedekah*, and *waqf*.

There are two research centres that contribute studies on Islamic philanthropy in Indonesia: the Center for the Study of Religion and Culture of the State Islamic University Jakarta, under the Islamic Philanthropy for Social Justice project³⁵ and the Public Interest Research and Advocacy Center (PIRAC) under a general study on philanthropy in Indonesia.³⁶ Studies on philanthropy in Indonesia have been promoted by the research in the Third Sector, especially by the Asia Pacific Philanthropy Consortium.³⁷ Recent Islamic studies that relate in some way to the study of Islamic philanthropy are the study of religious reform by the Ministry of Religious Affairs (MORA)³⁸ and the study of Indonesian law on *zakat*.³⁹ Both give a “state” perspective, but come to a conclusion similar to that of this thesis: that Muslim civil society, to some extent, pressured the state for Islamic philanthropy to be included under and/or excluded from state control. This thesis treats practices of *zakat*, *sedekah*, and *waqf* as philanthropic forms, giving value to the various kinds of efforts of generosity at grass-roots level.

This thesis, therefore, initiates a historical study of Islamic philanthropy in Indonesia from pre-modern times to the present day, analysing the relationships between faith and the state. It fills a gap in the study of Islamic voluntary activism in

Pengelolaan Wakaf di Jakarta Selatan.” (PhD diss., IAIN Syarif Hidayatullah Jakarta, 1997). A recent study on Islamic legal thought that provides significant background for the intellectual history of the practices of *zakat* is R. Michael Feener, *Muslim Legal Thought in Modern Indonesia* (Cambridge: Cambridge University Press, 2007).

³⁵ The author of this thesis was a global research coordinator of the project from 2002 to 2004. Among the publications from of the project are Abubakar and Bamualim, eds., *Filantropi Islam dan Keadilan Sosial*; and Idris Thaha, ed, *Berderma untuk Semua, Praktek dan Wacana Filantropi Islam* (Jakarta: Pusat Bahasa dan Budaya & Teraju, 2003).

³⁶ PIRAC held surveys on the practice of philanthropy in 2001, 2004 and 2006. It also published its survey’s findings which relates to Islamic philanthropy. Kurniawati, ed, *Kedermawanan Kaum Muslimin Potensi dan Realita Zakat Masyarakat di Indonesia hasil Survey di Sepuluh Kota* (Jakarta: Piramedia, 2004).

³⁷ APPC initiated a study on philanthropy and law in Asia. The Indonesian case study is *Filantropi dan Hukum di Asia: Tantangan untuk Indonesia*, ed. Thomas Silk ([Jakarta]: APPC, 1999). APPC website is <http://www.asiapacificphilanthropy.org/>

³⁸ Moch. Nur Ichwan, “Official Reform of Islam. State Islam and the Ministry of Religious Affairs in Contemporary Indonesia, 1966-2004” (PhD diss., University of Tilburg, November 2006). It provides two chapters on Islamic charities.

³⁹ Arskal Salim, “Islamising Indonesian laws? Legal and Political Dissonance in Indonesian Shari’a, 1945-2005” (PhD diss., University of Melbourne, 2006). Its published version is *Challenging the Secular State: The Islamization of Law in Modern Indonesia* (University of Hawaii Press, Nov 2008).

Indonesia. It offers a foundation for the study of voluntary associations as part of Islamic reform movements⁴⁰ in dealing with how the voluntary associations were supported. It complements the existing studies of religious philanthropy, showing that faith is one of the most effective mechanisms for motivating giving to all charitable causes.⁴¹ The thesis shows that religious philanthropy has a much more significant role than secular philanthropy. It also provides a case study from Indonesian Islam to support the prevailing argument that philanthropy is a universal phenomenon that is found in most cultures.⁴²

This study will focus on two perspectives that have not yet entered common discourse in Indonesia. The first is the socio-political aspect of philanthropy, which includes the close relationship between philanthropy and civil society.⁴³ The second is the significance of religious philanthropy.⁴⁴ The second perspective gained more recognition when studies of philanthropy were expanded to cover different historical periods and different traditions and civilisations. It is hoped that this thesis will provide a better understanding of Indonesia in philanthropic studies.

III. Thesis Argument

This thesis analyses the historical development of Islamic philanthropy and the way in which philanthropy affected the state-society relationship,⁴⁵ with specific reference to the interaction between the religious realm and the state in the history of Indonesia. It focuses on the contestation between the state and Muslim civil society in managing philanthropic resources, especially *zakat*. It seeks to determine to what extent philanthropy has remained a firm basis of civility under the changing political natures of

⁴⁰ Michael Feener mentions three significant institutions that fostered Islamic reform movements: voluntary associations, education, and media. Feener, *Muslim Legal Thought*, 1-23.

⁴¹ Wuthnow and Hodgkinson, *Faith and Philanthropy*. This is one of the most important studies on faith and philanthropy, represents the picture of giving in the United States. It is unfortunately it does not include a case study on Islam.

⁴² Ilchman, ed. et al., *Philanthropy in the World's Traditions*.

⁴³ R. Bremner's and Kathleen D. McCarthy's works symbolise this perspective. See R. Bremner, *American Philanthropy* (Chicago: The University of Chicago Press, 1988); and McCarthy, *American Creed*.

⁴⁴ Ilchman's and Wuthnow's works represent this perspective. Wuthnow and Hodgkinson, *Faith and Philanthropy*.

⁴⁵ This is one of among area that has been suggested by Peter C. Perdue in his review on "Philanthropy in the World Tradition," *Journal of the Economic and Social History of the Orient*, vol 43, no 2 (2000): 189-92.

the state and governance. I argue that the history of Islamic philanthropy in the archipelago shows a balance between private faith and state power, that is, between private religiosity and the public realm. The thesis illustrates various situations where voluntary or philanthropic organisations sometimes interacted cooperatively and sometimes contentiously with the state. It argues that there is a close relationship between the nature of the state and governance in relation to the practice of Islamic philanthropy in Indonesia. It suggests that when the state is strong, philanthropic activities are weak; conversely, when the state is weak, civil society is strong and so is philanthropy.

It maintains also that the practice of Islamic philanthropy remains in the hands of Muslim civil society, irrespective of the political nature of the state. Islamic philanthropy has been used for social change. Although political circumstances influence the development of philanthropy, the state capacity to control it is sharply limited because Muslim philanthropic practice is generated by the altruistic and reciprocal nature of the people.

There are four more specific questions that will be answered throughout the thesis. How did Islamic philanthropy develop alongside the Islamisation of Indonesia? What and who motivated the transformation of the practices? How are community resources mobilised and organised for religious and social causes? And through what networks are they channelled and used?

IV. Conceptual Framework

This section aims to clarify two areas. One area relates to the term “philanthropy” and various forms of Islamic philanthropy, specifically in the Indonesian context; the second area relates to the analytical framework.

1. Philanthropy

The term “philanthropy” is derived from two Greek words, *philos* (love), and *anthropos* (humankind). This thesis defines philanthropy as voluntary activities of private giving and service for the public good. This definition follows Mike W. Martin in his *Virtuous Giving*, where he elaborates four elements in philanthropy, namely voluntariness,

privateness (non-state), giving/service, and public good.⁴⁶ These four aspects are significant for the differentiation between philanthropy and other non-philanthropic practices. For example, theoretically, the establishment of schools and hospitals by the government is not charity because it is a state's obligation; tax is not charity because it is regarded as a citizen's responsibility. While using these four elements, I follow Ilchman's⁴⁷ and McCarthy's⁴⁸ approach which incorporates a broad range of activities as long as these are voluntarily offered by members of the community for the public good.

Yet, at least two "grey" areas remain. The first is how to employ the term "philanthropy" in a context where the separation between state and society, or between private and public, is difficult to define—for example, how to treat *waqf* properties or mosques that have been given by rulers. When data are not available, such establishments are explained simply as mosques without emphasising their philanthropic character. The second relates to what is called "terrorist" funding. Such "uncivil" activity is by definition not included in philanthropy. The problem lies in the definition of what is regarded as "civil" or, in this context, what is for the "public good." For example, the discussion in Chapter Six includes voluntary efforts to further the struggle for Indonesian independence as part of the "public good." This is naturally from the perspective of Indonesians, but not from that of the Dutch! This particular aspect, though fascinating in itself will have to remain outside the further scope of this study.

This thesis uses the term "philanthropy"—even though it is not generally used in Indonesia and the Islamic world at large—for two reasons. First, the term covers different kinds of benevolent activities. Under this term various kinds of generosity, such as volunteering and *sedekah*, can be valued, without neglecting the institutions of *zakat* and *waqf* which have received sufficient academic attention.

Second, compared to the term "charity," the term "philanthropy" has a transformative meaning.⁴⁹ The definition of charity is based on the same notion as that

⁴⁶ Mike W. Martin, *Virtuous Giving, Philanthropy, Voluntary Services, and Caring* (Bloomington, Indiana: Indiana University Press, 1994).

⁴⁷ Ilchman, et al., eds, *Philanthropy in the World's Traditions*.

⁴⁸ McCarthy, *American Creed*.

⁴⁹ Gross, "Giving in America." The transformation does not diminish the meaning of charitable giving since in reality charitable practices are still needed along with the organised work of philanthropic

of philanthropy, that is, individual voluntary giving which is intended to relieve the poor. “Philanthropy” implies long-term giving that can empower society and eliminate the roots of poverty and social problems (as in the empowerment of minorities or poverty eradication), while “charity” implies a short-term project for immediate needs, such as disaster relief. The use of the term “philanthropy” in this thesis does not mean that it is limited only to the “long-term” empowerment program. Rather, it values the transformative intent of “philanthropy” and, pragmatically, the term covers various forms of traditional “charities” as well as “modern philanthropy.” Compared to other terms such as “giving,” “charity” or “donation,” philanthropy also denotes a modern organisation and implies large foundations established by substantial funds, such as the Rockefeller and Ford foundations and—in an Indonesian context—the Sampoerna foundation. The thesis treats “charity” as being so important for “philanthropy” that both terms (and activities) complement each other. The above differentiation certainly appears in academic discourse, while in practice the terms might be used interchangeably.

In Indonesian, the closest equivalent translation of “philanthropy” is *kedermawanan*,⁵⁰ from the word “*derma*” (donation). The term also covers various acts of benevolence referring to ethnic, religious, and non-religious forms of giving and volunteering, throughout different historical periods in Indonesia.

Robert D. Putnam demonstrates that philanthropy (including altruism and volunteering) is a form of social capital that bonds society together in the spirit of supporting the welfare of others.⁵¹ According to Putnam’s theory, religious philanthropy provides twofold social capital: religious participation and philanthropy itself. Religious participation is “bonding” social capital, which is essentially inward-looking and exclusive, but is also important for strengthening the community. Philanthropy tends to be “bridging” social capital that encompasses various social groups and constitutes a

foundations. Jonathan Benthall shows that leading philanthropic organisations in the United States avoid the term “charity” because it also denotes paternalistic connotations and insignificant gifts. See “Time to Look ‘the Gift’ in the Mouth.” *Anthropology Today*, Vol 17, No 4 (August 2001): 1-2.

⁵⁰ The English term philanthropy (“*filantropi*” in Indonesian) is now being used by certain academics and non-governmental organisations.

⁵¹ Robert D. Putnam, *Bowling Alone: The Collapse and Revival of American Community* (New York: Simon & Schuster, 2000).

significant factor in “moving ahead.”⁵² The history of American philanthropy shows that the “bonding” charitable efforts of Christian Puritans have been transformed from an exclusive religious-based charity to become inclusive non-discriminative philanthropy. Alexis de Tocqueville’s observations of America in the 1830s show that the philanthropic efforts of these Puritans provided a firm ground for the growth of democracy in that country.⁵³

The use of religious power in philanthropy has an impact that is positive as well as negative, as mentioned by Putnam in his comments on the “bonding” social capital. Sandra Cavallo’s study on charity and power in sixteenth and seventeenth century Italy finds that religious preaching in a particular local context can stimulate charitable activity. As a consequence and at the same time, this religious preaching also raises the hostility of others.⁵⁴ In the Indonesian context, the activities of Christian missions have been perceived as a threat to Islam, and accordingly became a significant causal factor in charitable activity. This can be seen in Muhammadiyah’s charitable efforts and also in those of Dewan Dakwah Islamiyah Indonesia (DDII). However, the “bonding” element of religious charity has been transformed into “bridging”, as can be seen in the work of Muhammadiyah (Chapter Five and Chapter Six) and Dompot Dhuafa (Chapter Seven).

2. Islamic Philanthropy in Indonesia

In Indonesia there are various activities that can be included as originating from, or influenced by, Islamic teachings. This thesis considers three forms of these based on the prevalence of Islamic teaching and the clear indication of their liberality: *zakat*, *sedekah* or *sumbangan* (voluntary giving), and *waqf* (endowment). In Indonesian Muslim communities, *zakat* comprises *zakat fitrah* (giving at the end of Ramadan, calculated on a flat fee for each person, similar to a poll tax) and *zakat mal* (giving on the basis of wealth). The general term *zakat* refer to both kinds of *zakat*, or to *zakat mal*. Islamic law

⁵² Ibid., 22-3. Examples of “bonding” social capital are ethnic organisations and church-based women’s organisations. Examples of “bridging” social capital are the civil right movement and youth organisations.

⁵³ Alexis de Tocqueville, *Democracy in America*, abridged by Sanford Kessler and translated by Stephen D. Grant (Indianapolis: Hackett Publishing Company, 2000).

⁵⁴ Sandra Cavallo, *Charity and Power in Early Modern Italy: Benefactors and their Motives in Turin, 1541-1789* (New York, Melbourne: Cambridge University Press, 1995).

regulates *zakat* and *fitrah* as compulsory (*wajib*) for Muslims, although they remain moral obligations in the sense that there is no legal obligation imposed by the state.

The term *sedekah*⁵⁵ is originally from Arabic *sadaqa*, which has almost the same meaning as the Indonesian word *sumbangan* (donation). Various forms of and terms for donating and charitable giving, such as *infak* (donation), *hadiyah* (present), and *hibah* (grant) are included as *sedekah*. The institution of *waqf* (in Indonesian, *wakaf*) refers mainly to traditional religious endowments such as land, but in a few cases it refers to a modern *waqf* foundation.

Different from *sedekah* and *waqf*, *zakat* poses a methodological question as to whether it is regarded as a philanthropic form. Scholars on Islamic studies working on philanthropy usually focus on *waqf* institution, leaving *zakat* and *sedekah* because *sedekah* is not developed into a distinct institution and *zakat* is regarded as religious tax, which accordingly is not charity. This thesis considers *zakat* as a form of philanthropy for two reasons. First, in Indonesia Muslims donate to the poor, institutions and intermediaries driven by their own conscience as part of Islamic obligations they wish to abide by. Second, in Islamic history, as will be discussed in Chapter Two, it is a mistake to think that Muslim rulers invariably enforced the practice. In many cases, Muslims had choices to whom they gave away their *zakat*.

As shown by Holger Weiss, “there has been a rift between the ideal model of *zakat* and its reality in Muslim states.”⁵⁶ Although there are Islamic countries that impose certain forms of *zakat* as tax, it is wrong to assume that voluntary *zakat* payment does not exist in those countries. There is a growing development of international Islamic charities that collect and manage *zakat* together with many other Islamic charitable forms either in Muslim or non-Muslim countries.⁵⁷ In Indonesia, there are also two perspectives, as shown by this thesis, between those who seek *zakat* to be included in the state system and those who seek *zakat* not to be included in the system.

Forms of *zakat*, *sedekah* and *waqf* have been mentioned in native texts since the thirteenth century of the Indonesian archipelago (Chapter Three). These three forms are

⁵⁵ Sometimes written or spoken as *shadaqah* or *shodaqoh*.

⁵⁶ Holger Weiss, *Obligatory Almsgiving An Inquiry into Zakat in the Pre-colonial Bilad al-Sudan* (Helsinki: Finnish Oriental Society, 2003).

⁵⁷ Jonathan Benthall and Jérôme Bellion-Jourdan, *The charitable Crescent Politics of Aid in the Muslim World* (London: I.B. Tauris, 2002).

still widely practised in present-day Indonesia. They have been practised mostly according to the regulations of the Shafi'i School of law.

The practices of *zakat*, *sedekah*, and *waqf* are an important part of voluntary activism that from the end of nineteenth century started to be institutionalised as voluntary and non-profit associations. The notion and practices of philanthropy are subject to change over time, especially in terms of management and control over the practices, which is often contested. In modern times efforts to reform the practices have been on the rise, bringing with them for example, the ideas of pluralism, social justice, transparency, and gender equity in philanthropy. Activism has been focused mostly on *zakat*. Therefore, later discussions of various philanthropic efforts have tended to narrow down to *zakat*-related organisations, neglecting many modern *waqf* and Islamic foundations. Philanthropic organisations come in all types, ranging from community *zakat* committees, state-based Islamic philanthropic agencies (Badan Amil Zakat Infak dan Sedekah –BAZIS or BAZ), to community-based Islamic philanthropic organisations (Lembaga Amil Zakat Infak dan Sedekah—LAZIS or LAZ).

Apart from these Islamic organisations, non-religious philanthropic organisations also exist under social foundations (*yayasan*). They vary from common foundations (such as Dharmais Foundation established by former President Soeharto), personal and family-based foundations (such as Sampoerna Foundation), Corporate social responsibility (such as Dharma Bhakti Astra foundation), and media-based foundations (such as Kompas Humanitarian Fund and Pundi Amal SCTV). Indeed, some of these charitable foundations also collect and organise Islamic forms of charity. However, since they are not clearly Islamic charities, they are beyond the focus of this thesis.

3. The State and Civil Society

Although the concept of civil society has often been regarded as vague and debatable, it remains valuable for analysing civil activism, movements, and other expressions that are situated in the public sphere between the family and the state which became a balancing power against state hegemony. This concept has been accepted in many international organisations, for example now there is term CSO (Civil Society Organisation) in addition to NGO (Non-Government Organisation). Far from employing

the Western liberal paradigm in which the original concept of civil society was embedded, this thesis follows other recent studies that have contextualised the concept of civil society in various societies.⁵⁸ Civil society has various relationships with the state, either against, critical of or in partnership with, but it cannot be separated totally from the state or never become totally opposed to the state.⁵⁹

This thesis characterises civil society in three forms, namely as associational life, as the good society, and as the public sphere.⁶⁰ Quoting Michael Edwards, civil society is

simultaneously a goal to aim for, a means to achieve it, and a framework for engaging with each-other about ends and means. ...[C]ivil society is essentially *collective* action—in associations, across society and through the public sphere—and as such it provides an essential counterweight to individualism; as *creative* action, civil society provides a much-needed antidote to the cynicism that infects so much of contemporary politics; and as values-based action, civil society provides a balance to the otherwise-overbearing influence of state authority and the temptations and incentives of the market, even if those values are contested, as they often are.⁶¹

In Indonesian context, associational life refers to various non-state organisations, including Islamic organisations such as Muhammadiyah and Nahdlatul Ulama.⁶² As many scholars note, however, civil society does not always act “civilised.” Hefner and Azra show that civil society organisations face various challenges to keep their independence as a counter-balance to state hegemony.⁶³

The public sphere is a virtual space where people can freely exchange their ideas and concerns in public, especially on social problems.⁶⁴ Some scholars working on Islamic philanthropy, especially *waqf*, continue to use the public sphere theory rather

⁵⁸ I follow the approach of Helen James in her introduction to *Civil Society, Religion and Global Governance: Paradigms of Power and Persuasion* (London: Routledge, 2007), 1-9.

⁵⁹ Ibid.

⁶⁰ Michael Edwards, *Civil Society*, (Cambridge: Polity Press, 2004).

⁶¹ Michael Edwards, “Civil Society”, in *The Encyclopedia of Informal Education*, 2005, available online www.infed.org/association/civil_society.htm.

⁶² See for examples Nakamura, *Islam and Civil Society*, Hefner, *Civil Islam* and Hefner, ed, *Remaking Muslim Politics; Pluralism, Contestation, Democratization* (Oxford: Princeton University Press, 2005). See in particular his introductory chapter “Introduction: Modernity and the Remaking of Muslim Politics,” p. 1-36.

⁶³ Hefner, “Modernity and the Remaking Muslim Politics” and Azyumardi Azra, “Religious-based Civil Society and Anti-corruption Campaign; The Indonesian Experience in the Creation of Good Governance,” in Helen James ed, *Civil Society, Religion and Global Paradigms*, 288-99.

⁶⁴ The principal reference to the of public sphere is Jürgen Habermas, *The Structural Transformation of the Public Sphere an Inquiry into a Category of Bourgeois Society*, trans. Thomas Burger and Frederick Lawrence (Massachusetts: MIT Press, 1962).

than the concept of civil society because of ambiguities in the separation of state and society in classical Islamic communities. Hoexter's work on *waqf* shows that "tacit bargaining" took place between the rulers (who were major donors), the community and *qadis* (judges) in dealing with *waqf*. While implementing civil society theory as mentioned above, the gap between the theories of civil society and public sphere is not so big. In fact, in the definition of Michael Edwards above, public sphere is a form of civil society. How close the gap is can be seen for example in the study on *zakat* by Holger Weiss which uses the public sphere theory.⁶⁵

The concept of philanthropy itself is heavily influenced by the notion of civil society, where the voluntary efforts of people are directed to the betterment of society. Social capital (trust, norms, and networks), as theorised by Putnam, is found in philanthropy as "civic virtue."⁶⁶

This thesis outlines philanthropic practices and voluntary activism as social movements. Practices of philanthropy become vehicles for changing society. The massive membership of voluntary organisations and their charitable efforts from the early twentieth century to present-day Indonesia demonstrates the profound reform movement as part of the notion of having a better society. Following McCarthy, the role of voluntary activism and non-profit organisations is a sign of civil society.

V. Methodological Notes

The thesis blends a historical approach with a sociological analysis. It seeks to be a part of a "new history"⁶⁷ that provides historical accounts from perspectives other than those of limited elites and political figures. It examines the efforts of giving and volunteering generated by Muslims and/or Islamic institutions that aim for the public good.

This study takes a "change and continuity" approach, assuming that society is constructed in such a way that it undergoes continual change. The term has been popularised by Harry J. Benda and has been used mainly for the study of history.⁶⁸

⁶⁵ Weiss, *Obligatory Almsgiving*.

⁶⁶ Putnam, *Bowling Alone*.

⁶⁷ Peter Burke, ed, *New Perspectives on Historical Writing* (Cambridge: Polity Press, 2001).

⁶⁸ An example of a study of Indonesian Islamic history using this theory is M.C. Ricklefs, "Introduction: The Coming of Islam to Indonesia," in *Islam in the Indonesian Social Context*, ed M.C. Ricklefs (Clayton: Centre of Southeast Asian Studies, 1991).

Practices of philanthropy are subject to change and continuity, and religious philanthropy becomes a force behind social change. This social change (and also political change when it is applied to changing the state) is powerful because it is supported by religious faith. As Foucault has stated, “religion itself is a political force”,⁶⁹ and reforms supported by religious faith are powerful because they bring salvation themes.⁷⁰

This thesis follows a perspective that philanthropy is not a static social phenomenon.⁷¹ It undergoes change due to social, cultural, economic and political influences. In religious communities, religion and religious doctrines become a significant motivation for any social, economic and political activities. The act of benevolence is strongly supported by religious doctrines. Studies by Bremner and Wuthnow show that religious doctrines and religious charity have greatly supported the development of American philanthropy.

It offers “a history.” This means that it does not only offer a history of the distant past, but rather include over contemporaneous developments. The major challenge of writing about early history of Islam in the Indonesian archipelago is the rarity of evidence. And therefore speculation is unavoidable particularly for the Islamic presence before the fifteenth century.

Several Islamic institutions that have been established throughout the history of Islam in Indonesia are drawn upon as case studies. They include the seventeenth-century Acehese kingdom, mosque funds during the Dutch colonial period, *pesantren* Berjan (*pesantren* meaning “Islamic boarding school”) in Central Java, the *zakat* and welfare efforts of Muhammadiyah in the colonial period, the state-based Islamic philanthropic agency of the Jakarta municipal government, the *zakat* collection body of Muhammadiyah in Kendal, and Dompot Dhuafa, a community-based Islamic philanthropic organisation.

The selection of case studies has been undertaken under consideration of the following factors: religious stream (Traditionalist, Reformist, or Islamist); relationship to the state (community or state-based Islamic philanthropic organisations); location

⁶⁹ Michel Foucault. “On Religion (1978),” in *Religion and Culture*, ed Jeremy R. Carrette (New York: Routledge, 1999), 107.

⁷⁰ Michel Foucault, “Is it Useless to Revolt? (1979),” in *Religion and Culture*, 131.

⁷¹ Thomas, Adam, *Philanthropy, Patronage, and Civil Society. Experiences from Germany, Great Britain, and North America* (Bloomington: Indiana University Press, 2004), 5.

(urban or rural area); period; and availability of data. Owing to archival and documentary limitations, most of the selected institutions are based in Java. This is because Java has been the centre of development and social movements from the colonial period until the present.

The study draws on various sources: texts, reports, and observation from various historical periods, Islamic legal texts, oral history, and public surveys. Detailed information related to data is elaborated in most of the chapters, for the periods before the nineteenth century in particular.

For the periods of nineteenth and the first half of twentieth centuries, three sources have been used to gain information: archives, oral history interviews, and printed sources. Archives and documents have been found in the National Archive of Indonesia (Jakarta), the Royal Netherlands National Archive (The Hague), and in the KITLV library (Leiden). Oral history interviews were the main source for the charitable activities at Pondok Berjan. Several reports and accounts were gathered from newspapers (such as *Sinar Hindia*), periodical (such as *Soeara Moehammadiyah*), *fatwas*, and other documentary books.

Sources after 1945 have mostly been gathered from documentation, interviews, and observations, as well as from other secondary sources such as books and information published in the internet. I have also made use of the database of a public survey “Islamic Philanthropy for Social Justice in Indonesia,” which belongs to the Center for the Study of Religion and Culture, State Islamic University Syarif Hidayatullah Jakarta.

The data consist of two databases the public survey (which involved 1,501 respondents in 10 provinces), and a survey of philanthropic organisations (297 organisations in 10 provinces),⁷² both of which were conducted in 2003/4. The public survey uses the probability sampling method⁷³ with a 3 percent margin of error and a 95 percent level of trust. Respondents were chosen through a combination of multistage sampling and random sampling. Probability sampling was used since no sampling

⁷² The provinces are West Sumatra, South Sumatra, Jambi, DKI Jakarta, West Java, Central Java, East Java, South Kalimantan, South Sulawesi, and West Nusa Tenggara.

⁷³ Sampling is a method to select respondents of a survey when the population is large. Generally, there are two classifications of sampling methods according to the availability of sampling framework, namely, probability and non-probability. In probability sampling (such as random sampling and stratified sampling), respondents are selected according to random manner, whereas non-probability sampling (such as snowball sampling) are by some non-random manner.

framework (list of the entire Indonesian population) is available at national, provincial and district levels. The only reliable sampling framework is from neighborhood associations (Rukun Tetangga and Rukun Warga). The survey of organisations employed purposive technique sampling based on three different types of institutions: mosques, state-based organisations (BAZ) and community-based organisations (LAZ). It uses a non-probability sampling framework because there is no sampling framework available at all to include the three different types of philanthropy organisations. This survey represents the social, political, and religious affiliation of the organisations, their members and staff, and their philanthropic practices.

All collected data underwent processes of verification, categorisation and then analysis. Primary sources, namely documentation from institutions, interview transcripts, reports from the government authorities, and testimonies, were categorised carefully. Primary source materials were verified by a cross cutting method to obtain reliability and accuracy of data. This thesis uses reliable manuscripts that have been studied and published by other scholars. After verification, the primary data were analysed to construct the practice of philanthropy and the way in which donations were mobilised for social purposes. Secondary sources were used to enrich the analyses, and to put social and political impact of the philanthropic practices into context.

VI. Structure of the Thesis

This thesis consists of eight chapters. Chapter One, the present chapter, provides background, significance and argument for the importance of the study, as well as the conceptual framework and methodological notes.

The next chapter is devoted to the values and practice of philanthropy in Islam and provides a framework for further chapters on philanthropy in Indonesia. It focuses on the role of jurists and their jurisdiction in shaping the discourse and practices of Islamic philanthropy, with specific reference to the state. This chapter gives a concise history of *zakat* management during the early and middle period of Islam, and the history of the *waqf* of Al-Azhar University in Egypt.

Chapters Three to Seven provide a history of Islamic philanthropy in the Indonesian archipelago. This is organised in chronological order according to the historical periodisation of Indonesia, from the thirteenth century (when the first wave of

Islamisation took place) through to the early twenty-first century. The discussion sometimes goes beyond one period, for instance when dealing with organisations that have survived until the present.

Chapter Three seeks to provide an insight into how Islamic philanthropic practices, namely *zakat*, *sedekah* and *waqf*, were introduced to the Indonesian archipelago along with Islamisation. It suggests that Islamic philanthropy, especially *zakat*, has been practised according to the religious, economics, and political orientations of the rulers. *Zakat* collection in the Islamic kingdoms was not monolithic either. It varied between state enforcement to state non-interference.

Chapter Four focuses on the practices of Islamic philanthropy in the nineteenth century and the early decades of the twentieth century, which was the period of Dutch administration. It investigates how *zakat*, *sedekah*, and *waqf* were practised under the secular policy of non-Muslim rulers. It provides a picture of the growth development of philanthropy, as a result of the government policy of non-interference with religion, including religious philanthropy.

Chapter Five presents the efforts of reformist Muslims to organise and modernise Islamic philanthropy, to develop it within the community, independent of the state. It presents the work of Muhammadiyah, the Reformist organisation that pioneered modern philanthropy under a strong secular Dutch government. It shows that Islamic philanthropy developed well in a secular state.

Chapter Six discusses Islamic philanthropy as it developed under the Indonesian governments of the Old and New Orders, showing how it gradually came under the control of the government, particularly the New Order. The strong New Order government did not provide space for the development of Islamic philanthropy, and the establishment of philanthropic organisations was led by government agencies and officials. The effort to reform philanthropy, which had been co-opted by the state, did not gain strong support among Muslims at grass-roots level.

Chapter Seven elaborates on Islamic philanthropy in the post-New Order period. It shows that the strong civil society movement wanted to take the leadership of the reform of Islamic philanthropy back from the weak state. The Reformist Muslims succeeded in pressuring the *Reformasi* governments to modernise philanthropy as a way of Islamising society and also the state. Unfortunately, at the time of writing, the reform

was only at surface level and could not affect the majority of practices that remained under the control of Traditionalist Muslim leaders. The chapter shows that although the weak state could be used by certain groups, the administration was too weak to successfully control philanthropy. Instead, philanthropy has remained in the hands of civil society.

Chapter Eight concludes the thesis and analyses the nature of the state in relation to the development of Islamic philanthropy in the archipelago.

CHAPTER TWO

PHILANTHROPY IN ISLAMIC TRADITION

I. Introduction

This chapter introduces the values and practices of philanthropy in Islam, with an emphasis on their effects in framing civil society, the public space between the state/ruler and individuals. It argues that the religious authority of the *'ulama* (Muslim jurists/scholars) over certain practices and institutions of philanthropy, especially *zakat*, functions to maintain the independence of these practices and institutions from the leadership and organs of the state.¹

The chapter will limit the scope of its discussion to four topics: an introductory discussion of normative principles of Islamic philanthropy, the authority of *'ulama*, historical analyses of the practice of *zakat* management, and the institution of *waqf*. While Section One focuses on principles of Islamic philanthropy that are found in two authoritative sources, the Qur'an and the Prophet's tradition (*hadith*), Section Two focuses on various interpretations of the multi-interpretative character of those sources. Section Three provides a brief historical account of state *zakat* management, from the time of the Prophet (seventh century) to contemporary times. The last section deals with the historical development of *waqf*, specifically looking at the *waqf* institution of Al-Azhar University in Cairo, Egypt, from the eleventh to twentieth centuries. These practices of *zakat* and *waqf* reflect the prevailing practices of philanthropy in the centre of the Islamic world, which can be compared later with the development of Islamic philanthropy in the Indonesian archipelago.

The chapter does not attempt to examine whether or not the practices are according to the concepts. Rather, it looks at how the institutions of *zakat* and *waqf* have been interpreted by *'ulama* to adapt easily to different political, economic, and social conditions. I treat Islamic philanthropic practices (mainly *zakat*, *sedekah*, and *waqf*) as

¹ It follows the argument of Muhammad Khalid Masud, "Zakat in Islamic Law," Draft submitted to the International Workshop on *Islamic Philanthropy for Social Justice* held at Flinders University, Adelaide, 7-8 November 2005.

living traditions that have been dynamically developed by ruler, *'ulama*, and society through a “reading” of those fundamental Islamic texts. Thus Islamic philanthropy has been transformed from traditional charity into modern philanthropy, although traditional practices are not eliminated and still dominate.

II. The Concept of Philanthropy in Islam

Generally, philanthropy is understood in Islam as (in the words of Robert McChesney) the “believer’s moral obligation to do good work on God’s behalf”.² This association between philanthropy and moral obligation is not dissimilar to that identified among Christian Puritans by Alexis Tocqueville in 1830s America, the spirit of which became firm ground for the growth of democracy in that country. In Islam, this moral obligation has been institutionalised into many forms which in Islamic canon are either recommended or compulsory. *Zakat* is one of the three most practised forms of philanthropy in the Islamic world, the other two being *sedekah* (donations), and *waqf* endowment (foundations, trusts). These forms share some similarities and differences with the practices of philanthropy as practiced by other adherents of faiths, and as they may indeed have been influenced by practices such as the tithe in Christianity, the *tsedaka* in Judaism, and Zoroastrian and Sasanian philanthropic institutions.³

Zakat, *sedekah* and *waqf* are strongly represented in both the Qur’an and the Prophet’s tradition. In the Qur’an, philanthropy is referred to variously as *zakat*, *sedekah*, *birr* (righteousness), *amal al-salihah* (good deed), *khayr* (goodness), and *ihsan* (virtuous).⁴ *Sedekah* (Ar. *sadaqa*: sincere giving) is actually a general term that encompasses each of these three forms of philanthropy, as well as other traditions that are regarded as meritorious, such as giving (*hadiyah*, *hibah*), bequests, animal sacrifices

² “Charity and Philanthropy in Islam: Institutionalizing the Call to do Good,” Essay on Philanthropy. 14 (Indianapolis: Indiana University Center on Philanthropy, 1995), 6.

³ There is ongoing debate regarding the distinctiveness and similarities of Islamic philanthropy vis-à-vis other forms of faith-based philanthropy. Among scholars who emphasise external influence on Islamic philanthropic traditions are McChesney, Heffening, Becker, and J. Schacht, and among those who emphasize the distinctive character of Islamic charity are Cahen and Singer. For discussion of the origin of the *waqf* see “Wakf,” in *The Encyclopaedia of Islam: New Edition*, vol XI (Leiden: Brill, 2002), 60.

⁴ Azim Nanji shows how the Qur’an uses the words *zakat*, *sadaqa* and other words denoting benevolence, and refers to the short historical outline of almsgiving given in the Qur’an. Azim Nanji, “Almsgiving,” *Encyclopedia of the Qur’an*, vol I, ed. Jane Dammen McAuliffe (Leiden: Brill, 2006), 64-70.

(*qurban*), and birth celebrations (*aqiqa*).⁵ The word *sadaqa* itself can in fact refer to any act of goodness,⁶ from an act as small as smiling to serving the community or some grand philanthropic deed such as donating a building. There is no specific institution of *sedekah* as such. Therefore, *sedekah* is a flexible concept in Islamic legal discourse, and is the least regulated of the three forms. This flexibility allows *sedekah* to be practised widely in Muslim communities, from the social and economic elite to the very poor, and to be adapted according to the giver's circumstances. *Sedekah* often fulfils a social security function in Muslim communities, though it also fits within the patronage system.

Compulsory *sedekah* is *zakat*. The term *zakat* means purification and growth, and it is understood that *zakat* can purify someone's wealth as well as their soul. It also means it can bring about a "growth" in their wealth. According to Islamic law, *zakat* is a religious obligation for wealthy Muslims, involving bestowing a fixed percentage of their gross wealth upon the poor in a specified period.⁷ There are two kinds of *zakat*, namely *zakat* on wealth (*zakat al-mal*) and *zakat al-fitr*, or *fitrah*.⁸ The practice of *zakat* is mainly in the form of *zakat al-mal*, (often called *zakat* by default), which is essentially a tax imposed on the rich in accordance with Islamic law. *Zakat* has specific provisions regarding who should pay, what kind of wealth should be referred to as *zakat*, how much should be paid and when, and who should receive it (beneficiaries). Its obligation is written in Islamic canon and endorsed by jurists. Muslims obligation to pay *zakat* has been endorsed –sometimes enforced—by Islamic rulers. However, state enforcement is not always endorsed by jurists on the basis that *zakat* has been seen as individual obligation to God, not to a ruler who might even be illegitimate. In the latter case *zakat* itself could be illegitimate too and not gain merit to the donor.

Fitrah is a kind of *zakat* given to celebrate the end of the fasting month

⁵ *Hadiyah* and *hibah*, which both mean "gift", are regarded as charity when they are intended for the poor or used for the benefit of the general public. A bequest is a gift that is actualised after someone dies. Some bequests are *hibah* for public use. Animal sacrifices at the occasion of *'Ied al-Adha* are definitely regarded as being on behalf of the poor. For more information on these practices refer to *the Encyclopaedia of Islam*.

⁶ *Sahih Muslim*, *hadith* no 2197. Book 5 chapter 16 of *Sahih Muslim* entitled "saqada includes all types of good acts."

⁷ A comprehensive work on legal discussion of *zakat* is Yusuf Qardawi, *Fiqh al-Zakat Dirasat muqaranat li ahkamiha wa falsafatiha fi dhau'i al-Qur'an wa al-Sunna*, 2 vols. (Beirut/Lebanon: Al-Risalah, 1997). For a general discussion on legal and practical aspects of *zakat* see A. Zysow, "Zakat," *The Encyclopaedia of Islam*.

⁸ I will use the terms *zakat* and *fitrah*. When referring to the general institution, the term *zakat* is used.

Ramadan (*‘Id al-Fitr*). Through it solidarity is expressed to those who do not have enough food by those Muslims who have more than enough. As the minimum quantity to be donated as *fitrah* is affordable, namely three and a half litres of foodstuffs such as rice or wheat (per person), most Muslims can abide by it. In addition to *sedekah*, *fitrah* has been widely practised in Muslim communities, not only because it is affordable, but because it remains in the hands of Muslim communities, free from state interference.

Sedekah which has enduring benefits for the donor is *waqf* (Ar., pl. *awqaf*) or *habs* (pl. *hubus*),⁹ wherein donors are believed to receive perpetual rewards for their generosity—extending even beyond their death, for as long as the property continues to benefit other people.¹⁰ *Waqf* literally means to halt or confine certain assets from their human owners and dedicate them to God for public access or charitable causes.¹¹ It can be equated with the conventional Western institution of the charity/public trust or foundation, which includes both religious and non-religious assets dedicated to the benefit of the general public. With incontrovertible legal provisions forbidding the sale, bequest, transference and even state ownership of *waqf* properties, *waqf* is generally safe from state interference. Furthermore, several studies have shown that the *waqf* institution has become a public sphere that has fostered the growth of Muslim civil society.¹² I will elaborate on this point in my discussion of the independence of *waqf* institutions in section four.

Among these three forms, *zakat* and *sedekah* are mentioned repeatedly in the Qur’an and *hadith*, while the term *waqf* is mentioned less regularly, and is limited to the *hadith* only. However, *waqf* institutions have prevailed, having been supported and financed by the majority of Muslim communities. Theoretically and practically, *waqf* and *sedekah* remain in the hands of, and are actively managed by, Muslim civil societies (although there are some exceptions) while *zakat* has become the privileged domain of Islamic rulers and Muslim civil societies. I will discuss these points further in sections two and three.

⁹ The use of the term *habs* is limited to areas that follow the Maliki School of Islamic law.

¹⁰ This is called *sedekah jariya*, which refers to the *hadith* statement: “When a man dies, his acts come to an end, except for three: recurring charity (*sedekah jariya*), or knowledge (by which people) benefit, or a pious son, who prays for him (for the deceased).” *Sahih Muslim*, hadith no 4005.

¹¹ For a comprehensive reference on *waqf* see “Wakf,” in *Encyclopaedia of Islam*.

¹² See for example Amy Singer, *Constructing Ottoman Beneficence: an Imperial Soup Kitchen in Jerusalem* (Albany: State University of New York Press, 2002), and R.D. McChesney, *Waqf in Central Asia: Four Hundred Years in the History of a Muslim Shrine, 1480-1889* (Princeton, N.J: Princeton University Press, 1991).

According to the Qur'an and the Prophet's tradition there are three important aspects of philanthropy, namely religious obligation, religious morality, and social justice. According to this tradition, the first notion is set as a general directive, the second concerns social morality, and the last touches on the core aim of philanthropy and religion itself. A number of verses regarding philanthropy in the Qur'an correlate with these notions. The number of verses addressing each of these aspects of philanthropy correlates with this hierarchy. Most verses address the issue of religious obligation, some address religious morality, and only a few address social justice.

The notion of religious obligation in philanthropy is underlain by the obligatory nature of *zakat* as an Islamic ritual. The Qur'an has eighty-two verses placing the obligation to pay *zakat* immediately after the obligation to pray (*salat*), which makes *zakat* one of the Islamic pillars.¹³ These Qur'anic verses almost always follow statements regarding the imperative nature of *zakat* with a discussion of the rewards to be obtained from its observance, but few address the moral punishments that are to be meted out for neglecting *zakat*.¹⁴ Discussions of moral retribution for uncharitable and greedy behaviour mostly relate to usury, the accumulation of wealth, and neglect of the needy. Condemnation and punishment for those who do not pay *zakat* are, in contrast, mentioned in only a few *hadith*.¹⁵

Zakat as a religious obligation exemplifies the Muslim doctrine of purification. Verse 9:103 of the Qur'an¹⁶ presents this concept, referring to the purification of one's wealth and the purification of the heart. The purification of wealth is generally regarded as forming an indivisible unity with the growth of wealth (something that is taken from the meaning of the word *zakat*). This is widely understood by Muslims and promoted by *'ulama*. In *fiqh* (Islamic jurisprudence) books, *zakat*, together with prayer, fasting, and

¹³ *Zakat* is generally regarded as the third pillar after *shahada* (pronouncement of faith), and practising *salat*. The fourth pillar is fasting, and the last is performing the *hajj*.

¹⁴ Among the few is Qur'an verse 69: 31-34, "And burn ye him in the Blazing Fire. Further, make him march in a chain, whereof the length is seventy cubits! This was he that would not believe in Allah Most High. And would not encourage the feeding of the indigent!" I use the Qur'anic translation of Yusuf Ali.

¹⁵ In the collection of *hadith* by Muslim Ibn al-Hajjaj al-Qushayri (Imam Muslim), there is only one *hadith* (in chapter 362) that clearly mentions the punishment for neglecting *zakat* (*hadith* no 2170 or 2171). See *Sahih Muslim*, trans. 'Abdul Hamid Siddiqi (Beirut: Dar al Arabia, 1971). In the collection of *Sahih Bukhari* there are three *hadith* (no 485, 486, and 539), an explanatory verse 9: 34-35, and the above mentioned verse 69:31-34. See Muhammad ibn Ismail Bukhari, *Sahih al-Bukhari: the translation of meanings of Sahih al-Bukhari: Arabic-English*, trans. Dr. Muhammad Muhsin Khan (Al-Madina Al-Munawwara: Islamic University, 1990).

¹⁶ Read as follows: "Take alms (*sadaqa*) out of their property, you would cleanse them and purify them thereby, and pray for them; surely your prayer is a relief to them; and Allah is Hearing, Knowing".

pilgrimage, is all regarded as a purely religious ritual (*'ubudiyya*),¹⁷ whose obligation promotes spirituality. This is different from *waqf* and *sedekah*, which are treated as “recommended social matters” (*mu'amalah*).¹⁸ Every act in Islam is regarded as worship (*ibadah*): ritual *ibadah* aims for personal benefit and social *ibadah* aims to benefit humanity.¹⁹

Religious morality, the second notion, underlies the imperative nature of *zakat*. It stresses the importance of charity which goes far beyond ritual performance. One verse clarifies the understanding of righteousness as follows:

It is not righteousness that you turn your faces towards East or West; but it is righteousness to believe in Allah and the Last Day, and the Angels, and the Book, and the Messengers; to spend of your substance, out of love for Him, for your kin, for orphans, for the needy, for the wayfarer, for those who ask, and for the ransom of slaves; to be steadfast in prayer, and practise regular charity, to fulfil the contracts which ye have made; and to be firm and patient, in pain (or suffering) and adversity, and throughout all periods of panic. Such are the people of truth, the God-fearing.²⁰

In this verse, charity is not just for the sake of obligatory ritual: it is evidence of faith. Acts of generosity, some of which are mentioned in the above verse, are a sign of piety.²¹ Signs of piety and faith include helping orphans and neighbours (Qur'an 107:1-7). In addition to the Qur'an, there are many *hadith* stating that charity is a sign of faith.²²

Finally, the notion of social justice in the context of philanthropy is elaborated in the Qur'an as encompassing the rights of the poor to receive donations, (Qur'an 51:19)²³

¹⁷ *'Ubudiyya* relates to interaction between human beings and God.

¹⁸ *Mu'amala* relates to interaction between human beings.

¹⁹ The subject of *waqf*, for example, is elaborated in the *mu'amalat* chapter in *Fiqh al-Sunnah* of Sayyid Sabiq (Cairo: Dar Al-Diyan lil-turats, 1990), 3 vols. vol. 1 on ritual (*ibadah*), vol. 2 on marriage and criminal, vol. 3 on peace, war and *mu'amalat*. In the *Al-Fiqh al-Islami wa Adillatuh*, *waqf* is discussed in the chapter on wealth (*al-huquq al-maliyah*).

²⁰ Qur'an 2:177.

²¹ See Qur'an 98:5; Qur'an 107:1-3, and Qur'an 3:133-134; and Qur'an 9:18.

²² *Hadith* no 432, 2253, 2254, and 2255, *Sahih Muslim*. One of a *hadith* that is quite well known in Indonesia is that someone who sleeps with a full stomach although he knows that his neighbours go hungry is not fully a follower of the Prophet.

²³ “And in their wealth and possessions (was remembered) the right of the (needy), him who asked, and him who (for some reason) was prevented (from asking).”

and 17:26),²⁴ the wealth distribution between rich and poor (Qur'an 59:7), and the maintenance of a degree of economic equality (Qur'an 59:7)²⁵. The idea of rights for the poor functions as a pretext and an encouragement for the poor to seek help, and for the rich to feel obliged to share their wealth. The passing of wealth from the well-to-do to the needy corroborates the idea that wealth belongs to God, while humans are responsible for its safekeeping. While ownership of wealth is permissible, responsible consumption is urged.²⁶ One *hadith* mentions that "...Allah has made it obligatory for them to pay *zakat* which will be taken from the rich among them and given to the poor among them..."²⁷ In addition, philanthropy promotes greater equality within the community, which is regarded as a basis for social harmony. This notion is promoted by a *hadith* urging people to abstain from miserliness because it could evoke bloodshed and destroy entire societies.²⁸

Islamic conceptions of social justice have been further elaborated by Muslim jurists and scholars in more modern times. In the early twentieth century, Sayyid Qutb, an Egyptian Muslim reformer, stressed the realisation of social justice in Islam, for which purpose he promoted the institution of *zakat*.²⁹ More progressively, some Muslim scholars have proposed a social justice-based model of philanthropy as a means of revitalising and modernising philanthropy according to the Qur'anic conception of social justice.³⁰ These scholars have asserted that the practice of Islamic philanthropy has been mostly tradition-bound and does not fulfil the current needs of Muslim

²⁴ "And render to the kindred their due rights, as (also) to those in want, and to the wayfarer: But squander not (your wealth) in the manner of a spendthrift."

²⁵ "What Allah has bestowed on His Messenger (and taken away) from the people of the townships— belongs to Allah, to His Messenger and to kindred and orphans, the needy and the wayfarer; In order that it may not (merely) make a circuit between the wealthy among you. So take what the Messenger assigns to you, and deny yourselves that which he withholds from you. And fear Allah, for Allah is strict in Punishment."

²⁶ This belief about wealth echoes Judaism and Christianity. For more on the comparison of the three, see James F. Smurl "Three Religious Views about the Responsibilities of Wealth," *Essay on Philanthropy 4* (Indiana: Indiana University Center on Philanthropy, 1991). The Christian notion that wealth belongs to God and that Christians must give donations was observed by Tocqueville in 1930s America.

²⁷ *Hadith* no 573, *Sahih Bukhari*.

²⁸ Amelia Fauzia, et al., *Filantropi untuk Keadilan Sosial Menurut Tuntutan Al-Qur'an dan Hadith* [Social Justice Philanthropy Revealed in the Qur'an and Hadith] (Jakarta: Pusat Bahasa dan Budaya, 2003), 7.

²⁹ Sayyid Qutb, *Al-'Adala al-Ijtima'iyya fi al-Islam* [Social Justice in Islam], 5th ed. ([Cairo]: Dar Ihya al-Kutb Al-Arabiyyah, 1957).

³⁰ This was the central topic of the research project Philanthropy for social Justice in Muslim societies, held by the State Islamic University Jakarta. A project publication promoting a social justice-framed understanding of pertinent Qur'anic verses and hadith is Fauzia, *Filantropi untuk Keadilan Sosial*.

communities.³¹ They advocate a revitalisation and contextualisation of the practice of philanthropy, to focus not only on short-term charity, but also on the long-term purpose of eradicating injustice and the roots of social problems which affect everyone, regardless of their gender, race, nationality, or religion.³²

Modern ideas of gender equality, religious non-discrimination, and the transparent management of charity do in fact have precedents in both the Qur'an and *hadith* that can be used to justify the ideas. Gender equity in the evaluation of charitable deeds and generosity can be seen in the Qur'an 16:97³³ and 9:71, which suggest that acts of giving performed by males and females are of equal value. Examples are found in *hadith* indicating the essential role and value of women's generosity.³⁴ The principle of non-religious discrimination in philanthropy can be seen in Qur'an verse 60:8³⁵ and the *hadith* collection of *Sahih Muslim*.³⁶ Regarding transparency, the Qur'an shows that both discreet and public giving are acceptable (The Qur'an 2:274, 14:31, 35:39.)³⁷ Even though there are verses and *hadith* that also propose secretive giving, both the Qur'an and *hadith* advocate transparency and accountability.³⁸ Secretive giving is taught for the purpose of protecting the feelings of receivers (Qur'an 2:271 and 264), whilst also

³¹ Abubakar and Bamualim, eds., *Filantropi Islam dan Keadilan Sosial*; Abdullahi Ahmed An-Naim, *Filantropi untuk Keadilan Sosial menurut Tradisi Islam*, in *Berderma untuk Semua, Praktek dan Wacana Filantropi Islam*, ed. Idris Thaha (Jakarta: Pusat Bahasa dan Budaya & Teraju), 295-302.

³² Abdullahi Ahmed An-Naim and Asma Mohamed Abdel Halim, "Rights-based Approach to Philanthropy for Social Justice in Islamic Societies," paper presented in a conference on Philanthropy for Social Justice in Muslim Societies, Istanbul, 1-4 September 2004. Available [online], The American University in Cairo, John D. Gerhart Center for Philanthropy and Civic Engagement, <http://www.aucegypt.edu/academic/gerhartcenter/documents/Rights-basedPhilanthropyAugust2006.pdf>; [accessed November 17, 2007].

³³ "Whoever works righteousness, man or woman, and has faith, verily, to him will We give a new life, a life that is good and pure and We will bestow on such their reward according to the best of their actions."

³⁴ *Sahih Bukhari* collection no 506, 518, 521, 529, and 529.

³⁵ "With regard to those who fight you other than for (your) Faith and without driving you out of your homes, Allah does not forbid you to deal kindly and justly with them, because He loves those who are just."

³⁶ There is a chapter on "excellence of spending and giving charity to relatives, to wife, to children, and parents even if they are polytheists," (chapter 14), *Sahih Muslim*, 92-94. There is also a *hadith* by Ibn Shaiba mentioning that the Prophet gave *sedekah* and *khums* (one fifth of booty) to non-Muslims under the protection of Islam.

³⁷ Verse of verse 2:272 can be translated as follows: "Those who (in charity) spend of their goods by night and by day, in secret and in public, have their reward with their Lord: in them shall be no fear, nor shall they grieve."

³⁸ Qur'an 2:282. *Hadith* no 576 of *Sahih Bukhari* shows the prophet's emphasis on accountability in the collection of *zakat*.

conforming with the prohibition of boastfulness (*riya*).³⁹

The above references to both the Qur'an and *hadith* show how Muslims and jurists have throughout Islamic history sought to adapt to continual social change by drawing from, and often reinterpreting resources within the Qur'an. The concept of religious obligation prevailed during the classical period of Islam when the state was involved in *zakat* matters. In those times, however, *'ulama* or jurists played important roles within their jurisdiction to limit the intrusion of state power. The following paragraphs will focus on the ways Muslim jurists revised their understanding and utility of Islamic law by reinterpreting specific Qur'anic verses with an aim to adopting them to suit changing social, political and economic circumstances.

With regard to *zakat*, the reign of despotic rulers in dynastic Islamic history could have inspired a rethink as to whether the institution of *zakat* should be interpreted as an individual religious obligation rather than a duty of the state. *Zakat* serves two different functions, acting as a philanthropic practice and at the same time as a government tax.⁴⁰ *Zakat* has always been obligatory in Islamic law. However, its status as a government tax has changed in different periods and locations, especially with changes in the political structure of Islamic states and the growing number of Muslims living in non-Muslim societies. These changes thus encouraged a reappraisal of traditional discourse regarding whether the practice of *zakat* constitutes a state obligation or a voluntary giving as part of religious obligation. (See further discussions in Section Three).

With limited textual resources in the Qur'an, jurists have created regulations of *waqf* which keep it independent of the state, with the exception of the provision of documentation and the handling of disputes. Utilising the flexibility of their legal status, *waqf* institutions have been able to provide a variety of important resources for community development. The property of *waqf* – which began as an orchard,⁴¹ has expanded to cover an abundance of valuable assets ranging from buildings, mosques, public kitchens, public baths, schools, bridges, books, shops, markets, hostels and other ventures to shares and cash.

³⁹ Most of the *hadith* passages on charity mention public giving. Secretive/anonymous giving is endorsed in order to avoid boastful giving which could hurt the feelings of receivers. *Sahih Muslim* mentions only one *hadith* under the heading of the excellence of giving *sedekah* secretly. *Sahih Muslim*, chapter 30, 108.

⁴⁰ Masud, "Zakat in Islamic Law," 1.

⁴¹ See the important *hadith* in p. 49.

The key factors causing *waqf* to be considerably popular are the liberty accorded to its forms and usages, its lasting benefits, correlation with commercial modes of operation, the facility for indirect giving, and its relative invulnerability to the intervention of the state or of other interested groups or individuals. Particularly in view of this last point, *waqf* is favoured among rulers and the social elite as it allows public recognition of their legacy to survive for decades, regardless of political power changes. It may function as a political vehicle, as evidence of the generosity of one's dynasty, and also as a vehicle for religious salvation, assuring the benefactor a place in the hereafter.

III. The Authority of Jurists and Their Interpretations

Given that no single central figure has a monopoly on religious authority covering Muslim civilisation in its entirety, Muslim jurists have significant religious authority. As the intelligentsia, jurists hold a significant role both within the government and in society. They exert religious legitimacy by interpreting and enacting Islamic law during the dispensation of their legal duties.

Jurists' interpretations and regulations are not un-swayed by socio-political and ideological influences. Such influences, indeed, led to the creation of the two main schools of law, Shiite and Sunni,⁴² each of which has several sects. There are four influential schools of Sunni law, namely the Hanafi, Maliki, Shafi'i, and Hanbali, and the three largest Shiite schools are 'Twelver' (Imamiyya), Ismaili and Zaidi.⁴³ These schools of law have dominated classical debates on Islamic law and jurisprudence, including legal aspects of *zakat* and *waqf*, and their respective influences continue to the present. Some debates deal with minor and technical matters, such as differences of opinion over the value of precious minerals and treasures as *zakat* offerings. Others are

⁴² The Shiite and Sunni factions were created after a harsh political conflict involving the selection of a caliph, the leadership of the community. This political conflict led to a distribution of religious authority and later differentiation in religious practices as well as social aspects. Shiites are the followers of Ali ibn Abi Thalib. This group probably numbers around 10 percent of the world's Muslim population. Sunnis represent the majority of Muslims in the world. See the *Encyclopaedia of Islam*.

⁴³ Wahbah Al-Zuhayli in his *Al-Fiqh al-Islamy wa Adillatuh*, vol III (Bairut: Dar al-Fikr, 1997) includes small Schools which are not widely distributed, namely Al-Zahiri, founded by Daud Al-Zahiri (d. 822), Zaydiyya, founded by Zayd ibn Ali Zayn al-Abidin (d. 739), 'Ibadiyya, founded by Abu Al-Sha'tsa' al-Tabii Jabir ibn Zayd (d. 711), and Al-Imamiyya (also commonly translated as 'Twelver', founded by Imam Abu 'Abd Allah Ja'far al-Sadiq (d. 765). Zaydiyya and Twelver are Shi'a subsets. See pp 42-62.

quite significant, such as that regarding the obligatory nature of *zakat*. Sunnis are of the opinion that *zakat* is an obligation, but the Twelver's school of the Shiite tradition recognizes cases where *zakat* is recommended but not obligatory.⁴⁴ There are no significant differences in the practice of *zakat* between the Sunni and Shiite traditions. However, Shiite law stresses the importance of the right of the ruler or leader to one fifth (*khums*) of one's possessions, in addition to *zakat*.⁴⁵ These debates are mostly dominated by Sunni schools of law, since they have significant influence and strong followings, and are recorded in *fiqh* books.

Fiqh works on philanthropy are enriched by the various opinions of, and debates between, jurists from different schools of law. Indeed, neither individual jurists nor the schools of law they represent are free from local and political influences. As Ibn Khaldun has pointed out, people are influenced by their geographical and political environments. The Hanafi school⁴⁶ is known as rationalist (*ahl al-ra'y*—"people of private judgment"), as opposed to the Maliki and Shafi'i schools⁴⁷, which were known as traditionalist (*ahl al-hadith*—"people of *hadith*"). The Hanbali School⁴⁸ has some similarities to the Shafi'i School. Among the four schools, the Hanafi School is regarded as the most rational and flexible, while the Hanbali school is regarded as the most conservative, followed by the Shafi'i school. However, this is not true in every case.

Different opinions colour basic concepts, elements, and the ways *zakat* and *waqf* are practiced. Jurists created systematic regulations stipulating which kinds of property

⁴⁴ Zysow, "Zakat," 411.

⁴⁵ The difference is in interpreting the word *ghanima* in the Qur'an 8:41 of which one fifth should be taken. Sunnis are of the opinion that *ghanima* only refers to "war booty", but Shiites are of the opinion that it refers to both "war booty" and any gain or profit. *Khums* is a kind of *zakat* on income, due at a high rate namely 20 percent (compared to 2.5 percent *zakat* on income), which is given to the ruler.

⁴⁶ Hanafism is the oldest school. It was established by Abu Hanifah an-Nu'man bin Tsabit (d. 767) in Kufah (Iraq) during the Umayyad and Abbasid caliphates. The Hanafi School was adhered to by the Ottoman and Mughal empires, so today it has the largest following of Sunnis (49 percent) in the world.

⁴⁷ The Maliki School was founded in Medina by Malik bin Anas (d. 796), who lived during the two caliphates. The Maliki School is followed by approximately 15 percent of Sunni Muslims, who mostly live in North and West Africa. The Shafii School was established by a student of Malik, Muhammad ibn Idris al-Shafii (d. 820). Shafii was born in Gaza and studied in Mecca and later in Medina as a disciple of Imam Malik. He then moved to Baghdad and established his own School. He moved to Cairo from where his ideas, some of which are in opposition to the old opinions (*qaul qadim*) he had when he lived in Baghdad became known as new opinions (*qaul jadid*). Today the Shafii School is followed by 28 percent of Sunni Muslims, mostly in Southeast Asia.

⁴⁸ The Hanbali School was established by Ahmad Ibn Hanbal al-Shaibani (d. 855) in Baghdad. It is followed by around 10% of Sunnis who mainly live in the Arabian Peninsula. The Saudi kingdom and Wahabi supporters more often cite the Hanbali authorities.

zakat is due on, which “income threshold” are subject to *zakat*, the rates, who should pay (*muzakki*), how it is to be paid and distributed, and who is eligible to receive *zakat* money (*mustahiq*). Similar regulations exist for *waqf*: who can donate a *waqf* (*waqif*), what properties can be given (*mauquf*), who can qualify as a beneficiary (*mauquf alaih*), and who its administrator (*nazir*) should be. These elements are debatable and subject to many variations, as can be seen in the comprehensive *fiqh* books such as *Fiqh al-Sunna*, *Al-Fiqh al-Islami wa Adillatuh*, and *Al-Fiqh ala Madhahib al-Arba’ah*. These different opinions are not always definitive, however. In fact, it is legal to go “shopping” through the laws of the different schools according to the principle of *talfiq* (combining or taking opinions from other schools) in order to find a suitable practice. The paragraphs below will demonstrate how jurists have differed in their approach to, and interpretation of some cases involving *zakat* and *waqf* practices.

In relation to the beneficiaries of *zakat*, jurists refer to Qur’an 9:60, which says:

Alms (*sedekah*) are for the poor and the needy, and those who work for the management of the (funds), and those whose hearts are reconciled (to Truth), for (freeing) those in bondage and in debt, for advancement of God’s cause, and for the wayfarer; (thus is it) ordained by God, and God is full of knowledge and wisdom.

Although the verse states eight beneficiaries clearly, there are ambiguities as to whether these categories refer to the distribution categories, receivers, or (in a more unconventional interpretation) if they do not identify categories at all, but merely denote examples.⁴⁹ With regard to such ambiguities, jurists often differ in their interpretations of many specific issues. Examples include: whether the *zakat* funds should be given directly to persons or to organisations; whether they can be used for the maintenance of facilities and not for persons; whether the distribution should always be given to each of the eight categories listed in the passage above; whether the amount distributed should be uniform; whether distribution to places other than recognised collection areas is possible and so on.

Jurists also differ in their interpretations of the membership of the categories listed above. The most controversial are those in bondage (*fi al-riqab*) and those

⁴⁹ The distribution of *zakat* in the early history of Islam was somewhat based on practical considerations. Asghar Ali Engineer, *The State in Islam Nature and Scope*, rev. ed. (India: Hope, 2006), 64-78. This can be seen in the outline of the practice of *zakat* in Section Four.

contributing to the “advancement of God’s cause” (*fi sabilillah*). The meaning of *riqab* has been challenged in the modern period, when slavery in its classical form no longer exists. Some stick to the literal translation, namely “slaves”, whilst others interpret it to mean people suffering slave-like conditions, such as illegal migrant workers. The meaning of *fi sabilillah* has also been widely debated, with arguments over whether it should follow a narrower meaning common in ancient texts, namely wars in the name of Islam, or whether it is implied in a more general sense, namely any entity that benefits or supports the general community. Muslims who abide by a strict reading of the Qur’an will be likely to follow the specific textual meaning, whereas inclusive Muslims are likely to follow the less literal meaning.

In the modern era, interpretation has become more important owing to the differences between today’s social and political context and those of the period when the Qur’an was revealed. Reformist Muslims have played a significant role in modernising the practices of *zakat* and *waqf* to fit into modern times. One recent controversy concerns the opinion that *zakat* is the same as tax, and thus the suggestion that it should replace the tax system⁵⁰—or that tax, like *zakat*, should be totally voluntary giving.⁵¹

Much of the legal debate regarding *waqf* concerns the problematic status of “movable objects.” Historically, *waqf* was mainly limited to what jurists categorised as “immovable objects,” such as land and buildings. “Movable objects,” such as books and horses, were allowed, but with limitations. The Shafi’i School strictly states that *waqf* should be made of objects that will last, and cannot be transferred, sold, or changed. Therefore, “movable objects” are not favoured, though they are still permissible.

At least since the fifteenth century, money has been regarded as permissible object of *waqf*. Cash *waqf* works on a principle similar to that of a bank, namely, that money is lent in order to get a larger return and this return is then utilised for charitable purposes. This practice was accepted and developed during the Ottoman Empire,

⁵⁰ Fazlur Rahman, “Islamic Modernism: Its Scope, Methods, and Alternatives,” *International Journal of Middle East Studies* 1 (Oct, 1970): 327-8.

⁵¹ This idea has been promoted by Masdar F. Mas’udi, a leader from Nahdlatul Ulama which is regarded as a Traditionalist Muslim organisation. See his thesis which was published as *Agama Keadilan Risalah Zakat (Pajak) dalam Islam*, 3d. ed. (Jakarta: P3M, 1993).

supported by the Hanafi School.⁵² It was initially legalised by order of the Sultan due to its observance in popular custom. This practice obtained legal conformity from the opinions of Abu Yusuf and Muhammad Shaibani, who were pupils of Imam Abu Hanifa.

Nonetheless, cash *waqf* receives little attention in *fiqh* on philanthropy and is not widely practised in comparison to conventional forms of *waqf*. Although in principle all schools of laws (including Shiite ones) allow movable objects as *waqf*, cash *waqf* has not gained popularity because of its close similarity to the practice of usury (*riba*), which is strongly condemned.

In the few countries that follow Shafii schools, the establishment of cash *waqf* purchases of stocks and shares has been possible through the *talfiq* principle (ie, adopting the opinions of other schools of law). In Indonesia, where Muslims strictly observe the Shafi'i School, the practice of cash *waqf* was recently endorsed by the Ulama Council of Indonesia (Majlis Ulama Indonesia or MUI). Although cash *waqf* has been popularly discussed and a few philanthropic organisations in Indonesia claim to exercise it, this practice has not involved lending money, and is restricted to providing cash for the purchase of properties to be donated as *waqf*.

These examples point to the significant role played by jurists in accommodating social change in their interpretations of Islamic law. Elaborating on this trend, the following section will discuss how *zakat* has shifted from a religious obligation mandated by the state to a voluntary practice.

IV. Transformations in *Zakat* Management

This section examines historical changes in the management and understanding of *zakat*, highlighting its transformation from being a matter of state to a personal one. To this end, the section does not focus unduly on minor technical details of *zakat* implementation particular to certain regimes and locals, but emphasises general trends in interpretations and practices that reflect changing discourses of state power and civil society. In these respects, jurists have played a significant role in supporting the separation of the personal religious sanctity of *zakat* from the reach of the state. This

⁵² Murat Cizakca, *A History of Philanthropic Foundations: The Islamic World from the Seventh Century to the Present* (Bogazici University Press: Istanbul, 2000), 58.

accords with Khalid Mas'ud's assertion that there has been a paradigmatic shift amongst Muslim jurists on *zakat*, from viewing it as an obligation to regarding it as an individual religious obligation.⁵³ It also accords with Engineer's argument that the *zakat* system was a charity that served as taxation in a short period of Islam, and was based on practical rather than religious considerations.⁵⁴

It is generally accepted that the Prophet instructed the payment of *zakat al-fitr* (*fitrah*) before *zakat al-mal* (*zakat*). There are different opinions as to the beginning dates of both types of payment, ranging from prior to the emigration (*hijra*) to the ninth year after the emigration (630 AD). Al-Tabari mentions that payment of *fitrah* started in the same period as the first Ramadan fast, namely in the second year after emigration.⁵⁵ Common opinion holds that both kinds of payments started in the second year (624 AD).⁵⁶ Ever since their origin, the payment of *fitrah*, "zakat on self," has attracted less interest than "zakat on wealth." The Prophet strongly condemned those who neglected the payment of *fitrah*, but did not make it mandatory. Its payment is strongly related to 'Id al-Fitr, where food is provided for neighbours who are in need in order to celebrate the end of the month of fasting. During the reign of the Muslim rulers, this payment generally remained individual and private, which is different from the payment of *zakat*, whose obligatory nature developed as a result of the growing disposable wealth of the community.

The payment of *zakat* was regulated and managed directly by the Prophet, a role that was later commonly understood as grounds for the state to act in both the regulation and management of *zakat*. This interpretation is strongly held by Reformist Muslims who seeks for Islamic state. There are no verses in the Qur'an explicitly stating that *zakat* should be enforced by the state⁵⁷—the Qur'an does not even talk about the concept of an Islamic state—and there is no explanation on the organisation of *zakat*. This perception is instead based purely on the political role undertaken by the Prophet in the small Muslim community of Medina. However, following the expansion of Islamic society, the growth and development of the state greatly transformed the nature of state

⁵³ Masud, "Zakat in Islamic Law."

⁵⁴ Engineer, *The State in Islam*, 64-86.

⁵⁵ *The History of al-Tabari, vol. 7, The Foundation of the Community*. trans. M. V. McDonald and annot. W. Montgomery Watt (Albany: State University of New York Press, 1987), 26.

⁵⁶ A, Zysow, "Zakat," 409.

⁵⁷ Verse 9:103, which asks the Prophet to take *zakat*, has generally been used as legitimation for the state.

management of *zakat*.

The perception of the state's authority in *zakat* grew from two facts. First, the Prophet Muhammad asked his trusted companions to collect *zakat*, thus legitimising the state institution of *zakat* collection (*amil*). Second, He used *zakat* funds to finance several areas of state expenditure, including military campaigns. This mechanism shows that *zakat* functioned as a kind of religious tax that was a prerogative of the rulers.⁵⁸ However, it is important to note that after the Prophet's death the separation between religious and state authority grew, resulting in changes in the payment of *zakat*, as will be shown below.

The four Rightly-Guided Caliphs (r. 632-661) generally followed Muhammad's model, following their own personal judgements and interpretation whenever there is no example to be found. The first caliph, Abu Bakr al-Shiddiq (r. 632-634), is known to have waged war on apostasy (Riddah)⁵⁹ against Muslim groups who refused to pay *zakat* under his leadership. This war has in modern times been used as a legal justification by those who support the state's enforcement of *zakat* payment. This justification, however, is weak for three reasons. First, Abu Bakr's *ijtihad* was not supported by the other three Caliphs. His policy was abrogated by 'Umar, the second caliph, who released those who had been arrested for their refusal to pay *zakat* and returned to them some of their confiscated wealth. 'Umar's policy is generally supported by the majority of jurists. Secondly, among the numerous tribes and societies that fought, only a few were both largely orthodox followers of Islam and refused to pay *zakat*. In fact the wars were in the main waged against the five tribes whose chieftains posed as "pseudo prophets", rather than purely as punishment for the non-practice of *zakat*. The wars thus served to strengthen the religious authority of Abu Bakr as the orthodox successor of the Prophet. Third, *zakat* at that time was seen as identifying the political loyalty of these tribes to the Muslim state. Neglecting this payment thus

⁵⁸ See At-Tabari's accounts about *amil* (*zakat* administrator or manager) of *zakat* who was sent to collect *zakat* from Muslims and poll tax (*jizya*) from non-Muslims, and about the amounts and the way of collecting both payments. *The History of Al-Tabari The Last Years of the Prophet The Formation of the State A.D. 630-632/A.H. 8-11.*, trans. and annot. Ismail K. Poonawala (New York: State University of New York Press, 1990), 38-9, 74-5, 87.

⁵⁹ *The History of Al-Tabari*, vol. 10 of *The Conquest of Arabia The Riddah Wars A.D. 632-633/A.H. 11*, trans. and annot. Fred M. Donner (Albany: State University of New York, 1993); M. A. Shaban, *Islamic History: A New Interpretation, vol 1, AD. 600-750 (AH. 132)* (Cambridge: Cambridge University Press, 1971), 19-28.

inferred a refusal to recognise the political leadership of the prophet's successor.⁶⁰

The institutionalisation of *zakat* collection and management was established by 'Umar bin Khattab (r. 634-44), and continued by 'Uthman bin 'Affan (r. 644-55), the second and third caliphs respectively. 'Umar was the first to set up a book on income and expenditure (*diwan*) inspired by the abundance of wealth brought in from newly conquered lands.⁶¹ 'Umar invented a collection of customs duties for Muslims and non-Muslims for the use of roads, bridges and ports, set at 2.5 percent (*zakat*) for Muslims, 5 percent (*tax*) for non-Muslims under Muslim protection (*ahl al-zimmi*), and 10 percent for those non-Muslims without any protection (*ahl al-harbi*).⁶² In due course, however, the excessive number of collectors created a bad reputation for 'Umar. It is said that fee that was taken from *zakat* money for collectors—invented by 'Umar—inevitably and unfortunately let to corruption.⁶³

From the time of the 'Uthman period the state enforcement of *zakat* did not include all types of *zakat*. This was due to the *ijtihad* of 'Uthman, which was accepted by most jurists as differentiating property into “visible” (*amwal al-zahirah*) and “non-visible” (*amwal al-batinah*),⁶⁴ stimulated by the over-abundance of wealth largely appropriated as war booty.⁶⁵ 'Uthman ruled that the payment of non-visible property be left to each individual's conscience, while only visible properties had to be paid to the state.⁶⁶ This policy was intended, among other things, to limit the corrupt behaviour of *zakat* collectors who were already being criticised for their fraud.⁶⁷ Here *zakat* was first transformed to simultaneously serve two different functions; religious duty (charity) and

⁶⁰ These analyses can be seen in *The History of Al-Tabari*, *ibid.*, and Shaban, *Islamic History*, vol 1, *ibid.*

⁶¹ Shaban, *ibid.*, 55-7.

⁶² Abu Yusuf Ya'qub bin Ibrahim in his book *Kitab al-Kharaj* named this collection under the title of *'ushr* (10 percent), (Bairut: Dar Al-Ma'rifah, 1399/1979), 132-5. A good introduction and translation of specific taxation discussion of the book is provided by A. Ben Shemesh, trans. and ed., *Taxation in Islam, Vol. III, Abu Yusuf's Kitab al-Kharaj* (Leiden: E.J. Brill, 1969). M. A. Shaban, *Islamic History: A New Interpretation, vol. 2, A.D. 750-1055 (A.H. 132-448)* (Cambridge: Cambridge University Press, 1976), 17. Cf. Zysow, “Zakat,” 409.

⁶³ Zysow, *ibid.* Abu Yusuf mentions several complaints, for example for double customs duties. See *Kitab al-Kharaj*, *ibid.*

⁶⁴ Visible (unhidden) property consists of cattle, fruit and plants; non-visible (hidden) property consists of gold, silver, and trade goods.

⁶⁵ Shaban, *Islamic History*, 1:66-9.

⁶⁶ A few jurists rejected this *ijtihad* as being against state enforcement in the collection of “visible” property, saying that even the Prophet had never enforced the payment of *zakat*. Shaban concludes from various sources that the enforcement of 2.5 percent income tax (*zakat*) had been discontinued since 'Uthman period. *Islamic History*, 2:17.

⁶⁷ Zysow, “Zakat,” 409. Criticism of corrupt behaviour by *zakat* and tax collectors is strongly voiced by Abu Yusuf in his *Kitab al-Kharaj*. The book is an assessment of the taxation system.

state tax.

This dual function was supported by the political situation, especially given the controversy regarding the caliphate,⁶⁸ showing the growing separation between religious and political authority. *Zakat*'s function as tax heavily depended on the political legitimacy of rulers or the state. When the ruler or the state was not politically justified, the question then was whether this unjustified ruler had the right to obtain or collect *zakat*. Here began the paradigm shift, from totally religious tax under the state to individual religious obligation. *Kitab al-Amwal* (Book of Wealth) shows that views and practices of giving *zakat* to an entity other than the ruler started after the death of the third caliph.⁶⁹

This shift can be seen clearly in *fiqh* books where classical jurists generally agree that giving to the ruler is permissible, on the condition that the ruler is just ('*adil*). The leadership of the Islamic Law School, which was established during the Umayyad and Abbasid periods, had differing opinions in regard to this. These opinions have been "recorded" in *fiqh* books, including modern ones such as *al-Fiqh al-Islami* and *al-Fiqh Al-Sunnah*. The first book reflects that Malikis allow the distribution of *zakat* of non-visible property either by Muslims themselves or through their ruler; but they advise to payment of *zakat* of visible property to the ruler on the condition that he is just. Hanafi jurists oblige Muslims to pay *zakat* of visible property only to the ruler. Shafi'i allow Muslims to distribute visible or non-visible *zakat* themselves. Hanbalis advise Muslims to distribute their (either visible or non-visible) *zakat* themselves, while also allowing it to be paid to the ruler.⁷⁰ *Al-Fiqh Al-Sunnah* contributes a specific section that discusses "paying *zakat* to the leader regardless of his being just or unjust."⁷¹ *Fiqh al-Islami* contributes a discussion on paying *zakat* to the ruler and giving *zakat* directly.⁷²

The issue of the state's role in the collection and distribution of *zakat* arose at a time of political turbulence and distrust toward the ruler, especially if the ruler was regarded as unjust. The founders of all the schools of law were independent scholars

⁶⁸ The internal political situation led to the assassination of all four caliphs.

⁶⁹ Abu 'Ubayd al-Qasim ibn Sallam, *Kitab al-Amwal*, verified by Muhammad Khalil Harras, 3d. ed. (Cairo: Dar Al-Fikr and Maktabah al-kulliyat Al-Azhariyya, 1981), 504.

⁷⁰ *Al-Fiqh al-Islami*, 1973-4.

⁷¹ *Fiqh al-Sunnah*, 76-8.

⁷² See *al-Fiqh al-Islami*, 1972.

who tried to keep a distance from rulers.⁷³ The strongest opinion came from Imam Ahmad ibn Hanbal who had had bitter experiences with the ruling powers. These differing opinions are based on the separate paradigms of whether *zakat* is a personal obligation to God or a religious obligation operated by the ruler.⁷⁴

While the collection of *zakat* by the state increased significantly during the Umayyad and Abbasid dynasties, private distribution of *zakat* also existed. Muslim jurists advised both voluntary payment of *zakat* and private distribution of *zakat*. Imam Malik supported the state collection of *zakat*, but refused state coercion. According to Malik, the payment should be left to people to decide what they wanted to pay. Imam Shafi'i supported Malik's opinion and added that people could pay all or part of their *zakat* to the state. These opinions were based mainly on doubts about the legitimacy of the ruler and distrust of the poor management of *zakat*, which will be elaborated below.

Internal political competition during the four caliph period was only the beginning of the expansion of the Muslim state into strong dynasties, which accordingly brought more complexities to the legitimacy of the rulers. Like any other histories of the middle ages, Islamic histories experienced such phenomena such as authoritarian dynastic rulers, wars, occupations, assassinations, and the rise and fall of kingdoms.⁷⁵

The corrupt and inefficient management of *zakat* is evident –though rarely mentioned. For example, the Abbasid caliph Al-Mansur (r. 754-775) was known not to differentiate between his personal income and state income in state treasury (*bayt al-mal*),⁷⁶ where *zakat* was supposed to be managed. Al-Tabari mentions that even during Harun Al-Rashid's reign (786-809 M), which was the golden age of the Abbasid Caliphate, the system of *zakat* collection was inefficient and corrupt. The Abbasid ruler (after civil wars) gave little attention to public services such as irrigation. Public

⁷³ All of the *madhhab* founders tried to be independent from the state, with the exception of Shafi'i, who gave his services to several rulers including Harun Al-Rashid. All of them except Shafi'i did at some point receive severe punishments from a ruling sultan. Abu Hanifa was tortured and died in prison for refusing to be the state's chief judge during Al-Mansur. His student became the chief judge instead. Imam Malik was sentenced to a lashing by Caliph Abu Ja'far al-Mansur for reading a hadith in such a way that it advised the invalidity of a divorce taken under coercion, which had political implications for the authority of the caliph who had established his power by coercion. Imam Hanbali was punished and imprisoned by many sultans, especially by Al-Ma'mun and Al-Mu'tasim for not backing the "inquisition court" (*mihna*).

⁷⁴ Masud, "Zakat in Islamic Law."

⁷⁵ See for example Ibn Khaldun, *The Muqadimah: An Introduction to History*, trans. Franz Rosenthal, abrid and ed N.J. Dawood, 9th paperback ed. (Princeton: Princeton University Press, 1989); The History of Al-Tabari, vols. 10-15; and Shaban, *Islamic History*, vol. 1 and 2.

⁷⁶ M.A. Shaban, *Islamic History*, 2:17

hospitals did not get enough finance in comparison with the individual luxury of the caliphs.⁷⁷ Ibn Khaldun (d. 1406) wrote a strong criticism against the increase in state luxury and the injustice of taxation during the Abbasid period.⁷⁸ *Kitab al-Amwal* mentions that some jurists strongly criticised the integrity of the official *zakat* system in the early Umayyad period but they kept suggesting Muslims should better pay *zakat* to the ruler.⁷⁹

Problems of *zakat* collection existed mainly because the administration of *zakat* was included in general state financial administration and taxation, together with other state incomes. This can be seen in the books of taxation written by state officials or by jurists at the plea of rulers, from the eighth to eleventh centuries. These books mostly show that the state *zakat* system was weak or did not function at all.⁸⁰ The first recorded book of taxation is *Kitab al-Kharaj* (Book of Revenues) prepared by Abu ‘Ubayd Allah (d. 786), minister (*wazir*) for Caliph al-Mahdi.⁸¹ Abu Yusuf Ya’qub b. Ibrahim Al-Anshari (d. 798), chief judge of Baghdad, wrote *Kitab al-Kharaj* as requested by the Abbasid Caliph Harun Al-Rashid.⁸² In the ninth century, Abu ‘Ubayd al-Qasim ibn Sallam (d. 838), a jurist who served for Abbasid rulers, wrote *Kitab al-Amwal* (Book of Wealth).⁸³ In the tenth century, Qudama b Ja’far Al-Katib (d. 932), the government secretary, wrote *Kitab al-Kharaj wa Sana’at al-Kitabah* (Book of Revenues and the

⁷⁷ M.A. Shaban, *Islamic History*, 2:89. However, in the case of the Ottoman Empire, Miri Shefer shows that in its early period its rulers gave enough attention to the establishment of hospitals. Miri Shefer, “Charity and Hospitality: Hospitals in the Ottoman Empire in the Early Modern Period,” in *Poverty and Charity in Middle Eastern Contexts*, ed. Michael Bonner, Mine Ener, and Amy Singer (USA: State University of New York, 2003), 121-144.

⁷⁸ Ibn Khaldun, *The Muqaddimah*. Narratives on unjust taxes can be found in M.A. Shaban, *Islamic History*, 2:16-17, 32-33. These injustices, among others, led to the incident of Civil War.

⁷⁹ Abu ‘Ubayd, *Kitab al-Amwal*.

⁸⁰ Most of these books provide actual practices of taxation (and *zakat*). However, there are taxation books that provide theoretical discussion and do not refer to the actual practice. For example is the *Al-Ahkam Al-Sultaniyya* (Book of Government Precepts), written by the Shafi’i judge, Al-Mawardi (d. 1058) who was chief judge of Baghdad. Abu Hasan ‘Ali b. Muhammad Al-Mawardi, *The Ordinances of Government: A Translation of Al-Ahkam al-Sultaniyya wa Wilayat al-Diniyya*, trans. Wafaa H. Wahba (UK: Center for Muslim Contribution to Civilization / Garnet, 1996). Al-Mawardi’s explanation is theoretical on the ideal system of taxation in the Islamic realm. So does his theory of the caliphate, which was never been practised by the Shi’ite Buyid, the dynasty that ruled over the Abbasid at that time, not even by Umayyad and Abbasid. Most of the writing on taxation which was produced after the eleventh century has become the subject of religious study, not actual practice.

⁸¹ *Ibid.*, 8

⁸² He was an eminent pupil of Abu Hanifa, of the School of Hanafi. Abu Yusuf, *Kitab al-Kharaj*.

⁸³ Abu ‘Ubayd, *Kitab al-Amwal*.

Profession of Secretaryship).⁸⁴

In all of the books, *zakat* has been treated the same as taxes, using term ‘*ushr*’ (tenth) for lands, *sedekah* for lifestocks, *khums* (a fifth) for minerals and treasures, and customs duties for commercial goods. *Zakat* did not become the state’s main income. During the Umayyad and Abbasid dynasties the revenues for the Islamic state were *fay’* (return or tax from non-believers including *jizya* and *kharaj*), *khums* (one fifth of booty), and *zakat*.⁸⁵ In the tenth century they were *fay’*, *kharaj* (land tax), and finally *zakat* and ‘*ushr*’ (tenth).⁸⁶ In these periods, *zakat* did not contribute large revenues compared to others. All of these books state that *zakat* was due only on “visible property.” They also mention two permissible ways of paying *zakat*: giving to *zakat* administrators of the state or dispensing it themselves. In an eloquent way, *Kitab al-Amwal* promotes the payment of taxes (including *zakat*) to the ruler without denying the permissibility of individual distribution of *zakat*.⁸⁷

While the regulations mentioned in these books have not always been implemented,⁸⁸ the books also provide information that *zakat* (collection and distribution by the state) was regarded as corrupted, inefficient, and indeed hardly almost practiced. Abu Yusuf’s *Kitab al-Kharaj* not only provides details on how the tax (and *zakat*) was corrupt, but also criticises and advises Caliph Harun Al-Rashid on how to reform the tax and *zakat* administration in order to protect the people. He asked the caliph to stop the practice of certain taxes which were burden for the people, to replace corrupt tax/*zakat*-collectors and administrators and to try to minimise corruption by paying them adequate salaries.⁸⁹

⁸⁴ *Qudama b. Ja’far’s Kitab al-Kharaj*, trans. and provided with an introduction and notes by A. Ben Shemesh, in the series *Taxation in Islam II* (Leiden: E.J. Brill, 1965), 13. It will be referred as *Qudama b. Ja’far’s Kitab al-Kharaj*.

⁸⁵ Most books on taxation, such as Abu ‘Ubayd’s *Kitab al-Amwal*, discuss *zakat* (the term used is *sadaqa*) in terms of its not being the most important revenue for the state.

⁸⁶ *Qudama b. Ja’far, Kitab al-Kharaj*, 23-24.

⁸⁷ See sub chapter entitled “giving *zakat* to the rulers and difference of opinion of ‘*ulama* on that matter”. *Kitab al-Amwal*, 504-511.

⁸⁸ *Qudama b. Ja’far’s Kitab al-Kharaj*, 11.

⁸⁹ On tax farming and the appointing of taxation officials he wrote: “My advice is that you [Caliph Harun Al-Rashid] should not allow tax-farming in al-Sawad or in any other part of the realm, for the reason that tax-farmers act wrongfully for the sake of their gain. They rob the taxpayers by imposing on them what they do not owe, and punish them in repulsive ways to secure their profit. Because of his greed for more profit he will apply more pressure against the citizens by giving them hard beatings, making them stand in the sun, hanging heavy stones on their necks and inflicting other severe punishments, worse than those prescribed for causing corruption and wastage to the land, which God has forbidden. ... Nothing lasts with corruption and nothing diminishes with righteousness...The imposition on the

During the Fatimid dynasty period (910-1171), various accounts reported that official *zakat* collectors did not exist. Zysow shows that Muslim jurists in this period increasingly disregarded the official state's collection of *zakat* in their legal accounts and had reported that in various regions state-*zakat* collection was limited only to the activity of '*ushr* on roads and ports.⁹⁰ Fatimid Kadi Al-Nu'man (d. 974) in his *Da'aim Al-Islam*, as quoted from Zysow,⁹¹ relates that only a limited number of Sunni Muslims paid *zakat*, and they did not pay it to the state, following the advice of the majority of Sunni jurists. Abu Hamid al-Ghazali (1058-1111) relates that *zakat* collectors "have disappeared in most lands,"⁹² which meant that the collection of *zakat* by the state was rare.

Muslim jurists around the twelfth century were divided between giving loyalty and being critical of the ruler, as exemplified by Sarakhsi (d. 1090) and Ibn Rushd (d. 1126). Sarakhsi and Ibn Rushd served their ruler: Sarakhsi was a vizier for the Abbasids in Khurasan during Al-Ma'mun, and Ibn Rushd was a Maliki jurist who served as chief *qadi* and imam of the Great mosque in Cordova. Sarakhsi was of the opinion that *zakat* payment is an individual obligation to God. Even though rulers during his period collected *zakat* and other taxes unjustly, he still advised that *zakat* payment should be given to rulers, except if they could not provide security. Ibn Rushd's *Bidayat al-Mujtahid* does not contribute any specific discussion regarding the collection of *zakat* by the state.⁹³ Another example --which is mentioned by Mas'ud-- is a jurist of Balkhan who advised people to pay *zakat* twice, once to the ruler (obligation to the state) and once to the poor (individual obligation to God).⁹⁴

In relation to the waning of state *zakat* payment, Ibn Khaldun (1332-1406)

taxpayers of what is not due from them is blatant oppression, which should not be permitted... I propose that you select persons of good character, pious and trustworthy, and appoint them as tax-administrators... I have seen that some appointments in the department of taxation were made by certain authorities without due diligence...I therefore advise you to issue your orders accordingly, so that if someone does not act as ordered, he—and not you—will be punished by God, who will give you credit for your good intention. *Qudama b. Ja'far's Kitab al-Kharaj*, 74-76.

⁹⁰ Zysow, "Zakat," 410.

⁹¹ Ibid.

⁹² Imam Abu Hamid al-Ghazali, *Ihya Ulum al-Din* (Beirut: Dar al-Fikr, n.d), 213. Its book on *zakat* has been translated into English, under the title *The Mysteries of Almsgiving*, trans. Nabih Amin Faris (Beirut: American University, 1966).

⁹³ Abi al-Walid Muhammad Ibn Ahmad Ibn Muhammad Ibn Ahmad Ibn Rushd Al-Qurtubi al-Andalusi [better known as Ibn Rushd or Averroes], *Bidayat al-Mujtahid wa Nihayat al-Muqtasid*, verified by Ali Muhammad Mu'awwad, 'Adil Ahmad Abd al-Mawjud, vol. 2 (Bairut: Darul Kutub al-Ilmiyyah, 1416/1996).

⁹⁴ Masud, "Zakat in Islamic Law."

observes the excessive amount of non-religious tax imposed by the Muslim state on either Muslim or non-Muslim citizens. These were new kinds of taxes on lands and trade (customs duties) which were different from *zakat*, *kharaj* and *jizya* but were collected by the same office.⁹⁵ These non-religious taxes were probably imposed also on Muslims and continue to this date, since the tax provided more profitable revenue to the state. During the political decline of Islamic rulers in the twelfth to fifteenth centuries—with the exception of the Ottoman Empires—when some Islamic dynasties and kingdoms were experiencing internal conflicts, state collection of *zakat* was also in decline. The general advice of jurists then shifted to private distribution of *zakat*, although they rhetorically maintained that giving to the state was still regarded as better if the state was just.

The waning of *zakat* payment to the state suggests that the payment of *zakat* became voluntarily practised by Muslims. In the absence of official *zakat* collectors, Muslims gave their *zakat* to Muslim local leaders such as *'ulama*, Shi'ite Imams, and Sufi orders, who functioned as both distributors and beneficiaries of *zakat*.⁹⁶ This was the case in Indonesia, as will be shown in this thesis. In the eighteenth and nineteenth centuries some jurists recommended private collection and distribution of *zakat*, whether individually or in groups, because of the fact that most Muslim societies were under non-Muslim rule: jurists therefore established institutions and organisations to bypass the state, which they did not trust. Furthermore, some Muslim jurists and scholars advised that it was not permissible to pay *zakat* to unjust rulers or to Muslim rulers who were under the authority of unbelievers. Rashid Rida, a Muslim reformist, is known for advising this.⁹⁷ Taxation has also become an important issue in relation to *zakat*. Most Muslim scholars, including Rida, advise that Muslims should pay *zakat* in addition to tax.⁹⁸

Following colonisation, most independent Muslim states kept *zakat* as a private practice by Muslims without state management. Today only six Muslim countries—Saudi Arabia, Libya, Yemen, Malaysia, Pakistan, and Sudan—enforce some form of

⁹⁵ Ibn Khaldun, *The Muqaddimah*, 230-1. The problem of taxation according to Ibn Khaldun started when simple Bedouin dynasties became transformed into luxurious royal authorities, and taxes went beyond equity. *Ibid.*, 230-1.

⁹⁶ Zysow, "Zakat," 417.

⁹⁷ Muhammad Rashid Rida, *Tafsīr al-Qurān al-Hakīm* (Bayrut: Dar al-Ma'rifah, 1973), vol 2, 574; vol 7, 578. Many contemporary *fiqh* books, including *Fiqh al-Sunnah* and *Fiqh al-Zakat*, refer to his opinion.

⁹⁸ Qardawi also refers to Rida's opinion. *Fiqh Al-Zakat*, vol 2:1115.

zakat by law.⁹⁹ These countries also regulate penalties for non-compliance of *zakat*, but the implementation is lax.

While the discourse of *zakat* is characterised by the issue of state involvement, that of *waqf* is not. However, the section below will show that although *waqf* is a totally non-state institution, in a lot of cases there is a blurred demarcation between the privileges of the state and civil society.

V. The Independence of *Waqf* as an Institution

This section looks at the practice of *waqf* in Egypt, an area that can give a picture of the prevailing *waqf* in the Islamic world. It tries to show the challenge of maintaining the independence of *waqf* from the state. The focus is upon the function of *waqf* in supporting civil society and the public good; for this reason the role of Muslim jurists should be understood as hidden in the direction of *waqf* development.

The section takes the example of Al-Azhar University in Cairo not only because of the data availability but also because Egypt has an important number of Shafi'i Muslims, as is also the case in Indonesia. Al-Azhar has survived for more than ten centuries and its educational role remains important in the Islamic world, and many Indonesian students have also received benefit from it. Al-Azhar has become a model for Islamic education as well as for the *waqf* institution in Indonesia. Although the case of Al-Azhar provides a picture of a strong state which confiscated a *waqf* foundation, it is still of beneficial to observe how the state and scholars of Al-Azhar compete to maintain *waqf*.

As mentioned previously, the development of *waqf* was advanced despite the fact that its legal status is not compulsory. Among a few *hadith* on *waqf*, below is the central reference to the legal basis of *waqf*.

Umar acquired a land at Khaibar. He came to Allah's Apostle (may peace be upon him) and sought his advice in regard to it. He said: Allah's Messenger, I have acquired land in Khaibar. I have never acquired property more valuable for me than this, so what do you command me to do with it? Thereupon he (Allah's Apostle) said: If you like, you may keep the corpus unalienable and give its produce as *sedekah*. So 'Umar gave it as *sedekah* declaring that property must

⁹⁹ Zysow, "Zakat," 419; Samiul Hasan, *Philanthropy and Social Justice in Islam: Principles, Prospects and Practices* (Kuala Lumpur: AS Noorden, 2007).

not be sold or inherited or given away as gift. And Umar devoted it to the poor, to the nearest kin, and to the emancipation of slaves, aired in the way of Allah and guests. There is no sin for one who administers it if he eats something from it in a reasonable manner, or if he feeds his friends and does not hoard up goods (for himself)...¹⁰⁰

With the growth of wealth in Muslim communities, the *waqf* institution developed well. A great development in the institution of *waqf* seems to have taken place during the Abbasid period. The *Kitab Ahkam al-Awqaf* by Al-Shaibany (d. 874), a chief *qadi* of Baghdad to the Abbasid caliphate, does not discuss much about various kinds of *waqf* property except for lands, gardens, buildings (including houses and public baths) and mosques.¹⁰¹ Commercial *waqf* properties that supported public services probably began from the tenth century, when the Fatimid monarchy was in power.

The development of *waqf* institution in Egypt was extensive also from the time of the Fatimid rule and continued to the rule of the Mamluk dynasty. Doris Behrens-Abouseif, for example, shows that during the rule of Mamluk (1250-1517) the practice of *waqf* in Egypt developed economically and almost all estates and buildings were *waqf*. The majority of public services and buildings were *waqf khairi* (public endowment) and private buildings were *waqf ahli* (family endowment). *Waqf ahli*, which aimed to give benefits to family members, also gave public benefits. As there were many commercial *waqf* properties, supervisors (*nazir*) of *waqf* were regarded as potential buyers in the economic market.¹⁰²

Furthermore, Behrens-Abouseif shows that objects of *waqf* during that period could be differentiated into commercial and industrial objects and public facilities. Commercial and industrial objects consisted of shops, markets (including cattle markets), estates, housing estates, buildings, husbandry, and farms with their slaves and animals. Public facility *waqf* consisted of mosques, schools, books, fountains, public kitchens, public baths, cemeteries and their appliances, bridges, houses, buildings, water supplies, and roads.¹⁰³ Basically, revenues from commercial *waqf* were used to support

¹⁰⁰ *Sahih Muslim*, *hadith* no 4006. There are many slight variations on this *hadith*.

¹⁰¹ Abi Bakr Ahmad ibn ‘Amr al-Shaybany, *Kitab Ahkam Al-Awqaf* (Cairo: Maktabah Al-tsaqafa al-Diniyya: 1996). It also explains the development of *waqf* from the time of the Prophet time to the Abbasid period.

¹⁰² Doris Behrens-Abouseif, *Egypt's Adjustment to Ottoman Rule Institutions, Waqf and Architecture in Cairo (16th and 17th Centuries)* (Leiden: EJ Brill, 1994), 145-6.

¹⁰³ *Ibid.*, 90.

public facilities such as mosques, schools and other public services. In the case of educational institutions, the revenue financed operational expenditures, teaching facilities, salaries for teachers and scholars, and financial support for students.

These *waqf* revenues did not only support and give benefits to surrounding communities but also to other institutions far from Egypt, such as the Holy cities (Haramayn), Mecca and Medina. They financially supported various services to these Holy cities, namely providing the cloth of the Ka'bah (*kiswa*), taking care of corpses (preparing them for funeral and burial), and providing ships for assisting the sea transport of wheat which was to be transported to the Holy cities.¹⁰⁴

Behrens-Abouseif shows from the existing *waqf* documents that during the sixteenth and seventeenth centuries (under the Ottoman rule), *waqf* was involved in everyday life of the people.¹⁰⁵ Many endowers established *waqf* building complexes that consisted of commercial and public sections, and revenues from the commercial section were intended for supporting the public section.¹⁰⁶ An example is the *waqf* of Sulayman Pasha al-Khadim (r. 1524-1534). This pasha endowed mosques, Sufi centres with annexed living quarters (*zawiya*), *madrasah*, schools for orphans, and also shops, bakeries, dwellings, weaving workshops, stables, storerooms, dyeing workshops, houses, *wakalas*, a sugar press, and apartments. Revenues from these residential and commercial structures were used to support the religious and scholarly endowments, including salaries for staff and employees and teachers, support for students, and expenditures for repair.¹⁰⁷

A document relating to one of the religious centres that Sulayman Pasha established mentions in detail the intended beneficiaries and how much financial support they received. For example, the *waqf* document mentions: a Turkish scholar to teach in the mosque (*tafsir, fiqh, usul, hadith*, and Arabic), a Hanafi *imam* (leader of congregational prayer) a Hanafi *khatib* (who delivers sermon), each of whom received 75 *nisfs*¹⁰⁸ per month; an assistant to the *khatib* (15 *nisfs*); four *muadzins*, who calls for

¹⁰⁴ *Ibid.*

¹⁰⁵ *Ibid.*, pp 178-217.

¹⁰⁶ *Ibid.*

¹⁰⁷ *Ibid.*, 186-91

¹⁰⁸ *Nisf* or *nisf fidde* was a colloquial term for a standard silver coin used in the Mamluk and Ottoman periods in Egypt. See Stanford J. Shaw, *The Financial and Administrative Organization and Development of Ottoman Egypt 1517-1798* (Princeton: Princeton University Press, 1962), 65. Comparing salaries and expenditures the value of *dinar* to the *nisf fidde* coin in this period might be 1:10 to 1: 22.5, from which

prayers, (total 180 nisfs), one timekeeper (45 nisfs) and two Qur'an readers before Friday prayers (60 nisfs); 30 students and their Shaykh (682.5 nisfs); a *madih* to recite and chant praises of the Prophet (22.5 nisfs); a daily Qur'an reader and prayer reader (22.5 nisfs); a reader of the *Sahih of Bukhari* (15 nisfs); a teacher for ten orphans (45 nisfs); and an assistant to the teacher (15 nisfs).¹⁰⁹

From the revenue of his commercial *waqf*, the pasha also annually endowed 2,500 nisfs for the freeing of prisoners, 55 gold *dinars* to 55 staff members at the Prophet Mosque at Madina, 2,800 nisfs to seven Quranic readers at Mecca and seven readers at Medina, and finally he supplied oil and water for the Haramayn.¹¹⁰

Many other kinds of *waqf* are mentioned in documents of the Ottoman period in Egypt, some of which are quite similar to *waqf* in the Mamluk period. They were shrines, minarets, cemeteries, caravanserais, gardens, kiosks, a sugar refinery, mills, palaces, agricultural lands, forts, restoration funds for canals and mosques, facilities and expenses for pilgrims and the annual celebration of the Prophet's birth (*mawlid*).¹¹¹

The above picture of *waqf* in Egypt shows the breadth of application of *waqf* and its deep roots in the history of Muslim communities. It is therefore no exaggeration to say that, as Marshal Hodgson has stated, the institution of *waqf* became a great instrument of support for Islamic communities.¹¹² It seems that the dominance of the *waqf* institution is due to its multi functionality. Apart from its religious, charitable, and social purposes, it had been used --both by ordinary Muslims and ruling powers-- to dodge inheritance rules, for tax escapes, and Islamisation, and even --by the ruling power-- as a political tool. Salahuddin Al-Ayyubi, for example, used *waqf* to gain political and military control over Egypt in 1169-1173.¹¹³ Scholars have also seen that the Ottoman colonisation over Egypt (1517-1798) used *waqf* institution to win the heart of the people. When the Ottoman army entered Cairo, it seized almost all Egyptian wealth except *waqf* and mosques. It then added more endowments to the existing *waqf* of the previous ruler of Egypt, Mamluk, and established its own new endowments all

one *dinar* was worth approximately USD 100. Comparison of one gold coin to one silver coin might fall between 1:60 and 1:200 according to different time and period.

¹⁰⁹ Behrens-Abouseif, *Egypt's Adjustment*, 186-7

¹¹⁰ *Ibid.* Haramayn is Mecca and Medina.

¹¹¹ *Ibid.*

¹¹² Marshal G.S. Hodgson, *The Venture of Islam* vol. 2 (Chicago and London, 1974), 124.

¹¹³ Yehoshu'a Frenkel, "Political and Social Aspects of Islamic Religious Endowments (*awqaf*): Saladin in Cairo (1169-73) and Jerusalem (1187-93)," *Bulletin of the School of Oriental and African Studies, University of London*, Vol. 62, No. 1. (1999), 1-20.

over the country.

One may question the independency of *waqf* institution, especially because some *waqf* properties were established by ruling powers. Social and religious *waqf* institutions generally remained independent although they were originally established by ruling powers. Endowers had the power to choose and support their preferred religious authority in their *waqf* institution. For example, Sulayman Pasha, the Ottoman ruler in Egypt mentioned previously,¹¹⁴ chose Hanafite scholars to work in his *waqf* schools and mosques presumably to familiarise the Egyptians with the religious ideology of the Ottoman Empire. It could also be seen to support his political authority since there was a tradition of mentioning (or rather praising) the ruling power in the Friday services at mosques.

One may think that these competing ideological and political powers would easily be won by the ruling power since they might have more *waqf* properties. However, we should not over-estimate the number of *waqf* established by ruling power. A qualitative survey of *waqf* during the fifteenth and sixteenth century Ottoman period reveals that sultan *waqf* was only 1-2 percent of total *waqf*. The majority of *waqf* was given by ordinary people - 43 percent was from ordinary lay people, and 57 percent was from the elite.¹¹⁵

The following paragraphs will elaborate the *waqf* of Al-Azhar University in Cairo, which gained social and political power over centuries, but was on the wane after it was confiscated by the state in the twentieth century.

Jami' Al-Azhar is a mosque which was built in 970-972 by Jauhar al-Siqili (The Sicilian), the army commander of the fourth Fatimid caliph al-Muiz Lidinillah.¹¹⁶ The mosque Al-Azhar had become the central mosque of the Fatimid dynasty from 973, when caliph Muiz came to Egypt, to the fall of the Fatimid dynasty in 1171. When it was first built, Al-Azhar was used only for praying purposes. In due course, it also acquired other functions and became a popular shrine, a "hostel" for sojourners and students, a sufi corner, a shelter for social and political refugees, a centre for rallies and

¹¹⁴ See p. 52 above.

¹¹⁵ Haim Gerber, "The Waqf Institution in Early Ottoman Edirne," *Asia and African Studies*, 1983, Vol 17, 29-45.

¹¹⁶ Taqiyuddin Abi al-Abbas Ahmad Ibn Ali Al-Maqrizy, *Al-Mawa'iz Wa al-I'tibar bi zikr Al-Khitat wa Al-Atsar*, vol. 2 (Cairo: Maktabah Al-Tsaqafah Al-Diniyyah, n.d.), 273. This book is known as *Al-Khitat Al-Maqriziyya*. See also *Al-Azhar University (A.H. 361-1370) Its History and Work* (Cairo: Al-Azhar University Press, 1950), 1.

social movements, and a learning institution.

Its role as an institute for higher education first began in 975 under the newly appointed caliph Al-Aziz, son and successor of Muiz. The chief judge taught a class on Shiite jurisprudence as a promotion of Fatimid learning which was centred in Al-Azhar. Caliph Al-Aziz provided each scholar who attended the class with a monthly stipend and living quarters next to the mosque, and provided other generous gifts during *'Id al-Fitr*.¹¹⁷ In 988 it opened various advanced studies which led to Al-Azhar becoming a mosque college for centuries, and, later, becoming a modern university. Indeed Al-Azhar grew as a centre of Islamic studies throughout Fatimid, Ayyubi, Mamluk, and Ottoman dynasties, and even up to modern times it has benefited from *waqf* revenues and countless gifts.

Waqf has been a very important element in the development of Al-Azhar, especially before modern times. Throughout nine centuries Al-Azhar was funded by *waqf*, private donations and donations from rulers¹¹⁸ which made it independent from the ruling power. In 1892, when all of *waqf* was managed by the government, it also depended on the budget of the government.¹¹⁹

Indeed, *waqf* successfully transformed Al-Azhar into an independent institution, even though it continued to receive financial support from the rulers. *Waqf* was the main income to support its expenditures namely for mosques, free accommodation and food for lecturers and students. Al-Azhar obtained large *waqf* estates from which it became rich and so could afford to provide generous scholarships for local and international students, as well as support schools which were under its supervision. The first record of *waqf* supporting Al-Azhar dates back to 1009. It was given by caliph Al-Hakim, the successor and also the son of Al-Aziz. The caliph gave buildings and shops as *waqf* to Al-Azhar and other institutions along with other donations. Historian Al-Maqrizi elaborated in details the expenditures of Al-Azhar which were worth almost a thousand *dinars* a year, received from the revenues of *waqf* that covered the expenditures of Al-Azhar.¹²⁰ From that time onwards, Al-Azhar became financially independent.

¹¹⁷ Al-Maqrizy, *Khitat*, *Ibid*.

¹¹⁸ Al-Maqrizy, *Khitat*, 118

¹¹⁹ *Al-Azhar University*, 45.

¹²⁰ Al-Maqrizy gives details of the annual expenditure of Al-Azhar which were taken from the revenues of *waqf*. *Ibid.*, Vol. 2, 274. See also Bayard Dodge, *Al-Azhar, A Millennium of Muslim Learning* (Washington DC: The Middle East Institute, 1961), 21-22. Among the yearly expenditures were 84 *dinar*

Dynastic change in Egypt brought more donations and *waqf* to Al-Azhar, especially during the Mamluk and Ottoman periods. Al-Azhar was also regularly restored and embellished by the ruling powers. Al-Azhar's various sojourners (*mujawirun*) including scholars, the poor, merchants and soldiers, encouraged donors to give *waqf*.¹²¹ In addition to this, the character of Al-Azhar, which encompassed all *madhhab* and *sufi* tradition, did not only attract scholars and students from various Muslim lands, but also attracted donors who gave endowments. There were many different kinds of *waqf* which were aimed at specific learning, such as *waqf* to provide Sunni teachers (1266). According to historian Ibn Iyas, there were many donations and *waqf* given to the poor of Al-Azhar¹²² such as for feeding and teaching the poor (1325), and for teaching Qur'an to orphans.

The political role of Al-Azhar dates from the end of the early years of Ottoman rule. It gained power in the seventeenth, and became strongly powerful in the eighteenth century.¹²³ The Shaykh of Al-Azhar had become an important factor in the political changes in Egypt in the eighteenth century, when Al-Azhar became the centre of popular protest movements against the French occupation, and in the early nineteenth century against the Ottomans.¹²⁴

The French occupation (1798-1801) and the rule of Muhammad Ali brought the *waqf* of Al-Azhar –and other *waqf* in Egypt-- under threat because all *waqf* were under strict supervision of the state and all agricultural lands including *waqf* lands were taxed.¹²⁵ This was a difficult period for Al-Azhar. In 1858 Al-Azhar finance found enough breadth from several generous endowments (one worth 7,000 pounds) which were given by princess Zaynab, the daughter of Muhammad Ali. However, Al-Azhar still could not cover the expenditure of the university. During this time Al-Azhar became semi-dependent on the ruler. After the British invasion, *waqf* became

for a preacher (*khatib*), 181 *dinar* (not 108 mentioned by Dodge) for matting, 3 *dinar* for ceramic jars and wages for bearing water, and 12 *dinar* (not 11 *dinar* mentioned by Dodge) for lavatory care.

¹²¹ Behrens-Abouseif, *Egypt's Adjustment*, 90.

¹²² Ibn Iyas as quoted from J. Jomier, "al- Azhar (al-Jami al-Azhar)." *Encyclopaedia of Islam*.

¹²³ Behrens-Abouseif, *Egypt's Adjustment*, 93.

¹²⁴ In 1798 revolt against the French occupation was centred in Al-Azhar and led by the Shaykh of the riwaq of the Blind. In 1800 a popular revolt against the French was led by Shaykh al-Sadat Umar Makram, the head of *Sufi* orders. In 1805 the same Shaykh backed the popular protest against the newly appointed Ottoman governor. Rifaat Abdul-Reda Dika, "Islamic tradition in Modern Politics: the Case of Al-Azhar in Egypt – a historical study of culture and social structure" (PhD diss., Wayne State University, 1990), 51-55.

¹²⁵ *Waqf* lands in Egypt in 1812 remained 10% of total agricultural lands. *Ibid.*, 69.

increasingly under state supervision, which meant that *waqf* revenues could only be collected with state permission. In 1910, endowment revenues were only 30 percent of the total budget of the university.¹²⁶

The independence of Egypt (1922) brought even more supervision of *waqf*. All of the country *waqf* assets were gradually taken under the ministry of Awqaf of the government. In 1952, Zaghlul was responsible for the government taking over all *waqf* in the country, including those of Al-Azhar, thereby making Al-Azhar dependent on the ministry of Finance and the ministry of Awqaf for getting funds, some of which were actually *waqf* revenues of Al-Azhar. Although Al-Azhar still received its *waqf* revenues from the ministry of Awqaf (pl. of *waqf*), in 1959 the income of *waqf* comprised only 4 percent of the total budget of the university.¹²⁷

Government funding had an impact on the organisational and administrative reforms of the University, including the demand of tuition fees, although it still dedicated quite an extensive scholarship for students. In 1950 it offered free tuition, travel grants, and paid allowances to 2,500 students of L.E 5 per month based on donations from King Farouk I, the Egypt monarch ruler.¹²⁸ However, since the revolution of 1952 that ended the rule of the monarchy, the *waqf* institution including the University of Al-Azhar had been administered by the nationalist government under Gamal Abdel Nasser.¹²⁹ The nationalist-socialist policy also affected other *waqf* foundations, where the land reform movement had expropriated and sequestered a lot of private holding lands. Another worse impact on Al-Azhar had been the disempowerment of the Grand Shaykh of Al-Azhar.¹³⁰ Al-Azhar then became totally dependent on the government alongside with the nationalisation movement of Gamal ‘Abd Nasser. This brought social and political consequences. Al-Azhar remained the leading religious and educational institution, but its political power has been depleted to

¹²⁶ *Ibid.*

¹²⁷ Perhaps students had been started to pay fees since this years. Until today the university still provides scholarship to number of students, including international students.

¹²⁸ *University of Al-Azhar*, 42.

¹²⁹ About Egypt’s nationalist movement of Nasser, see Robert Stephens, *Nasser: A political Biography* (Harmondsworth: Penguin, 1973).

¹³⁰ Grand Shaykh is the highest religious authority of Al-Azhar who had power over the rector and Al-Azhar scholars and was selected by Al-Azhar scholars. Nasser forced two of Grand Shaykh to resign due to their opposition to his regime. In 1961 Nasser’s government imposed a law that limits the power of Grand Shaykh and takes its appointment in the hands of the government.

contemporary.¹³¹

This case shows that the *waqf* institution and other philanthropic forms did not only economically support *'ulama* (such as managers and recipients of the charity) but also transformed them to be civil society power that can give pressure to the state. Criticism of the state was usually launched by independent *'ulama* who notably lived from *zakat* and *waqf*. The annexation of *waqf* institution by the ruling power would diminish the power of civil society.

VI. Conclusion

Throughout the history of Islamic societies, *zakat*, *sedekah*, and *waqf* have been deeply embedded in religious as well as social and political life. *Zakat* has functioned to consolidate social solidarity, *sedekah* as social cement and social security, and *waqf* as a substitute for public facilities. Philanthropic practices are a product of dynamic interactions that draw from Islamic sources, and involve Muslim society, the jurist (*'ulama*) and the state. Each constituent has had to struggle for its own interest. The *zakat* institution and the *waqf* foundations have been used for their social and political interest.

Recently there have been two contradictory trends in Islamic philanthropy reform, especially those *zakat*. The first trend represents an attempt to bring *zakat* and *waqf* back to what had been done by the Prophet. It specifically aims for the state collection of *zakat*. The second trend tries to contextualise *zakat* and *waqf* practices in the modern period by privatising them from the state. Although both trends have tried to modernise the institution of *zakat*, their orientation is different. The first tries to revive the strict Islamic form of a financial system (including *zakat*) that has arisen in those few countries which have a Muslim majority but are under secular rule, such as

¹³¹ Its religious studies remain of importance today. The old faculty of religious studies (*adaby*) remain free-of-charge while other non-religious studies (*ilmy*), such as engineering and medical faculties, require high tuition fees. Today more than 1,500 Indonesian students who study at I-Azhar receive scholarship. It also still provides free accommodations for more than 20,000 national and international students. These supports have been possible due to generous donations that Al-Azhar obtained from other Islamic countries such as Brunai Darussalam and Gulf countries. Meanwhile, *waqf* institution of Al-Azhar has been maintained by the government, so did the appointment of the Rector and administration staff. Many students and scholars of Al-Azhar regret less political position of the Grand Shaykh of Al-Azhar who used to be at the same level of the President of Egypt to the level of the Prime Minister. They also voiced the authoritarian and over-protective government that diminished the social, intellectual and political spheres within the Al-Azhar. I would like to thank Aep Saepulloh Darusmanwiati for this information.

Indonesia. This trend is mostly supported by Salafi, Islamist, and Wahabi groups which rely on strict reading of the Islamic sources. The second trend tries to adapt to modern ideas such as social justice and gender equity, by interpreting and contextualising the Islamic sources.

The first movement has been strongly supported by Islamist groups and movements with a conservative mission. They view *zakat* as a total economic and social solution, urging people to pay through the state rather than through voluntary charitable practices. Therefore in certain Islamist circles, there has been a growing enthusiasm for *zakat*, not only as a charitable practice but also as a matter of political ideology. The second movement has been strongly supported by non-government human rights activists and progressive Muslim scholars. The two movements are competing and will be seen in the Indonesian history of Islamic philanthropy. The next chapter will elaborate how Islamic philanthropic forms are practiced in Indonesia together with the Islamisation process.

CHAPTER THREE
ISLAMISATION AND PRACTICES OF PHILANTHROPY
IN THE 13th – 19th CENTURIES

I. Introduction

This chapter seeks to uncover the development of Islamic charity in Indonesia from the thirteenth century to the nineteenth century, that is in the first phase of Islamisation and the development of Islamic kingdoms in the Indonesian archipelago. This section focuses on changes and continuities in *zakat* (including *fitrah*), *sedekah*, and *waqf*, contextualising them with the general trend that developed in the Islamic world. It is not my intention to compare them. The chapter questions how the practice of Islamic philanthropy was introduced in the Indonesian archipelago and practised by Muslim communities and the rulers.

Islamic philanthropic practices, namely *zakat*, *sedekah*, and *waqf* were introduced to the archipelago through a long and slow process of mainly peaceful Islamisation. The practices were adapted to social and economic circumstances and shaped by the Islamic tendencies of the ruler. While *sedekah* and *waqf* remained voluntary, the practice of *zakat* was contested between “the state” and civil society. Institutionalisation of *zakat* in the Islamic kingdoms failed, following the general trend of *zakat* in the Islamic world (as discussed in the previous chapter).

This chapter is organised into four main sections. The first section investigates how Islamic philanthropy was introduced into the Indonesian archipelago. The following three sections portray how *zakat*, *sedekah*, and *waqf* respectively were practised. They had generally become a norm of generosity, a sign of personal religious piety, and were used as part of the politics of Islamisation. *Zakat*, in particular, had been partly enforced by the state. The institutionalisation of *zakat* was not the same from one kingdom to another. State management of *zakat* seems to have disappeared with the waning of the Islamic kingdoms, leaving *zakat* collection and distribution in the hands of civil society, without state enforcement.

II. Philanthropy and the Early Islamisation of Indonesia

This section traces evidence of the presence of Islamic philanthropy as early as the coming of Islam in the archipelago, based on the assumption that philanthropy is an important element in Islamic teachings. With the scarcity of information on the history of the coming of Islam to the archipelago, this section unfortunately cannot give many details but there are enough accounts to suggest that *zakat*, *sedekah*, and *waqf* were being practised in various places where Muslim communities grew. The practices were adjusted or adapted to plural religious communities as one of means for Islamisation.

Muslim traders had been present in Southeast Asian seas since the seventh century and thousands of them had flooded Canton at least by the ninth century AD.¹ It is therefore possible that the first wave of Islamisation in Indonesia started in the seventh century.² However, Islamisation was a slow process as it was mostly driven by Muslim traders whose main concern was trade.

Theoretically, Islamic charitable practices would have begun to exist in the Indonesian archipelago at the same time as Islam itself, due to the fact that *zakat* is one of the five Islamic principles that have a significant place in the lives of Muslims. Compared to other principles such as praying, fasting, and pilgrimage, practices of Islamic philanthropy, such as *sedekah* and *zakat* might have been more easily implemented since the practices were not burdensome for the rich and were valuable for the poor. Although the historical evidence is insufficient, this theory and assumption can be explained as follows.

In my observations of the early practices of Islamic philanthropy, I follow M.C. Ricklefs in assuming that Islamisation must have taken place in two ways, namely through natives who converted to Islam and through other Asian Muslims who settled permanently in the Indonesian archipelago.³ Both processes, which influenced each other and were interconnected, had also involved Islamic philanthropy. Thus, presumably, Islamic philanthropy was already being practised in the early stages of

¹ M.C. Ricklefs, *A History of Modern Indonesia since c.1200*, fourth edition (California: Stanford University press, 2001), 1

² See G. Coedes, *the Indianized States of Southeast Asia*, ed. Walter F. Vella and trans. Susan Brown Cowing (Honolulu: East-West Center Press, 1968).

³ Ricklefs, *A History of Modern Indonesia*, 3.

Islamisation by foreign Muslims and possibly also by natives.

Natives who were new to the religion, likely did not yet fully practised all Islamic teachings due to the fact that these teachings were complex and were propagated only gradually. However, *sedekah* and *zakat* may have been among the teachings that they observed right from the beginning. An important reason for this is that Muslims could practise *zakat* and *sedekah* with less difficulty than they could pray, fast, observe the prohibition on eating pork, and practise circumcision. Stories of Islamic conversion in the archipelago⁴ emphasised these obligations that may have been hard to observe but were regarded as belonging to the distinct identity of a Muslim. The obligation to pay *zakat* and *fitrah* was probably not demanding since these were due only for the wealthy, once a year. Another reason is that the resources distributed represented a social benefit for the community and gave a positive image of Islam as a new religion. *Zakat* and *sedekah* contribution (in kind or cash) can be given to anyone in need without restrictions of gender, race, or even religion. The distribution of *zakat* to non-Muslims was possibly also a good marketing device during that period. Therefore, *zakat* might have been one of several teachings that became (in Lombard's term) a stimulus for conversion to Islam,⁵ because it offered an escape from the caste system and gave incentives to the poor.

The second group, the Muslim foreigners, might have practised *sedekah* and *zakat* from the beginning of their presence in the archipelago. Referring to the theories about who brought Islam to Indonesia, namely traders, Sufis and religious propagators, I speculate that each of these categories had different approaches to the practice of *sedekah* and *zakat*. Traders had more resources for giving *sedekah*, *zakat* and *fitrah*, and may even have been able to establish *waqf*. The majority of them might have paid *fitrah* and *zakat*. The payment was probably given to close neighbours who were in need and also to ascetics, as reported by Tome Pires (see below), with or without a system established through mosques. Both Sufis and religious propagators were religiously observant but probably had limited resources. Sufis seemed to stress generosity but placed it after spirituality.

⁴ About the stories see Russell Jones, "Ten Conversion Myths from Indonesia," in *Conversion to Islam*, ed. Nehemia Levtzion (New York: Holmes and Meier, 1979), 129-158.

⁵ Denys Lombard, *Nusa Jawa: Silang Budaya. Bagian Kedua: Jaringan Asia*, 2nd Vol. (Jakarta: Gramedia Pustaka Utama, 1996), chapter III, p.149-242.

The practice of Islamic philanthropy is observable in Muslim settlements and later in Islamic kingdoms. There are two forms of early archaeological evidence that show the presence of Muslims. The first is the existence of Sultans' graves in North Sumatra, namely the gravestones of Sultan Sulaiman bin Abdullah bin al-Basir (d. 1211) in Lamreh⁶ and Sultan Malik al-Salih (d. 1297) of Samudra Pasai. These gravestones of rulers of the sultanate of Aceh and the Islamic kingdom of Mataram in Java affirm local chronicles and Marco Polo's accounts of the establishment of Islamic kingdoms, at least in the early thirteenth century in North Sumatra. The second is the finding of Muslim gravestones in Majapahit's royal burial places of Trawulan and Tralaya,⁷ which suggests that in the 14th century there were Javanese Muslims who were possibly members of the Majapahit royal family.⁸ The presence of Muslims in a Shiwaistic and Buddhist royal family is possibly due to the situation of religious plurality and religious freedom which existed at that time.⁹ The presence of Islamic kingdoms may have represented a rising awareness of the religiosity, economics, and politics of the Muslim community.¹⁰ Therefore, philanthropic practices and other Islamic principles would have been conducted in those kingdoms, where Islam was gaining political power.

Travel accounts of Tome Pires, a Portuguese apothecary who visited Sumatra and Java in 1512-1515 AD, provides evidence of the establishment of mosques—without information whether they were *waqf* or not-- and the practice of almsgiving. In his *Suma Oriental*, Tome Pires refers to the presence of diligent Muslim traders and *mullahs* (Muslim clerics) who worked for Islamic propagation. They built mosques and converted the king of Melaka, Iskandar Syah.¹¹ Pires also notes that Sultan Mansyur

⁶ Ricklefs, *A History of Modern Indonesia*, 4.

⁷ The earliest date in Trawulan graveyard is 1368-9 and in Tralaya is 1376. M.C. Ricklefs, "Introduction: The Coming of Islam to Indonesia," in *Islam in the Indonesian Social Context*, edited by the same author (Clayton: Centre of Southeast Asian Studies, 1991), 2.

⁸ M.C. Ricklefs, *Mystic Synthesis in Java: A History of Islamisation from the Fourteenth to the Early Nineteenth Centuries* (Norwalk: EastBridge, 2006), 2-8.

⁹ T.H. Pigeaud, *Java in the Fourteenth Century. A Study in cultural History, The Nagara-Kertagama by Rakawi Prapanca of Majapahit, 1365 AD.*, Vol. IV, Commentaries and Recapitulation, 3rd ed. (The Hague: Martinus Nijhoff, 1962). See chapter 2, religious belief, 479.

¹⁰ Ricklefs, "The Coming of Islam to Indonesia." For example, Sufism was prevalent in Java, not in Sumatra. The distinction between Sumatra and Java is seen also in the policy of *zakat* that will be elaborated in Section three.

¹¹ Armando Cortesão, ed. & trans., *The Suma Oriental of Tomé Pires and the Book of Francisco Rodrigues*, vol. 2 (London: The Hakluyt Society, 1944), 241.

Syah built a mosque in Malacca.¹² Besides the *Suma Oriental*, local accounts such as *Bustan as-Salatin* (Gardens of the kings)¹³ clearly mention that the most common subject of *waqf* by the sultans was to build mosques.¹⁴

In 1513 AD, Tome Pires reported the presence of Muslim lords called *pate* who held power along the North coast of Java even though the “King of Java,” namely Majapahit, was a non-Muslim. These Muslim *pates* were originally Persians, Arabs, Gujaratis, Bengalis, or Malays; some of them were originally Hindu-Buddhist lords who had converted to Islam (whom Pires called “heathen”). These Muslim lords married local Javanese Muslims and started to build mosques, which attracted mullahs to come over. These *mullahs* and merchants then took control of the North Javanese coastlines.¹⁵ Pires also reported that Muslims gave alms to ascetics (*tapa*), who numbered over fifty thousand.¹⁶ Even if the number of these mystical adherents is debatable, the almsgiving seems to be logical. The waves of Islamisation, which may have become stronger and brought in Sufis alongside Muslim traders,¹⁷ were adapted to the mystical character of the local population.¹⁸ However, it seems that in the subsequent waves of Islamisation in the seventeenth and eighteenth century, the orthodox schools which brought purification and reformation efforts became stronger.¹⁹ It is likely to have been through the networks of these *’ulama* that the practices of *zakat*, *sedekah* and *waqf* became widely known among royal circles in particular, where local traditions provide more records.

¹² Cortesão, *The Suma Oriental*, Vol II, 249. There is another famous traveler’s account written by Ibnu Batuta, a Moroccan traveller who visited Samudra kingdom in 1326. Although he did not write about *zakat*, his general account was that the kingdom was under Islamic rules and its king was pious. More explanation will be given in Section Three.

¹³ The book is written by Nuruddin Ar-Raniri (on Ar-Raniri see pp. 8 and 11). It may have been written between 1637 and 1644, when the writer stayed in Aceh. The book is a universal history written in a literary style. Chapter two, section thirteen of the book describes the history of the Malay kingdoms, especially Aceh. The derivative versions of the book were probably written in the nineteenth century. See Jelani Harun, “Bustan al-Salatin, ‘The Garden of Kings’: A Universal History and Adab Work from Seventeenth-century Aceh,” *Indonesia and the Malay World*, Vol 32, no 92, March 2004, 21-52. This thesis refers to the section on Malay history of the book.

¹⁴ Nuruddin Ar-Raniri, *Bustanu’s-Salatin. Bab II. Fasal 13*, ed. T. Iskandar (Kuala Lumpur: Dewan Bahasa dan Pustaka Kementerian Pelajaran Malaysia, 1966), hereafter *Bustan as-Salatin*.

¹⁵ Cortesão, *The Suma Oriental of Tome Pires*, vol I, 182.

¹⁶ *Ibid.*, 177.

¹⁷ See the theory of Shaykh Naguib Al-Attas on the role of sufis in the Islamisation of the archipelago.

¹⁸ On the theory of mystical synthesis, see Ricklefs, *Mystic Synthesis in Java*.

¹⁹ About religious Reformism in the Indonesian archipelago see Azyumardi Azra, *The Origins of Islamic Reformism in Southeast Asia. Networks of Malay-Indonesian and Middle Eastern ‘Ulama’ in the Seventeenth and Eighteenth Centuries*, ASAA Southeast Asia Publication series (Honolulu: University of Hawai’i Press, 2004). “Reformism” before the nineteenth century refers to more orthodox mainstream.

1. Hindu and Buddhist Charity

Distinct from the case in Sumatra, Islamisation in Java integrated with previous traditions of Hindu and Buddhism.²⁰ A cultural factor that made the practice of *zakat*, *sedekah* and *waqf* more easily accepted is their nature as a universal act of benevolence, found also in Hinduism and Buddhism. Long before Islam, Hinduism and Buddhism had found a stronghold in the archipelago, and both Hindu and Buddhist cultures practised religious giving in the form of *dana* (giving, or ritual giving to holy persons).²¹ Moreover, Hinduism had a practice of *sewa* (volunteering funds for a religious temple).²² Generous giving by kings for political, religious, or other reasons was a custom that could be found in the pre-Islamic period. All money given was intended for the priests, not for the poor.

Both kinds of giving are portrayed by Mpu Prapañca in his *Deśawarnāna*, popularly known as the *Nāgarakṛtāgama*,²³ in which kings gave charity to priests and the public as a kind of royal favouritism, and the people gave donations to priests. Apart from these, there were many kinds of taxes and fees that were practised as a social custom.²⁴ The *Deśawarnāna* portrays a custom of charitable gift-giving around the royal court of Majapahit. Charitable giving could be religious or non-religious, and can be differentiated into three types. The first type of giving was for religious purposes, such as the establishment of religious foundations, temples, lands, domains, buildings, land revenue, and tax exemption. These donations were handed or given to priests like the free domains and sacred places for Shiwaists and Buddhist clergy (see for example

²⁰ Ricklefs, “The Coming of Islam to Indonesia.”

²¹ *Dana* can be translated as giving, teaching, liberality, and charity. Its meaning refers to a charitable act of dharma (obligation). See Leona Anderson, “Contextualizing Philanthropy in South Asia: A Textual Analysis of Sanskrit Sources”, in *Philanthropy in the World’s Traditions*, ed. Warren F. Ilchman, Stanley N. Katz, and Edward L. Queen II (Indiana: Indiana University Press: 1998), 58. The concept of giving in Buddhism is a universal giving to all creatures, which scholars categorized as genuine donation. See Leslie S. Kawamura, “The Mahayana Buddhist Foundation for Philanthropic Practices,” in *Philanthropy in the World Traditions*, *ibid.*, 98.

²² Whereas *dana* signifies material giving, *sewa* is more about volunteering, namely the obligation to give time and labour to preserve temples. See Mark Juergensmeyer and Darrin M. McMahon, “Hindu Philanthropy and civil Society” in *Philanthropy in the World’s Traditions*, *ibid.*, 264-5

²³ Stuart Robson, ed. & trans., *Deśawarnāna* (Nāgarakṛtāgama) by Mpu Prapañca (Leiden: KITLV Press, 1995). See also Pigeaud, *Java in the Fourteenth Century*.

²⁴ Pigeaud, *Java in the Fourteenth Century*. See for example the reference to the Sarwadharma charter, p. 382, which discusses the payment of taxes and fees by indigenous people to the kings, and where religious domains were exempted from taxes.

Canto 76, 77, and 78).²⁵ The second type consisted of honorary rewards or presents, such as a *dharma* given to Gajah Mada (Canto 19-2), for those who accomplished outstanding services for the king and the kingdom.²⁶ The last type consisted of free gifts of money, textiles, food and liquor, together with various plays and games for the amusement of the common people, which were given during feasts or pageants. An example of such a celebration is the ceremonial homage for Rajapatni's obsequies described in Canto 65-66.

Pigeaud notes a rice or paddy tax which was an old practice called *turun-turun sagem sarakut* (a tithe of one bundle/handful). This paddy tax was given to kings and was the royal revenue.²⁷ Later in the nineteenth century, paddy *zakat* became widely practised in the island of Java. While the paddy tax was different from paddy *zakat* in terms of the beneficiaries and its philosophical meaning, the subject matter of both was the same, namely rice. It is possible that this paddy tax may have eased with the implementation of paddy *zakat*.

As the Islamisation process grew stronger, it is likely to have brought a gradual implementation of the wide observance of *zakat*, *sedekah* and *waqf* in Islamic settlements, city-states, and kingdoms as early as the thirteenth century. Generally, the gradual process of Islamisation made the interaction and adaptation between the new religion and local traditions run well, although conflicts did of course occur.²⁸

2. Islamic Charities in Royal Circles

Scattered written sources from the thirteenth century suggest that Islamic charitable practices had already become a common custom in the Islamic kingdoms. As might be expected, most sources concern royal life and politics, but there are also many references to *zakat*, *sedekah*, and *waqf*. These sources consist of travel accounts and local accounts.

²⁵ Robson, *Deśawarṇana*, 79-81.

²⁶ Robson, *Deśawarṇana*, 40.

²⁷ Pigeaud, *Java in the Fourteenth Century*, Vol. III, 386.

²⁸ Accounts of such conflicts between practices of the new religion and non-Muslim practices can be found for example in G.W.J Drewes, ed. & trans., *An Early Javanese Code of Muslim Ethics* (The Hague, Martinus Nijhoff, 1978).

The accounts of foreign travellers consist of the reports of Ibn Batuta, Marco Polo, and Tome Pires (noted above). Local historical accounts include: *Bustan as-Salatin* (Gardens of the Kings) from Aceh, *Adat Aceh* (Custom of Aceh)²⁹ and *Sejarah Melayu* (Malay Annals)³⁰ about the royal line of Melaka; legal books such as *Undang-undang Melaka* (Book of Melaka Laws);³¹ and the Islamic ethical code books such as *The Admonitions of Seh Bari*.³² Chapter two and sub-chapter thirteen of *Bustan as-Salatin* recount the social, political and religious life of the royal families of Aceh in exceptional detail. The writer, Shaykh Nuruddin Muhammad ibn Ali Hamid ar-Raniri (d. 1658), a great scholar of both Sufism and Islamic laws originally from Gujarat, acted as Shaykh al-Islam (a chief judge) in the Sultanate of Aceh for about seven years (1637-1644).

In these accounts, *sedekah*, *zakat* and *waqf* are mentioned and other terms denoting Islamic philanthropy, such as *'ushr* (one tenth) and *derma* (gift), are also used. In quantitative sequence, the frequency of usage is *sedekah*, *derma*, *zakat*, *'ushr*, *waqf*, and *baitul mal* (state treasury or philanthropic institution).

Islamic teachings on wealth and the ethics of liberality found in local accounts are intended for all Muslims, though they focus on kings and *'ulama*. In general, the ethics of liberality refers to guidance about being generous,³³ respecting and loving the

²⁹ *Adat Aceh* was written in classical Malay using Jawi script, probably in the seventeenth century. I have used the edition of G.W.J Drewes and P. Voorhoeve, copied by Pusat Dokumentasi dan Informasi Aceh. *Salinan Adat Aceh dari manuscript India Office Library*, transcribed by Teungku Anzib Lamnyong (Banda Aceh, Pusat Dokumentasi dan Informasi Aceh, 1981). For a study on *Adat Aceh*, see Ito Takeshi, "The World of the Adat Aceh: A Historical Study of the Sultanate of Aceh," (PhD diss., Australian National University, 1984).

³⁰ This Malay history was written in classical Malay using the Jawi script. Its content is basically the same as that of *Sulalatus Salatin*, which is about the establishment of Melaka and neighbouring kingdoms. On *Sulalatus Salatin* see A. Samad Ahmad, ed., *Sulalatus Salatin Sejarah Melayu* (Kuala Lumpur: Dewan Bahasa dan Pustaka, 2000). There are many derivatives and variations of the text. One of them was believed to be compiled and edited in 1612 by Tun Sri Lanang. However, it probably reflects eighteenth-century rather than sixteenth-century practices. I have used the edition of W. Shellabear. The text is a hybrid version of *Sulalatus Salatin* which incorporates later additions. Compared to the editions of Winstedt and Abdullah bin Abdul Kadir Munsji, this edition uses more Islamic terminology such as *sedekah*.

³¹ Liaw Yock Fang, *Undang-undang Melaka [The laws of Melaka]* (The Hague: Martinus Nijhof, 1976). The book is written in Malay and is probably an eighteenth-century text.

³² This is a literary sufi work which probably stems from sixteenth century Java. It was written in Javanese and in the Javanese script. See G.W.J. Drewes, ed. & trans., *The Admonitions of Seh Bari. A 16th century Javanese Muslim text attributed to the Saint of Bonan* (Den Haag: Martinus Nijhof- KITLV, 1969).

³³ *Taj al-Salatin* from Aceh strongly emphasises generosity and philanthropy as significant values and as guidance for good kings. The chapters in question are Chapter 20 (on the people and the kings in the kingdom) and Chapter twenty two (on generosity and greediness). Chapter Two deals with the famous

poor³⁴ and orphans,³⁵ avoiding being greedy,³⁶ and being just.³⁷ *Adat Aceh* may indicate that *sedekah* is a responsibility of the ruler, because it mentions *sedekah* after providing jobs for the poor and giving *sedekah* to eliminate suffering.³⁸ This provision shows that there was a blurred area between the personal charity of the ruler and the obligation of the state at that time. Royal charity and the ethics of liberality were also practised for the making of good governance.³⁹ Even if this royal charity did not belong to the category philanthropy, this information gives an understanding of the concept of generosity in the early period of Islamisation in Indonesia.

Books on a Muslim ethical code advise Muslims to be generous or give generously, including *sedekah* and *zakat*. One book on ethics written in the time of the religious transition in Java, called *An Early Javanese Code of Muslim Ethics*,⁴⁰ contains customs that were supposed to be practised by Muslims, especially Muslim scholars. The writer was probably a follower of Al-Ghazali⁴¹ who resisted the Qadiriyya (free-will).⁴² One prescription for Muslim scholars is to respect their students and treat them as their own children, which includes giving them food and clothing.⁴³ Another

story of Hatim of Bani Ta'i as the most generous man in the history of Arabs, who probably lived in the time of the Ottoman kingdom. Bukhari Jauhari, *Taj us-Salatin*, ed. Khalid Hussain (Kuala Lumpur: Dewan Bahasa dan Pustaka, 1966), 200-1, further reference it will be referred as *Taj al-Salatin*.

³⁴ Ibid.

³⁵ "The king should do justly, honour all 'ulama, and love all the poor, destitute, and orphans." *Adat Aceh*, 7.

³⁶ W.G. Shellabear, ed., *Sĕjarah Mĕlayu*, new ed. (Kuala Lumpur: Oxford University Press, 1967), 57; cf. *Hikayat Raja Pasai*, ed. Russell Jones (Shah Alam (Selangor): Penerbit Fajar Bakti Sdn.Bhd, 1997), 21.

³⁷ For example the section of *Bustan al-Salatin* which contains a special section on good kingdoms, suggests that the good king is just, wise, generous, good to his people, and religious.

³⁸ "The king should do justly and should strongly maintain ministers and all the rich and prosperous people in the country. And the king should bestow love to all countries and blessing for trades and augment the traders in the country, and provide jobs for the poor, the sick, and give *sedekah* to all the poor." *Adat Aceh*, 6-7. And also p. 9: "[t]he king should ask them, who among his subjects are sick, what kind of ordeal/suffering God give them, who among them do not have money, then the king should give *sedekah* to eliminate the suffering. [The king] should go out from his palace and help his subjects who are suffering to maintain his subject."

³⁹ A.C. Milner, *Kerajaan: Malay Political Culture on the Eve of Colonial Rule* (Tucson: University of Arizona Press, 1982), 40-41.

⁴⁰ ⁴⁰ G.W.J Drewes, *An Early Javanese Code*. In general the substance of the book is rather contradictory. On the one hand it tells Muslims to be good to all of God's creatures, but on the other hand it easily condemns infidels and non-believers including Muslims who could also be non-believers and infidels. This book was probably written as late as the eighteenth century in Java.

⁴¹ Abu Hamid Muhammad bin Muhammad Al-Ghazali (1058-1111) was a great jurist of the Shafi'i School, a theologian, philosopher, and Sufi. Although he was quite successful in integrating Sufism and Shari'a orientation, his greatest influence is in mysticism. He belongs to Ash'ari school of theology which maintains a deterministic approach (*jabariyya*).

⁴² Qadiriyya is a school of theology that is based on free will or an indeterminist approach.

⁴³ The text is "respect your pupils and look after them; value their good conduct and treat them the same way as you do your own offspring. Give them food and clothes, so that they be in a position to live up to

prescription for Muslim scholars is to give *sedekah* in secret.⁴⁴ In many places the book mentions generosity, such as to do more charity and “to practise the virtue of liberality”,⁴⁵ to give to orphans, and “to be open-handed when rich.”⁴⁶ A book of mysticism from the sixteenth century also advises certain *sedekah* giving after prayers and giving *zakat*.⁴⁷

From all the sources noted above it can be seen that Islamic forms of generosity were practised among Muslim people, Sufi groups, and royal circles. The following section will focus on the concept and practice of *zakat* during the period of the Islamic kingdoms.

III. *Zakat*: Between State Administration and Private Voluntary Practices

This investigation of *zakat* in pre-colonial Indonesia starts with the question why the term *zakat* rarely appears in early local sources, and is not mentioned at all in *Undang-undang Melaka*, the collection of state regulations that was based on Islamic law and was widely used in the Malay world.⁴⁸ It is impossible to imagine that *zakat* (and *fitrah*) was absent from people’s customs if Islamic teachings and religious celebrations were strong.⁴⁹ Ibn Batuta, who visited the Samudra kingdom (North Sumatra) in 1326, wrote in his *Rihla* that Sultan Al-Malik Al-Zahir (r. 1326-1360) used to do the Friday prayers and was “a lover of jurists, who come to his audiences for the recitation of the Qur’an and for discussions”.⁵⁰ Scholars of international reputation also were found in Samudra, such as the Qadi Amir Sayyid of Shiraz, and the jurist Taj al-Din of Isfahan, who were the “right hand” of the Sultan. Religious life in the form of Friday prayers, the *taraweh*

Muslim standards and not be seized with doubt. Treat your servants in the same way you do your pupils...”. Drewes, *An Early Javanese Code*, 25.

⁴⁴ *Ibid.*, 27. Concealed giving is usually for *sedekah*, not for *zakat*.

⁴⁵ *Ibid.*, 29.

⁴⁶ *Ibid.*, 43.

⁴⁷ G.W.J Drewes, *The Admonitions of Seh Bari*, fol 68 and 70-1, 90-93.

⁴⁸ A good general reference for laws of Malaka is M.B. Hooker, ed., *The Laws of South-East Asia*, vol 1, 376-384 (Singapore: Butterworth, 1986).

⁴⁹ Amirul Hadi shows that religious ceremonies and Islamic penal laws were implemented in the Sultanate of Aceh. See Amirul Hadi, *Islam and state in Sumatra A study of seventeenth century Aceh* (Leiden: Brill, 2004). Hadi describes religious ceremonies (p. 118-134) and the application of Islamic penal laws (p. 169-181).

⁵⁰ H.A.R. Gibb, *The Travels of Ibn Batuta A.D. 1325-1354* (London: The Hakluyt Society, 1994), Vol. IV, 877-8.

prayers during Ramadan and the celebration of *‘Id al-Adha* and *‘Id al-Fitr*, was strong.⁵¹ In such typically religious circumstances, it is reasonable to assume that *zakat* and *fitrah* were practised. But how they were practised in the Samudra kingdom remains unclear.

The absence of the term *zakat* is probably due to the development of the institution of *zakat* in the Islamic world. As shown in Chapter Two, state *zakat* management had been transformed, leaving *zakat* dues partly being included as taxes (such as customs duties and land taxes) and partly being practised as individual charity. The development of *zakat* in the Indonesian archipelago followed the developments in Arabian Peninsula, and—as I will demonstrate below—the same had happened in the Ottoman and Moghul Empires. There were several important features in common: state collection of *zakat* was only on “visible” property (such as crops and commodities) with or without mention of the term *zakat*; “non-visible” property (such as gold and money) was voluntarily paid; state collection of *zakat* was not executed by a specific office, but was included in state administration, such as a tax office or state treasury; and *fitrah* was always a voluntary practice.

As *zakat* (not *fitrah*) had once functioned as a religious tax in the early history of Islam in Arabian Peninsula, one might assume that it was implemented by the Islamic kingdoms in the archipelago in a similar way. This assumption is not totally without support as there was one case where *zakat* was probably regulated by the ruler. Nevertheless, no single policy was adopted by the many different Islamic kingdoms of the archipelago regarding *zakat*. In the Acehnesse kingdom *zakat* was strongly regulated, but in most other kingdoms there was no regulation. However, although one kingdom may have regulated and collected *zakat* strictly, the private voluntary practice of *zakat* and *fitrah* also remained in existence. In the long run, state regulation of *zakat* disappeared at the same time as the kingdom weakened and diminished.

1. *Zakat* and *Fitrah* in the Acehnesse Kingdom

Local sources allow us to build a picture of *zakat* and *fitrah* practice in the Acehnesse kingdom.⁵² As noted above, if *zakat* had been practised in the fourteenth-century Samudra kingdom, it must have been practised since the beginning of the Acehnesse

⁵¹ Shellabear, *Sejarah Melayu*. 79.

⁵² On the Acehnesse kingdom see Denys Lombard, *Kerajaan Aceh jaman Sultan Iskandar Muda, 1607-1636* (Jakarta: Balai Pustaka, 1986), and Hadi, *A study of seventeenth century Aceh*.

kingdom in the fifteenth century, since the latter was, to some extent, a continuation of the former. The practice might have become stronger two centuries later, in the early sixteenth century, when the application of Islamic orthodoxy became more important for the Aceh Sultanate. In this period, the teachings of *Wujudiyya* Sufism⁵³ led by Hamza Fansuri were opposed by Shaykh al-Islam Nuruddin Al-Raniri, and at the same time the teaching of orthodoxy became stronger and obtained support from the ruler.⁵⁴ Nuruddin Ar-Raniri, who was a militant *Shaykh* in favour of the application of Islamic orthodoxy together with sufism, informs us that the Aceh Sultanate was a good Islamic kingdom ruled mostly by pious sultans. It had good relationships with Ottoman Turkey, and had many scholars of *fiqh*, *tasawwuf* (Islamic mysticism), *mantiq* (logic), and *usul* (jurisprudence) coming from Mecca and other centres of Islamic teaching.⁵⁵ The *Bustan as-Salatin* shows that the rigorous application of the *shari'a* began with Sultan Alauddin Riayat Syah (r. 1539-1567) and became more persuasive from the reign of the Sultan Alauddin bin Sultan Ahmad Perak (r. 1577-1585) onwards.⁵⁶

The practice of *zakat* was regulated by the state from the reign of Sultan Alauddin bin Sultan Ahmad Perak. Ar-Raniri wrote:

The sultan [Alaudin bin Sultan Ahmad Perak] was very devout and pious, just in his rules, and strong in his orders. He was the one who loved *'ulama* and looked after the *shari'a* of the Prophet. He also prevented his people from drinking wine and gambling, and ordered all of his commanders to have beards, to wear robes, and to put on turbans, and he instructed all his subjects to pray five times, to fast during Ramadan, do recommended fasting, and to pay *zakat*.⁵⁷

In the text cited above, Ar-Raniri recorded that the king's instructions related not only to matters that were regarded as religious ritual obligations but also to recommended ritual and customs including the wearing of beards, robes and turbans. The Sultan also appears to have adopted Muslim customs from the Middle East, which is where many of the *'ulama* in Aceh had come from.

⁵³ *Wujudiyya* comes from Ibn Arabi. However, the term denotes the doctrine of *wahdatul wujud* (unity of being) which was labeled as a heterodoxy or pantheism.

⁵⁴ This school of Sufism is regarded as a perversion by orthodox Muslims. On the *Wujudiyya* in the archipelago see A.H. Johns, *The Gift Addressed to the Spirit of the Prophet* (Canberra, the Australian National University, n.d), and Azra, *The Origins of Islamic Reformism*.

⁵⁵ *Bustan as-Salatin*, 31-5.

⁵⁶ *Ibid.*

⁵⁷ *Ibid.*, 33.

As the king's instruction was a bylaw for the people, *zakat* would probably have been not only practised as a religious obligation but also enforced by state regulation in an example of "top-down Islamisation" which was encouraged by the ruler. Much state regulation would have been needed because the sultan would have wished to put the emphasis on Islamisation. Islamisation may have been important for the sultan to gratify his personal religiosity, to please his notable *'ulama*, and to show the Ottoman allies that Aceh was a real Islamic kingdom.⁵⁸ The Islamisation policy may have been aimed at supporting the sultan's religio-political legitimacy as well as attracting more traders who would bring economic prosperity to Aceh.

Zakat was certainly regulated from the time of Sultan Iskandar Muda onwards (1607-1636), as Ar-Raniri and *Adat Aceh* (Acehnese Customs), cited below, confirm. Ar-Raniri wrote:

And [it was] he who established the mosque Baitur Rahman and several [other] mosques in each district. It was he who strengthened Islamic religion and instructed all the people to pray five times, fast during Ramadan and do recommended fasting; it was he who prevented his people from drinking *arak* and from gambling. It was he who set up the *baitul-mal*, *'ushr* of Aceh Darussalam and market taxes (*cukai pekan*). It was he who was so generous to his people and gave *sedekah* to all the poor and destitute every time he went for the Friday prayer.⁵⁹

Iskandar Muda, who has been regarded as the sovereign who led the Acehnese Kingdom into its golden age, included *'ushr*⁶⁰ (one tenth) and market taxes in the income of the state treasury, *baitul mal*. The market taxes were part of *zakat* which were due on merchandise and could be collected at markets. The term *'ushr* generally means land or crop taxes.⁶¹ In Aceh, it refers to tax on land, as well as on imported

⁵⁸ The relationship with the Ottomans intensified through the appeals for help from Sultan Alauddin Riayat Syah to fight the Portuguese. See the account in Naimur Rahman Farooqi, *Mughal-Ottoman Relations (A Study of Political & Diplomatic Relations between Mughal India and the Ottoman Empire, 1556-1748)* (Delhi, Idarah-I Adabiyat-I Delhi, 1989), 157-8.

⁵⁹ *Bustan as-Salatin*, 36.

⁶⁰ In Shafi'i *fiqh* this term refers mainly to the one-tenth of *zakat* on crops. *Hadith* refer to *'ushr* as a tax levied on Muslims and *kharaj* on non-Muslims. T. Sato shows that in the early period of Islam, *'ushr* was regarded as a tax levied on Muslim cultivators, Muslim and non-Muslim merchants and artisans. The distinction between *'ushr* and *kharaj* later disappeared in many Muslim countries, which used *kharaj* instead. See T. Sato, "'Ushr," in *Encyclopaedia of Islam*, New Edition, vol X, 917.

⁶¹ I suggest that in Indonesia *'ushr* could be understood as both land and crop taxes, because although it was due on land, it actually took in a percentage of the crops.

merchandise. *Adat Aceh* describes ‘*ushr*’ as taxes due on imported merchandise, claiming that this was regulated from 28 May 1708.⁶²

The custom of ‘*ushr*’ in Bandar Aceh Darussalam is due on all ships or sloops or gondola which come to trade, [taken] by the end of the transactions. [They] go to the harbour (*furdah*) to get estimation. ...For ships of White people, every 100 *tahil* is due 6 *tahil* 4 gold. ...For Muslims or Hindus or other non White people, it is due 5 *tahil* 4 gold in every 100 *tahil*. ...⁶³

The evidence on the ‘*ushr*’ due on lands comes from the *Kedah Laws*,⁶⁴ which were possibly also regulated in Aceh. Article 3 of chapter 2 of the *Kedah Laws* states as follows:

Whoever produces paddy rice (*huma*) should be forced to pay *zakat* according to the right calculation (*hisab*) of what the person receives. Ask the person to pay ten gold [coins] for its *zakat*. If the person refuses, the headman should force him/her to pay *zakat*, according to the Laws of God.⁶⁵

These two texts give a clear impression that in the Acehnese kingdom *zakat* was regarded as a religious tax, namely *zakat* on crops and trade commodities (‘*ushr*’). The ruler of Aceh followed the *fiqh* on *zakat*, namely to collect only *zakat* due on “visible” property, not on “invisible” property. Probably ‘*ushr*’ was the only state-*zakat* that was regulated in Aceh, leaving people to pay other *zakat* due on “invisible” property and *fitriah* voluntarily.

The practice of *zakat* in Aceh was actually similar to those of the Mughal⁶⁶ and Ottoman⁶⁷ empires from the fifteenth to seventeenth centuries. Although the term *zakat* does not survive in most of the documents from these empires, it seems likely that it was practised and was most of the time integrated into the land revenue and tax on commodities. Qureshi has demonstrated this kind of integration in the Mughal Empire

⁶² *Adat Aceh*, 78-9. (Monday 6 Rabiul Awal, 1120).

⁶³ *Adat Aceh*, 101.

⁶⁴ Sir. R. Winstedt “Kedah Law,” *JMBRAS* (1928), 6(2): 1-44.

⁶⁵ *Ibid.*, 28.

⁶⁶ The Mughal Empire was founded in 1526 on the Indian subcontinent by Zahiruddin Muhammad Babur, a Turkish ruler, and lasted until 1707. On the Mughal Empire see John F. Richards, *The New Cambridge History of India The Mughal Empire* (Melbourne: Cambridge University Press, 1995), hereafter referred to as *The Mughal Empire*.

⁶⁷ Halil Inalcik and Donald Quataert, eds, *An Economic and Social History of the Ottoman Empire, 1300–1914* (Cambridge: Cambridge University Press, 1994), 198–99, 204–06. As a result of the centralisation of *zakat* as a state administration many historians do not see *zakat* as part of the study of charity.

where *zakat* funds were collected in the same treasury together with other state revenues, although there was a case where *zakat* was treated as a separate treasure.⁶⁸ Most Mughal rulers did not impose *zakat*. When it was imposed, it was taken only from commodities, at a rate of 2.5 percent for Muslims, 5 percent for Hindus and 4 percent for both Christians and Jews. The Mughals did not levy *zakat* on property.⁶⁹ In the Ottoman Empire, *zakat* was taken from commodities and land, which were regarded as taxable. In the fifteenth century it survived as a 2 percent levy on merchandise for Muslims and 5 percent for people from the “Abode of War” and non-Muslim subjects. The Mughals strictly regulated and collected taxes due on land and farms. Although these taxes were not named *zakat*, their rates were the same as those of *zakat*.⁷⁰

The practice of *zakat* in Aceh was likely to have been the same as in the Mughal and Ottoman empires, exposing a dichotomy of two contradictory ideas, namely *zakat* as tax (which is administered by the state together with other kinds of taxes) and *zakat* as private voluntary giving.

There is an additional fact that supports the above argument, namely the absence of administration of *zakat*. There is no indication of the presence of official *zakat* collectors (*amil*). One might assume that there was an official *amil* organisation, on the basis of the following passage from Ar-Raniri’s *fiqh* work *Sirat al-Mustaqim*,⁷¹ one of the earliest surviving complete works of *fiqh* written in Malay language:

The fifth [beneficiaries] are ‘*amilun*, namely people who manage *zakat*. There are nine divisions. The first is called *sa’i*, who are ordered by the sultan or his *naib* to collect *zakat*. For them it is required to be knowledgeable, Islamic, *mukallaf*, free, male, just, and able to hear and see. The second is *katib*,⁷² who makes the order [to write] *zakat* funds. The third is *qasim* who distributes *zakat*. The fourth is *hasyir* who collects *zakat* from all the people due to pay *zakat*. The fifth is *arif*, who knows the recipients of *zakat*. The sixth is *hasib*, who estimates *zakat*. The seventh is *hafiz*, who oversees the *zakat* funds. The eighth is *jundi*, namely the army. The ninth is called *jabir*, who force [people] to pay *zakat*. It

⁶⁸ A clearer picture on the position of *zakat* and other levies in the Mughal Empire is described by Istiaq Husain Qureshi, *The Administration of the Sultanate of Delhi*, 5th rev ed. (New Delhi: Oriental Books Reprint Corporation, 1971), Chapter Six, on finance, 95-135.

⁶⁹ Arinuddha Ray, *Some Aspects of Mughal Administration* (New Delhi, Kalyani Publishers, 1984), 150-1.

⁷⁰ Halil Inalcik and Donald Quataert, *An Economic and Social History of the Ottoman Empire*, 198-9.

⁷¹ This is a standard *fiqh* book based on the Shafii School of law that contains *ibadah* regulations only. (Details on *fiqh* will be discussed in Chapter Four). Nuruddin Ar-Raniri, *Sirata l-Mustaqim*, ed. Abu Hanifah (Jakarta: Pusat Pembinaan dan Pengembangan Bahasa Departemen Pendidikan dan Kebudayaan, 1992), Hereafter it will be called *Sirat Al-Mustaqim*.

⁷² The text mistakenly refers to *katab*, which should be *katib*.

should not be in excess of the figure mentioned, according to need. Sultan, *wali* and *kadi* are not included in the above number.⁷³

There is only a small possibility that this *amil* organisation was practised in Aceh or elsewhere, including in Ar-Raniri's own country, Gujarat;⁷⁴ indeed it is also possible that it was never practised anywhere.⁷⁵ The passage may have been an opinion for guidance, as was the case in many *fiqh* books. Ar-Raniri's passage actually stresses the rights of *amil* functionaries working for the sultan, *wali* and *kadi* to get proper wages.

Apart from the question of the separate organisation, it is possible that *zakat* regulation was implemented strictly and collected by force during the rule of Sultan Iskandar Muda, as he was an authoritarian ruler. Rulers with a more orthodox orientation were likely to implement the strict collection of *zakat*. In Mughal India, for example, the implementation of *jizyah* (a poll tax for Christians), *zakat* (for Muslims), and pilgrimage tax (for Hindus) depended on the level of orthodoxy of the ruler and the economic situation.⁷⁶ *Zakat* (on lands and commodities) may have become a privilege of the sultans and their local rulers.

Zakat (except in the two cases mentioned above) and *fitrah* were given voluntarily. The sultan's order to pay *zakat* noted by Ar-Raniri might also refer to the practice of *fitrah*. It is safe to assume that *fitrah* had become a part of the people's annual payment, although it was not administered by the kingdom. (Even in the earlier history of Islam, *fitrah* had never been implemented by force). As the celebration of 'Id al-Fitr (the celebration of the end of the fasting month) was the largest celebration at that time (at least since 1326 under Al-Malik al-Zahir of Samudra), it is assumed that people contributed *fitrah* because it was seen as part of the spirit of Ramadan and the 'Id celebration.

The popular practice of *fitrah* may have accustomed people to the private distribution of *zakat*. The practice of private giving of *zakat* may have come from *fiqh* books such as *Sirat al-Mustaqim*, which mentions how to give *zakat* directly to

⁷³ *Sirat Al-Mustaqim*, 175.

⁷⁴ Gujarat was a sultanate ruled by Moghuls.

⁷⁵ In Moghul and Ottoman administrations, the revenue collectors were called *amin*. The term *amil* was used by the Moghuls together with *mutasarrif* or *shiqdar*. Qureshi, *The Administration of the Sultanate of Dehli*, 209.

⁷⁶ See *The Mughal Empire*, 175-7

beneficiaries,⁷⁷ and from the character of *zakat* itself, which allows for “flexibility” in its implementation in several ways. First, the decision about an individual’s capacity to pay both forms of *zakat* is up to him/herself. Second, certain kinds of *zakat mal* (such as crops and husbandry) have their own *nisab* calculation and times for paying it. Third, there are options regarding to whom *zakat* payment can be given. This “flexibility” made for a complex situation that encouraged private giving.

2. The Absence of *Zakat* Regulation in Legal Texts

The absence of *zakat* regulation in the Malay legal books is therefore not surprising, because the paying of *zakat* was partly practiced as individual voluntary donation, and partly included in the tax system. *Undang-undang Melaka*,⁷⁸ which became a legal resource for many Islamic kingdoms in Sumatra and along the Strait of Malacca, does not contain specific provisions regarding the administration of *zakat*. This absence makes sense if *zakat* itself is regarded as individual private giving as well as a tax. *The Pahang Laws*, which were supposedly compiled for the Sultan of Pahang Abd Ghafur Muhaiyu’d-din Syah (r. 1592-1614), lack provisions on *zakat* but not on taxes.⁷⁹ *The Kedah Laws*, which regulate ‘*ushr*, also regulate taxes on commodities.⁸⁰ *The Ninety Nine Laws of Perak*⁸¹ mentions that the main duty of the district head (Law number ninety eight) is to collect revenue. It contains no regulation on *zakat*.⁸² *Zakat* provision is possibly included in the regulations of modern Malay states in the twentieth century as revenue to be collected by the state.⁸³

⁷⁷ *Sirat Al-Mustaqim*, 176.

⁷⁸ *Undang-undang Melaka* consists of six different texts, dealing among others with maritime law, Muslim marriage law, and Muslim law of sale and procedure. This is a fairly late text in its published form but it may incorporate earlier laws that were in operation in fifteenth-century Melaka.

⁷⁹ The Pahang Laws, called *Undang-undang Kerajaan*, codifies local law as well as Islamic law of Shafi’i school. Regulation no 74 is a 20 percent tax on foreign merchandise and no 75 is a 10 percent tax on local commodities. See J.E. Kempe and Sir Richard O. Winstedt, “A Malay Legal Digest of Pahang,” in JMBRAS (1948) 21: part I, 20. This digest purports to relate to Perak, Pahang and Johor.

⁸⁰ The Kedah Port Law mentions the taxes and duties levied when entering ports. See Winstedt “Kedah Law”, 15-26.

⁸¹ It is probably the same age as *Undang-undang Kerajaan*. Some of the laws have been included in *Undang-undang Kerajaan*.

⁸² J. Rigby and R.J. Wilkinson, trans. and ed., “The Ninety Nine Laws of Perak”, in *Reading in Malay Adat Laws*, ed. M.B. Hooker (Singapore: Singapore University Press, 1970), 82. Regulation no 54 states that wealthy people should be generous to the poor.

⁸³ In 1957 there was resentment against the payment of *fitrah*, which was included in the Council of Muslim Religion Enactment. People pointed out the payment should be voluntary as it was part of *adat*. See M.G. Swift, *Malay Peasant Society in Jelebu* (London: Athlone, 1965), 93-4.

The general teaching on *fiqh* is probably also a factor in this absence. The regulation of *zakat* is always discussed as *fiqh* of the *ibadah* (ritual) framework together with purification of the body, prayers, fasting and pilgrimage, and not in the *mu'amala* (human interaction) section along with *waqf*, inheritance, commerce, and marriage. From the early period of Islam, Muslim jurists have stressed *zakat* as a personal religious ritual, not as a “secular” human interaction. *Zakat* regulation, such as on beneficiaries and management, only started to undergo major changes in the modern period. While most local legal digests probably adopted Islamic laws from *fiqh* of *mu'amala*, this may have prevented the inclusion of *zakat* regulation in the Malay digest.

Private giving of *zakat* has in fact strengthened the position of local *'ulama*. Most people gave their *zakat* to *'ulama* or local religious officials for further distribution because they did not know enough about *zakat*, such as how much they should pay, and to whom. *'Ulama* had a right to get a portion of *zakat* for their work. This mechanism might have worked with or without the involvement of the kingdom.

3. Information on *Zakat* in Other Kingdoms

Other information on the role of *zakat* in Islamic kingdoms comes from the eighteenth-century Sultanate of Banjar, in South Kalimantan. It was reported that Muhammad Arshad b. Abdullah Al-Banjary—Shaykh Al-Banjary—(1710-1812)⁸⁴ asked his teacher, Sulayman Al-Kurdi about the Sultan's religious policies, one of which was the imposition of taxes rather than *zakat*.⁸⁵ This policy was not due to religious laxity; in fact, the Sultan imposed fines on those not performing the Friday prayers.⁸⁶ The *zakat*-

⁸⁴ Al-Banjary is concerned with the correct application of *shari'a* precepts. Among the Al-Banjary reforms were the corrections of *qiblah* of several mosques in Batavia, the establishment of an educational centre in Banjar, and establishment an administration of justice in the Sultanate of Banjar. More about Al-Banjary see Azra, *The Origins of Islamic Reformism*, 109, and Karel Steenbrink, *Beberapa Aspek tentang Islam di Indonesia Abad ke-19* (Jakarta: Bulan Bintang, 1984), 91-100.

⁸⁵ Zafry Zamzam, *Syekh Muhammad Arsyad Al-Banjary sebagai Ulama Juru Da'wah dalam Sejarah Penyiaran Islam di Kalimantan Abad 13 H/18 M dan Pengaruhnya di Asia Tenggara*, 2nd ed. (Banjarmasin: Penerbit Karya, 1979), 7. This information was mentioned in a *fatwa* issued by Al-Kurdi, though Zamzam does not state precisely which one; perhaps the *fatwa* is contained in "Qurrat al-'ayn bi Fatawa 'Ulama Haramayn'."

⁸⁶ The Ninety Nine Laws of Perak also stipulate this fine when explaining law number twelve regarding “rules applicable to officers in charge of a *mukim*.” It says “if a man, after receiving notice, neglects to attend the Friday prayers, he should be fined half a *paha* of gold.” Rigby and Wilkinson, “The Ninety Nine Laws of Perak.”

taxes policy was seen on the same footing as the policy of Friday prayers, which was part of the orthodox mainstream. Therefore, imposing tax rather than *zakat* could not be interpreted as unorthodox or even as caused by secular thought. The sultan probably wanted to induce people who used to pay *zakat* privately to pay it to the state in order to increase the kingdom's income. He may have invoked the legal opinion that certain taxes were the same as *zakat*, an opinion that was used to support the levying of tax. Such an opinion was expressed by others, such as Abu al-Su'ud, Shaykh Islam in the sixteenth-century Ottoman Empire. He claimed that as long as there was a religious intention (*niyya*), the state tax levied on sheep was categorised as *zakat*. The Hanbalis and Imam Nawawi were among the classical jurists who supported this opinion.⁸⁷

Although theoretically Al-Banjary was in favour of state enforcement of the *zakat* payment, as stated in his *Sabil al-Muhtadin*, this work does not give much information about the actual practice of *zakat* in nineteenth-century Banjar, as it is a book on *fiqh*.⁸⁸ The substance of the book is not significantly different from Ar-Raniri's *Sirat Al-Mustaqim* in terms of the legal opinion of the Al-Shafii school. *Sabil Al-Muhtadin* only adds certain sub-chapters, gives a much more lengthy explanation in each sub-chapter, and systematises *Sirat Al-Mustaqim*.⁸⁹

The last attempt to find *zakat* regulation will examine the Javanese Islamic kingdoms. There is no evidence of state regulation on *zakat* or of any state role in *zakat* collection. Two early Javanese sources mention *zakat* in some places as an individual religious obligation with no relation to the state.⁹⁰

Even though the fifteenth century Islamic kingdoms were ruled by 'alim-sultan', there was still no evidence of state administration of *zakat*. Nor is there much evidence regarding the seventeenth century Islamic kingdom of Mataram, whose famous Sultan

⁸⁷ This opinion is found in Yusuf Qardhawi, *Fiqh Zakat*, Vol. 2, 1109.

⁸⁸ Shaykh Muhammad Arshad Al-Banjary, *Sabil al-Muhtadin li al-Tafaqquh fi amri al-Din* (Mekka: Al-Matba'ah al-Mirah: 1310/[1892]). The book is in the Malay language with Arabic script. As the book is a commentary (*sharh*) on *Sirat Al-Mustaqim* by Nuruddin Al-Raniri, the latter *kitab* is written in the outer edge of his book pages. The book was written in 1780 AD.

⁸⁹ For example, Al-Banjary adds to the chapter of *zakat* on merchandise to include *zakat* on mines (*ma'adin*) and treasure-trove (*rikaz*). Al-Banjary also changes the sequence of the explanation on beneficiaries of *zakat*, which is more common in other *fiqh* books.

⁹⁰ See for example, *An Early Javanese Code*, 17 on payment of *zakat*, and *The Admonitions*, 90-93 on *zakat* and giving *sedekah* in secret.

Agung (r. 1613-1646) was reportedly a pious sultan. According to Dutch emissaries, he used to attend Friday prayers, wore a *kuluk*, and was surrounded by Muslim advisers.⁹¹

The absence of *zakat* in Javanese legal texts probably reflects a separation between ‘public law’ and taxation matters. None of the Javanese legal books from the Mataram kingdom, such as *Undang-undang Mataram* (The Mataram Laws), *Surya-Alam*, *Nawala Pradata*, *Anger Ageng*, *Angger-Arubiru*, *Angger-Sedasa*, or *Angger Gunung*, mention anything about *zakat*.⁹² All of these texts come from the centre of the Islamic Mataram kingdom from around the seventeenth and eighteenth centuries. Even the Javanese legal book *Agama*⁹³ (Jav. religious doctrines), dating from the sixteenth century does not include provision on *zakat*. These Javanese legal texts only contain provisions regarding ‘public law’. There is a possibility that legal Javanese texts follow the legacy of a pre-Islamic tradition, which excludes the provision of tax. Tax and land charters were issued specifically to individuals or groups.⁹⁴ This exclusion is probably because those legal texts are based on non-Islamic precepts. I have found no case of a Javanese ruler imposing the implementation of Islamic rituals. It seems that the non-orthodox mainstream of Islam prevented such this kind of coerced Islamisation by the ruler in Java.

At this stage, we have a few examples of Islamic kingdoms which tried to manage *zakat* under the state. In the Aceh case, perhaps, this happened during the time of Sultan Alaudin, Sultan Iskandar Muda and Sultan Iskandar Thani. The two previous sultans were strong and concerned with Islamisation, whereas the latter was in favour of a literal interpretation of Islam.

Although there is no other evidence on how widely the practices of *zakat* and *fitrah* were implemented in Aceh, these practices were found everywhere in Aceh and other Muslim communities late in the nineteenth century, when the power of the Acehnese kingdom fell into the hands of local rulers (*uleebalangs*), leaving *zakat* in the hands of *’ulama*. While local rulers benefited from tax and *’ushr*, the local religious

⁹¹ Ricklefs, *Mystic Synthesis*, 71

⁹² See these legal books in the thesis of Raden Mas Dr. Mr. Soeripto, *Ontwikkelingsgang Der Vorstenlandsche Wetboeken* (Leiden: N.V Boek-en Steerdrunkkerij Eduard Idjo, n.d).

⁹³ See the text in M.C. Hoadley and M.B. Hooker, *An Introduction to Javanese Law A Translation of an Commentary on the Agama* (Arizona: The University of Arizona Press for the Association for Asian Studies, 1981), hereafter *Commentary on the Agama*.

⁹⁴ *Commentary on the Agama*, 26. Another book for consultation is M.B. Hooker, *A Concise Legal History of Southeast Asia* (Oxford: Clarendon Press, 1978).

functionaries known as *teungku*⁹⁵ benefited from *zakat* and *fitrah*, which were paid voluntarily.⁹⁶

This speculation is supported by reports from the nineteenth century that *zakat* and *fitrah* became an individual matter, whereas *'ushr* was not “religious” any more. Taxes that were previously levied by the kingdom were continued by the Dutch colonial government in the nineteenth century.⁹⁷ As I will show in the next chapter, the government did not deal with *zakat* matters, as *zakat* had become a voluntary practice like *sedekah*.

IV. *Sedekah* as a Complement to Local Charity

Royal charity featured more obviously in *sedekah* than in *zakat*, whether it was for religious purposes or not. Three Malay terms are used for giving and generosity, namely *derma*, *karunia* and *kurnia*, and *sedekah* itself. *Derma* means the same as *sedekah*, denoting material given such as food and money; *kurnia* means ‘blessing’, mostly denoting non-material gifts such as honour and increase in social rank. The term *sedekah*, which is the form of Islamic charity mentioned in the Qur’an, was used in all local writings in the Islamic kingdoms. This term was used more frequently than *derma* and *kurnia* in these local writings, whether Malay or Javanese ones.

Sedekah not only matched pre-Islamic practices of rulers giving to the poor (see above), but also practices of giving as a sign of royal power.⁹⁸ The donors of *sedekah* were mostly kings, members of the royal family, and rich people. Many kings in the *Hikayat Raja Pasai*,⁹⁹ *Bustan as-Salatin*, *Adat Raja-raja Melayu*,¹⁰⁰ and *Sejarah Melayu*

⁹⁵ *Teungku* is mostly used in Pidie and East Coast areas, while *teuku* is used in Aceh Besar. Both originate from the same word, *tuanku* (my lord). Snouck Hurgronje, *The Acehnese*, 70. *Teungku* is honorific title for those have achieved certain level of Islamic religious authority, whereas *teuku* is a hereditary title of old landed nobility.

⁹⁶ *Ibid.*, 73-5.

⁹⁷ For information on taxes in Aceh, see J. Kreemer, *Masalah Rodi, Penghasilan Kepala-kepala Daerah Kenegriian dan Hukum Tanah di Aceh*, trans. Aboe Bakar (Banda Aceh: Pusat Dokumentasi dan Informasi Aceh, 1978).

⁹⁸ See Milner, *Kerajaan*, 45-7.

⁹⁹ This *Hikayat* tells stories about the kings of Samudra-Pasai kingdoms of the thirteenth century. The work is written in Malay. These stories are almost the same as the stories about the Samudra-Pasai kingdoms mentioned in the *Sejarah Melayu*. I use *Hikayat Raja Pasai* edited by Russell Jones. His edition is based on Raffles’ manuscript which was copied in Jawi script in Demak in 1814. *Hikayat Raja Pasai*, ed. Russell Jones (Selangor: Fajar Bakri, 1997).

¹⁰⁰ Panuti H.M. Sudjiman, ed., *Adat Raja-raja Melayu* (Jakarta: Universitas Indonesia, 1982).

were described as generous, merciful, and bountiful, and were always praised for their gifts (*karunia*) and donations (*derma*). The recipients of their *sedekah* were the poor (*fakir*), the destitute (*miskin*), orphans (*yatim*),¹⁰¹ and functionaries of the royal administration.

Sedekah as practised by the royal family consisted of three kinds. The first kind was given during life-cycle festivities, namely birth, the hair-cutting ceremony, marriage, and death. This *sedekah* consisted of food and clothes, including jewellery, given to the poor. *Sedekah* on the occasion of the marriage of Sultan al-Malik al-Salih was given by the sultan himself to all *fakir* and *miskin*. For birth occasions, the *Hikayat Raja Pasai* tells a story about the wife of Sultan al-Malik Al-Salih who delivered a baby boy who later became Sultan Malik al-Tahir. The Sultan then organised big festivities (*perjamuan*) for seven days and nights prior to the day of *akikah*. “Then the Sultan provided charity (*derma*) and gifts (*kurnia*) to all of his ministries and generals and people big and small and all poor and indigent.”¹⁰²

Sedekah during street festivities comprised gold, silver, and jewels and was given by way of throwing gifts to the crowd.¹⁰³ *Sedekah* at the time of Sultan al-Malik al-Salih’s wedding ceremony was given as *karunia* to all generals and as *derma* to all the needy (*fakir-miskin*).¹⁰⁴ This *sedekah* was even given during royal funeral ceremonies. One of the great funeral ceremonies described by Ar-Raniri was that of Sultan Iskandar Thani ‘Alauddin Mughayat Syah, later called Marhum Darussalam (r. 1637-1640):

“Do make a procession for the King of Nishan Daru’s-Salam to the Daru’d-Dunia graveyard!” So donations of the Paduka Marhum (deceased king) were handed out; gold and silver, and several chunks of gold were thrown around, including rubies, diamonds, and dust gems (*pudi*) and other kinds of gems. Those who got them became prosperous.¹⁰⁵

¹⁰¹ These terms denote the recipients of *sedekah* mentioned in the Qur’an.

¹⁰² *Hikayat Raja Pasai*, 18-19.

¹⁰³ One example is Ar-Raniri’s observation regarding a festivity in the reign of Sultan Iskandar Thani described as follows: “At the festive parades in streets, donations were thrown about, among them was a lot of gold, silver, and jewels. So people were competing to get *sedekah* from the honorable king.” *Bustan as-Salatin*, 64.

¹⁰⁴ “Hence the king was married to Princess Genggang. After the ceremony, the king gave his *kurnia* to all of his ministers and gave gold and silver donations to all *fakir* and *miskin* of the Samudra country.....” Shellabear, *Sējarah Mēlayu*, 56.

¹⁰⁵ *Bustan as-Salatin*, 69.

Donations at funerals consisted of precious gold and silver materials which were thrown at the crowd. The donations were regarded as important because it was the last opportunity for the deceased person to perform acts of charity. Another possibility is that the belongings of the deceased person were given away in order that other people would remember the deceased, and to help the family members to forget their sadness. These donations were given on behalf of the deceased person and, in the above case, were distributed by his wife Seri Sultan Tajul 'Alam Safiatuddin Syah who managed the funeral ceremonies. This kind of donation is a custom in Malay societies in North Sumatra up to the present day. The value of donations depends on the social and economic status of the deceased's family.

The second type of *sedekah* was personal religious giving by the king. The most popular kind was a *sedekah* every time the king went to perform the Friday prayers. This kind of *sedekah* was practised by several sultans, including Al-Malik Al-Zahir of Samudra Pasai, and Sultan Iskandar Muda.¹⁰⁶ No further description is found of this Friday *sedekah*. Surprisingly, *Adat Aceh* does not mention this *sedekah* when describing the king's custom of going to Friday prayer.¹⁰⁷ Going to Friday prayer is a ceremony that shows the king's dignity, religiosity, and generosity.

The third type of *sedekah* was giving food. This occurred during many kinds of events, especially in feasts (*perjamuan*) where rulers invited their fellow citizens. Food charity was a kind of expression of the ruler's solidarity his subjects in times of great celebration¹⁰⁸ or difficulty. To some extent, this charity was used as a symbol of the ruler's interest in his/her subjects in order to win their loyalty. This food charity is a tradition that has survived up to the present day, especially during Ramadan and *'Id al-Fitr* celebrations. Among ordinary people, this food generosity seems to reflect solidarity rather than a patron-client relation.

Another kind of giving, namely gifts between kings, was a universal custom. There were many accounts of this kind of giving between royal families, courts, and kingdoms. These gifts were called presents (*hadiah*), and most of the time they were

¹⁰⁶ *Bustan as-Salatin*, 36.

¹⁰⁷ See *Adat Aceh*, 64-67.

¹⁰⁸ Shellabear, *Séjarah Mělayu*, 57, *Hikayat Raja Pasai*, 22, 25. *Hikayat Raja Pasai* uses *perjamuan* for many occasions, including life-cycle celebrations and celebrations of war triumphs.

given between rulers for their political symbolism. As they were an exchange of gifts among the rich, with few implications for charity, this section does not discuss them.¹⁰⁹

All the above describes the practice of *sedekah* in the early period of Islam in the archipelago. Although this picture describes the court, it may to some extent represent the way *sedekah* was practised by ordinary people. The practice of *sedekah* is given more religious meaning than the practice of *derma* or *kurnia*. In this regard, Islamic charity has been added to and combined with existing local practices of charity in Indonesian Muslim communities.

Sedekah was clearly seen as a leading form of royal charity. Unlike other Islamic kingdoms that use *waqf*, rulers in the archipelago made use of *sedekah* in order to win loyalty from their people. Therefore there were shows of generosity and welfare for certain events including funerals in order to hold public celebrations where food, drinks, clothes, and jewellery were provided generously to the people. Charity was clearly used also for strengthening patron-client relationships between the rulers and their clients such as generals, ministers and servants.¹¹⁰ Food charity became a tradition encouraged by both the Islamic teaching of *sedekah* and the patron-client system. In addition, food charity, including incorporation of food into ritual celebrations was very significant as mutual assistance in the economy of the archipelago.

V. Mosques and the *Waqf* Tradition

Zakat and *sedekah* documents and evidence on *waqf* are very limited if not absent. There is no document depicting how *waqf* operated in the thirteenth to eighteenth centuries. This is not surprising because the tradition of keeping and recording *waqf* documents in Indonesia to date is poor.¹¹¹ This section questions why *waqf* was not popular compared to *zakat* and *sedekah* practices.

¹⁰⁹ For example, *Tuhfat al-Nafis* (The Precious Gift), explains that Raja Ahmad of Riau went to perform the *hajj* in 1828 together with ten other people at a cost of 14,000 dollars. 10,000 dollars of these were supplied by his sister Engku Puteri. Raja Ali Haji Ibn Ahmad, *The Precious Gift (Tuhfat al-Nafis)*, annot. and trans. Virginia Matheson and Barbara Watson Andaya (Kuala Lumpur: Melbourne, 1982), 248. Hereafter it will be called *Tuhfa Al-Nafis*.

¹¹⁰ The importance of food charity has been discussed by Miriam Hoexter, *Endowments, Rulers and Community Waqf al-Haramayn in Ottoman Algiers* (Leiden: Brill, 1998), 157.

¹¹¹ Since the majority of *waqf* property is non-productive land, there is less expectation to find detailed *waqf* documents that mention its beneficiaries, profits, and management. According to data of the

The term *waqf* is rarely mentioned in local writings or in foreign travellers' writings before the nineteenth century. Among Malay legal books, only the *Pahang Laws* mention regulations about *waqf*, namely regulation no 42 on gifts.¹¹² Among the few *waqf* instances mentioned in local writings are *waqf* of books, ships, wells, and hostels, but not mosques. However, those writings point to the presence of mosques, the most significant object of *waqf*, or the main usage of *waqf* estates. From the earliest stages of Islamic kingdoms, mosques were established as symbols of these kingdoms.

Most local sources show that mosques were established by two groups, namely rulers and religious leaders, and sometimes by a combination of both. *Bustan as-Salatin* and *Hikayat Aceh* mention that the sultan not only built a great mosque in the centre of his kingdom, but also established about a hundred others in regional Aceh.¹¹³ The tradition of having a great mosque in the capital continued for several centuries, in almost all Islamic kingdoms. Moreover, in the Islamic kingdoms of Java, there was the cosmological concept that the main mosque should be established in one of the four sides of the great square to the north of the royal palace.¹¹⁴ Some of these mosques still exist today, for example in Banten, Cirebon, and Yogyakarta.

Local rulers also played a great role in establishing mosques. Tome Pires mentions that the Muslim *pates* (patih, or local rulers) of the northern coast of Java established mosques which attracted *mullah*.¹¹⁵ Although only a few mosques are mentioned in the political history of Islamic courts in Java,¹¹⁶ almost all Islamic courts of fifteenth and sixteenth-century Java must have had them. Most of these courts, including Demak, Pati, Kudus, Jepara, Cirebon, Banten, Jipang, Tuban, Gresik-Giri, Surabaya, Madura, Pasuruan, and Pajang, were led by a sovereign who was a religious

Department of Religious Affairs, the majority of *waqf* (land) in Indonesia is unregistered and uncertified as *waqf* land. Daftar wakaf di Indonesia tahun 2004, data provided by the Directorate Waqf of the Department of Religious Affairs, 2005.

¹¹² It states as follows: "A *wakaf* endowment may consist of crops or immovable goods of permanent use, and the usufruct may belong to children and grandchildren alive and born afterwards; nor it is to be confined to one individual but belongs to all." See Kempe and Winstedt, *Malay Legal Digest of Pahang*, 10.

¹¹³ *Hikayat Atjeh*, 166. See the quotation of *Bustan as-Salatin*, p. 72.

¹¹⁴ However there are exceptions such as the Kartasura royal palace. The Kauman, the residence of religious officials that was usually placed close to the main mosque, was to the Southeast of the royal palace, and it is not clear where the main mosque was located. See M.C. Ricklefs, *War, Culture and Economy in Java, 1677-1726: Asian and European Imperialism in the early Kartasura period* (Sydney: Asian Studies Association of Australia in association with Allen & Unwin, 1993), 405.

¹¹⁵ Cortesão, *The Suma Oriental of Tome Pires*, vol I, 182.

¹¹⁶ H.J. De Graaf and Th. G. Th. Pigeaud, *De Eerste Moslimse Vorstendommen op Java. Studien over de Staatkundige Geschiedenis van de 15de en 16de Eeuw* ('s-gravenhage: Martinus Nijhoff, 1974).

leader; some courts were also regarded as centres of Islamic studies, such as Demak and Giri. The other group to establish mosques was religious leaders. The great mosque in Demak was established by the *walis* of Java.¹¹⁷ As Islam spread to local areas, local rulers and religious leaders became the main builders of mosques.

However, one important thing recorded in these accounts is the role of Muslim societies which established their own village mosques voluntarily. The ruler established mosques, but probably their number was limited to the big cities. The majority of mosques in Muslim communities were most likely established by Muslim villagers through *waqf* endowments, communal donations and voluntary work. This is the tradition that survives today. Milner cites few travel accounts which mention that a mosque was built voluntarily whenever a Muslim village was formed.¹¹⁸ The account shows that mosques functioned as public space. They were established by the village community to be used at least for communal prayers and religious teaching. Although this account refers to the Sumatran area of the nineteenth century, presumably this was a custom that continued from the previous centuries.¹¹⁹

It is difficult to determine the number of mosques and other *waqf* properties in the archipelago, even in Java, during the rule of Islamic kingdoms. A historical study of *waqf* by Rachmat Djatnika found that in East Java the number of *waqfs* increased by the expansion of Islamisation and the political situation. In sixteenth-century East Java, there were six registered *waqfs*, five of them were mosques or mosques with cemeteries and one of them was a cemetery. In the seventeenth century, the number increased by seven, in the eighteenth century it increased by 66 and in the nineteenth century by 303.¹²⁰ As these figures refer only to registered *waqf* estates, it is not surprising that they seem very low and at odds with the expansion of Islam in the area, especially in reference to the travel account cited by Milner above. Even today the number of unregistered *waqf* estates remains large. Neither oral history nor official records written by the Dutch officials count all mosques as *waqf* other than those which are clearly

¹¹⁷ Ibid., 30.

¹¹⁸ Milner, *Kerajaan*, 6.

¹¹⁹ It was also a custom in Javanese villages in the nineteenth century. See Chapter Four, section five.

¹²⁰ Rachmad Djatnika, "Les Biens De Mainmorte (Wakaf) A Java-Est" (PhD diss., École des Hautes Études et Sciences Sociales Paris, 1982), 77-108.

stated as *waqf* mosques.¹²¹ People might have been automatically aware of the *waqf* status of mosques without needing to qualify them explicitly with the term “*waqf*”. Perhaps this is a reason for the rare occurrence of the term in local sources.

Mosques were the main *waqf* from the thirteenth to the sixteenth centuries, the early stage of Islam in the archipelago. Other kinds of *waqf* existed, but not far beyond land (for mosques and religious schools), irrigated lands, cemeteries, and trees. Djatnika’s study shows that *waqf* of irrigated lands (*sawah*)—from which revenues were given for mosques and religious schools)—existed in East Java from the eighteenth century. From time to time, the percentage of irrigated lands was very small.¹²² This condition is very different from the development of the institution of *waqf* in Egypt and other countries in the same century, as outlined in Chapter Two. Only in the eighteenth and nineteenth centuries did *waqf* of hostels start to exist, endowed by rulers from different regions of the archipelago. These endowments were not in Indonesia but in the holy cities of Mecca and Medina.¹²³ The ruler of Riau, Raja Ahmad, endowed four *waqfs*: one was a hostel in Medina for the descendants of Muhammad bin ‘Abd al-Karim al-Samman (who became famous as Shaykh al-Samman, 1718-75); two were houses in Mecca which were supervised by Shafi’i Mufti; and one was a piece of land in Mina for the establishment of a hostel.¹²⁴

There were other rulers who established *waqf* institutions. Snouck Hurgronje, in his work *Mecca*¹²⁵ portrayed these *waqfs* as endowments that benefited the so-called Jawa community, immigrants and students who resided in the holy cities. These rulers not only endowed the establishment of these *waqfs* but also the maintenance of the buildings. All of the *waqfs* were dormitories mostly for “the guests of God” coming from different regions of Indonesia to perform the *hajj*. Snouck Hurgronje mentions other *waqf* hostels or dormitories, which were named after the region for which they were given. Famous dormitories included those for Acehnese, Bantenese, and for people from Pontianak, which)—as in the case of Riau—were based on *waqf* from sultans of

¹²¹ Djatnika uses three sources: data from the Office of Religious Affairs of East Java province, Offices of Sub-Districts (*kecamatan*), and resources from the heads of villages. Ibid.

¹²² Ibid., 309-326.

¹²³ It is important to note that both *Sirat al-Mustaqim* dan *Sabil al-Muhtadin* mention that among the best *sedekah sunnah* (recommended giving) are donations in good places, such as Mecca and Medina.

¹²⁴ *Tuhfa al-Nafis*, 251.

¹²⁵ C. Snouck Hurgronje, *Mecca in the Latter Part of the 19th Century. Daily Life, Customs and Learning the Moslems of the East-Indian-Archipelago*, translated by J.H. Monahan (Leiden: Brill, 1931), 255

these respective regions. In 1879 Hamengkubuwana VII also had such accommodation built in Mecca.¹²⁶ Some of the *waqf* dormitories were established with donations from shaykhs who assisted Indonesian Muslims to perform the *hajj*.¹²⁷

Another kind of *waqf* found in the Indonesian archipelago was that of books and ships. The *Sajarah Banten* describes Sultan Maulana Muhammad (son of Sultan Maulana Yusuf) endowing *waqf* books during his reign.¹²⁸ In one version of *Taj al-Salatin*, the copier wrote that the book was a *waqf* given to a king.¹²⁹ *Sajarah Banten* mentions the *waqf* of ships in a story about a delegation from Banten which went to Mecca on a ship given as *waqf* by Sultan Akbar.¹³⁰ This ship was most likely the *Ilahi* ship which was specifically contributed by the Mughal Sultan Akbar (r. 1556-1605) to serve the official pilgrimage caravan each year to Mecca from 1576 onwards.¹³¹ Although this story had no close relation to the *waqf* in Banten, the Bantenese were supposed to learn about *waqf* from this contact. The same possibility relates to the Sultan of Banten's endowment of a dormitory in Mecca. The *waqf* books mentioned above may have become known through contacts with Mughals and more significantly with the Ottoman Empire in the sixteenth century. The Ottoman Empire was well advanced in the practice of *waqf*.

Unfortunately, all of this information mainly deals with the "high" tradition of *waqf* among rulers. In the case of *waqf*, however, there is a strong possibility that this "high" tradition also represents the "low" tradition, because *waqf* is generally free from the interference of government or state, although it is not free from state interest. It can

¹²⁶ M.C. Ricklefs, *Polarising Javanese society: Islamic and other visions, 1830-1930* (NUS Press, the University of Hawai'i Press and KITLV, Leiden, 1995), 69.

¹²⁷ Snouck Hurgronje, *Mecca*, 255. Snouck Hurgronje also mentions a Jawi of Acehnese origin who was about to leave for Aceh in 1890 for fundraising for the establishment of *waqf* in Mecca. Cited from Nico Kaptein, *The Muhimmat Al-Nafa'is: A Bilingual Meccan Fatwa Collection for Indonesian Muslims from the End of the Nineteenth Century* (Jakarta: INIS, 1997), 10-11.

¹²⁸ Hosein Djajadiningrat, *Tinjauan Kritis tentang Sajarah Banten, Sumbangan bagi pengenalan Sifat-sifat Penulisan Sejarah Jawa* (Penerbit Djambatan and KITLV, 1983), 39.

¹²⁹ This sentence appears only in the version found in Batavia in the Javanese translation of the manuscript. *Taj al-Salatin*, p. xii.

¹³⁰ *Sajarah Banten*, 39.

¹³¹ After the Mughals' conquest of sultanate of Gujarat in 1574, there was direct access from West coast port of Surat to Jeddah. The Sultan not only financially supported this official pilgrimage each year, but also sent large sum of charity. One of his charities that I suggest is typical of Ottoman tradition is the use of *waqf* as part of the politics of colonisation. The sultan enlarged the *waqf* established by the last sultan of Gujarat in several coastal villages from which the revenues were sent as donations to Mecca and Medina. See John F. Richards, *The Mughal Empire*, 31. However, the donations from the sultan Akbar was then stopped by order of the Ottoman sultan who was not happy with Akbar's religious policies, which included abolishing public prayer and the call for prayers (*azan*). See Farooqi, *Mughal-Ottoman Relations*, p19-20.

be deduced that *waqf* in Indonesia was not as well developed as in other centres of the Islamic world. Although mosques were probably abundant in number, their establishment was mainly through communal voluntary work and donations called *gotong royong* (working together), which were erected on communal lands belonging to villages or *waqf* lands. In addition, the nature of *waqf* establishments indicates social and religious purposes. To support these premises, I will give more available data on *waqf* in the nineteenth century in Chapter Four.

VI. Conclusion

Islamic philanthropy was introduced to the Indonesian archipelago at the same time as Islam. It became stronger as the influence of Islam increased. *Zakat*, *sedekah* and *waqf* were practised and used not only as a religious obligation but also for political ends. *Zakat*, in particular, was practised as a religious tax levied by the state (and became a “non-religious” tax) as well as a voluntary charity done by Muslims without involving the state. These practices were not different from other parts of the Islamic world.

Rulers with an orthodox orientation tended to use *zakat* institution as a state involvement to force Islamisation on its subjects. The majority of rulers, however, did not impose *zakat* as a state regulation but rather left it to be practised voluntarily. There was a case in the Sultanate of Banjar where the ruler imposed tax rather than *zakat* in order to get more state revenue. In many circumstances, however, *zakat* was encouraged.

Pious rulers who paid *zakat* and *fitrah* and who endowed *waqf* encouraged the practice of Islamic philanthropy in the archipelago. State collection did not obliterate the private giving of *zakat* and *fitrah*. Islamic philanthropy was practised by Muslim communities in private, rather than as an obligation to the state.

CHAPTER FOUR

ISLAMIC PHILANTHROPY IN THE COLONIAL PERIOD

I. Introduction

This chapter discusses Islamic charitable practices developed in the nineteenth century, before the influence of Islamic Modernism, with minor exceptions.¹ It questions how Islamic philanthropy was practised under non-Muslim rulers who exercised a secular policy of non-interference with regard to religion.

It will show two striking features of Indonesian philanthropic practices in this period: their attachment to Islamic institutions and the fact that they were observed widely. These practices were the continuation of earlier ones developed before the nineteenth century. This chapter shows the process of detachment of Islamic philanthropic practices, especially *zakat*, from sovereign administration to become voluntarily practised by civil society.

This chapter will show that the strong development of Islamic philanthropy took its full course in the nineteenth century, due to the waning Muslim sovereigns, the rise of *'ulama* as an institution, and endorsement by the Dutch administration. Under the powerful Dutch colonial administration, practices of philanthropy became fully private matters. While most development of Islamic philanthropy succeeded because of weak governance, this period presents a different phenomenon: the development succeeded because the strong Dutch government employed a separation between religion and the state matters and a high level of secularisation. This was not only because of its tradition, but also a pragmatical reason, as the majority of Indonesian population was Muslim who did not want their non-Muslim ruler to tell them about their religion. This circumstance provided significant sphere for the growth of Islamic philanthropic activities. Under the governance of the Dutch, the *'ulama* became prominent community leaders who developed *pesantrens* (Islamic boarding schools) and mosques as centres of Muslim religious and social activities. This chapter will show that both *pesantrens* and mosques were evidence of rising civil society and benefited education and social welfare. Apart from the role of *fiqh* and *'ulama*, the Dutch government's role

¹ A case study of Pesantren Berjan will also discuss post-colonial and independence developments, as the *pesantren* is still operating to date.

was also apparent in maintaining philanthropy as private matters due to its general policy of non-interference—though not completely—with regard to religion. This policy indirectly allowed the empowerment of civil society through philanthropy as it benefited education and social activities.

Knowledge of the practice of Islamic philanthropy during this period comes from local works and documents, studies by Dutch colonial officials, and oral history. Outstanding observations about philanthropy in the last quarter of the nineteenth century were made by C. Snouck Hurgronje (1857-1936), an adviser on Native and Muslim affairs for the Dutch Colonial Government,² through his reports, letters, and other writings.³ More observations can be found in official documents from later officials of the Office of Native and Muslim Affairs. Additional information comes from *fatwas* and newspapers.

Islamic philanthropy expanded much due to the more frequent exchanges of Indonesian Muslims with the wider Islamic world and to the growth of the Dutch administration. These processes brought about stronger waves of Islamisation, as can be seen in the practices of *zakat*, *sedekah*, and *waqf*.

The ways in which charitable activities were privatised and institutionalised amid the rapid political changes are discussed in the first section of this chapter. I show that the *fiqh* (jurisprudence) on philanthropy and the role of the *'ulama* helped the formation of civic centres as community philanthropy, independent from the government. The second section shows the contestation between the ruler and the people in *zakat* matters. There was a movement to stop local rulers and chiefs from using and abusing *zakat* and *fitrah* funds. The third and fourth sections deal with *sedekah* and *waqf* that provided strong support for the establishment and continuation of *pesantren* (Islamic boarding schools) and mosques. As they are self-supporting, *pesantren* demonstrate a high level of independency from the state. The discussion on the philanthropic tradition of *pesantren* is illustrated with the example of Pondok

² Snouck Hurgronje headed this office from 1899 to 1906.

³ Snouck Hurgronje's accounts of Islamic philanthropy can be found in several of his works. The most important ones are in a collection of his letters published in *Nasihah-Nasihah C. Snouck Hurgronje Semasa Kepegawaiannya kepada Pemerintah Hindia Belanda 1889-1936*, vol 1-11. (Jakarta: INIS, 1991-1995). On *zakat* see *Nasihah-Nasihah*, vol 7, 1323-1379; on *waqf*, vol 5, 903-913; mosque funds, vol 5, 853-878; on *perdikan*, vol. 5, 771-784; and about *penghulu* and mosque officials see vol. 5, 815-852. The books are translated from the Dutch version entitled *The Ambtelijke Adviezen van Snouck Hurgronje*, collected and edited by E. Gobe and C. Adriaanse. The digital version of the book has been published online by the Instituut voor Nederlandse Geschiedenis in <http://www.inghist.nl/retroboeken/snouck/>

Berdjan, a *pesantren* that was established in the nineteenth century and has survived to date (*pondok* meaning accommodation for *santri*). The last section provides the case of mosque funds, which shows contestation between the government and the people. The chapter ends with a conclusion.

II. *Fiqh* and 'Ulama: Strengthening Islamic Philanthropy as Private Matters

Practices of philanthropy are based on a certain understanding and knowledge that is preserved by two institutions, 'ulama and *fiqh* (Islamic law) books. The continuation, if not affirmation, of Islamic philanthropic practices has been based on their persuasive support. The role of the 'ulama, along with their function in *zakat* collection and distribution and their right to obtain a part of *zakat* money, is to emphasise Islamic teachings. The teachings of 'ulama, including on philanthropic practices, have been written down in *fiqh* books, and these have been used as a resource for the implementation of Islamic *shari'a*. In Indonesian Islam, where orthodoxy has gained ground, studies and knowledge on *fiqh* are in high demand. Muslims regard the 'ulama and *kyais* as knowledgeable in all legal aspects of Islamic ritual, and therefore as authorities on *fiqh*. The more advanced the knowledge of 'ulama on *fiqh* matters, the more respected they are among their *santris* (pupils of *pesantrens*) and communities.

In the nineteenth century, it seems that *fiqh* was the most learned subject in *pesantren* and other institutions of religious learning.⁴ An inventory of books used in *pesantren* recorded by L.W.C Van den Berg in 1886⁵ shows the circulation of a wide range of *fiqh* books⁶ overshadowing the number of works on Arabic grammar and mysticism. The majority of the *fiqh* books mentioned by Van den Berg are still being used at present, as can be seen in another inventory by Martin van Bruinessen.⁷ These were mostly elementary books belonging to the Shafi'i School of law. Along with works by Middle Eastern scholars, there were plenty of works by Indonesian scholars.

⁴ Karel A. Steenbrink, *Beberapa Aspek Tentang Islam Di Indonesia Abad ke-19*, Jakarta: Bulan Bintang, 1984.p. 153-8.

⁵ L.W.C. van den Berg, "Het Mohammedaansche Godsdienstonderwijs op Java en Madoera en de daarbij gebruikte Arabische boeken," *TBG* 31 (1886) 518-555.

⁶ Among the popular *fiqh* books studied were *Tuhfah* [*Tuhfat al-Muhtaj*], the *Safinat al-Najaa*, *Minhaj at-Talibin*, *Fath al-Qarib*, *Fath al-Mu'in*, *Fath al-Wahhab*, and the *Majmu.*' Cf. Steenbrink, *Beberapa Aspek*, 154-6, and Van den Berg, "Het Mohammedaansche Godsdienstonderwijs."

⁷ Martin van Bruinessen, *Kitab Kuning: Pesantren dan Tarekat: Tradisi-tradisi Islam di Indonesia* (Bandung: Mizan, 1995).

Almost all of the great *'ulama* of the seventeenth, eighteenth and nineteenth centuries wrote books on *fiqh*.⁸ The first *fiqh* book written in Malay was *Sirat al-Mustaqim* written by Nuruddin Ar-Raniri during his stay in Aceh.⁹ It was later printed in one book together with *Shaykh* Arsyad Al-Banjary's *Sabil al-Muhtadin*.

The importance of *fiqh* education in the Malay world seems to indicate an effort to apply Islamic principles correctly. As a consequence, this *fiqh* culture had two main consequences for philanthropy, namely the prevalence of *zakat* over *waqf* and the empowerment of the *'ulama*.

The prevalence of *zakat* can be clearly seen in the standard *fiqh* books that circulate widely in Indonesia. In these books (as in many others), *zakat* implementation occupies an important position, but *waqf* does not. The chapter on *zakat* is placed after the chapter on prayers, but a chapter on *waqf* is missing because the standard books stop at the chapter on pilgrimage. The order of the standard *fiqh* books goes from purification (*taharah*), to prayers (*salat*), almsgiving (*zakat*), fasting (*siyam*), and pilgrimage (*hajj*). *Sirat al-Mustaqim* puts a strong emphasis on these five subjects and less emphasis on additional subjects such as marriage and animal sacrifice.¹⁰ The *Safinat al-Najaa*, a standard *fiqh* book which is popular in the *pesantren* milieu, does not have a chapter on *waqf*. A few standard *fiqh* books only give brief descriptions of *waqf*, while some do not mention it at all. This may be because *waqf* was considered to be only recommended, and not one of the obligatory deeds mentioned in the Islamic principles. The position of the *zakat* chapter, which is after the prayer chapter, shows the importance of *zakat* as the third or the fourth principle of Islam. Few comprehensive *fiqh* books have a chapter on *waqf*. The *Bidayat al-Mujtahid* by Ibn Rushd in three volumes has entire chapters on *zakat* and *fitrah*. However, it again does not have a chapter on *waqf*. A brief discussion of *waqf* is given in the chapter on *zakat*.¹¹

In addition to this focus on *fiqh* books, the content of the *fiqh* books must also have influenced the practice of *zakat* and of *waqf*. In fact, Shafi'i's *fiqh* is quite strict

⁸ Azyumardi Azra, *The Origins of Islamic Reformism in Southeast Asia. Networks of Malay-Indonesian and Middle Eastern 'Ulama' in the Seventeenth and Eighteenth Centuries*, ASAA Southeast Asia Publication series (Honolulu: University of Hawai'i Press, 2004).

⁹ Nuruddin Ar-Raniri, *Sirata l-Mustaqim*, ed. Abu Hanifah (Jakarta: Pusat Pembinaan dan Pengembangan Bahasa Departemen Pendidikan dan Kebudayaan, 1992).

¹⁰ See Ar-Raniri, *Sirata l-Mustaqim*.

¹¹ Abu al-Walid Muhammad ibn Ahmad ibn Muhammad ibn Ahmad ibn Rushd al-Qurtubi al-Andalusi, *Sharh Bidayat al-Mujtahid wa'l-Nihayat al-Muqtasid*, sharh wa-tahqiq wa-takhrij 'Abd Allah al-'Abbadi, (Cairo: Dar al-Salam, 1995).

compared to other schools, such as in allowing the re-establishment of the *waqf*, the practice of cash *waqf*, and the payment of *fitrah* through foodstuffs. In all standard books *zakat* was clearly described as an obligation without giving more detailed discourses and cases. The books obviously mention the obligation to fulfil *zakat* and negative consequences when the law is broken. *Sirat al-Mustaqim* states, for example, “whoever refuses its compulsory aspect becomes an unbeliever (*kafir*).” “There is an obligation to fight whoever refrains from paying *zakat* and it is taken by force.”¹² It is no wonder that the payment of *zakat* was practised by almost all Muslims in Indonesia, as the people’s understanding of Islam was strongly based on the teaching of *fiqh*.

Jurist opinions that are written in *fiqh* books, however, are for guidance only, and do not have legal power except when they are used or legalised by the ruler. In fact, the regulations on state-*zakat* management are not clearly emphasised in those books either. Therefore, as shown in the previous chapter, the Aceh sultanate was probably the only one among many other “pious” rulers and Islamic kingdoms to have emphasised the *zakat* regulation.

The second effect of the importance of the *fiqh* was the empowerment of the *’ulama* who were the transmitters and source of the *fiqh* culture. In *zakat* matters, the *’ulama* were the source of knowledge on matters such as how much *zakat* people should pay, when *zakat* should be given, and to whom it should be distributed. The need for *fiqh* learning, which was part of Islamisation, probably empowered the position of local and village *’ulama* in addition to a sovereign *’ulama* who would be selected by the ruler. A village had at least one religious person (*’alim*) who dealt with religious matters such as educating children, leading prayers, mosque maintenance, and funeral supports.

Apart from *fiqh* culture, the influence of *’ulama* as local leaders probably existed from the early period of the coming of Islam. The growth of independent local or village *’ulama* probably became stronger with the waning of the Islamic kingdom and the disappearance of the *shaykh* Islam or sovereign judge (*qadi*), who were later replaced by local *penghulu*. There were many kinds of local or village religious teachers and functionaries who were given different titles, such as *kyai*, *teungku*, *kayim*, and *modin*, who dealt with one of many religious matters. These local *’ulama* lived from voluntary payments made by the people, including *zakat* and *fitrah*. Through this process, the

¹² Ar-Raniri, *Sirata l-Mustaqim*, 161.

practice of philanthropy led to the empowerment of local *'ulama*. The next chapter will show how *zakat* and *fitrah* were given as “salaries” to those local *'ulama*.

III. Contesting the Use of *Zakat*: The Ruler and the People

This section focuses on *zakat*, the management of which was contested by rulers and the people, and the process of *zakat* becoming a private voluntary practice. Ordinary people and civil society presumably wanted to have freedom in the payment of *zakat*, while local rulers would mostly have wanted to use it for their benefit, such as the establishment of mosques and public buildings, the payment of religious officials, and their own income. This section will discuss: the voluntary payment of *zakat* and *fitrah*; the local rulers' exploitation of *zakat*; and the effort of the government to avoid the misuse of *zakat* money by its offices. All of these generally suggest that *zakat* and *fitrah* were practised as voluntary giving.

Among abundant local sources found in the nineteenth century, such as *Serat Centini*,¹³ and *Babad Tanah Jawi* (the history of the land of Java),¹⁴ many indicate that both *zakat* the *fitrah* were regarded as individual obligations of Muslims. They were given voluntarily to the poor or to religious persons, and there is no mention of whether they were obligations imposed by the state or rulers (as state tax). In contrast to *sedekah*, which could cover any kind of giving,¹⁵ *gotong royong*,¹⁶ and ritual or religious gatherings (*selamatan*),¹⁷ *zakat* followed basic regulations. *Zakat* was strongly

¹³ The work is in Javanese and originally written in Javanese script. It was written at the instruction of Pangeran Adipati Anom, who later became king of Surakarta with the title of Sunan Pakubuwana V (r. 1820-1823). *Serat Centini* tells a story about the travel escape of Sunan Giri's son and daughter when Sultan Agung of Mataram overthrew their kingdom. The book records stories, legends, traditions and culture of the people of Java. See M.C. Ricklefs, *Mystic Synthesis*, 195. I have used two versions of *Serat Centini*, the version of Kamajaya (1986) and Soeradipura (1912).

¹⁴ *Babad Tanah Jawi* is in Javanese and the surviving versions are no older than the eighteenth century. I have used the version of Balai Pustaka, Batavia, 1836.

¹⁵ The general meaning of *sedekah* is mentioned in *Serat Centini* (Soeradipura) canto 38 stanza 158, p 1/166, Canto 48 stanza 121, p.3/12, Canto 183 stanza 3, p. 5/197. *Serat Centini* Kamajaya Canto 302 stanza 3-4, p.4/202 states that *sedekah* is an act of goodness which will be taken into account in the hereafter even for unbelievers. *Sedekah jariah* is mentioned in *Centini Soeradipoera* Canto 67 stanza 7, p.3/139. An example of food *sedekah* is mentioned in *Serat Centini* Kamajaya canto 34 stanza 54, p.1/110 as follows. “If I give *sedekah* to the poor and needy who find it hard to get food to eat, they come here, they take as they please. I only take some rice to use for re-planting. That's how it goes, and that's why I cannot donate a ten cent coin.”

¹⁶ *Serat Centini* Kamajaya, canto 7 stanza 76.

¹⁷ These were held to pray for certain aims, such as at birth and funeral occasions, where food is given generously. It also involved ritual offerings where food is given for the spirits of ancestors for the sake of the welfare of the community. See *Babad Giyanti* canto 117 stanza 8, p. 12/76. *Babad Tanah Jawi*, canto

associated with the observation of the five Islamic Principles, and was usually described as the third principle, after the pronouncement of faith (*shahada*) and prayers (*salat*).¹⁸ A rather formal and standard understanding of *zakat* and *fitriah* is found in the *Serat Centini*, for example, an encyclopedia of Javanese culture written in around 1815. It notes that “*zakat* is paid once every year if it can be afforded”, whereas “*fitriah* is paid each Hari Raya [*‘Id al-Fitr*].”¹⁹ The *Serat Centini* explains furthermore:

Thirdly, it is compulsory to pay *zakat*, namely
to give *sedekah* to the very poor,
fitriah and also *zakat*
according to the following calculation (*hisab*)
If ons gold weights one *tahil*²⁰
zakat is calculated at
four *seka*²¹
This becomes a purifier of what have been earned,
as pure as what has been worn being offered
no one will be concerned²²

Zakat was understood as a means for purification of wealth and *fitriah* was understood as a *zakat* of the body or poll tax; its fulfilment was obligatory.²³ *Zakat* was understood to be given directly to the poor and the needy,²⁴ and so was *fitriah*, of which *santri* (religious pupils) were the common beneficiaries.²⁵ It seems that what *Serat Centini* writes is an idealised version of the teaching of *zakat* and *fitriah* which probably came from the *santri* circle. This contradicts with the practice (as will be shown later) where *zakat* and *fitriah* were mostly given to village clerics, rather than the poor.

39 stanza 55, p.5/74 line 55 and canto 161 stanza 14, p. 22/29. For *sedekah selamatan* or *kenduri* see Centini Soeradipoera Canto 67 stanza 14, p.3/139, Canto 69 stanza 7, p.3/152 and Centini kamajaya canto 388 stanza 7, p.7/166.

¹⁸ Cf. *Serat Centini* (Soeradipura), chapter three, pages 58, line 136. *Serat Centini Kamajaya*, chapter 4/234 line 33, chapter 7/31 line 136. In some exceptional cases *zakat* was listed as the fourth principle of Islam, as mentioned in the *Serat Centini* (Kamajaya) chapter 11/40 line 47.

¹⁹ *Serat Centini* (Kamajaya), Canto 66 stanza 14. (p.1/235).

²⁰ One *tahil* is about 38.601 gram.

²¹ Seka is ¼ real or ½ jompel, or 10 gulden. The word *sekèku* originates from word “*uku*”; see Gericke & Roorda, *Javanese – Nederlandsch Handwoordenboek*, I, 67, 1901.

²² *Serat Centini Kamajaya*, canto 376 stanza 139, pp 7/31.

²³ *Serat Centini Kamajaya*, chapter 3/26 and 12/269.

²⁴ *Serat Centini Kamajaya*, Canto 233 stanza 28, p. 3/249, and canto 376 stanza 139, p. 7/31.

²⁵ *Babad Tanah Djawi*, canto 121 stanza 35-7, p. 15/36-7. *Poenika serat Babad tanah Djawi wiwit saking Nabi Adam doemoegi ing taoen 1647* (‘s Gravenhage: M. Nijhoff, 1941).

References to *zakat* in those local sources are limited to *zakat* on crops (*zakat padi*) and *zakat* on gold.²⁶ In fact the term *zakat padi* was common since the majority of people worked as rice farmers, so it was almost taken for granted that *zakat* meant *zakat padi*. Local accounts corroborate the observations made by scholars and government officials that will be discussed below. In addition, however, observations made by scholars and government officials provide various terms and practices of *zakat*. In Javanese speaking areas for example, C. Poensen came across *zakat kewan* (*zakat* due on animals), *zakat emas* (due on gold), *zakat arto* (due on money), *zakat bondo* (due on wealth), and –oddly– *zakat anak* (due on children).²⁷

Although it is difficult to make generalisations about the way *zakat* and *fitrah* were performed, they have been practised by Javanese and Acehnese and also by Muslims in other provinces of Indonesia.²⁸ While *zakat* was only observed by a few devout and rich villagers, the Acehnese and Javanese exaggerated the payment of *fitrah* because even poor households who had difficulty feeding themselves were reluctant not to pay it.²⁹ A government survey in Javanese residencies shows that people regarded *fitrah* as a way to redeem their sins so that they could celebrate 'Id al-Fitr.³⁰ Therefore, I will focus on the question of whether *zakat* and *fitrah* were regarded as an obligation for the state or the ruler. Based on the three following points, this section will show that *zakat* was observed as a form of a private giving.

1. The Patron-Client Remuneration System

The payment of *zakat* and *fitrah* was mainly given voluntarily as part of a patron-client remuneration system. Therefore the main recipients were the clerics in the villages and also *penghulus*. Snouck Hurgronje finds that Acehnese paid *zakat* and *fitrah* mostly to

²⁶ Such as in *Serat Centini* (Soeradipura), canto 31 stanza 83, p.I/69.

²⁷ C. Poensen, "Land en Volkenkunde van Neerlandsch Indie, Djakat en Pitrah," *Mededeelingen van wege het Nederlandsche Zendelinggenootschap; Bijdragen tot de kennis der zending en der taal-, land-, en volkenkunde van Nederlandsch Indie* (Rotterdam: M. Wyt & Zonen, Drukkers van het Nederlandsche Zendelinggenootschap, 1874). *Zakat anak* does not exist in the *fiqh* of *zakat*. It refers to the tradition of servitude. If someone had a lot of children, one in every let's say 15 children was given to work for a religious functionary. R.A Kern also mentions that *zakat anak* found in Aceh, Gajo, Sunda area, and Gresik. "Djakat Anak," *BKI* 103 (1946):547-53.

²⁸ For Snouck Hurgronje's accounts see note 2. References to *zakat* in islands outside Java can be found scattered in *Nasihah-nasihah* of Snouck Hurgronje and *Adatrechtbundels* ('s-Gravenhage: Institut voor Taal-, Land-en Volkenkunde van Nederlandsch-Indie, from 1911-1955).

²⁹ C. Snouck Hurgronje, *The Acehnese*, trans. A.W.S. O'Sullivan (Leiden: E.J. Brill, 1906), 1:239.

³⁰ Snouck Hurgronje, *Nasihah-nasihah*, 7:1351, 1360, and 1365.

village clerics, called *teungku*.³¹ This payment was a kind of annual thanksgiving or “salary” for their services in performing funerals, taking care of mosques, and educating children. The *fitrah* payment from one household could be distributed among different persons. The *fitrah* of children were given to their Qur’anic teachers in *meunasah*, and those of babies to their traditional midwives.³²

The personal observations of Snouck Hurgronje and C. Poensen,³³ and investigations of the government officials³⁴ show that the same pattern existed in Java, where villagers in general had a choice regarding to whom they would give their *zakat* and *fitrah*.³⁵ Consequently, the main recipients of *zakat* and *fitrah* were actually village clerics, known by different terms and functions such as *kyai*, *modin*, *lebai*, and *kayim*, and including midwives.³⁶ Giving directly to the poor,³⁷ to scholars and students of religion (*kyai* and *santri*),³⁸ and to *penghulu*³⁹ became the second or third option. According to Poensen, people would divide their *zakat* or *fitrah* between both village clerics and *kyai/santri* if they found them living in their village. If there was also a *penghulu* in the same village, some of the villagers would divide their *zakat* and *fitrah* contribution between all three groups (village clerics, *kyai*, and *penghulu*); but villagers would not normally give to *penghulus*.⁴⁰ In this way, the ruler’s influence was diminished and the people’s loyalty went to their local religious leaders and teachers.

The payment of *zakat* and *fitrah* to village clerics and *penghulu* was done with a view to further distribution to the poor. These village clerics functioned as *zakat* managers (*amil*). However, in the statement of payment of *zakat* recorded by Poensen,

³¹ *The Acehnese*, 1:73. See footnote 43 below.

³² *Ibid.*

³³ Poensen, “Djakat en Pitrah,” 1- 16.

³⁴ Snouck Hurgronje proposed an investigation by government officials in regencies regarding the practice of *zakat* and *fitrah*. His proposal is expressed in several exchanges with Governor General and Director of Home Affairs since 1893. When his proposal was accepted, he formulated several questions to be answered as can be seen in his letter dated 18 May 1902. *Nasihah-nasihah* 7:1354-7. Snouck Hurgronje summarised the result of investigation in his letter to the Director of Home Affairs dated 25 September 1904, *ibid.*, 1362-78.

³⁵ *Staatblad* 1905 differentiates into two main category receivers, namely “religious clergies” and religious scholars. Poensen’s investigation also shows the voluntary aspect of *zakat* and *fitrah* practices. Poensen, “Djakat en Pitrah.”

³⁶ Snouck Hurgronje, *Nasihah-nasihah* 7:1370.

³⁷ *Ibid.*, 1363.

³⁸ *Ibid.*, 1347, 1352; Poensen, “Djakat en Pitrah,” 7-9.

³⁹ For Javanese *penghulu* see Muhammad Hisyam, *Caught between three Fires The Javanese Pangulu under the Dutch colonial Administration 1882-1942* (Jakarta: INIS, 2001). *Penghulu* formally became government officials in 1882 (*Staatblad* no 152)

⁴⁰ Poensen, “Djakat en Pitrah,” 9-13.

there is no indication of this redistribution. According to villagers redistribution of *zakat* by the *penghulu* only happened in the past in certain areas. The beneficiaries were the poor, orphans, and widows.⁴¹ In Aceh, Snouck Hurgronje found that the payment of *zakat* and *fitrah* benefited the village clerics the most, because they had rights as *zakat* managers, and poor persons.⁴² Since there was a lack of transparency in the distribution, most village *kyais* and *teungkus* received approximately half of the contributions. According to Snouck Hurgronje, the people in most regions understood these advantages but thought of them as a kind of annual honorarium for unpaid religious tasks performed by the village clerics.⁴³

Payment *zakat* and *fitrah* to *penghulu* was mainly performed by elites who resided in capital cities of regencies and districts. An observation on *penghulus* from early nineteenth century mentions that *penghulu* earned their livelihood from *zakat* and *fitrah* payment of the population.⁴⁴ In Palembang, a regulation of 1832 on matters of mosques⁴⁵ regulated among other things the income, emolument, and exemption of native religious officials, from which *fitrah* was admitted as a significant income, including for *penghulu*.

[Article 5]

1. The chief *penghulu* is paid by the government salary.
2. *Khatib* do not receive any salary, but they receive a share of marriage fee and *fitrah*.
3. The chief *penghulu*, *lebai penghulu*, *khatib*, and *bilal* receive incomes as an old tradition that has been written in Islamic teaching, where the people offer their *fitrah* payment voluntarily. These officials are free from servitude such as building bridges and roads, and guarding villages.

a. The Allocation of *fitrah* in the capitals

Fitrah usually consist of 3 *kati* and 6 1/4 *tahil* of rice per person, where each household gives 1 *gantang*. The allocation of *fitrah* income is as follows. Ten percent is taken for the care of the poor and needy. 1/3 is taken for *bilal*. The rest is divided by 2/3 for *khatib* and 1/3 for *modin* and *merbot*.”⁴⁶

⁴¹ Poensen, “Djakat en Pitrah,” 13.

⁴² Snouck Hurgronje, *The Acehnese*, 232.

⁴³ In Aceh, *teungkus* were also expected to be paid from *fitrah* contributions for their performance in *traweh* (recommended prayers in the nights of Ramadan months). *Ibid.*, 73, 231. Snouck Hurgronje finds that the most certain incomes of *teungkus* are *fitrah*, *zakat*, fees from assisting marriage arrangement, fees for burial, and fees for assisting a head of village. *Ibid.*, 73-5.

⁴⁴ Thomas Stamford Raffles, *the History of Java* (Kuala Lumpur: Oxford University Press, 1978), 2:3-4.

⁴⁵ H.T. Damste, “Een Reglement voor de Regeling van de Mohamedaansche Kerkelijke Zaken in De Residentie Palembang” uit 1832, TBB 34 (1908): 213-221.

⁴⁶ *Ibid.*, 219.

When *penghulus* formally became government officials in 1882, they were legally not allowed to obtain any benefit from *zakat* and *fitrah*. However, Snouck Hurgronje still found that the elites used to give their *zakat* and *fitrah* to *penghulus*,⁴⁷ which seems that because *penghulu* performed the same role as the village clerics, namely taking care of the capital mosques and other religious functions. In this respect, the payment of *fitrah* and *zakat* mainly remained voluntary and cannot be regarded as obligation for the ruler.

2. Exploitation of *Zakat* and *Fitrah*

In contrast to this independent and voluntary payment, there were cases where *zakat* and *fitrah* were used for the ruler's interest and taken by force. This situation is portrayed in the *Muhimmat al-Nafa'is fi Bayan As'ilat al-Hadith* (Precious gems on the explanation of questions about current topics), a collection of *fatwa* issued from the last quarter of the nineteenth century and intended for the Jawah (Malay) community.⁴⁸

There were at least five almost identical questions put forward to authoritative muftis in Mecca in the last quarter of the nineteenth century which dealt with corrupt rulers who took *zakat* and *fitrah* by force for the establishment of mosques or big houses. These *fatwas* are recorded in the *Muhimmat al-Nafa'is*, namely *fatwas* CI, CXIV, CVII, CIV, and IX.⁴⁹ Below I cite *fatwa* no CXIV which gives details of the exploitation.

What do you say about half of the kings in Jawah country who wanted to establish a mosque for the Jum'at prayer? They collected the cost needed, namely from timber and stone, and other than this they asked each person, for example for two *riyal*, for the funding of the mosque. Half of the people voluntarily gave the money, the other half gave under pressure. Therefore, was it an obligation for the people to obey the kings who did such a work? In addition sometimes the kings collected *zakat* and *fitrah* and materials that should be given to the poor and destitute, to cover the cost of establishing this mosque. Half the number of people gave sincerely and voluntarily, however another half

⁴⁷ Snouck Hurgronje, *Nasihah-nasihah* 7:1370.

⁴⁸ These are 130 *fatwas* written in both Arabic and Malay issued by at least four Muftis of Mecca on the basis of questions from the Jawah community. The collection was first published in 1892 in Mecca and was reprinted between 1906 and 1930s in Mecca, Cairo and Bombay. I refer to the 1892 edition introduced and presented by Nico Kaptein, *The Muhimmat Al-Nafa'is: A Bilingual Meccan Fatwa Collection for Indonesian Muslims from the End of the Nineteenth Century* (Jakarta: INIS, 1997), serial INIS XXXII. *Fatwa* number CI, CVII, and CXIV clearly mention that the rulers in Indonesia took *zakat* by force.

⁴⁹ Nico Kaptein, *The Muhimmat Al-Nafa'is*.

of the people gave because they were ashamed and afraid of the sultan. So, what does Islamic law say on this matter? Is the king obliged to return all the materials that he took from the people because the people are not happy over the first question, and to give back *zakat fitrah* for the second [question] to the poor and the needy? Then if the kings established a mosque in such a way, should it be used for prayers? And are there supposed to be Friday prayers there, or it is better to hold them at a field in the village surrounding the houses? Please give us the answer. May God the Lord of the Universe give you the reward. The answer: [There is] no obligation for the people to obey their kings on those acts in the way that was mentioned. The kings are obliged to return the materials they illegally took from the previous owner. It is not legitimate to attribute *zakat* for the mosque because *zakat* must be distributed to the legal beneficiaries. If a mosque is established in such a way, we still have to use it for prayers. Allah knows best. The Mufti Shafi'i, Shaykh Muhammad Sa'id.⁵⁰

The *fatwas* clearly show indignation about the rulers who took *zakat* and *fitrah* by force. Although it was for a good reason, namely establishing mosques, the rulers' acts were regarded as wrong according to Islamic law. The members of Indonesian communities who raised the questions neither agreed nor were happy with the rulers' acts, as implied in the five questions.

The kings in these five *fatwas* probably referred to local rulers, namely regents or regional kings of certain kingdoms who at the end of the nineteenth century had only spiritual and moral powers, not political and economic powers. These kingdoms probably included the Sultanates of Aceh, Banten, Cirebon, Yogyakarta, Surakarta, and Pontianak. Kaptein has shown that some *fatwas* referred specifically to the situation in Aceh and Java.⁵¹ This appears to be the case with the five *fatwas* concerning corrupted rulers.

The criticism in the *fatwas* focuses on the use of *zakat* and *fitrah* funds for purposes other than those they were originally meant for, the use of force to collect them, and their use as salaries for religious officials. The misuse of *zakat* and *fitrah* as salaries is mentioned in *fatwa* no CVII of the *Muhimmat al-Nafais*, as follows.

What do you say about a country where the king sets up *imam*, *khalifah*, *bilal* and other officials in the country without any fixed payment? The people are only asked by the king to give *zakat* and *fitrah* to *imam* and *khatib* by force. The people give it; half of them out of fear and another half voluntarily. Are the people obliged to obey? And when *zakat* and *fitrah* are collected for the *imam* and *khatib*, and the king orders that they be distributed into nine portions by

⁵⁰ *The Muhimmat Al-Nafa'is*, 180, *fatwa* no. CXIV.

⁵¹ *Ibid.*, 10-4.

force? One portion is given to the king, one to leaders in the country, one to the imam, one to the *khatib*, one to a woman who washes other women's dead bodies, one to someone who summons for *zakat*, one for the poor and needy, one to students, and one for purchasing oil for the mosque and for renovating it when it needs repairs. Is the allocation adequate? What is the right allocation according to Islamic law? The answer. When a person gives his *zakat* to the imam (the king), he or she is free from his/her obligation. According to the Shaykh Islam in the Fath Al-Wahhab, a *zakat* giver is obliged to give *zakat* due on visible wealth, namely plants and fruits and animals if the king asked it. According to Bajirimi, if the king says to him that he should take *zakat* due for doing *maksiat* [sinful act], or the *zakat* owner knows about this, he is still obliged to give *zakat* to the king. Then he is free from his responsibility. Regarding invisible wealth, namely money, buried treasures, and commercial treasure, he is not obliged to pay the due to the king. It is not legitimate for the king to ask for [it].⁵²

According to this *fatwa*, *zakat* and *fitrah* were levied by force and used as a salary payment for religious officials. The payment of *zakat* and *fitrah* as part of a remuneration system was found in many places in the nineteenth century. While in most part of Java the payment was regarded as voluntary, this *fatwa* shows a case where the implementation was actually by force and it benefitted local rulers. This *fatwa* probably specifically refers to Priangan residency, because the term *khalifah* (or *kalipah*) mentioned in the *fatwa* was typically used in Priangan⁵³ and the coercion of *fitrah* and *zakat* was also found in that area. The distribution of *zakat* and *fitrah* into nine portions above is probably also in reference to Priangan. Above all, the *fatwa* was a critique of and resistance against the way *zakat* and *fitrah* being collected and disbursed. This type of critique might come from Reformist Muslims who sought for a proper implementation of *zakat* and *fitrah*, and aspired to benefit the poor, not the religious functionaries, even the rulers.

Apart from these probabilities, the viewpoint of the persons who sought the *fatwa* was similar to that of the Dutch government, namely there should not be coercion in the practice of *zakat* and *fitrah*.

⁵² *The Muhiimat al-Nafa'is*, 177, *fatwa* no CVII.

⁵³ See G.A.J. Hazeu, "Korte Aantekeningen over Kaum Toestanden en Moskeekassen," Collection H 1083, no 52. It consists of a copy of letter and report of investigation about condition and management of mosque funds. Only reports from various regencies in Priangan use term *kalipah* to denote vice *penghulu* or *penghulu naib*.

3. Dutch Government Policy

Indeed, the Dutch government knew that some of native rulers and *penghulus* enforced and exploited the payment of *zakat* and *fitrah*. It aspired to prevent coercion and keep *zakat* and *fitrah* as voluntary donations, at least since 1858. Although some natives may see this as government interference with religion, the Dutch government actually tried to stop its officials from interfering with religion and from getting profit from *zakat* and *fitrah*, on the basis that coercion became a burden for the people and that religion was regarded as a private matter. It tried to implement a policy of neutrality and non-interference in religion, although in many cases it was inconsistent.⁵⁴ Separation of religion and the state is difficult and is not fully or strictly in work in a society where religious rituals and activities were perceived as a public matter.

The government policy not to intervene with Islamic charities can be seen in the government's regulations, such as Bijblad no 407 of 1858, prohibiting the use of *zakat* paddy for the maintenance of a hospice of syphilis and ophthalmic sufferers,⁵⁵ Bijblad no 1892 of 1866 on *zakat* contribution,⁵⁶ Bijblad no 6200 of 1905 on the income of *zakat* and *fitrah* and its supervision,⁵⁷ and Missive no 1962 dated 4 August 1893. There are several reasons mentioned in the government decisions, which focus on two issues: burden to the people and corruption/malpractice. For example, Bijblad of 1858 states:

Such a decision about a part of the *padi zakat*, raised for the unfortunate and needy, would have the consequence not only that many others who are needy, who cannot provide for themselves, would become a burden upon the population, but also that thereby one would lay hands on an impost paid by the population out of religious duty.⁵⁸

⁵⁴ Aqib Suminto, *Politik Islam Hindia Belanda: Het Kantoor voor Inlandsche Zaken* (Jakarta, LP3ES, 1985) mentions various examples of inconsistency and not-so-neutral policy of the Dutch administration. I agree that the Dutch administration was inconsistent and discriminatory for example in the case of provision of subsidies to religious groups. In fact, native Muslims did not free either from inconsistency of applying the term "non-interference." Many opposition to the Dutch government interference policy of religion was more administrative matter rather than religious one, such as government proposal on marriage law, supervision on mosque funds, and proposal to move Islamic inheritance from Islamic court to civil court.

⁵⁵ *Bijblad op het Staatsblad van Nederlandsch Indie*, No 261-500, vol 2, ed. Mr. S.C.H. Nederburgh and C. De Waal (Batavia, Lange & Co, 1858). It will be referred to as Bijblad 1858.

⁵⁶ *Bijblad op het Staatsblad van Nederlandsch Indie*, No 1782-2008, vol 9, ed. Mr. H.A. de Groot and Mr. H. J. Canter Visscher (Batavia: Lange & Co, 1867).

⁵⁷ *Bijblad op het Staatsblad*, No 6135-6330, vol 39 (Batavia: Landsdrukkerij, 1906)

⁵⁸ Bijblad 1858.

Bijblad 1866 mentions the issue of corruption and states that “*zakat* income, which originally was religious generosity, in many places became corrupted through interference from local officials and became a form of repression, because it was used to cover needs which actually lay outside its purposes.”⁵⁹

Snouck Hurgronje stressed the situation where *zakat* had been practised by coercion, and where it was regarded as a “hidden tax” which became another burden for the people.⁶⁰ He was firm to implement the policy that the central government should keep *zakat* and *fitrah* as “a totally voluntary donations.”⁶¹ Therefore, the Staatsblad 1905 mentions that the government policy was “to protect individual freedom from any coercion in the payment of *zakat* and *fitrah*, and in the choices to whom *zakat* and *fitrah* is given.”⁶²

The government’s concern was mainly based on the collection of *zakat* and *fitrah* in Priangan residency, where native officials enforced and took benefit from the payment. According to Snouck Hurgronje, the total contribution of *zakat* and *fitrah* payment in this residency was a great deal, compared to Banten, Central Java and East Java.⁶³ The reasons, according to him, were that Priangan was more prosperous compared to the three other regencies, that the people were considered more diligent and, most importantly, that the collection of *zakat* and *fitrah* was pushed by native officials.⁶⁴ The payment to these native officials was actually not given directly from villagers, but via village clerics. The village clerics gave a certain portion to village chiefs as a gift in return for their help in encouraging people to pay *zakat*. They also gave a similar portion to district *penghulu* (called *penghulu naib*), who then gave a portion to the *penghulu landraad* in the regency.⁶⁵ A native official of Cirebon district claimed that without their works, the payment of *zakat* and *fitrah* would not be significant,⁶⁶ a claim that made Snouck Hurgronje more concerned. Therefore, *penghulu* in Sunda (Priangan) area received a share of *zakat* and *fitrah* as a gift from *’ulama* at lower level. The *’ulama* may have considered that village chiefs and *penghulu* also had

⁵⁹ Bijblad 1866.

⁶⁰ Snouck Hurgronje, *Nasihah-nasihah*, 7:1375.

⁶¹ *Ibid.*, 7:1374.

⁶² Staatsblad 1905.

⁶³ *Ibid.*, 7:1352.

⁶⁴ *Ibid.*

⁶⁵ *Ibid.*, 7:1350.

⁶⁶ *Ibid.*

a right to receive the money because to some extent they worked for the collection of *zakat* and *fitrah*.

The government banned any kinds of coercion and interference by the *Staatblad* 1866, however, it exempted the regency of Priangan. It was afraid that the regulation or the ban would increase hatred of *'ulama* against it, because *zakat* and *fitrah* were part of their income. Snouck Hurgronje was the one who forced the government to remove the exception. Native officials of Priangan tried to keep the exemption untouched and referred to the promise of government commissioner O. van Rees that the government would not interfere in the “religious income” of native leaders.⁶⁷ This promise was made in 1870 out of fear of the reactions of *'ulama* against the reorganisation of Priangan.

Finally, missive no 1962 of 1893, put an end to the native officials' interference in the collection and use of *zakat* and *fitrah* in Priangan. This regulation was designed by Snouck Hurgronje and strongly criticised the interference, malpractice and corruption involved in *zakat* collection. It was written for all native chiefs of regencies in Java and Madura.⁶⁸ It was followed by an almost identical regulation in 1905. From 1893, European officials were to supervise all voluntary donations to make sure that these donations were totally voluntary.⁶⁹

Certainly, the above regulations cannot immediately and completely stop the interference of native officials in Islamic charities. However, it gave strong impact on the position of *zakat* as an individual religious practice that should remain voluntary and far from being managed by the state, not even by coercion. Shortly, it was “privatisation” of *zakat*. The effect of this policy was the autonomy in civil society charitable activities and empowerment of community religious leaders, such as *kyais*, by those charitable resources.

Along with “privatisation” of *zakat*, voluntary donations (namely *sedekah* and *waqf* giving) were observed. The “privatisation” process of all these types of donations supported the establishment of Islamic institutions, i.e., mosques and *pesantren*.

⁶⁷ Snouck Hurgronje, *Nasihah-nasihah* 7:1355, 1364.

⁶⁸ *Adat Rechtbundels VII*, 1913, 302-3; Snouck Hurgronje, *Nasihah-nasihah* 7:1350.

⁶⁹ See later in the section on mosque fund.

IV. The Development of Islamic Institutions through *Sedekah* and *Waqf*

In contrast to *zakat* payment, which was given directly to persons, *sedekah* and *waqf* could also support activities and infrastructures. This section will show how such payments supported the establishment of mosques and *pesantren* (Islamic boarding schools).⁷⁰ As a consequence of this, mosques and *pesantren* generally belonged to communities and were independent from the ruler.

1. Community Mosques and *Waqf* Institution

Mosques remained the most important form of *waqf*. During the Islamic kingdoms, they were built by the ruler, by pious leaders, or by the community (as noted above). In the colonial period they were built by the people, for two reasons: the Islamic kingdoms were on the wane, and the Dutch government tried not to interfere with religion.

Village reports between 1919 and 1923 mention about the existence of mosques and smaller prayer houses (*langgar*) in villages.⁷¹ *Langgar* were owned by individuals.⁷² Mosques belonged to villages (as *waqfs*) and received income from *waqf* revenues from rice fields (*sawah*) that were given for various purposes including the maintenance of schools and mosques.⁷³ However, as the number of *waqf* of rice fields was very small,⁷⁴ not many mosques received that income. This custom still can be seen in Javanese villages today, such as in Banyumas area, where only a limited mosques own *waqf* of rice fields.⁷⁵

⁷⁰ On *pesantren*, see Zamakhsyari Dhofier, *Tradisi Pesantren: Studi tentang Pandangan Hidup Kyai* (Jakarta: Lembaga Penelitian, Pendidikan, dan Penerangan Ekonomi dan Sosial, 1982).

⁷¹ These sources consist of individual reports from several regions in Java, written by Jan Willem Meyer Ranneft, inspector (*Adjunct Inspecteur*) of the Department of Agrarian Affairs and Obligatory Services (*Agrarische Zaken en Verplichte Diensten*). The reports deal with three main topics, the village economy, land rights, and village institution and government. They are published by the National Archive of Indonesia. *Laporan-laporan Desa (Desa-Rapporten)*, ed. Sartono Kartodirdjo, et al (Jakarta: Arsip Nasional Republik Indonesia, 1974).

⁷² Report from regencies Sumenep, *ibid.*, 62 and Semarang, *ibid.*, 91. According to Faishal, staff of KUA Banyumas, there is a tradition that *langgar* would be endowed as *waqf*. Interview by the author, Banyumas, 12 September 2005.

⁷³ *Desa Rapporten*, 96.

⁷⁴ Rachmad Djatnika, "Les Biens De Mainmorte (Wakaf) A Java-Est" (PhD diss., École Des Hautes Études Et Sciences Sociales, 1982), 309-26.

⁷⁵ The rice fields are usually rented to a farmer who will pay by cash or send a portion of its harvest to the mosque officials. Hj. Sokhimah, a Muslimat leader of Kroya, phone interview by the author, 25 June 2008.

The majority of *waqf* mosques depended on *sedekah* donations for their operating cost.⁷⁶ It seems that *sedekah* became an alternative for the establishment and operation of mosques, for three reasons: it was not burdensome; it could be given in kind and as labour; and it conformed to the local economy as well as the communal culture. Although the value of *sedekah* giving from any given individual was small, it turned out to be valuable because of the high participation rate. Because of its flexibility, *sedekah* could fit into the tradition of *gotong royong*, which benefited many other forms of community infrastructure such as roads, irrigation, and bridges.

The establishment of mosques was in many cases not fully from *waqf* but also from *sedekah*. Achmad Djajadiningrat, the regent of Serang (West Java) in 1904,⁷⁷ reported the practice of *waqf* (of estate/land) in his regency which fell into four categories, namely *waqf masjid*, *waqf kuburan*, *waqf lajim* and *waqf duriyat*. *Waqf masjid* is a piece of land given for the building of mosques or anything related with religion on it, and *waqf kuburan* is given to be used as a cemetery. *Waqf lajim* is a garden or a plantation estate the revenue of which is for the benefit of villages. *Waqf duriyat* is a piece of land the revenue of which is for the benefit of the benefactor's offspring⁷⁸ (generally known as *waqf ahly*). Djajadiningrat mentions problems related to the land endowed for the establishment of mosques because they were left unused for years. The endowers (*wakif*) donated the lands and left them to the *waqf* managers and the people to build mosques on them.⁷⁹ In this case, the construction of mosques would depend on *sedekah* and other smaller *waqf* such as timber and roofing.

Presumably the construction of majority of mosques was made possible by a combination of *sedekah* and *waqf* of land. In such cases, the land was *waqf* land, and the building was constructed by means of *sedekah* donations. The high cost of mosque construction may have prevented individual persons from endowing a mosque, and may

⁷⁶ Recent national survey on *waqf* carried out by the Center of Religion and Culture of the State Islamic University Jakarta shows that *waqf* foundations -- 79 percent of them are used for mosques-- are mostly depend on *sedekah* and *zakat* donation to support their operational costs. Only 20 percent of *waqf* foundations receive income from *waqf* revenues. Tuti A. Najib and Ridwan al-Makassary, eds., *Wakaf Tuhan dan Agenda Kemanusiaan Studi tentang Wakaf dalam Perspektif Keadilan Sosial di Indonesia* (Jakarta: CSRC, 2006), 145-6.

⁷⁷ G.A.J. Hazeu, collection H. 1083, no 11, KITLV. KITLV. Godard Arend Johannes Hazeu (1870-1929) succeeded C. Snouck Hurgronje to lead Het Kantoor voor Inlandsche Zaken, from 1907-1913 and 1917-1920.

⁷⁸ Ibid.

⁷⁹ Ibid.

have induced them to give land instead as the initial foundation for the establishment of a mosque.

As a consequence of this combination, there were probably not many mosques that were declared as *waqf*, although they may in fact have been *waqf*. Their *waqf* status refers to the land but seldom to both the land and the mosque built on it. This, in addition to the fact that many *waqf* were unregistered, is perhaps another reason why the number of *waqf* listed was small.

One may think that the establishment of mosques through *sedekah* and *waqf* was only a tradition in villages during the Islamic kingdom or even before. But in fact this also happened in capitals of regencies, such as in the regency Cilacap, residency of Banyumas, in Southern part of Central Java. The work of constructing the mosque took 40 years and was not finished owing to the replacement of regents, and to disease and floods. Finally in 1925 the mosque was rebuilt which cost f. 26,000.⁸⁰ Each household in Cilacap donated a minimum of f. 0.05 and a maximum of f. 1.00.⁸¹ Another example on the importance of *sedekah* in the establishment of a mosque will be discussed below in the section about *pesantren* Berjan.

Mosques which are totally or partly given as *waqf* have always been problematic on account of their perpetuity and immunity against any changes, purchase or bequest. There were been cases where, following the Shafi'i *fiqh* tradition, people were strict in leaving the mosque buildings unaltered. Therefore, when these buildings needed repairs, people did not dare to fix them out and left the mosque unused.⁸² This kind of practice has gradually waned, but still be seen in rural areas such as in Banyumas, where parts of the *waqf* materials of mosques have become sacred. Even though the people are able to rationalise the need to renovate an old mosque, old materials which could be re-used, such as the roof, are left unpurchased and unused due to superstition.⁸³

Another problem connected with *waqf* was disputes and the embezzlement of *waqf* properties because most of these were unregistered. Snouck Hurgronje's and Djajadiningrat's observation provides many examples of disputes and fallings out over

⁸⁰ R.A Kern collection, H. 797, 16. (No 250), KITLV. Rudolf Aernoud Kern (1875-1958) worked as an adviser to Het Kantoer voor Inlandsche Zaken (The Office for Native Affairs) in 1921-1922 and 1924-1926.

⁸¹ Ibid.

⁸² Cf. Dr. G. F. Pijper, "Afbraak van Moskeën," *Oudheidkundig Verslag 1930*, Koninklijk Bataviaasch Genootschap van Kunsten en Wetenschappen (Batavia-Centrum, Albrecht & Co, 1931), 240-2.

⁸³ Hj. Sokhimah, interview.

waqf properties.⁸⁴ Accordingly the number of *waqf* estates was somehow dynamic, not only with new *waqf* estates being donated but also cancellations.⁸⁵

To circumvent these problems, the government registered mosques and *waqf* properties in 1905 by Bijblad no 6169.⁸⁶ It later issued circulars and regulations that maintain the same subject on registration of *waqf* properties of which some Muslims regarded as interference in religion. The government policy toward *waqf* was similar to that regarding *zakat*, namely non-interference. The policy is stated, for example in Bijblad no 1890 of 1866, which forbade its officials to use free labour (*heerendiensten* or *kerja paksa*) on behalf of the government for construction work related to mosques.⁸⁷

The number of new registered *waqfs* increased significantly during the period of the Dutch government. Djatnika's study on East Java provides numbers as follows: there were 79 in 1800-1850, 224 in 1850-1900, 168 in 1901-1910, 254 in 1911-1920, 383 in 1921-1930, and 495 in 1931-1940.⁸⁸ *Waqf* land was popular owing to the endowers' desire to initiate the establishment of mosques and to support Islamic education. The endowed lands were mainly used for mosques, *pesantren*, *madrasah*, cemeteries, and production. In the above periods, *waqfs* of irrigated fields constituted 5% of total new *waqf* of estates. This means that only a small portion of *waqf* land was managed for business in order to gain more revenue to benefit Islamic institutions. The growing number of *waqf* accelerated from the second half of the nineteenth century onwards, following the strong waves of Islamisation and Reformist movement. The transformation of *waqf* brought by the Reformists will be discussed in Chapter Five.

2. *Pesantren* and Philanthropy

It seems that *waqfs* were not the main important form of charity in *pesantren*. The paragraphs that follow will show that *sedekah* donations and self-support became a

⁸⁴ Snouck Hurgronje, *Nasihat-nasihat*, 5:903-915 and R.A. Kern collection, H. 1083, no 11.

⁸⁵ A contemporary study by Uswatun Hasanah discusses problems related to *waqf*, especially the cancellation of *waqf* estates mostly by heirs of *waqif*. The majority of cancellations took place in cities and this impacted upon the number of *waqf*. "Peranan Wakaf dalam Mewujudkan Kesejahteraan Sosial (Studi Kasus Pengelolaan Wakaf di Jakarta Selatan)" (PhD diss., Institut Agama Islam Negeri (IAIN) Syarif Hidayatullah Jakarta, 1997), 203-8.

⁸⁶ Bijblad op het Staatsblad 1906.

⁸⁷ Bijblad op het Staatsblad 1867.

⁸⁸ Djatnika, "Les Biens De Mainmorte," 100-283.

significant tradition of philanthropy in *pesantren*. The institution of *waqf* gained in prominence later in the twentieth century.

The *pesantren* was (and is) an Islamic education institution that preserved the tradition of philanthropy, of which *zakat*, *sedekah* and *waqf* became important elements. The *pesantren* has had a tradition of independence and self-support from the very beginning of its development, perhaps even as early as the seventeenth century. Even though not all *pesantren* have survived physically, the *pesantren* system and its philanthropic tradition have survived for centuries..

Studies on *pesantrens* have generally depicted philanthropic practices, such as *waqf*, *sedekah*, and *zakat*. These can be seen, for example, in the study by F. Fokkens on the Pesantren Tegalsari which was established around 1742,⁸⁹ the study by Dhofier,⁹⁰ and in recent studies on Islamic philanthropy.⁹¹ Historically, the *pesantren* is famous as a learning institution which was free of charge or at least inexpensive. This account may have been under challenge since the last quarter of the twentieth century when modern and elite *pesantrens* developed in big cities. Nevertheless, the notions of an ascetic life and the provision of learning can be seen in the story of Kyai Kasan Besari of Tegalsari, and *pesantrens* in Madiun regency.⁹² The growth of *pesantrens* during the colonial period was stimulated by the need for education because the government did not seriously or systematically provide schools for the people. Religious and social motives may have been embedded in the spirit of voluntarism and social responsibility which induced neighbouring communities to support *pesantren*.⁹³

In the nineteenth century, *pesantren* were independent, although a number of them continued to receive support from the Dutch government in recognition of the status of *perdikan* (free villages),⁹⁴ which were exempt from taxes and compulsory work. *Perdikan* status was given by the previous Islamic ruler to those people whom the ruler considered to be deserving, mostly in relation to religious matters. Muslim rulers

⁸⁹ F. Fokkens, "De Priesterschool te Tegalsari," *Tijdschrift voor Indische Taal-, Land- en Volkenkunde*, 24, 1877, 318-36.

⁹⁰ Dhofier, *Tradisi Pesantren*.

⁹¹ *Revitalisasi Filantropi Islam Studi Kasus Lembaga Zakat dan Wakaf di Indonesia*, ed Chaider S. Bamualim and Irfan Abubakar (Jakarta: Center for Language and Culture, 2005).

⁹² F. Fokkens, "De Priesterschool" and Anon, "Priesters en Priesterscholen," *TNI*, vol 17 (1855), 10-17.

⁹³ *Perhimpunan Pengembangan Pesantren dan masyarakat (P3M), Direktori Pesantren I*, (Jakarta: P3M, 1986).

⁹⁴ For more on *perdikan* see B.J.O Schrieke, *Sedikit Uraian tentang Pranata Perdikan* (Jakarta: Bhratara, 1975), and "Desa's (Vrije)," *Encyclopaedie van Nederlandsch-Indië*, ed., Mr. Dr. J. Paulus, vol 1, 2nd ed. ('s-Gravenhage and Leiden: Martinus Nijhoff and E.J. Brill, 1917), 593.

used this institution for preserving important mosques and graveyards, and for preserving religious functions.⁹⁵ The Dutch government maintained the status and privileges of *perdikan*, whereby the inhabitants were still exempted from any taxes.⁹⁶ However, from 1874 the *perdikan* village lost many of its privileges because the government regarded it as a “state within the state,” where the village chiefs imposed too much hardship on their people.⁹⁷ Starting from 1918 the government step by step reduced the number of *perdikan* villages by providing monetary compensation, in order to transform them back into ordinary villages.⁹⁸

There is a small possibility that *pesantren* benefited from the *perdikan* grant before the nineteenth century because some of their status was given after they were established, as in the case of Pesantren Tegalsari. The endowment of grants could also be more personal, such as for preserving the graves of royal families, thanksgiving for saving royal lives, and wedding gifts.⁹⁹ In the nineteenth century there was a slight correlation between the numbers of *pesantren* and the status of *perdikan* villages. It seems that not all mosques and *pesantren* had *perdikan* status. I presume that the *kyai* chose uninhabited areas to start their *pesantren*, because they preferred an ascetic life, cheap or free land, and to keep a safe distance from the rivalries of other established *pesantrens*. Pondok Berjan, which will be discussed below, was not established in a *perdikan* village. A tax exemption for *’ulama* was probably given by Islamic rulers to their high officials, who were both secular and religious. In the colonial period, this exemption was still practised.¹⁰⁰ However, there is a possibility that the exemption of teachers of religion and *kitab*¹⁰¹ from compulsory labour, which was recognised by the Dutch government, may have been one of the grounds for the growth of the *pesantren* institution. At the time, critics claimed that people were establishing *pesantren* and many *santri* were going there precisely as a means to escape compulsory labour. This

⁹⁵ Fokken provides four types of “free-villages” (*perdikan*, *mijen*, *keputihan* and *pekuncen*) and lists of the villages. See F. Fokkens Jr, “Vrije Desa’s op Java en Madoera”, *TBG*, vol XXXL, 1886, 477-517. However, according to Snouck Hurgronje the categorisation is incorrect and the list provided is not really accurate. See *Nasihah-nasihah* vol V, 771-80.

⁹⁶ Resolution of 24 May 1836 no 12 and Staatsblad 1853 No 77 and Staatsblad 1819 no 5. Schrieke. *Sedikit Uraian*, 37.

⁹⁷ *Ibid.*, 37-42.

⁹⁸ Soetardjo Kartohadikoesoemo, *Desa*, 2nd ed. ([Bandung]: Sumur Bandung, 1965), 77-9.

⁹⁹ Cf. “Priesters and Priesterscholen.”

¹⁰⁰ It is mentioned for example in *Bramartani* newspaper, see a quotation in p. 117.

¹⁰¹ Cf. Karel A. Steenbrink, *Beberapa aspek tentang Islam di Indonesia abad ke-19* (Jakarta: Bulan Bintang, 1984), 153.

exemption also existed in Palembang, as can be seen in the 1832 regulation on mosque affairs.¹⁰²

In *pesantren*, both *kyai* and *santri* were donors and received benefits as recipients of charity. Most histories of *pesantren* are more or less the histories of their *kyai*, the main actors, who were benefactors and managers as well as beneficiaries. A *kyai/nyai* dedicates his/her life to managing the *pesantren*, teaching *santri*, doing fundraising, and leading other teachers who volunteered at his *pesantren*. Zamakhsyari Dhofier noted that historically *pesantren* were owned by *kyai/nyai* who were rich and came from a high social class.¹⁰³ If the *kyai* of a *pesantren* was poor, the community would support him to build the *pesantren*. And according to Dhofier, a *kyai* could easily become rich later on because of his high social status. As the main benefactors, *kyai* and *nyai* made their lands and houses available for classes and for *santri* accommodation.

The picture one gets from sources on *pesantren* education in the nineteenth century is a picture of reciprocity: *kyai* voluntarily taught religious knowledge to *santri*, and in turn *santri*s gave loyalty to their *kyai*. As part of learning, a *santri* was expected to follow what the *kyai* asked in order to get his blessing (*berkah*) whereas a *kyai* considered the *santri* as his own child.¹⁰⁴ This reciprocity tended to be immaterial rather than rather giving, although *kyais* also took voluntary gifts from *santri*. As a result of this reciprocity, the tie between *santri* and *kyai* was strong. To some extent, *santri-kyai* attachment helped accelerate social movements in the nineteenth century.

I assume that the massive donations and the *waqf* land and building given to *pesantren* were initiated in the twentieth century by modern *pesantren*, which are better organised than their predecessors. Estates used for mosques, accommodation and schools were later legally given as *waqf* for *pesantren*. In the challenge of accountability, traditional *pesantren* followed the path of modern *pesantren* by having foundations (*yayasan*) and setting up organisations to differentiate between the property of a *pesantren* and its *kyai*, and between affairs of the *pesantren* and those of its *kyai*. As a consequence, the ownership of *pesantren* transferred from the *kyai* to the community, or the *pesantren* became a public possession.¹⁰⁵ This change may have been

¹⁰² See quotation p. 98

¹⁰³ Dhofier, *Tradisi Pesantren*.

¹⁰⁴ Ibid.

¹⁰⁵ Ibid., 44.

encouraged by the massive donations from communities. However, this legal and structural improvement did not actually change the authority of the *kyai*, as can be seen in the account of Pondok Berjan below.

V. The Case of *Sedekah* and *Waqf* at Pondok Berjan

Pondok Berjan, formally called Pondok Pesantren An-Nawawi, is one of the few nineteenth-century *pesantren* that survives to date. It claims to be a “semi-modern” *pesantren*, that is, a *pesantren* that still follows the traditional learning of *kitab kuning* but has a formal school and implements a modern organisation.¹⁰⁶ Pondok Berjan is located in Berjan hamlet, Gintungan village, Gebang district, Purworejo regency in central Java. It is a continuation of a *pesantren tarekat* which was established by Kyai Zarkasyi (1830-1917), probably around 1870. This *pesantren* has been one of the centres of the learning of Tarekat Qadiriyyah Wa Naqshabandiyah in Central Java. Kyai Zarkasyi learned Tarekat Qadiriyyah wa Naqshabandiyah¹⁰⁷ from Shaykh Abdul Karim Banten¹⁰⁸ while he studied at Mecca. After he received certification (*ijaza*) as a *tarekat* teacher (*mursyid*) from the Shaykh,¹⁰⁹ Kyai Zarkasyi went back to his home town, studied in many *pesantren*, and also from Kyai Sholeh Darat, and then developed his

¹⁰⁶ Ali Rosidin, interview with author, Berjan, 17 September 2005, 9 September 2006. He is head of the education and teaching division at Pondok An-Nawawi; head of school at Pondok Nawawi, and secretary of the Kyai. Number of *santris* in 2001/2003 is 809 and in 2003/2005 is 869. Pondok Pesantren Putra An-Nawawi, “Laporan Pertanggungjawaban (LPJ) Pengurus Pondok Pesantren Putra An-Nawawi masa Khidmah: 1424-1426 H./2003-2005 M.” (Purworejo, Pondok Pesantren Putra “An-Nawawi,” 2005), 40, (shortly as “Laporan Putra 2005”), and Pondok Pesantren Putri An-Nawawi, “Laporan Pertanggungjawaban Pengurus Pondok Pesantren Putri “An-Nawawi” Berjan Purworejo masa Khidmah 1422-1424 H./2001-2003 M.,” (Purworejo, Pondok Pesantren Putri “An-Nawawi,” 2003), shortly as “Laporan Putri 2003.”

¹⁰⁷ For a study about Tarekat Qadiriyyah wa Naqshabandiyah of this *pesantren* see Drs. Dahlan AR., “Tarekat Qadiriyyah wa Naqshabandiyah di Jawa Tengah dan Jawa Timur Studi Kasus di Kecamatan Gebang Kabupaten Purworejo,” (research report, Balai Penelitian Aliran Kerohanian/Keagamaan Departemen Agama Semarang, 2000). For studies about tarekat in Indonesia see Martin van Bruinessen, *Tarekat Naqshabandiyah di Indonesia Survey Historis, Geografis, dan Sosiologis* (Bandung: Penerbit Mizan, 1992), chapter IV, 89-97; and the same author, *Kitab Kuning Pesantren dan Tarekat Tradisi-tradisi Islam di Indonesia* (Bandung: Mizan, 1995), 210-18.

¹⁰⁸ Abdul Karim Banten was the *khalifah* of tarekat Qadiriyyah wa Naqshabandiyah, replacing Shaykh Ahmad Khatib Sambas. After Abdul Karim died there was no central leadership of tarekat Qadiriyyah wa Naqshabandiyah. See Martin van Bruinessen, *Kitab Kuning*, 217.

¹⁰⁹ According to local history, he stayed several years in Suquler (Suq al-Layl), a district of Mecca which is located to the north-east of the Haram Mosque, which known to accommodate poor Sufis. Among his colleagues who received *tarekat* certificates were Kyai Ibrahim from Mranjen (Semarang) and Kyai Abdullah Faqih from Bumen (Wonosobo). Kyai Chalwani, interview with author, Berjan, 18 September 2005; interview by Siti Hidayah, Berjan, 29 September 2007; Siti Khafidoh, interview by Siti Hidayah in Purworedjo, 29 August 2007.

tarekat teaching in Berjan.¹¹⁰ After Kyai Zarkasyi died, Pondok Berjan was led by his son, Kyai Shiddiq, who was also *mursyid* of *tarekat*. When Kyai Shiddid passed away in 1948, Kyai Nawawi carried on his father's leadership in both *pesantren* and *tarekat* until he died in 1982. Kyai Nawawi in turn passed on the leadership to his son, Kyai Achmad Chalwani (1954-), who currently leads both *pesantren* and *tarekat*.

Each of these leaderships marks different periods and major changes during which the Pondok developed its educational system and organisation. Kyai Zarkasyi opened up the Berjan area and started and developed the teaching of Tarekat Qadiriyyah wa Naqsabandiyah in Purworedjo which attracted followers or pupils known as *santri tarekat*.¹¹¹ Kyai Shiddiq was the first to accommodate *santri mukim*, students who stayed in the *pesantren*. Pondok Berjan was named "Miftahul Huda" (key of guidance).¹¹² The beginning of *santri mukim* was probably stimulated by the growth of the *tarekat* followers, which numbered in the hundreds. The next leader, Kyai Nawawi, opened a formal *madrrasah* education and a *pesantren* for females, and was active in the national leadership of Nahdlatul Ulama and *tarekat*. He changed the *pesantren*'s name to Roudlotut Thullab (garden of students). Owing to Kyai Nawawi's fame the followers of his *tarekat* grew into the thousands. He was among the leaders of the *tarekat* organisation of Nahdlatul Ulama.¹¹³ Kyai Chalwani set up a legal foundation and built a modern organisation, as well as establishing Islamic higher education. In 1996 he changed the name of the *pesantren* to An-Nawawi, in honour of his father. Under his leadership, there were probably ten thousand *tarekat* members in 2006.¹¹⁴ Through these changes, traditional learning of classical books (*kitab kuning*) and *tarekat* Qadiriyyah wa Naqsabandiyah has remained important, as has the tradition of philanthropy at the *pesantren*.

¹¹⁰ Chalwani, *ibid*.

¹¹¹ *Santri* of *tarekat* were called *santri tua* (old *santri*) because most of them were aged fifty or over. They were (and still are) followers of certain *tarekat* (sufi order) who came to *pesantren* regularly to meet with their *tarekat* teacher.

¹¹² The history of the Pondok notes that the name was bestowed by Kyai Zarkasyi.

¹¹³ *Tariqah al-mu'tabaroh al-nahdiyyah*.

¹¹⁴ This estimate is according to Rosidin and my own estimate as I attended the *haul* in 2005 and 2006. The majority of the *tarekat* members were old women. As there is no record of the exact number of the *tarekat* followers, The Pondok appears to base its estimate on the *badal* (*tarekat* group leaders) and also by counting the number of snack boxes and lunch plates provided for the attendances of the *haul* from year to year. In 2000 the estimation of *tarekat* followers was eight thousand. Dahlan, "Tarekat Qadiriyyah wa Naqsabandiyah," 35.

The core of the philanthropic tradition at Pondok Berjan has been called *swadaya* (self-support and mutual assistance),¹¹⁵ which is a combination of *sedekah* (in-kind and cash) and volunteering. *Sedekah* became significant because the people of Purworejo and the *tarekat* members were mainly marginal farmers who were not obliged to pay *zakat* and could not afford to give *waqf*. There was land donation, but it has been treated as *sedekah*.¹¹⁶ The majority of people gave *fitrah* directly to the poor, and the *pesantren* rarely received *zakat*. This *swadaya* system is referred to in the narratives about Pondok,¹¹⁷ especially on the establishment of the mosque, as outlined below.

The mosque was first established by Kyai Zarkasyi as a small *langgar* on his estate.¹¹⁸ It was built in cooperation (*gotong royong*) with his *tarekat santri* who were farmers. Although there is a story that Kyai Zarkasyi brought two red bricks from Kyai Sholeh Darat to establish a *pesantren* in Berjan,¹¹⁹ it seems that the mosque was not built of bricks but of bamboo, which was freely available in the Berjan area.¹²⁰ Kyai Shiddiq refurbished the mosque with the help of *santri tarekat* and *santri mukim*. The number of *santri tarekat* was probably a hundred and the number of *santri mukim* about ten. This time, they used bamboo and logs from coconut trees as building materials, provided by Kyai Shiddiq and his *santri tarekat*. In 1964/5 the mosque, which was in a poor state of repair, was rebuilt by Kyai Nawawi. Some of the materials (namely bamboo, bricks, coconut tree logs, and a few other timbers) were given by the *santri*, who mostly came from Purworedjo, Wonosobo, Kebumen, and Temanggung. They also made red bricks for the construction. Kyai Nawawi bought some of the logs from people at Berjan and paid two masons with his own money, which he had obtained from his small business as a trader.¹²¹ At the time of Kyai Chalwani the renovation of the

¹¹⁵ A term used by all respondents.

¹¹⁶ Estate for mosques.

¹¹⁷ The story of tarekat Qadiriyyah wa Naqsabandiyah and Pondok is always mentioned in the events of Pondok as well as *tarekat*. The major event is the *haul* (the annual commemoration of the death of the founders of the Pondok who were also of the leaders of *tarekat*).

¹¹⁸ Chalwani, interview and Rosidin, interview.

¹¹⁹ Kyai Soleh suggested that he move from his previous place in Baledono because there was a more senior *tarekat* teacher there, named Kyai Imam Puro. Kyai Achmad Chalwani, public speech at the *haul* in Pondok Berjan, 18 September 2005 and 9 September 2006; Chalwani, interview.

¹²⁰ Cf. section on the history of Berjan. This section is always included in any report issued by Pondok. See for example in "Laporan Putra 2005" and "Laporan Putri 2003."

¹²¹ He traded rice, batik and clothes, which the *badal* (*tarekat* group leader) helped him to sell. He also established a printing company.

mosque was supported with funds raised by members of the *tarekat*. The construction work was done by masons paid by Kyai Chalwani.

The philanthropic tradition at Pondok Berjan depended on two factors, the *swadaya* system and the role of the *kyai*. The *swadaya* system remained strong but has gradually changed from voluntary work to in-kind donations and cash donations. It also changed from being only community funding during colonial times to community funding combined with government funding after independence. It was probably from the period of Kyai Nawawi onwards that the Pondok occasionally received government grants,¹²² which was probably due to the lack of human resources and the strong maintenance of both *tarekat* and traditional learning. Both situations may have disassociated this Pondok from external funding, including from Middle-Eastern sources.¹²³ The main *swadaya* income was from *tarekat*, which covered about 60 to 70 percent of the income.¹²⁴ *Tarekat* followers contributed *sedekah* at regular *pengajian*, (religious gathering or study group) *sedekah* during *haul* (the annual commemoration of the founders' deaths), money for books (registration), and *sedekah* for getting amulets (*jimat*). Other income came from profits from printing and selling calendars of the *pesantren* and organising *ziarah* pilgrimages. In the 2005 report, profit from *ziarah* was roughly 21 million (USD 2,471) and from calendars 10 million rupiah (USD 1,176);¹²⁵ *sedekah* from *tarekat* members which was collected during *haul* was around 7 million (USD 824).¹²⁶ Contributions from *santri* were small and were spent on accommodation and school expenses. *Santri* contributions as a school payment probably began after 1965 when the modern school was established. *Santri* began to pay for their meals probably from 1996 when the pondok owned a foundation named Raudlotut Tullab (the old name of the *pesantren*) that centralised the financial system. Based on the 2005 report, the foundation receives between 18 and 20 percent of its total income for *pondok*.

¹²² The largest grant was Rp. 200 million (USD 23,529) for the school building in 2004. Rosidin, interview.

¹²³ The Pondok claims to have declined offers for funding from Saudi Arabia, apparently because the funding would have required certain changes in the curricula. Rosidin, interview. According to Pondok staff, this was to avoid influence from puritan ideologies.

¹²⁴ Chalwani, interview.

¹²⁵ "Laporan Putra 2005," appendices.

¹²⁶ Rosidin, interview.

The role of the *kyai* is pivotal in charitable activities for the continuation of the *pondok*. Collected memories of Kyai Nawawi, for example, tell that he prioritised establishing the mosque over building his own house: he lived in an unfinished house for several years, and used his own money to build the mosque. Kyai Zarkasyi built the mosque on his estate and later donated the estate to the *pesantren*. Kyai Shiddiq taught *santri* voluntarily without any formal payment. Stories about this kind of giving and volunteering are familiar in a *pesantren* milieu, where *pesantren* leaders became the main donors and took full responsibility of the management of *pesantrens*. In Pondok Berjan, for example, there were four financial resources, (1) contributions from the director, namely the *kyai*, (2) contribution from parents of *santris*, (3) donations from other people or institutions which are “halal and without certain requirements,” and (4) profit making. In establishing of the foundation and the modern organisation, there is a will by each *kyai* to differentiate between the resources of the *pesantren* and his own, and to be committed to public accountability. However, in *pesantren* with a strong traditional learning and a *tarekat* system, the authority of the *kyai* would always be powerful. Therefore *pesantren* and mosques have remained as community institutions.

VI. Keeping out Mosques Funds from the State Intervention

The effort of the Dutch government to keep charitable activities separate from the state can be seen in the case of mosque funds. Apart from the government’s effort to prevent its officials from benefiting from the funds and different perceptions between the government and indigenous people about the funds, this section will show that mosque funds were used by Indonesians as an exercise in organising charity along modern lines.

Mosque funds largely comprise a certain amount of the payment made for marriages (later it also includes a portion of *zakat* and *fitrah* money) that was kept by the mosques for their operations.¹²⁷ It comes from *sedekah* donations made by marrying couples as a thanksgiving to the mosque officials who preside over their marriage contracts and for being allowed to use the mosques for the ceremony. While both the marriage payments and its mosque operating funds are probably an old tradition, their

¹²⁷ Cf. “Moskeekas”, in *Encyclopaedie van Nederlandsch-Indië*, ed S. De Graaff and D.G. Stitbbe, 2nd ed., vol 2 (‘s-Gravenhage: Martinus Nijhoff, 1918), 789-90.

administration most probably took place during the Dutch period. The Javanese newspaper *Bramartani*¹²⁸ published an article that recounts the formation of a mosque fund.

... The king located *'ulama*, gave them a tax exemption, and asked them to teach reading and *shahada* [pronouncement of the faith]. When the people knew Islam, those who wanted to get married asked their teacher to legalise their marriage. Since they were happy they gave their teachers fruits and some amount of money. The independent religious leaders did not want to take that *karimat* [gift from the bridegroom] money. It was consequently used for the operation of mosques and to help the poor and destitute. During the Dutch government, this practice remained. However, persons who received money from marrying couples gave it to the *penghulu* and his officials. A certain amount was given to the funds for the *penghulu* called *baitul mal masjid*. In addition, *penghulus* were been encouraged to take responsibility for the money by specifying the fee. It is according to the elucidation (*sarah*) of the *Kitab Tuhfah* or *Kitab Kalimahacui*¹²⁹ that those people should be responsible. ...¹³⁰

The formation of mosque fund may have been taken place specifically in Java and Madura as implied from the observation of Snouck Hurgronje and suggestion of E. Gobeel in 1931.¹³¹ In addition, there are no specific reports on mosque funds in other islands of the archipelago listed by R.A. Kern in 1920. (See Appendix 1).

Mosque funds became a big issue during colonial times because they consisted of huge amounts of money and represented a mismatch of interest between people and the government in dealing with charitable money. The government tried to keep mosque funds for religious services and as a strictly private voluntary activity, separate from state interference. Conversely, the people wanted to use whatever resources they had for the welfare of the community without limitation to Islamic rituals and without any concern as to state or private status. This mismatch may have come from different understandings of the fund. The government generally considered these funds to be a donation from mosque officials, whereas people considered it also as a public fund called *Baitul mal*. Another article published in *Bramartani* in 1885 explains how mosque funds or *Baitul mal* were applied.

¹²⁸ *Bramartani* circulated in Surakarta circa 1855-1932. It is written in the Javanese language and script .

¹²⁹ Probably *Kitab Majmu' or Fath al-Mu'in*.

¹³⁰ M.s. Jaka Waweka, untitled, *Bramartani*, 17 February 1891, shortly as "arta srakah."

¹³¹ R.A Kern, collection no H 797, no 250; Snouck Hurgronje, *Nasihah-nasihah*. 5.

Arrangements in Kabupaten Sragen are under Surakarta royal authority, which I can call the very best and most beneficial [arrangement]. All of the mosques that are in towns outside the capital city certainly remain royal possessions. Therefore considerations about how to restore mosques arise from these beneficial arrangements.

In the regency there is one chief *penghulu* with six *katib* under him, one *modin*, and one secretary. (In district there is also a *penghulu naib*). When someone who lives around 3 km from the regency wants to get married, the custom is to proceed the ceremony in the mosque. Whatever *srakah* money was given, 25 cents of it was kept in the mosque, namely in the mosque fund which was called *Baitul mal*. The rest of it was distributed. The *penghulu* received half of it, and the other half was shared between the *katib*, *modin*, and secretary. So, the *Baitul mal* funds are royal funds.

Mosque funds. The mosque funds is used for (1) the operational cost of the mosque, (2) purchasing lamps and oil to light the mosque at night, (3) obtaining objects used at mosques such as *pandan* mattresses, (4) supporting funeral expenses of poor who die at the mosque, (5) funeral cost for the very poor among the villagers, (6) appropriate support for the poor who spend the night at the mosque, such as travelling *santri* from other regions, or wandering Arabs (they obtain food at the cost of *Baitul mal*). Similarly, if there are children whose father died (before their birth) where parents are very poor, they are supported with food paid from with the *Baitul mal* funds. *Baitul mal* funds do not only come from *srakah* money. Service fees for *talak*, inheritance, bequests and so on also take 10 percent for the mosque. The Sragen Mosque is going to be renovated. All of its materials are well prepared and the costs are covered by *Baitul mal* money. Each month the *penghulu landraad* will report [on the *Baitul mal*] and send the report to the regency. This includes the number of marriages and other services held in the mosque of the regency. The regent will read the report and check that with the amount of *Baitul mal* money mentioned in the report book.¹³²

The above quotation gives an example of expenditure of mosque funds, which were mostly to do with the welfare of the community and operational costs of the mosque. The quotation and others cited above show that the voluntary gift of *srakah* was money that was then transformed into an officially recognised fee under the Dutch government, which led to the legalisation of mosque funds. The Dutch legislation in fact was a response against corruption and, more particularly, abuses where the money was used for purposes other than religious services or the operation of mosque.

There was criticism regarding mosque funds among people, some of which was similar to the concerns of the government. The most important criticism was to do with

¹³² Anon, "wangsulan katur kyai juru ngarang," *Bramartani* no 52, 19 November 1885. it will be referred as "baitul mal masjid."

corruption among the managers (especially *penghulu*),¹³³ the enforcement of payment,¹³⁴ and its misuse.¹³⁵ Many critics pointed out that although the mosque funds were huge, the condition of the mosque was still poor because the funds were of no benefit.¹³⁶ However, there was a strong call to transform the mosque funds into a charitable organisation, which was in contradiction to the government's position.

Although the government prohibited the use of mosque funds for public need or the welfare of the poor, the outcry in favour of such use became stronger in the early twentieth century. One critic argued that the use of the funds for public needs was not against Islamic law; in fact, the law encouraged the use of mosque funds or *Baitul mal* for purposes such as caring for the poor, which was an urgent need.¹³⁷ An appeal for the change of mosque funds into a charitable institution was written in the newspaper *Sinar Hindia*.¹³⁸

In SH [Sinar Hindia] of 16 April 1919 no 75 there was a news item by Mr. Soeradi regarding mosque funds that had gone missing in Semarang. If that is correct, why should you gentlemen, the defenders of nation, not start immediately to struggle for the appeal mentioned in SH February 1919 no 31 which proposes that we could talk about the adversity of our nations where there are many people becoming beggars.

Since mosque funds are also given as *fitrah* and *zakat*,¹³⁹ it would not be a bad thing if they were also used as *fitrah* and *zakat* for our people who are becoming destitute. It should not only be given to rich widows and to mice who used to smoke.¹⁴⁰ If the government approves this aspiration, the mosque funds that used to be given as *zakat* and *fitrah* should not be distributed for food only, but should also be collected for establishing poor-houses for the poor.

¹³³ For examples M.s. Jaka Waweka, "Arta Srakah," *Sinar Hindia*, 9 January 1919, no 6, as summarised from Overzicht van de Inlandsche Pers (IPO) No 2/1919 (Weltevreden: Bureau voor de Volkslectuur, 1918-1920); and *Sinar Hindia*, 18 November 1918 No. 231. About the misbehavior mosque staff, see *Oetoesan Islam Soeara Kaoem Moeslimin di Hindia-Belanda*, 30 December 1918 No 39. About mishandling and the abuse of the high native officials see Achmad Bazar, "Kas Mesdjid dan ambtenaar," *Sinar Hindia* no 231, November 18, 1918.

¹³⁴ Jaka Waweka, "Arta Srakah."

¹³⁵ *Sinar Hindia*, 8 May 1919, *Sinar Hindia*, 18 November 1918 No. 231.

¹³⁶ See anon, "Kasihaniilah dan tolonglah beberapa riboe orang miskin," *Sinar Hindia*, 24 April 1919, and *Sinar Hindia*, 18 November 1918, no 231.

¹³⁷ One critics wrote "Gentlemen readers should know that everywhere exists a huge money that can be considered as useless. What was it? Mosque funds!" Anon, "Kasihaniilah dan tolonglah beberapa riboe orang miskin," *Sinar Hindia*, 24 April 1919.

¹³⁸ *Sinar Hindia* was a paper that belonged to the Indonesian Communist Party (Partai Komunis Indonesia). It was published in Indonesian, sometimes mixed with Dutch.

¹³⁹ Mosque funds were not given as *fitrah* and *zakat*. The writer probably means that the money was distributed directly to the poor as food or money, which was the same as *fitrah* and *zakat*.

¹⁴⁰ "mice who used to smoke" probably refers to corrupt leaders.

With all respect, the writer asks all of you, gentlemen who are the nation's defenders and leaders of BO [Boedi Oetomo], SI [Sarekat Islam] and other organisations to fully consider this appeal, because the writer has seen many examples from foreign nations, most of which them have already established many nursing homes supported by the government. It would only be fair if the government did not keep quiet but would support our work."¹⁴¹

Apart from the probability that these funds were understood as the state treasury that was called "*Baitul mal*" during Islamic kingdoms, an appeal towards modernisation of mosque funds was in fact on a different course from the government policy on mosque funds. The government tried to control these funds so that they were used only for matters of religious service and the upkeep of the mosque. This effort did not quite succeed.

The government only became aware of the issue of the mosque funds after the case of Regent Rembang, Raden Tumenggung Panji Kartowinoto, who (among other things) could not account for the use of f. 3,892.00, f. 3,196.00, and f. 2,328.00 in 1886, 1887, and 1888 respectively.¹⁴² Although the problem was more the *penghulu*'s fault than that of the regent, the regent was fired from the office (1 May 1889) as a warning to other regents.¹⁴³ His successor then issued decree no 3282/1 on 4 August 1892¹⁴⁴ regulating income, management and expenditure of the mosque funds in Rembang. The first circular concerning mosque funds was sent to all chiefs of regencies in Java and Madura dated 4 August 1893,¹⁴⁵ which included the regulation regarding Rembang as an example for other regencies. The regulation of 1893 ordered local governments to be careful in selecting *penghulu*, to exercise control over mosque funds, and to introduce fees for marriages, interim-divorces (*talak*), and divorces. It also stated that the government would control the administration books (report) and the rate of fees for services.

¹⁴¹ Anon, "Oeang mesigit haroes di goenakan boeat kaperloean boemipoetera," *Sinar Hindia*, 8 May 1919. This is PKI criticism of mosques. Roedjak Oeleg, "Wang Kas Masdjid," *Poesaka*, May 1919, no 11.

¹⁴² Mailrapport no 287, 1889.

¹⁴³ The letter was signed by the governor general of the Netherlands Indie, base on advice of the Raad van Indie no. 284, 1 April 1889. Mailrapport no 287.

¹⁴⁴ See the extract in *Adatrechtbundels* Vol VII, no 8, 297-9.

¹⁴⁵ See *Adatrechtbundels* Vol VII, no 8, 302-6. The missive was published in *Locomotief* newspaper, Friday, 1 September 1893 no. 204.

Why did the government control mosque funds? The 1893 regulation carefully explains that mosque funds were considered to be a payment for a service given to the *penghulu* as a government official, therefore it was not regarded as charity.¹⁴⁶ The regulation consequently argues that control over the fund was necessary in order to prevent the payment from becoming burdensome¹⁴⁷ or, in Snouck Hurgronje's words, creating a hidden tax for the people.¹⁴⁸ Many other circulars were then sent to the heads of regions at Java and Madura, as follows.

Table 1. Circular on Mosque Funds in 1901-1931

Name	Subject
Secret Circular of 3 August 1901 no 249	An order to reduce the amount of mosque funds and a warning not to use them for other aims such as for street-lighting, renovation of bridges.
Secret Circular of 28 May 1904 no 240	A warning against the misuse of mosque funds and against ignorance regarding the implementation of government regulation
Circular of 1 August 1904 (Bijblad no 6057) ¹⁴⁹	A regulation of marriages fees and their distribution
Circular of 28 February 1905 no 873	The use/application of <i>zakat</i> and <i>fitrah</i> money included in the mosque funds
Circular of 7 October 1905	Guidelines for the management and use of mosque funds
Circular of 28 August 1923 ¹⁵⁰	To prevent too much money being put in mosque funds and to use these funds for good purposes.
Missive of 20 May 1931 ¹⁵¹	Management of mosque funds and their further issues
Circular of 24 November 1931	Management of mosque funds and supervision of the maintenance of mosques.

Source: *Adatrechtbundel*, Snouck Hurgronje, *Nasihah-Nasihah*; R.A Kern, collection H 797 and G.A.J. Hazeu, collection H 1083.

These circulars set specific guidelines and instructions on how to manage mosque funds, especially on reducing the rate of fee payment in order to reduce the amount of the fund. "The mosque fund should not kept beyond the needs of *ibadah* according to the previous tradition,"¹⁵² because a large amount would become "tempting" and would

¹⁴⁶ *Adatrechtbundels* VII.

¹⁴⁷ Regulation of 1893. It is also mentioned in other regulations such as 1904, 1905, 1923 and 1930.

¹⁴⁸ Snouck Hurgronje, *Nasihah-nasihah* 5, 847.

¹⁴⁹ *Bijblad op het Staatsblad*, No 6135-6330, vol 39 (Batavia: Landsdrukkerij, 1906).

¹⁵⁰ R.A Kern, collection no H 797, no 250, KITLV

¹⁵¹ G.A.J. Hazeu, collection no H 1083, no 11,

¹⁵² Secret Circular of 1 August 1901 no 249.

open the door to abuse and malpractice. Behind these regulations is actually the fact that the amount of mosque funds was extremely large, and was open to potential abuse and malpractice. (See list of balances of mosques funds in the appendix 1 and list of misuse and abuses in table 2 below).

Reducing the amount was not an easy task. Snouck Hurgronje was upset to find that in some cases the amount of mosque funds would even increase. For example, the funds of Cianjur, Sukabumi, and Tasikmalaya increased from the previous year to become respectively f. 13,000, f. 14,000 and f. 21,000 in 1905.¹⁵³ In 1907, the funds of these regencies were f. 13.494, f. 30,722, and f. 18,735.¹⁵⁴ In 1920, the funds became f. 845, f. 3,704, and f. 5,528 respectively.¹⁵⁵ G.A.J Hazeu reported that the amount of mosque funds circa 1907 was still high and so was its misuse, despite government's warnings.¹⁵⁶ In 1920, the total amount of mosque funds in regencies of Java and Madura was more than a half million guilders, (as can be seen in the Appendix 1). The amount varied from one regency to another. There were many reasons behind the different fund levels. One of the reasons was the different economies of the region. Cilacap and Purwokerto, which had the biggest amounts in Banyumas residency, were known as industrial and trade regions, whereas regencies Purbalingga, Banyumas and Banjarnegara were agrarian areas.

Although in a few years' time the reduction of mosque funds was successful, E. Gobe, the adviser for the Native and Islamic Affairs, was not satisfied because the malpractices and abuses were still there. The main malpractices and abuses that concerned the government can be differentiated into three categories: the use of funds outside their proper purpose, inappropriate use of funds for "religious services and mosque upkeep," and personal use of funds by officials. These categories are based on Snouck Hurgronje's report in the attachment of his letter dated 7 October 1905, called "special notes."¹⁵⁷

¹⁵³ Missive to the governor General, 16 April 1905.

¹⁵⁴ G.A.J. Hazeu, "Eerste verslag over een onderzoek naar de administratie en het beheer der Moskeekassen," collection H 1083, no 52.

¹⁵⁵ List of Balances of Mosque Funds 1920, Appendix 1.

¹⁵⁶ Hazeu, "Korte Aantekeningen over Kaum Toestanden en Moskeekassen."

¹⁵⁷ In addition to this, Snouck designed the regulation of mosque funds called "General Remarks."

Table 2. Examples of Misuse in Mosque Funds circa 1903-5

Residencies	The use outside the aim	Inappropriate use of religious service and mosque operational	Personal uses by officials and ruler
Banten		Building bath pool	
Priangan			The regent of Garut was always the main borrower.
Cirebon	Excessive expenditures not related to the aims of mosque	Establishment of a new mosque which was not really needed.	Unpaid loan by the deceased regent at f. 400.00
Pekalongan	Controller took f. 250 as a down-payment to build a private school.	Approximately f 600 was spent for helping the poor.	
	In Pemalang, f. 3,000 was used for a club.		
Semarang	f. 693.53 loan to the government which would not be paid back.	f. 4 for form of observation of <i>hajj</i> a candidate.	Huge amount given to koloni Van Emmerick. ¹⁵⁸
Rembang	Each month some amount was given to the missionary hospital at Mojowarno.	More than f. 9,000 to build a mosque at Blora.	Subsidies to widows of deceased officials.
	Purchase of a club building which cost f. 5,000	Donations to Arabs and to needy Europeans.	
Surabaya	Each year about f. 90 was given to missionary hospital of Mojowarno.	Donations to Arabs and poor Europeans.	Building grave monuments for the late regents of Gresik.
Madura	Monthly payment f. 20 to 2 spies at Sampang. E	Many payments for <i>taklik</i> costs.	f. 6,000 borrowed by an European official to built a slaughterhouse at Bangkalan.
			Gifts of f 168 from the assistant resident to some of the poor.
Pasuruan		Renovation of mosque at Malang at f. 18,000	
Besuki	Financing plant seeds and other cultivation matters		Refurbishing of the office of the assistant resident of Singotrunan.
Banyumas		Maintenance for nursing the poor	
Kedu	Used as cash loan at Purworejo	Subsidies and gifts for various categories of the poor in Purworejo and Temanggung	Subsidy to the <i>naib penghulu</i> of Banyuasin
		Payment for feasts at mosque in Kutoarjo	Monthly gifts of f. 15 to widows of officials in Kutoarjo who had resigned.
		Various kinds of donations for wandering beggars.	Many loans to native officials in Kutoarjo.

¹⁵⁸ I could not find information about the *koloni* Van Emmerick.

		Salaries for a religious teacher and secretary to an <i>'ulama</i> at Karanganyar	Subsidies for the <i>penghulu landraad</i> and widows of previous <i>penghulu</i> at Wonosobo
		Purchase of expensive copies of the Qur'an and religious books in Karanganyar	
Madiun	Establishment of a hospital		Loan for native officials at Pacitan
	Street lighting		
	Flags on the <i>alun-alun</i> in Madiun		
	Food for important feasts in Madiun		
Kediri	Salaries for a secretary, lighting person and gardener in Kediri regency.	Donations to poor European beggars some of whom were Muslims	In Tulungagung and Nganjuk much money was borrowed by native officials
	Monthly donations of f. 7.50 to the Mojowarno mission hospital.	Donations for the poor who were aristocrats	Luxurious funeral service for the wife of an <i>adipati</i> in Nganjuk, and nd donations for some other funerals
		Gifts to <i>kyai</i> and <i>penghulu</i> in Nganjuk who went on pilgrimage	A loan of f. 1,566.28 to an aristocrat without demand that the money be returned.

Source: *Adatrechtbundel VII*, 324-30.

The amount of mosque funds was huge (see Appendix 1) and the above table demonstrates that they were used for various “needs” that were not related to the mosques. Some expenditure was related to loan for either European or native officials, or even a business company; some was spent on “secular” public needs, such as street lighting and unusual needs such as paying spies; and some went on non-Islamic donations including to the Christian missionary hospitals in Mojowarno. While donations to Christian hospitals (in Rembang, Kediri, and Surabaya) can be rationalised, donations to poor Arabs and Europeans (Rembang, Surabaya, and Kediri) seem odd. Loans to Dutch officials (Pekalongan and Madura), contributions to government administration (Semarang), and for clubs (Pekalongan and Rembang) are extraordinary. Hazeu’s investigation at least discovered that such abuses became less in 1907-8, although they remained high.¹⁵⁹

¹⁵⁹ Confidential letter to Governor General of the Netherlands Indies, dated 24 January 1908. Hazeu, “Korte Aantekeningen over Kaum Toestanden en Moskeekassen.”

Apart from the abuses, a number of expenses were actually for public needs such as the construction of hospitals and street lighting. These expenses were regarded as misuse by the government, but not by the people. The government regarded marriage fees exclusively as salary of the *penghulu* and mosque officials. However, it seems that the people thought of it as two different things, namely fees for the officials, and donations for the mosques where the marriage ceremonies took place.¹⁶⁰ In addition, the mosque funds also received income from a portion of *zakat* and *fitrah*, as can be seen from the report of Hazeu.¹⁶¹

Therefore, expenditures for the public good and the poor could not be regarded as wrong. Later, in 1931, it seems that the government finally gave up prohibiting that this money be given to the poor or for the public good. E. Gobée suggested that the donations for mosques should be managed separately from the fees of marriage services.¹⁶² He argued that gifts to mosque funds were no longer state affairs, but were public affairs. Indeed, from the early twentieth century, there were many foundations and institutions focused on the welfare of the poor and the public benefit, as can be discussed in chapter Five. Gobee consequently made a regulation for the management and administration of mosque funds separately, quite apart from the government.¹⁶³

VII. Conclusion

The accounts of mosque funds, *pesantren*, mosques, and also *zakat* in this chapter demonstrate the development of “privatisation” of Islamic philanthropy and the escalation of public awareness in supporting public good and change. The Dutch colonial government’s secularism policy provided a good basis for the growth of Muslim civil society organisations and institution. By not being involved in religion and religious charities, philanthropic sources and voluntary efforts grew to empower the community, independent of the government. Indeed, the Dutch administration did not want to harm itself by becoming involved in religious matters as the majority Muslim

¹⁶⁰ This tradition is still practised until today, where amount for donations for mosque and fee for office of religious affairs are clearly set.

¹⁶¹ Hazeu, “Korte Aantekeningen over Kaum Toestanden en Moskeekassen.”

¹⁶² Letter to governor general dated 20 May 1931. R.A. Kern, collection H 797, no 463, KITLV

¹⁶³ Ibid.

native population would think this non-Muslim ruler had no right to be involved with or even to enjoin philanthropic resources.

Thus to some extent Dutch government policies empowered the development of Muslim civil society. This idea is very different from the conclusions of the majority of studies of the colonial period, which mostly show the negative impacts of colonisation and the bad treatment of the Dutch government in its dealings with Islam. My conclusion does not diminish the mistakes and shortcomings of the Dutch administration. Rather, this chapter shows that secular governance which does not involve itself with religious matters among the population may provide a breeding ground for the development of religious philanthropy, and also civil society.

Voluntary civil society organisations grew and became stronger in the twentieth century, along with the Islamic Modernist movement. The next chapter will focus on Muhammadiyah, the most successful Modernist organisation in social welfare.

CHAPTER FIVE

MUHAMMADIYAH AND MODERN PHILANTHROPY BEFORE INDEPENDENCE

I. Introduction

Modern philanthropy is a set of activities of giving and volunteering for public needs that are managed by an organised institution. Islamic philanthropic practices, namely *zakat*, *sedekah*, and *waqf*, which were initially practised as direct individual giving and unmanaged, became gradually organised. The first strong attempt to organise Islamic charitable giving was initiated in the early twentieth century by Muhammadiyah, a Reformist organisation popularly called “Modernist”.¹ Muhammadiyah was a pioneer in transforming traditional practices of giving into organised philanthropy, by mobilising community resources for social change in the name of religion. Mitsuo Nakamura² has pointed out the social action nature that was strongly embodied in Muhammadiyah’s reform movements as a modern voluntary organisation. This chapter continues along Nakamura’s path in discussing the Muhammadiyah reform in social welfare, particularly its theological basis and its activities which related to *zakat* and *fitrah*. It argues that the modern philanthropy was brought by Reformist Muslims worked as non-state movements without any intention to Islamise the state. The movement was supported by the Dutch government but was contested by Islamic Traditionalist leaders out of distrust of the non-Muslim ruler.

This chapter qualifies Muhammadiyah as an Islamic voluntary organisation which has provided modern transformations in philanthropy on the basis of Al-Ma’un theology, a puritan ethos, and Modernism. Al-Ma’un theology originates from the Al-Ma’un chapter (Qur’an 107) and provides a strong philanthropic basis for Muhammadiyah’s benevolent activities. The puritan spirit of Muhammadiyah brings a militant and action-oriented attitude to its implementation of the Islamic teachings of

¹ See definition in Terms and Definitions, 232.

² Mitsuo Nakamura, *The Crescent Arises over the Banyan Tree, A Study of the Muhammadiyah Movement in a Central Javanese Town* (Yogyakarta: Gajah Mada University Press, 1983).

philanthropy. Its Modernist character has allowed this organisation to manage philanthropic activities in a modern organisation.

More than many other Islamic voluntary organisations, Muhammadiyah's work in the area of philanthropy was (and is) exceptional, since it initiated philanthropic practices for social welfare and educational projects, such as establishing and maintaining schools, hospitals, and orphanages. These programs go far beyond just fundraising. Muhammadiyah can be seen as a quasi-philanthropic organisation when it is compared with the *amil* (*zakat* administrator) institutions that grew later in post-colonial Indonesia (see Chapter Six). Muhammadiyah was an organised collective *amil* which accumulated all forms of philanthropic resources and then managed and redistributed them for the needs of the poor. It was not solely a modern voluntary organisation employing *zakat*, *sedekah*, and *waqf*, but it was successful as a quasi-philanthropic organisation.

This chapter is organised into three main sections. The first section surveys various charitable and welfare initiatives that developed around the beginning of the twentieth century. It will contextualise how Muhammadiyah's philanthropic activities grew and how Muhammadiyah deserves to be called the pioneer of reform in Islamic philanthropy in Indonesia. The second section will discuss Ahmad Dahlan's thought and the organisational formation of Muhammadiyah's concern for social welfare, which was supported by the Dutch government. The last section will show the resistance of the Islamic Traditionalist leadership of Nahdlatul Ulama to Muhammadiyah's reform activities in *zakat* and *fitrah*.

II. Discourses on Reformation in Philanthropic Practices

Muhammadiyah's reforms of modern charitable practices were a product of the time, when the wind of Islamic reform was blowing strong mostly among Muslim thinkers and activists. The reforms of *zakat* and *fitrah* were triggered by criticism about improper practices involving *zakat*, *fitrah*, and mosque funds, as well as the influence of established Western and Islamic charitable institutions.

Critical questions were posed on the existing practice of *zakat*, *fitrah* and mosque funds. The *fatwas* of *Muhimmat al-Nafa'is* on the improper collection and use of *zakat* and *fitrah* elaborated in Chapter Four resounded strongly in the early twentieth

century. *Fatwa* number CVII³ was published again in at least two magazines in Indonesia and was elaborated accordingly in Hoesein Djajadinigrat's dissertation on Islamic law and the religious life of Indonesian Muslims.⁴ The involvement of the Dutch government in managing mosque funds evoked strong criticism from the people on issues of corruption, transparency and efficiency. The last issue triggered reforms in *zakat* management and also mosque fund management. This can be seen, for example, in a newspaper article entitled "Oeang mesigit haroes digoenakan boeat kaperloean boemipoetera" [Mosque funds should be used for the needs of natives].⁵ The author of the article did not focus upon the legal nature of *zakat* and *fitrah*, but proposed efficiency in *zakat* and *fitrah* management. This thought was probably an expression of the Modernist Muslims, who were not really concerned with *fiqh* but had a strong commitment to the modern and rational practice of charity.

The reform in *zakat* collection and distribution went to some extent against the payment of *zakat* and *fitrah* to 'ulama and rulers in local villages. It not only produced voluntary committees and organisations for the collection and distribution of *zakat* and *fitrah*, but also sharpened the conflicts between the so-called Traditionalists and Modernists, as will be shown in Section Four.

The reform of *zakat* and *fitrah* practices came from Reformist Muslims, who had secular as well as religious educational backgrounds. They used a modern approach which did not rely on the four traditional Islamic schools of law or *fiqh* authority. The reform focused on the essential benefit of *zakat* and *fitrah*, namely alleviating the needs of the poor. Therefore, the impact of this reform was a movement to take back *zakat* and *fitrah* payments from the local 'ulama, such as *lebai* and *modin* (religious persons who deal with religious gatherings and daily religious needs) and *penghulu* (religious officials who have the authority to perform marriages) and direct it to organisations that could distribute them to the poor. The reform most probably began in the second decade of the twentieth century, encouraged by Muhammadiyah.

³ See Chapter Four, p. 100

⁴ RA. Dr. Hoesein Djajadinigrat, *De Mohammedaansche Wet en Het Geestesleven der Indonesische Mohammedanen* (Weltevreden: G. Kolff & Co, 1925).

⁵ See Chapter Four, p. 119

1. Influences from Dutch and Islamic Charities

The activities of modern charitable organisations, whether from “Western” Dutch influence or from Muslim institutions, probably inspired the development of modern charitable institutions by native Muslims. Among these institutions were the Red Cross society, Christian orphanages and hospitals, and the *waqf* of Al-Azhar University.

The Netherlands Red Cross (Het Nederlandsche Rode Kruis-- NRK) was first established in 19 July 1867 and its Batavia branch (the first branch in the Netherlands Indies) was established on 8 October 1870 under the name Batavia Committee of the Red Cross (Bataviaasch Comité van het Roode Kruis). The name changed many times to accommodate its the organisation’s functions and distribution.⁶ From the 1930s onwards, it operated under the name of the Netherlands Indies Red Cross (NIRK). By 1871 the NIRK had collected donations of f. 90,000, of which f. 60,000 was sent to the Netherlands Red Cross in the Hague.⁷ In 1875 the NIRK had branches in Batavia, Padang, Semarang, Surabaya and Makassar. It established three clinics in the area of Batavia and Bogor in 1920 and it established a hospital in 1929.⁸

Orphanages and hospitals of both Protestant and Catholics missions had been long established in Indonesia.⁹ The government also provided subsidies for them. A Protestant orphanage in Semarang, for example, was reported as receiving f. 62,000 as its annual subsidy in 1904.¹⁰ Christian mission hospitals were well known among Indonesian Muslims, not only for the quality of their service but also because of the rarity of public hospitals. A missionary hospital of Mojowarno was in fact the recipient of regular donations from several mosque funds in Java, such as from the residencies of

⁶ F.G.P. Jaquet, *Gids van in Nederland Aanwezige Bronnen Betreffende de Geschiedenis van Nederlands-Indie/Indonesie 1816-1942* (The Hague: KITLV, 1970), 2:21.

⁷ H. Umar Mu’in, *Gerakan Palang Merah dan Bulan Sabit Merah Internasional & Perhimpunan Palang Merah Indonesia* (Jakarta: Gramedia Pustaka Utama, 1999), 123.

⁸ Jaquet, *Gids*, *ibid.*

⁹ Philanthropic works of Dutch *zending* (missions) and missionaries in the archipelago were focused on education and health. Several accounts on educational and health charities can be seen in Karel Steenbrink, *Catholics in Indonesia 1808-1942*, 2 vols. (Leiden: KITLV Press, 2003 and 2007). See for example 1:199, 2:172-4, 390-4. TH. Sumartana, *Mission at the Crossroads: indigenous churches, European missionaries, Islamic associations and socio-religious change in Java, 1812-1936* (Jakarta: BPK Gunung Mulia, 1994), and TH. van den End, *Ragi Carita: Sejarah Gereja di Indonesia*, 3rd ed. (Jakarta : BPK Gunung Mulia, 1989).

¹⁰ This subsidy was an increase from the annual subsidy issued in the previous year of 1874. See *Bijblad op het Staatsblad* no 5986, 1906.

Rembang, Surabaya, Kediri, and Cilacap.¹¹ Scholars such as Deliar Noer and Abdurrachman Surjomihardjo have shown that Muhammadiyah did not only respond to the social and educational activities of Protestant and Catholic missions but also openly adopted their charitable institutions.¹²

The *waqf* of al-Azhar University in Cairo was famous as an archetype of the Islamic philanthropic institution, as well as a milestone for Islamic studies. The influence of the al-Azhar *waqf* was distributed through Indonesian students and alumnae of Al-Azhar University, who benefited from its generous scholarships to study and live in Cairo supported by *waqf* revenues.¹³ The passion and endeavour to establish a comparable institution to Al-Azhar was the inspiration for a number of modern *pesantren* as educational *waqf*.¹⁴

2. Charitable Initiatives by Native Indonesians

Along with the traditional *waqf* institution that has been developed in almost all areas in Indonesia,¹⁵ modern foundations were also developed by Reformist Muslims. One example of this is the Kas Wakaf Kemerdekaan Pergerakan Sarekat Islam (Independence Waqf Fund of the Sarekat Islam Movement). This *waqf* fund was formally established on 24 December 1918 by Sarekat Islam “[a] to assist victims and their families fighting for the Indonesian movement for independence, and [b] to support endeavours for the Indonesian movement for independence,” without restriction of religion or nationality.¹⁶ This so-called *waqf* fund was actually a modern foundation which had from the nothing to do with the traditional *waqf* endowment. The fund also

¹¹ See Chapter Four, p. 124

¹² Deliar Noer, *The Modernist Muslim Movement in Indonesia 1900-194* (Singapore: Oxford University Press, 1973), 79-80, and Abdurrachman Surjomihardjo, *Sejarah Perkembangan Sosial Kota Yogyakarta 1880-1930* (Yogyakarta: Yayasan untuk Indonesia, 2000), 71-6. Abdurrachman particularly shows that the development of native education in Yogyakarta strongly encouraged by private (*partikelir*) schools which were initially dominated by Protestant ones.

¹³ See, Chapter Two, p. 54. About the link of Al-Azhar Indonesian students, see Mona Abaza, *Islamic Education, Perceptions and Exchanges: Indonesian Students in Cairo* (Paris, Association Archipel, 1994).

¹⁴ One *pesantren* that was clearly influenced by Al-Azhar was the Pondok Modern Gontor at Ponorogo.

¹⁵ Koesoemah Atmadja, *Mohammedaansche Vrome Stichtingen in Indie* (S’Gravenhage: Adi Poestaka, 1922).

¹⁶ Charter of Kas Wakaf Kemerdekaan Pergerakan Sarekat Islam, see “Kas Wakaf Kemerdekaan Pergerakan Sarekat Islam,” *Sinar Hindia*, December 31, 1918. On *waqf* funds see also “Bestuurvergadering C.S.I.,” *Sinar Hindia*, December 28, 1918; “Koeat Sama Koeat,” *Sinar Hindia*, January 7, 1919; *Oetoesan Hindia*, January 7, 1919 no 4; *Oetoesan Hindia*, January 9, 1919, no 6; *Oetoesan Hindia*, January 13, 1919 no 18; *Sinar Hindia*, December 18, 1918; *Sinar Hindia*, December 29, 1918 (no 259) and *Sinar Hindia*, December 30, 1918.

came from donations from its founders, such as Semaun, and business support behind Sarekat Islam, such as *Sinar Hindia*.¹⁷

Another example of the global influence of charitable institutions is the presence of the Committee of the Red Crescent Society of Netherlands-Indies (Al-Hilal al-Ahmar Hindia Belanda). It was established in 1915 by Sayyid Hasan b. Semit, a leader of Sarekat Islam in Surabaya, and was supported by Sarekat Islam (SI).¹⁸ The Dutch government related this committee to the Ottoman war and support for the Ottoman Sultanate.¹⁹ In 1918 this committee was part of the Sarekat Islam as can be seen from the financial report of Central Sarekat Islam published in the *Oetoesan Islam* newspaper.²⁰ The report also mentions that the committee raised funds of f. 23,349.78, of which f. 21,747.00 was sent to Constantinople.²¹

There is little possibility that Al-Hilal Al-Ahmar was active from around 1920, especially due to the Ottoman policy to end the sultanate, a policy that was not popular in Indonesian Muslim communities—or indeed among Muslims worldwide—because it was regarded as diminishing the role of Islam. The organisation also became forgotten along with the wane of Sarekat Islam, but as been recently revived in the *Reformasi* period.²² Indonesia was and is among few countries that have had both Red Cross and Red Crescent Societies.²³

Relief activities and also fundraising were carried out by various constituencies, from social, political, religious, ethnic organisations to bureaucrats, to work for the victims of disasters such as floods, famines, epidemics, volcanic eruptions, and earthquakes. Among the relief committees in 1918-1919 were the Committee for

¹⁷ See the list of donors in “Kas Wakaf Kemerdekaan” *ibid*.

¹⁸ S.L. van der Wal, *De Opkomst van de Nationalistische Beweging in Nederlands-Indie, Een Bronnenpublikaties [The Emergence of the Nationalist Movements in the Netherlands-Indies]* (Groningen: J.B. Wolters, 1967), 400.

¹⁹ *Ibid*.

²⁰ See *Oetoesan-Islam*, 30 December 1918.

²¹ *Ibid*.

²² In 2002 the Indonesian Red Crescent Society or Bulan Sabit Merah Indonesia was created. See Chapter Seven, p. 196.

²³ The Red Cross is named the Red Crescent in Islamic countries as both the symbol and the name are regarded as a symbol for Christianity or the Crusades. For more about the political and ideological nature of the names and the movements in Islamic societies see Jonathan Benthall, “The Red Cross and Red Crescent Movement and Islamic Societies, with Special Reference to Jordan.” *British Journal of Middle Eastern Studies*, vol 24 no 2 (1997):157-77. Benthall also shows that the British had a short term Red Crescent Society between 1912 and 1920.

“relieving famine” in Surabaya,²⁴ the committee to help the victims of flood Bangil,²⁵ and the Relief Committee of Sarekat Islam Trenggalek to assist the victims of famine.²⁶ The Assistant Resident and native officials at Boyolali initiated fundraising activities for the victims of the influenza epidemic.²⁷ In Batavia, a ladies’ committee held a charity market (Pasar Derma) for the assistance of Kelud’s eruption.²⁸ The Sultan and the Crown Prince of Yogyakarta each donated f. 1,000 for the victims of the Mount Kelud eruption.²⁹ In Tumpang, Malang, Sarekat Islam held a fundraising show “Pencak Macanan” for the Relief Committee of Blitar.³⁰ Sarekat Islam Jowodwipo held a fundraising bazaar night.³¹ Even Sarekat Islam Tumpang and the Chinese organisation Tiong Hwa Hwee Koan organised a charity puppet show in May 1919.³² These two organizations, which had different ideologies and opposed against each other in 1912s, were able to work together for charitable purposes. Charitable fundraising helped to relieve suffering not only in Indonesia but also abroad.³³

Modernism shaped charitable and humanitarian committees into organised charitable institutions, such as orphanages, hospitals and houses for the poor. One example was the Relief Committee of Sarekat Islam Trenggalek. It was created in 1918 to help the victims of famine in Trenggalek. The committee was then transformed into Disaster Funds (Noodfonds), which gave support in cases of disaster such as the fire in Kwitang, Betawi. In February 1919 this fund was extended to build a poor-house in Trenggalek that provided food for approximately 60 poor people each day.³⁴

The concern to alleviate poverty and assist victims of natural disasters did not stop at relief work, but also included changes in policy. One example was the Central Sarekat Islam. In February 1918, Central Sarekat Islam launched a national movement

²⁴ It published a fundraising report in *Oetoesan Hindia*, February 21, 1918.

²⁵ “Derma boeat Bangil”, *Oetoesan Hindia*, January 15, 1918.

²⁶ *Oetoesan Hindia* 10 June 1919 as quoted from IPO, 24/1919

²⁷ *Sinar Hindia*, 9 January 1919.

²⁸ “De Pasar Derma Keloet,” *Neratja* 9 June 1919, as quoted from *I.P.O* no 24/1919. It recounted with pride that Indonesian women could also participate in supporting the public need.

²⁹ “Oentoek Korban Kelut,” *Oetoesan Hindia*, July 19, 1919.

³⁰ *Oetoesan Hindia*, June 10, 1919.

³¹ *Oetoesan Islam*, December 30, 1918.

³² *Ibid.*

³³ For example, there was an advertisement for a charitable opera (Opera Derma), probably held in Minangkabau, where the proceeds were to be given to the committee for the relief of distressed people in the Netherlands. Its advertising says “Santoenilah sesama manoesia jang dalam sengsara.” See *Oetoesan Melajoe*, 18 January 1919.

³⁴ “Tolong, Tolonglah,” *Neratja*, February 19, 1919.

for preventing famine by lobbying the government and “capitalists.”³⁵ It demanded that the government reduce and control the prices of main foodstuffs and provide cheap foodstuffs for the people.

3. Transparency and Accountability

The activities of charities in this period display a culture of transparency and accountability, because these organisations survived off voluntary donations. Various voluntary organisations and charitable activities used newspapers and magazines to report on their fundraising and their financial balance, including lists of donors.³⁶ Sarekat Islam and Muhammadiyah were probably the two main organisations that pioneered the use of written media to report their charitable and financial reports. Sections of Sarekat Islam, such as “Tentara Kanjeng Nabi Muhammad” (the Army of the Prophet Muhammad), also published a fundraising report.³⁷ The Tablig section of Muhammadiyah published a half-yearly report in 1918, which included a financial report, in *Oetoesan Islam*.³⁸ Central Sarekat Islam published a periodical financial report in the same newspaper.³⁹ Muhammadiyah almost always published its reports, including financial reports and list of donors, in its own media such as *Soeara Muhammadiyah*.

Publicity for general fundraising such as for rallies and unionism, were also published in newspapers such as *Sinar Hindia*.⁴⁰ Newspapers, which became a means for fundraising as well as for presenting reports, in turn functioned as charitable organisations, working to collect and distribute donations. For example, the newspaper

³⁵ A full page of the *Oetoesan-Hindia* of 15 February 1918 was dedicated to the campaign’s launch and guidelines.

³⁶ See the report on donors of *waqf* funds of Sarekat Islam in “Bestuurvergadering C.S.I.,” *Sinar Hindia*, 28 December 1918.

³⁷ *Oetoesan Hindia*, 16 January 1918, and “Derma Kepada Komite T.K.N.M.,” *Oetoesan Hindia*, February 21, 1918.

³⁸ “Verslag Jang Kedoea Taoen 1918 dari Tableg, de vereeniging comite Mochamadiah Djaokjakarta,” *Oetoesan-Islam*, 23 September 1918. Fundraising report of TKNM

³⁹ “Pemberian Tahoe. Laporan Keuangan Central SI oleh Sayid Hasan bin Semit,” *Oetoesan-Islam*. *Soeara Kaoem Moeslimin di Hindia-Belanda*, 30 December 1918.

⁴⁰ See for example the report on the fundraising for labour demonstrations held by the PPBB (persatuan Pergerakan Buruh Bumiputra) in *Oetoesan Hindia*, 14 January 1918, and *Oetoesan Hindia*, 15 January 1918.

Oetoesan Hindia published a story of a poor widow. Later, it received several donations from the readers which it gave to the widow.⁴¹

The early twentieth century showed an impulse toward using and modernising charity. “Modernising charity” is an aspect inherently included in what Takashi Shiraisi called as the “age in motion.”⁴² The growth of voluntary and charitable organisations was an indication of the strength of civil society. The strong Dutch government provided a political and social space for the development of Muslim civil society organisations.

In a situation where charitable and voluntary organisations had been mushrooming, Muslim Reformist organisations followed the trend of creating charitable organisations by basing themselves upon Islamic teachings and spirit. Muhammadiyah was the one that took the aspect of philanthropy seriously, based on its combination of Al-Ma’un theology, its adaptation into a rational and modern organisation, and its puritanic spirit.

III. Muhammadiyah’s Philanthropic Reform

This section discusses Muhammadiyah’s reforms for the advancement of social welfare, which entailed bottom-up efforts that were independent from the state but sought collaboration with the state. The section will show a transformation from the theological thought of Muhammadiyah’s founder to a voluntary activism and philanthropic reform.

1. Three Bases for Muhammadiyah’s Charity

There are three main aspects behind Muhammadiyah’s philanthropic reforms: Al-Ma’un theology, Modernism, and puritanism.

Al-Ma’un theology refers to Chapter 107 of the Qur’an, entitled Al-Ma’un (small kindness, almsgiving). It reads:

⁴¹ *Oetoesan Hindia* 21 February 1918. The report about the suffering of the widow was published in *Oetoesan Hindia* on 31 January 1918.

⁴² Takashi Shiraisi, *An Age in Motion Popular Radicalism in Java, 1912-1926* (Ithaca: Cornell University Press, 1999).

Have you considered him who calls the judgement a lie? That is the one who treats the orphan with harshness; and does not urge (others) to feed the poor. So woe to the praying ones who are unmindful of their prayers, who do (good) to be seen and withhold the necessities of life.⁴³

These verses generally encourage generosity, particularly support for orphans and the poor. They demonstrate an understanding of religious existentialism, making it clear that religious rituals, such as prayers, should have social effects. They are careful to label as hypocrites those who are unkind to orphans and the poor. The idea of religious morality, especially from this Al-Ma'un chapter, was given serious attention by the founder of Muhammadiyah, Kyai Haji Ahmad Dahlan (1868-1923). It provided the impetus for Muhammadiyah's pursuit to become the best group or community (*khair ummat*) that "ordains the good and forbids the bad" (*ya'murun bi al-ma'ruf wa yanhau 'an al-munkar*).⁴⁴ This core value was set by Dahlan and became the motto of Muhammadiyah together with another motto set by Dahlan namely "talk little, [but] do much" (*sedikit bicara, banyak bekerja*), as he was a practical person.

The story of how Dahlan practised the theology of Al-Ma'un reflects his thoughts on creating "the best group." It has been told by many of his biographers,⁴⁵ but the most complete account was written by Yusron Asforie.⁴⁶ Apparently Dahlan repeatedly discussed the interpretation of the Al-Ma'un chapter in his lectures after the dawn prayers in the early years of Muhammadiyah. One of his students, H. Sujak, who later became the chief of Assistance for the Relief of Public Suffering (PKU), once asked why he always focused on this particular chapter. Dahlan responded by asking his audience whether they had already understood and carried out (*mengamalkan*) what is instructed in the Al-Ma'un Chapter. Sujak answered that he and his friends understood it and recited it during prayers, but did not know what they were supposed to put into practice (*mengamalkan*). Dahlan explained what he meant and said "I am afraid you haven't practised the verses. From today, go around to find the poor and orphans and bring them to your house. Give them good soap for bathing and clean clothes to wear;

⁴³ Qur'an 107:1-7.

⁴⁴ Qur'an 3:104.

⁴⁵ Among others see Yunus Salam, *Riwayat Hidup KHA Dahlan Amal dan Perdjoangannya dan Pendiannya*, 2nd ed. (Jakarta: Depot Pengajaran Muhammadiyah, 1968).

⁴⁶ M. Yusron Asforie, *Kyai Haji Ahmad Dahlan Pemikiran dan Kepemimpinannya* (Yogyakarta: Yogyakarta Offset, 1983), 50.

give them food and drink, and a place to sleep in your house.” Dahlan closed the meeting by asking everyone to do what he had instructed.⁴⁷

In addition to the Al-Ma’un theology, Modernism and puritanism contributed important elements to the creation of a strong movement to organise charity and change the culture of direct giving. Modernism contributed Muhammadiyah organisation with a certain mechanism that creates long term and legal effects, while Modernists themselves brought a culture of rational thought. Among the products of Modernism were the establishment of (modern) schools, hospitals and orphanages, the registration of donors and *waqf* properties, and a culture of transparency and accountability. The puritan spirit contributed a rationalised approach to religious teachings on philanthropy. In other words, Muhammadiyah’s war against superstition, non-authentic religious inventions and religious delusions (*tahayul*, *bid’ah* dan *churafat*, abbreviated as TBC)⁴⁸ was also initiated in charitable matters. Among the products were *ijtihad* on organised payment and distribution of *zakat* and use of *zakat* for organisation. Without Modernism and a puritan spirit, Al-Ma’un theology would not have had its strong effect.

Philanthropy was one of Dahlan’s three important reforms. Hamka has discussed Dahlan three concerns regarding the situation of Indonesian Islam: the backwardness of Muslim communities because they left the Qur’an and the *hadith*, Muslim poverty, and the backward nature of Islamic education.⁴⁹ Accordingly, Dahlan’s main work, according to Hamka, was the movement to return to the Qur’an and the *hadith*; the establishment of orphanages, hospitals, houses for the poor and such like; and finally, the establishment of schools and printing to reform Islamic education.⁵⁰ In other words, the three concerns were religious purification, education and charity. These are embedded in the Muhammadiyah departments, namely Religious Dissemination (Tabligh), Education, and Social welfare. Although Muhammadiyah’s departments have

⁴⁷ Ibid. Also see Salam, *Riwayat Hidup KHA Dahlan*.

⁴⁸ On TBC see Abdul Munir Mulkhan, *Islam Murni dalam Masyarakat Petani* (Yogyakarta: Benteng Budaya, 2000).

⁴⁹ Hamka, “K.H.A. Dahlan,” in *Kitab Peringatan 40 Tahun Muhammadiyah Sedjarah Pertumbuhan dan Bentuk Organisasi* (Jakarta: Panitia Pusat Perajaan 40 tahun berdirinya Perserikatan Muhammadiyah, 1952), 30.

⁵⁰ Ibid.

changed over time in terms of names and number, they can still be differentiated according to these concerns.⁵¹

Table 3. Departments within Muhammadiyah in Selected Years

Years	Department According to the Three Concerns		
	Religious Purification and Proliferation	Education	Charity/Philanthropy
1914	Tabligh (focuses on religious proliferation)	Schools	
1920	Tabligh	Schools	Assistance for the Relief of Public suffering (PKU)
		Taman Poestaka (Publication House)	
1952	Tabligh	Teaching	Carer for the Welfare of Ummat
	Tarjih (on religious law)		Waqf and wealth
	Hikmah (on politics)		
1974	Tarjih	Education/Learning/ Culture	Carer for Community Welfare
	Tabligh		
	Hikmah		
2005	Tarjih and Tajdid	Primary and Secondary Education	Economic and Entrepreneurship
	Tabligh and Da'wa (Islamic propagation)	High Education and Research	Public Health and Welfare
	Cadre Development		Community Empowerment
			Waqf and ZIS (Zakat, Infak and Sedekah)

Sources: P.B. Muhammadiyah Jogjakarta, *Muhammadiyah, Anggaran Dasar, Anggaran Rumah Tangga, Qaidah-qaidah, dan sebagainya* (Yogyakarta: Persatuan, 1952); *Landasan Hukum Persyarikatan Muhammadiyah dan Amalusahanya* (Yogyakarta: Persatuan, [1977]), 25; and Persyarikatan Muhammadiyah, "Pimpinan Pusat Muhammadiyah [Central Board of Muhammadiyah] 2005-2010", http://www.muhammadiyah.or.id/index.php?option=com_content&task=view&id=63&Itemid=27 [accessed December, 6 2007].

The combination of these three elements made Muhammadiyah a pioneer changing the traditional way of giving in three aspects: reinterpreting philanthropic

⁵¹ For detailed discussion on the development of Muhammadiyah's structure, departments and programs, see Drs. H. Musthafa Kamal Pasha, B.Ed and Ahmad Adaby Darban, SU, *Muhammadiyah sebagai Gerakan Islam (dalam Perspektif Historis dan Ideologis)* (Yogyakarta: Lembaga Pengkajian dan Pengamalan Islam-LPPI, 2000), 93-110.

practices, managing philanthropic resources, and channelling these resources. These three aspects will be incorporated into the discussion of Muhammadiyah's social and welfare section, abbreviated as PKU (Penolong Kesengsaraan Umum,⁵² "Assistance for the Relief of Public Suffering," later called Pembina Kesejahteraan Ummat, "Ummat Welfare Guide").

2. PKU Activities

The PKU initially grew out of the activities of Dahlan's students, who convened religious lectures and collected donations to support these.⁵³ The students worked in four divisions, namely *tabligh* (religious dissemination), publication, education, and assistance for the relief of public suffering (PKU).⁵⁴ According to Deliar Noer, the PKU section was first established as a relief committee for the victims of the Mount Kelud eruption in 1918.⁵⁵ It seems that the committee was quite successful. *Oetoesan Hindia* reported that around July 1919 its total income from donations amounted to f. 5,067.13.⁵⁶

Muhammadiyah's social and welfare programs developed well only from 1918, when students of Dahlan organised themselves with his support. Although Dahlan's thought and concern on social and welfare may have been expressed earlier, Dahlan was probably too busy defending his new organisation from the opposition of traditionalist leaders. Haji Sujak,⁵⁷ one of Dahlan's prominent students, played a significant role in the establishment and development of the PKU.

The activities of the four divisions created by Dahlan's students were incorporated into the Muhammadiyah program in June 1920, and it expanded widely from there. In January 1923 the PKU opened its first house for the poor, the Rumah Pertolongan PKU (PKU Assistance House), and in February 1923 the PKU opened its

⁵² The word "umum" was written as "oemoem" hence the abbreviation PKO. The name has been changed many times, reflecting different focuses and periods, but the abbreviation remained the same.

⁵³ For a history of the establishment of the PKU see Sudarman, "Muhammadiyah dan Kesalehan Sosial (Kasus Majelis PKU dalam usaha Penyantunan Anak Yatim 1980-1990)," (Masters thesis, IAIN Sunan Kalijaga Yogyakarta, 2003), 71-77. Ahmad Adaby Darban, *Sejarah Kauman: Mengungkap Identitas Kampung Muhammadiyah* (Yogyakarta: Tarawang, 2000).

⁵⁴ Sudarman, *Muhammadiyah dan Kesalehan Sosial*, 72-4.

⁵⁵ Deliar Noer, *The Modernist Muslim Movement in Indonesia 1900-1942* (Singapore: Oxford University Press, 1973), 78.

⁵⁶ *Oetoesan Hindia*, July 1919, as quoted from *I.P.O* no 29/1919.

⁵⁷ Cf p. 136; About Sujak, see Nakamura, *The Crescent*.

first clinic.⁵⁸ The orphanage was established before 1923, when orphans were among the main concerns of Muhammadiyah and the PKU. Even though the number of orphans at the PKU orphanage was only 35 in 1929;⁵⁹ this was regarded as a success since sending orphans to an orphanage was not culturally supported.⁶⁰ The establishment of clinics and orphanages was far fewer than the growing number of Muhammadiyah schools. It was difficult to get medical doctors, as government hospitals were rare;⁶¹ Muhammadiyah also employed Dutch doctors in its PKU clinics.

There were three main areas of work of the PKU program in the early years, namely (1) helping the poor by providing poor-houses, (2) helping orphans by providing them with accommodation, clothes, food, and religious and secular education, and (3) helping the sick by providing clinics, hospitals, and a polyclinic.⁶² In addition, the PKU also responded to other occasional needs and emergency relief, and its office opened daily to provide this assistance.⁶³ In 1923 the PKU started to provide funeral services⁶⁴ and later extended this to the collection and distribution of *zakat*, *fitriah* and *Qurban* (animal sacrifices).⁶⁵

Before the independence of Indonesia, PKU was pluralist and moderate. These attributes can be seen in an account of the PKU that was written in 1929 to guide the establishment of new PKU branches. According to this guide, the basic principles (*azas*) of the PKU were as follows.

“The Muhammadiyah’s PKU works and assists the alleviation of public suffering without looking at other parties’ work, and without serving other people who want to obtain public influence. It works solely because of the instruction of Islamic teachings brought by our Prophet Muhammad, peace be upon him, and following his tradition.

⁵⁸ Sudarman, *Muhamadiyah dan Kesalehan Sosial*, 72-82.

⁵⁹ Moehammadijah Bg. Taman Poestaka Hindia Timoer, *Soeara Moehammadijah*, congress-nummer no 14 t/m 21, April 1929, 22.

⁶⁰ Today Muhammadiyah’s support for orphans has changed, and orphans do not stay full-time at orphanages.

⁶¹ This is something for which Catholics missionaries harshly criticised the government.

⁶² M. Abdoellah, “Moehammadijah Bg. PKO Hindia Timoer,” *Almanak Moehammadijah Tahoen Hidjrah 1348* (Djokjakarta: Pengoeroes Besar Moehammadijah bahagian Taman Poestaka - Drukkerij Persatoean Moehammadijah DK, 1348 H [1929]), 120-1.

⁶³ *Ibid.*

⁶⁴ “Nota over de Islamitische Eredienst 1923,” in R.A. Kern, Collection H 797, no 200. It is a detailed report on the speeches at the general meeting of Muhammadiyah in 1923.

⁶⁵ *Reglement* [regulation] *Moehammadijah b/g Penolong Kesengsaraan Oemoem (P.K.O) Hindia Timoer di Djogjakarta* (Yogyakarta: Muhammadiyah, nd [between 1923-1934]), shortly *Reglement PKU*, 5-6.

So, the basis for assistance of Muhammadiyah's PKU is like an oasis that is pure (*jernih*) and clean, located in a place accessible to everyone no matter what nationality and religion they have. It is for whoever can get the water as long as they do not deliberately destroy the stream and close the oasis.

Assistance for Muhammadiyah's PKU is not a dragnet to attract people to become Muslim or join Muhammadiyah, but it solely fulfils the Islamic obligations for all nations, irrespective of religion. It does not include any aim to defend the interests of an individual or the community, but the success is for the nation that received the help. Its aim is not to keep the poor under constant assistance, but to keep all danger of suffering and baseness away from each individual as well as from their community.⁶⁶

This quotation reflects PKU principles, which were tolerant, pluralistic, and religious. PKU maintained an Islamic basis, but stressed the promotion of the public good with less intention to Islamise or "Muhammadise" others. Although it clearly stated its aims for a purely humanitarian mission, it certainly could not be separated from the general mission of Muhammadiyah's *da'wa* movement. The PKU's *da'wa* mission was not verbalised; rather, it became the secondary aim after humanitarian intention. The promotion of humanitarian values from charity can be seen in many other documents of PKU, including its invoices. Receipt donations prepared by the PKU in 1929 contain a declaration as follows:

"I understand and acknowledge that there is no such truthful and worthy act in this world as "HELPING." I understand and acknowledge that all kinds of giving are entitled for the poor and orphans who are in need and neglected. I understand and acknowledge that giving is not because of reciprocity, but to follow the command of God and the teaching of the Prophet Muhammad p.b.u.h and to improve morality.⁶⁷

A much clearer principle of non-discrimination of religion and nationality can be seen in the Regulation of the PKU, issued between 1929 and 1934, especially in articles 3 (basis of activities), article 5 (membership) and 13 (donors).

Article 3: The work of the PKU is based on the Islamic principle of helping those who are suffering without considering nationality or religion.⁶⁸

⁶⁶ M. Abdoellah, "Moehammadijah Bg. PKO Hindia Timoer," p 120-1.

⁶⁷ Ibid, 123.

⁶⁸ *Reglement PKU*, 4.

Article 5, item 3: Donor members: Everybody may become a donor member irrespective of religion and nationality...⁶⁹

Article 13: A donor is any person—without discrimination of nationality and religion—who would like to donate to this institution at least f. 100 (one hundred rupiah⁷⁰) at once, or at least f. 0.50 every month. ...⁷¹

The above articles show that PKU fundraising went beyond religion and nationality. It was possible that the PKU targeted Dutch and non-Muslim figures as its donors. With these principles, the policy of PKU clinics which employed Dutch medical doctors can be understood. Furthermore, PKU institutions such as poor houses received support from government and bureaucrats, which shows the policy of Muhammadiyah in general to be accommodative to the government.

The employment of Dutch doctors and Muhammadiyah's acceptance of government funding were strongly criticised.⁷² The strongest criticism related to subsidies for schools in the situation where *pesantren*, which were mostly under Traditionalist leadership, received no government subsidies and tried to oppose any chance for the government to involve itself in *pesantren* education. The Taman Siswa school, which had a nationalist ideology, also rejected the government curriculum. Muhammadiyah's policy of accepting government subsidies was not popular.

Muhammadiyah's persistence in collaborating with the government was likely mean receiving more assistance from it. For example, in 1936 Muhammadiyah received f. 63,293.45, which was 57 percent of its total income, and in 1940 received f. 101,996.41, which was 48 percent of its total income.⁷³ Nevertheless, Muhammadiyah remained critical of government policies, including the policy on subsidies itself. It openly criticised the government stating that the subsidy payments were not fair. Data published by Soeara Moehammadiyah indicate that from the total amount for religious costs in 1935 (f. 1,146,700), Islam only received 1 percent (f. 7,500) while Protestants

⁶⁹ Ibid., 8.

⁷⁰ The document uses Dutch guilders symbol but describes it as rupiah. Such a use is found in other reports and documents of Muhammadiyah during the Colonial period.

⁷¹ *Reglement PKU*, 8.

⁷² Most criticism is recorded in the "general review" (*pemandangan umum*) articulated by leaders of Muhammadiyah at each general meeting (congres). The employment of Dutch doctors, for example, is mentioned in M. Anies, "Pemandangan diatas Kemadjoen Agama Islam dan Pergerakan Moehammadijah Hindia Timoer Tahoen 1928," in *Almanak Moehammadijah Tahoen Hidjriyah 1348*, 21 and in Sujak, "Pemandangan Oemoem," *Soeara Moahammadijah*, 1920.

⁷³ See the Report of Muhammadiyah Central Board 1936 and 1940 in the Appendix 2.

received 70 percent (f. 804,000) and Catholics 29 percent (f. 335,200).⁷⁴ Muhammadiyah's demand to get more equitable subsidies from the government was obviously voiced in XVII Congress of 1928, which caused an incident. A delegate from Betawi (Jakarta) gave a speech that mentioned the inequitable nature of government subsidies. The speech was stopped by a high-ranking native official (Asisten Wedono) and the Muhammadiyah board was also called to the Residents office after the incident.⁷⁵ The board of Muhammadiyah supported the plea, providing data to indicate that from total subsidies of f. 1,666,300, only f. 3,950 went for Islam post.⁷⁶ It was regarded as unfair given that these government moneys were taken from the population of the Netherlands Indies, where Muslims were the majority.⁷⁷

It seems that the general policy of Muhammadiyah toward the government, which worked between accommodation and criticism, remained stable until the end of the Dutch era. Nevertheless, the internal policy with regard to religious and nationality tolerance changed along with the strong discourse of nationalism and independence during the 1940s. After Indonesian independence, none of the principles of opposition to ethnic and religious discrimination were clearly mentioned in Muhammadiyah's documents. The Charter (*Anggaran Dasar*) of 1952 and 1969 and its bylaw (*Anggaran Rumah Tangga*)⁷⁸ do not state these principles. They do not appear in the regulation documents of the PKU either.⁷⁹

⁷⁴ S. Tj [initial], "Subsidie (Oeang Bantoean) Pemerintah Hindia-Belanda bagi Keperloean Agama Islam dan Christen, boeat tahoen 1935," in *Almanak Moehammadijah Tahoen Hidjrah 1354* (Djokjakarta, Pengoeroes Besar Moehammadijah bahagian Taman Poestaka, [1934]), 221-2.

⁷⁵ Anies, "Pemandangan diatas Kemadjoean Agama Islam," 17.

⁷⁶ Ibid.

⁷⁷ Ibid

⁷⁸ Even the guidance on the "Kepribadian (personality) of Muhammadiyah", which was published in 1952, encourages the principle that Muhammadiyah had the *da'wa* mission for religious conversion, a principle that contradicts the 1930s policy. See the collection of Muhammadiyah's charter, bylaws and department regulations in P.B. Muhammadiyah Jogjakarta, *Muhammadiyah, Anggaran Dasar, Anggaran Rumah Tangga, Qa'idah-qa'idah, Dan sebagainya* (Jogjakarta: P.B. Muhammadiyah, 1952); and *Landasan Hukum Persyarikatan Muhammadiyah dan Amalusahnya* (Yogyakarta: Persatuan, [1977]).

⁷⁹ See for example Pimpinan Pusat Muhammadiyah Majelis Pembina Kesejahteraan Ummat (PKU), *Keputusan Rapat Kerja Nasional VIII Majelis PKU Muhammadiyah* (Jakarta: Majelis PKU, 1990); and Pimpinan Pusat Muhammadiyah Majelis PKU, *Laporan Kegiatan PP. Muhammadiyah Majelis PKU Periode tahun 1985-1990* (Jakarta: Majelis PKU, 1990).

3. Community-based Fundraising

Muhammadiyah's charitable activities were implemented not only by the PKU, but also by other sections of Muhammadiyah. For example, Aisyiyah, the women's wing of Muhammadiyah, had orphanages that later outnumbered the PKU's orphanages. Charitable programs, voluntarism and *gotong royong* (lit. working together; mutual self-help) can be seen all over Muhammadiyah's activities. One the example is the implementation of the National Congress of Muhammadiyah. Reports of these congresses (national meetings) of Muhammadiyah, which were published in detail in *Soeara Moehammadiyah*, are full of this self-support activity, ranging from members' contributions and cash donations to in-kind gifts from members and non members.

The two main resources of the congresses of Muhammadiyah came from members' contributions, support (*sokongan*) and accommodation fees. This can be seen in Table 4 below, which compares the percentage of income from three congresses, in Semarang 1933, Betawi (Jakarta) 1936, and Yogyakarta 1937. In every congress, contributions from groups and branches of Muhammadiyah comprise more than 33 percent.

Table 4. Income Percentage of selected Congresses of Muhammadiyah

Types of Income	Congress Years		
	1933	1936*	1937
Contributions (<i>sokongan</i>) from Muhammadiyah's groups and branches	40	35	33
Cash donation	6	23	1
Accommodation fees	33	36	35
Company contributions, profits, and others **	21	6	30

Source: *Soeara Moehammadijah*, March 1934, p. 191; *Soeara Moehammadijah*, June 1937, p.98; and *Soeara Moehammadijah*, April 1938, p. 48.

* The 1936 report contains large amount of loan. I have excluded the loans from this calculation.

** These items are compilation of various different items.

In-kind contribution exhibits high level participation in each congress, ranging from flower bouquets and food to borrowed equipments. These were recorded thoroughly as an implementation of a transparency system and as an acknowledgement for the donors

as well. Most reports also incorporate statement from verification committees that assessed the report.⁸⁰

In addition to “regular” fundraising (such as for the congresses noted above), Muhammadiyah created other kinds of fundraising. One fundraising event that was launched at national level was Muhammadiyah charity stamps (*perangko amal*), namely special stamps sold for a few cents more than regular stamps for donations to Muhammadiyah’s social, health and educational infrastructure.⁸¹ This fundraising was inspired by charity stamps launched by Christian and Catholic missions.⁸² The stamps were put on sale in September-October 1941 and were valid until July 1942. The stamp fundraising was supported by the government and the Sultans of Yogyakarta and Surakarta.⁸³ This fundraising is a further confirmation of Muhammadiyah’s policy of working in collaboration with the state.

Muhammadiyah in general and the PKU in particular employed and benefited from *zakat* resources. This policy that differentiates Muhammadiyah from other conservative Islamic organisations. Below is a discussion on the discourse and practice of *zakat* and *fitrah* within Nahdlatul Ulama and Muhammadiyah.

IV. Contesting *Zakat* and *Fitrah*: Nahdlatul Ulama and Muhammadiyah

On the issue of *zakat* and *fitrah*, Muslim Reformists and Traditionalists sometimes set out on the same footing, but most of the time moving in different directions. Indeed, the issue became an open conflict since the Reformists launched a reform of the traditional practices of *zakat* and *fitrah*. Later on, the Muslim Traditionalists ended up following the Reformist in the collection of *zakat* and *fitrah*, but it was a gradual process.

⁸⁰ “Penjelesaian Congres ke 22” *Soeara Moehammadijah*, March 1934, TH XV, 180-194; *Soeara Moehammadijah*, June 1937, 83-104; and *Soeara Moehammadijah*, April 1938, 21-48.

⁸¹ *Soeara Moehammadijah*, no 7 XXIII, Rajab 1360 (August 1941), no 7. This was a special issue of the charity stamps. See also Soebagijo, I.N., *K.H. Mas Mansur, Pembaharu Islam di Indonesia* (Jakarta: Gunung Agung, 1972), 42-3.

⁸² Asna, “Menghadapi Batoe Oedjian,” [facing a test] *Soeara Moehammadijah* no 7, August 1941, 150.

⁸³ I cannot obtain information as to whether or not this fundraising was successful. I have original (new) stamps given by the courtesy of Mr. Bachtiar Abbas, a resident of Melbourne, who inherited them from his father, Mr. Abbas Dg. Mallawa (d. 1970), one of the Masyumi and Muhammadiyah leaders of South Sulawesi. Abbas informed me that his father told him that the stamps were not used during that period due to the war.

Following the criticism of the *fatwas* of *Muhimmat al-Nafais* (Section Two), the practice of *zakat* and *fitrah* was reformed in two aspects: payment or collection, and disbursement. The two issues are related to each other, and for Reformist Muslims they are one package. The first issue received much attention and became a point of criticism of the Reformists against the Traditional *'ulama*.

The *Kaoem Moeda*⁸⁴ newspaper, for example, published a contribution from someone called Kromo from Sukabumi, West Java, who was surprised to find out that his father was asked to pay *zakat* to the *modin* (mosque functionary). Kromo criticised the *modin* and said he would not pay any *zakat* to a *modin*.⁸⁵ Another example was of public meeting of Sarekat Islam on 15 September 1918 at Purworejo, where H. Fachruddin, a leader of Sarekat Islam who was also a leader of Muhammadiyah, gave a speech. He criticised the *'ulama* who always asked people to give charity and *zakat*, which mostly benefited the *'ulama* themselves, not the poor and destitute.⁸⁶ When a member of the audience asked whether *fitrah* should be given to *modin*, Fachrudin stated that “anyone who on the first of the Sawwal month has more [food] is obliged to share his or her surplus with the poor and destitute, according to the *fitrah*'s measurement. It is unlawful (*haram*) for a rich person to accept *zakat* or *fitrah*.”⁸⁷

I assume that *'ulama* were in a difficult position because the patron-client relationship underlying *zakat* and *fitrah* supported their livelihood, and they profited from their rights as administrators (*amils*) of *zakat*. However, the reform toward a better collection and distribution was also reasonable and strong.

1. Kyai Sanusi

An interesting response to the reform was given by a religious leader from Priangan, H. Ahmad Sanusi (1888-1950)⁸⁸ who in his book criticising the government. The book

⁸⁴ This newspaper was established in Bandung, West Java, co-founded by Abdoel Moeis. It gives a voice to progressive Muslims similar to the voice of Sarekat Islam.

⁸⁵ Kromo [pseud], “Zakatheffing”, *Kaoem-Moeda*, Juni 26, 1919 no 115, as mentioned in IPO no 26/1919.

⁸⁶ He also blamed bureaucrats and *'ulama* for the disunity in Muslim communities that divided them into three groups, namely *priyayi*, *abangan* and *santri*, which were hostile each towards the other.

⁸⁷ “Verslag Openbare-vergadering S.I. ‘Poerworedjo-Klampok’ di Poerworedjo pada tanggal 15 h.b. September 1918,” *Neratja*, October 9, 1918 no 190.

⁸⁸ He established al Ittihadul Islamiyah (an association of *'ulama*) before Independence and was involved in the committee for the preparation of Indonesian Independence. He was also a prolific writer. See Martin van Bruinessen, “Ahmad Sanusi bin Abdurrahim of Sukabumi.” *Encyclopaedia of Islam*, THREE.

(which was regarded as a *fatwa*), entitled *Qawanin al-Diniyyah wa al-Duniawiyyah fi Bayan umur al-Zakat wa al-Fitrah* (Religious and Secular Regulations in explaining the matters of *zakat* and *fitrah*),⁸⁹ opposes the collection of *zakat* and *fitrah* by religious officials under the regent. According to Sanusi's biographer Iskandar, Sanusi contended that *zakat* and *fitrah* were not of the concern of the government and therefore should not be paid to the government, but to *amil* who should be selected by the community.⁹⁰ Religious officials including *penghulu*, were against the *fatwa* of Sanusi.

Sanusi himself was regarded as one of the leaders of Sarekat Islam in Sukabumi, West Java. He joined Sarekat Islam in 1913 while he was studying in Mecca and became an advisor to the Sukabumi branch in 1915 when he came back to Sukabumi. Not long after, however, he left Sarekat Islam as he did not agree with its activities any more.⁹¹ He was disappointed because Sarekat Islam Sukabumi did not work hard enough to help its members. He had previously suggested that Sarekat Islam Sukabumi should manage the regular member contributions for loan capital given to its members. But the organisation did not apply the idea and kept sending the contributions to the central board of Sarekat Islam.⁹²

When Sanusi later established the Association of Indonesian Ulama at Majalengka (Persyarikatan Ulama Indonesia di Majalengka- PUI), his thoughts on *zakat* and *fitrah* did not appear in the PUI Charter, but his thoughts on charity in general were clearly reflected in one of the PUI's aims. Namely that the PUI aims "to improve the material needs of the members, especially the material support to the *'ulama*. In principle, that support is [dedicated] to help other people, the poor and the destitute, by establishing schools and hospitals."⁹³

Sanusi did not represent Nahdlatul Ulama, but *'ulama*. His view that *zakat* and *fitrah* should be managed by Muslim communities was shared by other Muslim organisations, including Nahdlatul Ulama and Muhammadiyah.

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<http://www.brillonline.nl.ezproxy.lib.unimelb.edu.au/subscriber/entry?entry=ei3_SIM-0195>

⁸⁹ As quoted from Iskandar, "Kyai Haji Ajengan Ahmad Sanusi: Tokoh Kyai Tradisional Jawa Barat," in *Prisma*, vol 22 (2), 1993, 75.

⁹⁰ Iskandar, "Ajengan Ahmad Sanusi."

⁹¹ *Ibid.*

⁹² *Ibid.*

⁹³ *Padoman Persjarikatan Oelama Madjalengka*, 1932, 19.

2. Nahdlatul Ulama

As Nahdlatul Ulama was established as a response to the Turkish abolition of the Islamic caliphate and Muslim Reformist movements,⁹⁴ it often came into conflict with Muhammadiyah. Nahdlatul Ulama differentiated between the collection or payment and the disbursement or use of *zakat*. It most likely did not raise the issue of the payment of *zakat* and *fitrah*, which would only harm the members of its own organisation, as most *kyai* and *modin* were recipients of *zakat*. It mainly responded to the second issue, namely the use of *zakat* money.

One of the legal decisions on the First Mu'tamar (congress) Nahdlatul Ulama held in 21 October 1926 was the use of *zakat* payments for the establishment of mosques, *madrasah*, and boarding houses.

Q: "Is it permitted to use *zakat* money for the establishment of mosques, *madrasah* and boarding houses because those are part of "*sabilillah*" [lit. "the way of God"] according to the quotation of Imam Al-Qoffal?"

A: No, it is not permitted because "*sabilillah*" means those who do the wars in "the way of God." Quotation of Imam Qoffal is [legally] weak. The [*Kitab Rahmat Al-Ummah*] mentions that [the '*ulama*] agreed on the prohibition of disbursing [it] for establishing mosques or [purchasing] white clothes for dead bodies. In the first volume of the *Tafsir Al-Munir*, which al-Qoffal advises and quotes, some Muslim jurists permit the disbursement of *zakat* [money] for all kinds of righteousness, including purchasing white clothes for dead bodies, establishing boarding houses, or [paying] operational mosques, because the phrase "*fi sabilillah*" is meant for general [use].⁹⁵

The question of this *fatwa* is probably based on the Reformist practice of using *zakat* money "for other kinds of righteousness", such as for operating schools. The basis of this disbursement refers to the category "*fi sabilillah*" (in the way of God).⁹⁶ Nahdlatul Ulama—and like most traditional '*ulama*—prefers to follow a legal opinion which is supported by the majority of Shafi'i jurists and would not interpret anything directly

⁹⁴ Martin van Bruinessen, *NU: Tradisi, Relasi-relasi Kuasa, Pencarian Wacana Baru* (Yogyakarta: LKiS, 1994).

⁹⁵ Abu Hamdan 'Abd al-Jalil Hamid, ed., *Ahkam al-Fuqaha fi Muqarrarat Mu'tamarat Nahdlatul Ulama, Kumpulan Masalah2 Diniyah dalam Mu'tamar NU ke 1s/d 15* (Semarang: Pengurus Besar Nahdlatul Ulama, n.d), 9.

⁹⁶ There are eight categories: the poor, destitute, *zakat* managers, those whose heart are reconciled, to free those in bondage, those who are in debt, for *fi sabilillah* (in the way of God), and the *ibn sabil* (travelers). (Q.S. 9:60). See Chapter Two, p. 38.

from the Qur'an and *hadith*. In this case, there is a jurist who interprets “in the way of God” as meaning general kindness that could elevate Islam. Accordingly, the use of *zakat* money becomes flexible for fulfilling philanthropic activities. However, Nahdlatul Ulama tends not to agree with this general interpretation of “*fi sabilillah*” and interprets it as limited only to those who fight wars in the way of God. In other words, it did not agree with the *zakat* practice of Muhammadiyah, which used *zakat* money for purposes such as maintaining schools and orphanages.

This principle can also be seen in the Charter (*Anggaran Dasar*) of Nahdlatul Ulama, which does not mention *zakat* as one of the resources.

The financial sources of Nahdlatul Ulama come from:

- a. Admission fees
- b. Monthly contributions
- c. Annual contributions
- d. Donations from members and sympathisers of the Nahdlatul Ulama
- e. Other efforts that are *halal*.⁹⁷

In defining its financial sources, the Nahdlatul Ulama referred to general forms of financial system, without adopting many kinds of Islamic forms of charitable practices, such as *zakat* and *waqf*, or using any Islamic term, such as *sedekah*. Although in religious matters the Nahdlatul Ulama mostly referred to *fiqh* discourses, such as the *zakat* discussion above, it did not adopt these discourses in its Charter. Instead, it only used Arabic terms, namely “*i’ناه shahriyah*” for monthly contribution and “*i’ناه sanawiyyah*” for annual contribution. The approach is—in the words of Masdar Mas’udi, a scholar of Nahdlatul Ulama—holistic, without separating religious and secular matters.⁹⁸

This “holistic paradigm”, however, does not employ the “spirit of capitalism”, as employed by Muhammadiyah, that can expand the practice of charity. This paradigm unfortunately cannot easily be reconciled with the first phrase of the Nahdlatul Ulama credo of “preserving the good and relevant traditions and taking the better things from new traditions” (*al-muhafazat ‘ala al-qadim al-salih, wa al-ahdzu bi al-jadid al-aslah*).” The social and cultural contexts of Traditionalist Muslims are still relevant to following

⁹⁷ See Charter of 1934. There is no significant change in the contemporary Charters, such as those of 1984 and 1999.

⁹⁸ Masdar F. Mas’udi, “Zakat itu Ajaran Ruh yang Harus Dilembagikan,” interview in *INFOZ VII* (Ramadan 1426/October 2005): 9-11.

old good traditions, including charitable practices. Therefore, before Indonesian Independence or even to the present day, it seems that innovation in charitable practices could hardly have been expected to come from Nahdlatul Ulama.

However, Nahdlatul Ulama let its youth wing, Anshor, have a committee for the collection and distribution of *zakat* and *fitrah*. This means that it accepted Muhammadiyah's reform in having a *zakat* committee, but it did not follow the reform to use *zakat* money for its organisation. In 1941 *Soeara Ansor* reported a collection of rice, cash, and clothing that was undertaken by 41 branches of Ansor.⁹⁹ The report also mentions the number of people who received those three kinds of donations and how much each person received. As indicated in the report, there were probably three different programs executed by Ansor, namely *zakat*, *fitrah* and clothing donations. The cash collected was probably *zakat* contribution and rice was *fitrah* contribution. In today's collection of *fitrah*, giving cash instead of rice is something that is unavoidable since most people purchase rice for daily needs. According to some Nahdlatul Ulama scholars, this is actually regarded as *force majeure* and is not acceptable according to the Shafi'i *fiqh*, which maintains that the *fitrah* should be paid in the form of staple food, such as rice and corn.¹⁰⁰

What motivated Nahdlatul Ulama to create the committee of *zakat* and *fitrah* may be due to its involvement in the Indonesian High Islamic Council (Majlis Islam A'la Indonesia or MIAI).¹⁰¹ In 1940 *Soeara Ansor* published the results of the MIAI meeting and the Third Indonesian Muslim Congress in Solo, on 7-8 July 1941.¹⁰² One of its decisions was on *zakat* and *fitrah* of which should have become the policy of Nahdatul Ulama either.

[Chapter] XII. On *zakat fitrah*: [We are] in agreement with and support the efforts of the [MIAI] Central Board, namely to eradicate the payment of *zakat fitrah* which is against Islamic teachings, and ask all Islamic organisations to follow this policy."¹⁰³

⁹⁹ H.B.N.O bagian Ansor, "Verslag comite zakat fitrah dan kleeedingsfonds," *Soeara Ansor*, December 14, 1941, 122. The report was signed by H.M. Thohir Bakri and A.C. Djailani. See the report in Appendix 3, section 1.

¹⁰⁰ Kyai Zainuddin Ma'shum Ali, one of the leaders of Nahdlatul Ulama in Jakarta who is also the chairman of Pesantren Al-Hamidiyah in Jakarta. Interview by the author, 29 August 2005.

¹⁰¹ On MIAI see Deliar Noer, *The Modernist Muslim Movement*, 242-6.

¹⁰² *Ibid.*, 246.

¹⁰³ "Rapat MIAI pleno dan Kongres Moeslimin Indonesia ke III," *Soeara Ansor*, no 3, 1360 (1940).

The Nahdlatul Ulama and Muhammadiyah may have had differences of understanding of the specific aspects of *zakat* and *fitrah* payment that are referred to as “against the Islamic teaching.” However, the MIAI decision generally refers to the payment of *zakat* and *fitrah* to benefit religious officials and local *’ulama*, not the poor. The chapter cited above reflects the ideas of Reformist Muslims who dominated the MIAI, ideas that can also be found, for example, in three MIAI projects, namely the establishment of a national mosque, an Islamic university, and a *zakat* agency (called Baitul Mal) to manage *zakat* and *fitrah*.¹⁰⁴ The Nahdlatul Ulama seemed to accept only the collecting body for *zakat* and *fitrah*, which were easily endorsed by the second phrase of the credo of Nahdlatul Ulama, “taking the better things from new traditions.”

3. Muhammadiyah

Compared to Nahdlatul Ulama, Muhammadiyah *zakat* collection had already begun at least in 1918 by the Tabligh section, earlier than is mentioned by Nakamura.¹⁰⁵ *Oetoesan Islam* published a simple report on the *fitrah*:

Today the Tabligh [section] has carried out the collection and distribution of *fitrah*. The rice collected was 1,101 *kati*, which was directly distributed to the poor and destitute. There were 432 people who asked. This effort is very pleasing for the very poor.¹⁰⁶

The report is presented together with other reports of the Tabligh section in Yogyakarta, such as a report about volunteers teachers who had not received payment, and one about the opening of free school for girls.¹⁰⁷

The collection of *zakat* and *fitrah* probably became an annual program of Muhammadiyah that gradually became widespread along with the Muhammadiyah organisation. In 1940 Muhammadiyah had a national movement for the “collection and distribution of *zakat fitrah*,” reported by *Soeara Moehammadiyah*.¹⁰⁸ The report mentions the amount of collection, number of the poor and destitute, and the amount

¹⁰⁴ Harry J. Benda, *The Crescent and the Rising Sun Indonesian Islam under the Japanese Occupation* (USA: Foris publication, 1983), 144. on Baitul mal of MIAI.

¹⁰⁵ Nakamura, *The Crescent*, 91.

¹⁰⁶ “Zakat Fitrah,” *Oetoesan Islam*, September 23, 1918.

¹⁰⁷ “Verslag yang kedoea Taoen 1918 dari Tableg, De Vereeniging Comite Mochamadijah Djokjakarta,” *Oetoesan Islam*, 23 September 1918, shortly “Verslag Tabligh”

¹⁰⁸ “Hasil Gerakan menerima dan Membagi Zakat fitrah,” *Soeara Moehammadiyah*, February 1941, 6-16. See the report in Appendix 3, section 2.

that each of them received according to branches and groups of Muhammadiyah all over the country. Of the total 1,063 branches and groups of Muhammadiyah, only 389 reported their activities.¹⁰⁹ The report calculated that the total amount of rice collected was 2,978.08 *pikul*, which was distributed to 104,230 poor and destitute people. There were certain areas which also had a collection of different kinds of staple food: corn in Sengkang (South Kalimantan) and sago in Marissa (North Sulawesi).¹¹⁰

The report also mentions the amount of money collected. The majority of districts reported the collection of rice; some reported both cash and rice, and some collected only cash. Muhammadiyah branch Kotaraja in Aceh collected only cash (f 138.62), and it was distributed to 152 poor and destitute people. There were two more districts that collected only cash namely Lokseumawe (Aceh) and Karangdapo (Bengkulu). The report shows the use of *zakat* and *fitrah* money for general purposes, including for organisation and distribution to non-Muhammadiyah members.¹¹¹ In listing *zakat* as one of the financial resources of its organisation, Muhammadiyah apparently believed that *zakat* funds could be used for the benefit of the organisation.

The use of *zakat* for general purposes of generosity has been practised from at least 1918. Muhammadiyah also made *zakat* into one of their financial resources. For example, the 1918 financial report of the Tabligh section of Muhammadiyah mentions the following income.

Income position of the Tablig [section] funds:	
Balance from the month September 1917	: f 145.95
Cash from assistant members from October to August 1918	: f 275.64
Donations and <i>zakat</i>	: f 60.95
Donation for the <i>langgar</i> (small mosque) of Panembahan	: f 79.50
Donations for a free school	: f 117.40
Cash for the poor	: f 12.50 ¹¹²

This is not surprising because the Charter of Muhammadiyah explicitly mentioned *zakat* as one of its resources. Here I quote two chapters on financial resources, the first from

¹⁰⁹ 389 branch groups are classified in 25 regions: Aceh, Bengkulu, Besuki, East Kalimantan, South Kalimantan, Madura, Banyumas, South Sulawesi, North Sulawesi, West Java, Kediri, Lampung-Palembang, Madiun, Pekalongan, Minangkabau, East Coast of Sumatra, Pasuruan, Riau Indragiri, Yogyakarta and surrounding, Semarang, Surabaya, West Kalimantan, Surakarta, Tapanuli, and others (outer area). Ibid.

¹¹⁰ Ibid. See the column explanation (*keterangan*).

¹¹¹ Ibid.

¹¹² "Verslag Tabligh."

the Charter of Muhammadiyah and the second from the Charter of the PKU.

Chapter VII

Article no 24: Finance

Financial resources of the organisation:

- a. Admission fees, contributions, and support;
- b. *Zakat*, donations, and *wasiyat*;
- c. Profits and *waqf* of the organisation;
- d. Other resources that are *halal*.¹¹³

Below are the financial resources that are mentioned in the Regulation of the PKU Muhammadiyah in the period of 1923-1934.

Chapter 10

Expenditure of the PKU consists of funds from:

- a. Donations and contributions
- b. Unpredicted gifts
- c. Bequests, grants, and other large gifts
- d. *Zakat* of property and animals
- e. Profit from PKU business
- f. Money boxes which are provided in required places.
- g. Companies.¹¹⁴

The use of *zakat* for supporting the organisation was not only in Muhammadiyah's documentation. I refer to the Central Board financial reports of 1936 and 1940, which speak for themselves. (See the reports in Appendix 2).

Compared to other income items such as membership "contributions," "support," and donations, the income from *zakat* is relatively insignificant in both reports. However, both reports show that the income from *zakat* was received by seven Muhammadiyah sections, namely the HB (Central Board), PKU, Pengajaran (Teaching), Tabligh, Aisyiyah, Pemuda (youth), and Taman Pustaka (publication). Both reports also mention that the PKU and Teaching sections received financial support from the government and the Sultanate, most probably for orphanages, poor houses, medical clinics, and schools. Unfortunately this report does not explain how the *zakat* money was used. The expenditure sections only itemise general items such as salaries

¹¹³ The substance of this chapter has no significant change in today Anggaran Dasar of Muhammadiyah (2005). It only separates the third item to be "hak-hak milik Muhammadiyah" (properties that belong to Muhammadiyah), and "usaha-usaha perekonomian Muhammadiyah" (profits from business belong to Muhammadiyah), and moves *waqf* together with the second item.

¹¹⁴ Reglement PKU, 9-10.

(for staff, doctors and teachers), general meetings, administration, and maintenance. *Zakat* distribution is mentioned as a separate item in both reports (see item number 28 in the 1936 report and item number 38 in the 1940 report). Only the item in the 1940 report mentions that Aisyiyah distributed f. 71.75 of *zakat* money, whereas its *zakat* income was f 210.85.

Looking at these reports on the use of *zakat* funds, scholars would be curious to know what the Muhammadiyah understanding was with regard to *zakat* and *fitrah*. It seems there was not any significant difference from the common understanding of *zakat* and *fitrah* in the *fiqh* books. I take the example of an article entitled “*Zakat Fitrah*” that appeared in *Pantjaran Amal*, the bulletin of Muhammadiyah in Betawi (Jakarta), in 1937.¹¹⁵ Al-Bahry, the author, explains the legal aspects of *fitrah*, its beneficiaries, conditions for those who wish to pay, conditions for those who can receive, and benefit and secrecy aspects. Unfortunately there is no further interpretation of the eight beneficiaries. Al-Bahry only provides a meaning for “*fi sabillillah*” as “those one who do *Jihad* in the way of God.”¹¹⁶

Rather than discussing detailed legal aspects and interpretations, Al-Bahry provides practical guidance for action. He ends his article by writing:

It is clear that *zakat*, *zakat fitrah* and *sedekah* are not only for the sake of oneself, namely to avoid all spiritual ailments, but also for security and for public order. With *zakat*, someone can help his or her brothers who are in distress and poverty. No matter how small the gift, the benefit is significant for those who really need the gift.

Therefore, give priority to paying *zakat*, *fitrah* or *sedekah* in order to liberate yourself and your brother Muslim communities who are in humiliating poverty, so they can welcome ‘*Ied al-Fitr* together.’¹¹⁷

Al-Bahry provides an example of how Muhammadiyah activists placed more emphasis on the application of religion than on details of *fiqh* matters. Indeed, unlike the Nahdlatul Ulama leaders, some Muhammadiyah leaders and activists were graduates of western educational institutions. Even though they had specialised in Islamic studies, they were more concerned with applications of religion than with theoretical argument.

¹¹⁵ Al-Bahry, “*Zakat Fithrah*,” *Pantjaran Amal* (Madjalah Moehammadijah Tjabang Betawi), No 6-24, 1937, 483-486.

¹¹⁶ “Orang jang berdjihad didjalan Allah.”

¹¹⁷ Al-Bahry, “*Zakat Fitrah*,” 486.

Therefore, the slogan “going back to the Qur’an and *hadith*” was also relevant to the background of Muhammadiyah activists, who usually did not refer to many *kitab kuning* (classical religious books).

V. Conclusion

The charitable works of Muhammadiyah were a product of early Islamic reformist movements that motivated the development of Islamic philanthropy in Indonesia. The Muhammadiyah movement has played a significant role in transforming Islamic philanthropy from traditional practices to more organised ones. It demonstrates that philanthropic reform aimed to Islamise society but not the state. This was because the state was under a non-Muslim ruler. In this respect, the reformist movement progressed towards independence from the state. Traditionalist Muslim leaders were generally opposed to the movement for two reasons: first, they believed that the Reformist philanthropic movement denied—if not opposed—the authority of the four schools of Islamic law (*madhhab*) which was the strong basis of the Traditionalist Muslims; second, the Reformists were collaborating with the non-Muslim ruling power. Their opposition was not strong enough to stop the Reformist movement, however, and it which gained support from secular society as well as the government.

The development of Muhammadiyah and other voluntary organisations that grew from the early twentieth century marked the growing power of Muslim civil society. These organisations grew from the community, working for the betterment of society; they were independent and even became a controlling power vis-à-vis the government. The Dutch government’s policy of not interfering in religion or religious charities facilitated this Muslim civil society.

In this case, Muslim civil society grew under a strong state that implemented a secular system, from which charitable activities could empower the development of voluntary organisations. The growth of philanthropic activities was an indication of a growing civil society. However, this was unfortunately impeded by a difficult political situation, both prior to and after independence. After Independence this development did not improve, owing to concern with politics and political oppression, and also the involvement of the state in the management of Islamic philanthropy. This development will be elaborated in the next chapter.

CHAPTER SIX
STATE-BASED AND COMMUNITY-BASED
PHILANTHROPIC ORGANISATIONS AFTER INDEPENDENCE

I. Introduction

This chapter focuses on philanthropic practices from the end of Dutch colonialism (1942) to the end of the New Order period (1998). However, it will also go well beyond 1998 in providing case studies of Islamic philanthropic organisations.¹ It elaborates on the widening involvement of the state and other civil society organisations in managing modern philanthropy, especially in the formation of *zakat* organisations. The state's interest in Islamic philanthropy began when the Dutch government office was replaced by a native government dominated by Muslims. The chapter argues that state involvement in Islamic charity, which was brought about by Muslim leaders who demanded it, was opposed by Muslim civil society organisations, who rejected state-based philanthropic agencies and formed community-based philanthropic organisation. This period was the beginning of the competition between civil society and the state in an endeavour to control philanthropic practices, especially during the New Order. In general, there was an upward trend in Islamic philanthropic activities in post-independence Indonesia. This trend is related to two main aspects, namely Indonesian political conditions and a growing awareness of Muslim identity. The prevailing political situation also had a significant impact on the development of Islamic philanthropy.

The chapter is organised in four main sections. Section Two provides a general survey of Islamic philanthropic activities during the Japanese occupation and the war for independence. The Japanese occupation is a significant starting point because this is the time when the state officially supported, or made use of, Islamic movements, including Islamic charity. This section will observe the two main ideologies that were in competition immediately after independence, namely nationalism and Islam. The growing interest of the Old and New Order regimes in an involvement in philanthropy

¹ The reason is because the two organisations remain in operation today.

will be discussed in Section Three. The section will show the civil society demand for and resistance to state involvement in *zakat*. The demand is based on the idea of modernising Islamic philanthropy, while the opposition is based on the distrust against the state.

Sections Four and Five provide two case studies of Islamic philanthropic organisations. The first is a state-based philanthropic agency of the province of Jakarta (Badan Amil Zakat Infak dan Sedekah Daerah Khusus Ibukota, abbreviated as Bazis DKI²). This is a leading state-based *zakat* agency in terms of its programs and the collection of funds, and it is the oldest state-based *zakat* agency surviving to date. The second is the board for the implementation of *Zakat* of the Muhammadiyah in Kendal regency (Badan Pelaksana Urusan Zakat Muhammadiyah Kendal, abbreviated as Bapelurzam). This is a community-based *zakat* organisation belongs to the Muhammadiyah district board of Kendal, province of Central Java. It is the most successful *zakat* organisation within Muhammadiyah and was one of the successful community *zakat* organisations established during the New Order.

II. Islamic Philanthropy During the War for Independence

This section is a survey of Islamic philanthropic activities from 1942 to 1949, a period of political turbulence covering the emergence of the Indonesian nation-state. This section will show that the growth of philanthropic initiatives, namely giving and volunteering, and philanthropic organisations (state-based or otherwise) depended on the Indonesian political situation. I have highlighted the relationship between the effort to put into Islamic philanthropy and the effort to implement an Islamic state. This tendency can be seen in the example of Masyumi (Majlis Syuro Muslimin Indonesia, the Consultative Council of Indonesian Muslims), which regarded *zakat* as an important part of the implementation of the Islamic state.

1. Baitul Mal and Corps of Volunteers

Indications of state-sponsored Islamic philanthropic efforts started during the Japanese occupation, as the Japanese administration was the first to accommodate political Islam.

² DKI stands for *Daerah Khusus Ibu Kota*, or Capital City Special Region.

In April 1943, the Supreme Islamic Council of Indonesia (Majelis Islam A'la Indonesia or MIAI), an organisation that was established in 1937 under Dutch rule and was permitted to continue operating under the Japanese, launched a project called Baitul Mal (financial institution or state treasury).³ This Baitul Mal is distinct from the Baitul Mal of the period of Dutch colonialism discussed in Chapter Four. During the Dutch period, mosque funds in some areas were called Baitul Mal.

The Baitul Mal discussed in this present chapter was simply a *zakat*-collecting body that redistributed *zakat* to the poor. Its works later extended to other social welfare activities, mainly the establishment and maintenance of poor-houses and orphanages.⁴ This organisation was inspired by the success of the Baitul Mal of Bandung that was established by R.R.A. Wiranata Kusuma, Regent of Bandung. The Baitul Mal Bandung was handed over to the MIAI in 11 April 1943⁵ to be extended as the main program of MIAI. In October 1943 Baitul Mal branches were successfully established in 35 regencies in Java.⁶ This is an impressive number for such a short-lived project. The Baitul Mal project came to an end when the MIAI was dissolved by the Japanese authorities. According to H.J. Benda, this occurred because the MIAI and its projects were considered to be idealising Islam more than supporting the Dai Nippon ideology, and this was seen as a threat by the Japanese. However, many branches of Baitul Mal remained in operation, including the Baitul Mal Bandung. This kind of charitable initiative was not totally finished, however, as it was revived in 1947, after Indonesian independence.

The Baitul Mal organisation's name and activities of this kind were a combination of *zakat* management and mosque fund efforts during Dutch rule. Whereas during the Dutch administration the involvement of native officials in Islamic charities was carefully differentiated between personal interests and government ones, the MIAI's Baitul Mal shows a different situation. The establishment of the Baitul Mal of

³ Under Dutch rule, the MIAI had already included *zakat* in its program, see Chapter Five. In 1943, under the Japanese, it set up the three short-term main programs, namely the establishment of national mosques, the establishment of Islamic universities, and the creation of the Baitul Mal institution. See Hary J. Benda, *the Crescent and the Rising Sun, Indonesian Islam under the Japanese Occupation 1942-1945* (The Hague: W. van Hoeve, 1958).

⁴ "Peratoeran Baital-Mal MIAI" in *Soeara MIAI*, July 1, 1943. This edition of *Soeara MIAI* was devoted for Baitul Mal.

⁵ "Baitoel-Mal Bandoeng-Ken Diserahkan kepada MIAI," *Asia Raya*, April 11, 1943, 2.

⁶ "Berita Dewan MIAI," *Soeara MIAI*, October 1, 1943, 25.

Bandung and Baitul Mal branches across Java was mainly organised or at least supported by native officials.

The Japanese occupation contributed to the establishment of voluntary mass organisations for defence. These organisations were supported by Muslim leaders. The first was the Volunteers' Corps for the Defence of Java (Pasukan sukarela untuk membela tanah Jawa or PETA, popularly called Pembela Tanah Air or Defenders of the Motherland). PETA contained a great number of *kyai* (religious leaders) and its senior officer was Kasman Singodimejo, a Muhammadiyah leader.⁷ The PETA flag in fact displayed the Islamic crescent on a Japanese Rising Sun, a symbol that “aptly expressed the desired identification of Japan’s war with a Holy War for the defence of Indonesian Islam against the Christian, imperialist West.”⁸

Communal participation in the war through voluntary activities also became strong during this period, stimulated by the Japanese administration and its creation of more and more mass voluntary organisations. These included the Association for People’s Service (Indonesian: Himpunan Kebaktian Rakyat; Japanese: Jawa Hokokai), Neighbourhood Associations (Rukun Tetangga or RT),⁹ Barisan Pelopor (Pioneer Corps), and Hizbullah (God’s Army). Barisan Pelopor was associated with nationalist groups while Hizbullah, which was largely under the control of the Rukun Tetangga,¹⁰ was closely associated with Masyumi. Hizbullah had volunteers in all regencies in Java, and after the Japanese left Indonesia, it became an important corps of fighters for Indonesian independence.

2. From Fundraising to Foundation

During the war and political turbulence between 1945 and 1950, the newborn government opened the doors to any kind of support for defending independence. There were many accounts of volunteering, serving and giving during the war, such as the provision of shelters and food, service to those who were injured, and participation in

⁷ Ibid., 138-41.

⁸ Ibid., 141.

⁹ It was mainly concerned with the support of food and clothes. Ibid., 154-5, 265.

¹⁰ Ibid., 179.

the war as voluntary combatants.¹¹ More organised philanthropic efforts were set up during the war period after Indonesian independence, from 17 August 1945 to 1949. These initiatives were brought about mainly by Muslims who wanted to defend the new country or had nationalist visions. The following paragraphs will introduce three of them.

An important first effort was the well-known donations for the purchase of the first Indonesian aircraft by the Acehnese. In 1948, Soekarno went to Aceh and many other cities in Sumatra that were politically free of Dutch control for fundraising to buy aircraft. These were needed to show the world that the new-born nation had survived in spite of military aggression of the Dutch. Various sources claim that the fundraising in Aceh, where the committee obtained about 20 kg of gold, was successful. According to Acehnese local history, the money was spent buying two DC-3 (Dakota) aircraft, whereas according to the history of the Indonesian airforce only one aircraft was obtained, called Seulawah (mountain of gold).¹²

Another important initiative was the establishment of the Indonesian Red Cross (Palang Merah Indonesia – PMI). If we recall the presence of the Red Crescent Society from 1918 (known at that time by its Arabic name Al-Hilal al-Ahmar),¹³ the establishment of the Indonesian Red Cross shows an awareness of a national political identity brought by Muslims with a secular ideology. Soekarno, Indonesia's first President, launched and inaugurated the Indonesian Red Cross only a month after independence, on 17 September 1945. Attempts to have an Indonesian Red Cross organisation distinct from the Dutch one¹⁴ had already been made in vain in 1938 and 1940 by Dr. RCL. Senduk and Dr. Bahder Djohan.¹⁵ Another unsuccessful attempt had been made during the Japanese occupation. However, it took independence to achieve this aspiration. During the war of independence, the Indonesian Red Cross was already

¹¹ On the war, see Anthony Reid, *The Indonesian National Revolution 1945-1950*, Melbourne: Longman Pty Ltd, 1973); M.C. Ricklefs, *A History of Modern Indonesia Since c. 1200*, 4th ed. (Palgrave MacMillan, 2008).

¹² Dinas Sejarah TNI Angkatan Udara, *Sejarah Perjuangan Indonesian Airways dengan RI-001 "Seulawah"* (Jakarta: Dinas Sejarah TNI Angkatan Udara, 1979).

¹³ See p. 132 above.

¹⁴ See Netherlands Indies Red Cross (NIRK) in Chapter Five, p. 4. The assets of NIRK which (became NERKAI in 1945) were given to the Indonesian Red Cross in January 1950. H. Umar Mu'in, *Gerakan Palang Merah dan Bulan Sabit Merah Internasional & Perhimpunan Palang Merah Indonesia* (Jakarta: Gramedia Pustaka Utama, 1999).

¹⁵ H. Amura, ed. et al., *Bahder Djohan Pengabdian Kemanusiaan* (Jakarta: Gunung Agung, 1980, 86).

functioning albeit with very limited facilities, mostly providing public kitchens, first aid and medical treatment.¹⁶ Its volunteers were mostly high school students.

The third initiative I wish to highlight here is the establishment of the Waqf Republik Foundation, which is a modern Islamic endowment. It was established on 17 August 1948,¹⁷ on the third anniversary of independence. Although the names of the original founders are not known, Muhammad Hatta, Tan Malaka and Muhammad Yamin were among those who supported this foundation. The three were national leaders during the revolution period and after the independence. Hatta was known as a pious Muslim, whereas Malaka and Yamin were known as leftist leaders. Although the foundation was established during the war, it did not aim to fight against the Dutch. It was more of a “humanistic nationalistic” organisation aiming to practise charity without discrimination of nationality;¹⁸ a notion that was hard to sell at a time of strong hostility towards the Dutch and its allies.

The fact it used the name *waqf* is interesting. Unlike the mainstream *waqf* institutions in that period, this *waqf* foundation aimed to make a profit from its publications that would be donated to establish public libraries and scholarships without discrimination of nationality.¹⁹ These aims went beyond the usual *waqf* domain which focuses on mosques, lands and Islamic schools. In addition, the foundation was based on a correct and advanced understanding of the “profitable *waqf*” notion, more generally known in Indonesia as “productive *waqf*” (*wakaf produktif*). This implies a profitable business of *waqf* properties to be used as charity for supporting Islamic institutions and maintaining the *waqf* itself.²⁰ The foundation held the copyright for publishing the works of Muhammad Hatta, Tan Malaka, and Mohammad Yamin for profit.²¹ Although there is no indication that this foundation survived, it was a rare example of enterprise *waqf* in Indonesia.

¹⁶ Mu’in, *Gerakan Palang Merah*, 128, 134-7; for activities during the war see Bahder Djohan, 87-98.

¹⁷ Adam Malik, *Riwayat dan Perjuangan sekitar Proklamasi Kemerdekaan Indonesia Agustus 17 1945* (n.p.: [Stichting Wakaf Republik], 1948), 83. The book was probably published by the Republik Foundation; books it provides excerpts from the Charter (*Anggaran Dasar*) of the foundation in order to promote it. Adam Malik sets out to expose the real history of the proclamation, downplaying the assumed prominent roles of Soekarno and Hatta in the proclamation of Indonesian independence.

¹⁸ *Ibid.*

¹⁹ *Ibid.*

²⁰ This is a *waqf* concept which only began to take off in Indonesia around the beginning of the twenty-first century, together with philanthropic organisations.

²¹ *Ibid.*

3. A *Jihad* of Wealth

There was a philanthropic effort that has a strong Islamist character that I wish to discuss here, namely, the Sabilillah Fund. The fund was established by Masyumi, a successor organisation to the MIAI, with the hidden aim of implementing an Islamic state by declaring a *jihad* of wealth.

The Sabilillah Fund was a financial institution that collected money (especially *zakat*) to support the wars (*jihad*) on the path of God (*sabilillah*). The collected resources were probably distributed to the Sabilillah voluntary corps, which was also supported by Masyumi. The Sabilillah Fund was created to collect *zakat* in order to “continue the struggle of Muslim congregations in upholding the religion, the archipelago and the nation,”²² an idea clearly motivated by Islam as well as nationalism.

The idea of this fund may have been to continue the MIAI’s Baitul Mal, some of which were still active. The Sabilillah Fund had probably established only in Java and Madura. Masyumi’s information division supported the publication of a campaign book for fundraising for the Sabilillah Fund, entitled *Risalah Zakat*.²³ The book tried to convince Muslims to pay *zakat*, which was very important for the activities of the *jihad fi sabilillah* at that time, in order to get the “country’s sovereignty which guarantees our religious freedom, [where it] was trampled on by the capitalist-imperialist Dutch and their allies.”²⁴ The book’s main purpose was to mobilise a “wealth *jihad*” by quoting Qur’anic verses and *hadith* (traditions of the Prophet). It strongly refers to verse 49:15 of the Qur’an which states that “believers are only those who believe in God and His Messenger then they doubt not and struggle hard with their wealth and their lives in the way of Allah; they are the truthful ones.” The *zakat* campaign book explains in unequivocal terms that:

“[W]e have to mobilise not only our soul and body for the sake of *jihad*, but we are obliged to donate our wealth. We sacrifice them for the sake of *jihad* according to God’s appeal [Qur’an 49:15]... Therefore, all Muslims in Indonesia, besides sacrificing our body and soul in *jihad* to expel our enemies who violated rightness, justice, and humanity, let us donate and sacrifice our wealth with all our efforts. This will make our *jihad* perfect and successfully

²² Fonds Sabilillah, *Risalah zakat* (Malang: Fonds Sabilillah Poesat Djawa dan Madoera, 1947).

²³ *Ibid.*, 2

²⁴ *Ibid.*, 19.

bring righteousness and destroy evil. That is the real freedom for our motherland.²⁵

In addition to the use of *zakat* for *jihad*, Masyumi, through the Sabilillah Fund, seems to have regarded *zakat* institutions as a financial resource for the state. It stated that, in an Islamic state, *zakat* should be collected by the government and deposited into the Baitul Mal. “When Indonesia has become a ‘Darul Islam’ [the Abode of Islam], *zakat* matters will certainly be managed as well as possible, and, if needed, by coercion on those Muslims who deny the obligation, as was done in the period of the Rightly-Guided caliphs.”²⁶

The unstable new government supported the nationalist, non-religious orientation of philanthropy as in the Red Cross and Acehnese donations, but pragmatically accepted or continued to allow those with strong Islamic ideology to mobilise combatants and material resources for the so called revolution wars. Nationalist and Islamic aspirations strongly coloured philanthropic activities during the war, with and without the support of the state.²⁷

III. Islamic Philanthropy in the New Order and Old Order Periods

Under political conditions that were hardly ever stable, the Old Order regime (1950-1965), led by Soekarno, tended to support Reformist Muslim philanthropic activities. The Islamist group which advocated that *zakat* should be managed by the state had no place in the Old Order regime. The mainstream discourse of Islamic philanthropy during the Old Order was in agreement with the “secular-religious” country.²⁸ The Old Order government was not interested in dealing with Islamic matters, especially in its early years. Presumably it followed the idea of the Dutch administration which viewed religion as a private matter. The Ministry of Religious Affairs, which was set up in

²⁵ Ibid., 22

²⁶ *Risalah zakat*, 17

²⁷ The 1950s saw an educational revolution where the effort toward schools—the demand for which could not be met by the government—pushed philanthropic efforts to establishing community and private schools. Parents voluntarily donated money for school equipment and other facilities. See Selo Soemardjan, *Social Change in Jogjakarta* (Ithaca: Cornell University Press, 1962), 358-65. I assume this may have been the beginning of the tradition of “voluntary” payment in educational institutions. Report of the Jakarta City governance in 1952 also reports this private (*partikelir*) schools, see *Republik Indonesia Kotapradja Djakarta Raya* (Jakarta, Kementrian Penerangan, 1952), 457-60.

²⁸ On ideological discourses of modern Indonesia see B.J. Boland, *The Struggle of Islam in Modern Indonesia* (The Hague: Martinus Nijhoff, 1982).

1949, began to deal with *waqf* and *zakat* in 1952 as minor programs and started to report *zakat* in 1954. It recorded the collection and distribution of *zakat* and *fitrah* in major provinces,²⁹ and also recorded the number of Islamic schools, *pesantrens*, and religious gatherings (*pengajian*) in the country. The Dutch-inherited mosque funds were also recorded by the department. The records show that the balance of the funds was huge.³⁰

In the 1950s religious identity was not strong enough to support the implementation of *zakat* and other Islamic practices. However it does not mean the practices of *zakat* and *fitrah* were extinct. An examination of *fitrah* in Minangkabau society shows that *fitrah* in most places continued to be practised (mostly given to village clerics), depending on the structure of a community and its wealth, that is on how the people earned their livings.³¹ The formal state institutionalisation of Islamic philanthropy (especially *zakat*) as well as an Islamic state was an aspiration of minority groups. For example, the Darul Islam (DI) movement of Kartosuwirjo advocated that tax be abolished and *infak* (donation) be used instead.³²

Works on Islamic philanthropy do not particularly promote a Reformist nature. A book entitled *Kupasan tentang Zakat, Waqf dan Baitul Mal*³³ (A compendium on *zakat*, *waqf* and *baitul mal*), published in 1948, seems to balance the competing ideas of Islam and the nation-state. The book gives concise information on the three Islamic financial institutions of *zakat*, *waqf* and *baitul mal* and provides an ideal model of *zakat* implementation under an Islamic state. It was written by the Chief of the High Islamic Court (Mahkamah Islam Tinggi), probably a Traditionalist Muslim. The *Risalah Zakat* by A. Hassan, who is a Muslim Reformist, was written in a similar vein to the previous book.³⁴ Both provide only a general concept without giving details on how *zakat* should be implemented in Indonesia. Both carefully accept the modern interpretation of using *zakat* “for the path of God” (*fi sabilillah*), an interpretation that has been widely accepted and practised in Indonesia. The report of *zakat/fitrah* collection and

²⁹ Kementrian Agama, “Daftar Statistiek Zakat/Fitrah 1954/1955 [dan] Daftar Perangkaan madrasah/pondok/pesantren/ pengadjan diseluruh Indonesia pada tgl. 31 Desember 1955” (Jakarta, 1956), microfiche. The statistical information gives details of *zakat* collection in eight areas, namely Jakarta, West Java, East Java, Central Java, Yogyakarta, South Sumatra, Kalimantan, and Sulawesi.

³⁰ See *Statistik Kementerian Agama 1957* (Jakarta: Djawatan Penerangan Agama, 1959).

³¹ Umar Junus, “The Payment of Zakat Al-Fitrah in Minangkabau Community” *BKI* 122 (1966): 447-454.

³² See the Constitution of Darul Islam in Boland, *The Struggle of Islam*.

³³ R.H. Mohammad Adnan, *Kupasan tentang Zakat, Waqaf dan Baitul Maal* (Jogjakarta: Kementrian Agama RI Bahagian penjiaran/penerangan Jogjakarta, 1948), 13. In general, the book provides brief information on *zakat*, *waqf*, and *baitul mal* according to an orthodox understanding.

³⁴ A. Hassan, *Risalah Zakat* 2nd ed. (Jakarta: Tintamas, 1961).

distribution in 1954 by MORA (Ministry of Religious Affairs) splits the distribution of rice into seven categories of *zakat* recipients including “*fi sabilillah*,”; it omits the category of “those in bondage” or “slaves” (*fi riqab*).³⁵

A modern *zakat* interpretation of *zakat* was intensively propagated by M. Hasbi Asy-Shiddieqy, a professor of Islamic studies at the state Institute of Islamic Studies Sunan Kalijaga Yogyakarta and a Muhammadiyah leader. He proposed a “*fiqh Indonesia*,” adapting Islamic law to the Indonesian context.³⁶ He challenged four subjects in *zakat* matters: (1) the interpretation of who could be a beneficiary of *zakat*, (2), inflexibility in the forms of *zakat* payment, (3), *zakat* organisations, (4), the relation between the state and *zakat*.³⁷ Hasbi’s thoughts aimed to contextualise and modernise the practice of *zakat*. He not only targeted the strict interpretation of the use of *zakat* for “the path of God” which has also been done by other scholars, including Sayyid Qutb—but also focused on many other specific details regarding the easing and mobilising of the implementation of *zakat*.³⁸

Hasbi builds the argument that *zakat* is an individual religious matter that can be implemented under a secular state. He does not deny that ideally it is better if *zakat* is collected under state organisation; however, he encourages people to pay *zakat* regardless of whether or not the state is Islamic or whether its leaders are Muslims. This opinion is very important for Indonesian Muslims, who live in a “secular-religious” state. Though Hasbi’s opinions were controversial in the 1950s and 60s, in fact his books—including the ones on *zakat*—have been reprinted several times.

1. The Modernisation of *Waqf*

Modernisation of *waqf* was also on the way forward. The idea of modern *waqf* and

³⁵ “Daftar Statistiek Zakat/Fitrah 1954/1955.”

³⁶ R. Michael Feener, *Muslim Legal Thought in Modern Indonesia* (Cambridge: Cambridge University Press, 2007), 59-69.

³⁷ These views are supported by strong arguments in three of his books *Ichtisar Tuntunan Zakah dan Fithrah* 6th ed. (Jakarta: Bulan Bintang, 1958), *Pedoman Zakat*, 2nd ed. (Jakarta: Bulan Bintang, 1967), and *Dasar-dasar Pemerintahan Islam* (Medan: penerbit Saiful, 1950). The last argues that Indonesia’s system of a democratic Republic with a parliamentary system (not a monarchy or autocracy) is the right form of Islamic state, according to the Qur’an and the Rightly-Guided caliphs.

³⁸ Most contemporary scholars referred to Sayyid Qutb in his *Al-‘Adala al-Ijtima’iyah fi al-Islam*, [Social Justice in Islam], 5th ed. (Egypt: Dar Ihya al-Kutb al-‘Arabiyya, 1957), 135, which states that “on the path of God” refers to general kinds of charity, such as giving scholarships or medical treatment (*‘ilaj al-mardha*), and not only to specific purposes such as supporting the army in wars.

commercial *waqf* (known as “profitable” *waqf* or “productive” *waqf*)³⁹ has probably been encouraged by the famous al-Azhar university. Although the discourse over this profitable *waqf* and modern *waqf* foundation (*yayasan wakaf*) is scant,⁴⁰ both kinds of *waqf* have been established since the 1950s, when political conditions allowed it, as Indonesia had by then obtained both *de jure* and *de facto* independence.⁴¹ There were two growing forms of modern *waqf*, the establishment of Islamic universities and the modernisation of *waqf* of *pesantren*. Both initiatives, I assume, are modelled on the *waqf* of the Al-Azhar University, in Cairo, which is well-known as a good “profitable *waqf*” as well as a leading centre for Islamic studies.

Three *waqf* foundations for Islamic universities⁴² were initiated in 1950 and 1951. First, the Waqf Foundation of Semarang (Yayasan Wakaf Semarang) was created on 19 July 1950⁴³ by M. Sulchan on the initiative of Abdullah Hinduan, a graduate of Darul Ulum (Egypt) who was considered to have been successful in founding the Waqf Foundation of Pekalongan. The *waqf* foundation of Semarang established the Islamic University of Sultan Agung Semarang (Universitas Islam Sultan Agung of Semarang—UNISULA) as late as 1962.⁴⁴

Second, the Waqf Foundation of the Islamic University Djakarta (Yayasan Wakaf Perguruan Tinggi Islam Djakarta) was also established in 1950.⁴⁵ The university was formally opened on 14 November 1951 under the name Universitas Islam Djakarta (UID).⁴⁶ A year later, the Waqf Foundation of the Islamic University of Indonesia

³⁹ Commercial *waqf* refers to the use of *waqf* properties in commercial and profitable ways. For example, the establishment of a hostel on a *waqf* land would theoretically give more benefit rather than leaving the piece of land unmanaged or renting it to be planted.

⁴⁰ Naziroeddin Rachmat, *Harta Wakaf. Pengertian, Perkembangan dan Sedjarahnja di dalam Masyarakat Islam Dulu dan Sekarang* (Jakarta: Bulan Bintang, 1964), first edition. Rachmat compares *waqf* institutions in several Muslim countries. In Indonesia the institution was not well-established and was in bad condition. Rachmat suspects it was intentionally kept this way by the Dutch government. He describes the situation of *waqf* in Indonesia as one of lack of professional human resources, embedded in “lazy culture,” and corruption. (p. 15). He gives an example of the *waqf* land of the great Mosque Demak (Central Java). In 1957-58 its annual rent was about Rp. 114.000 given for the mosque. This was a very large amount, but people took it for granted and the money was not used efficiently. He maintains that this kind of *waqf* is harmful and therefore supports the use of commercial *waqf*.

⁴¹ The Dutch finally recognised Indonesian independence in 1949.

⁴² The Islamic state university was created as early as June 1, 1957, as the ADIA (Akademi Dinas Ilmu Agama or State Academy of Religious Science).

⁴³ It is based on legal document (Akte Notaris) no 86. Ibid. Other sources state 31 July 1950.

⁴⁴ Hadji M. Sulchan, *Sedjarah Perkembangan Jajasan Badan Wakaf Semarang* (Penerbit “UNISULA” Semarang, 1964).

⁴⁵ Panitia Peringatan Lima Tahun Perguruan Tinggi Islam Djakarta, *Peringatan Lima Tahun Jajasan Wakaf Perguruan Tinggi Islam Djakarta* (Jakarta, Perguruan Tinggi Islam Djakarta, 1955).

⁴⁶ Ibid.

(Yayasan Wakaf Universitas Islam Indonesia—UII), the third university *waqf*, was established in Yogyakarta.⁴⁷ It was created as a foundation for the Islamic High Academy (Sekolah Tinggi Islam—STI), which was established by the Masyumi party on 28 July 1945 in Jakarta. The STI moved to Yogyakarta during the war and became UII.⁴⁸ The UII embodied the idea propounded by Masyumi and Muhammadiyah that *zakat* can be used to support Islamic institutions.⁴⁹ All of these *waqf* universities received financial support from the government and therefore had no reason to expand “profitable *waqf*”.

The modern *waqf* foundation has expanded to the *pesantren* institution. The first *pesantren* to take the initiative to have a formal *waqf* foundation was Pondok Modern Gontor in Ponorogo, a pioneer in modernising *pesantren*, whose founding father endowed the *pesantren* in 1958.⁵⁰ This move successfully expanded the *waqf* movement to *pesantrens*, and the majority of modern *pesantren* in the 1990s started to use *waqf* profit for their own support without abandoning the traditional *sedekah* fundraising. Due to this initiative, Pondok Modern Gontor became the model of “profitable *waqf*” for other *pesantren* and Islamic institutions.

The New Order government (1965-1998) tried to fit *waqf* into its “development” ideology. There were at least nine research projects on *waqf* between 1975 and 1980, which were initiated and funded by the government and which covered most areas of Indonesia including Maluku and West Papua.⁵¹ The reports provide the general

⁴⁷ *Badan Wakaf Universiti Islam Indonesia (UII)* (Jogjakarta: Universiti Islam Indonesia, 1951), fiche. More information about the *waqf* body of UII, Chaider S. Bamualim, “Badan Wakaf Universitas Islam Indonesia (UII) Yogyakarta: Wakaf untuk Modernisasi Perguruan Tinggi Islam,” in *Revitalisasi Filantropi Islam. Studi Kasus Lembaga Zakat dan Wakaf di Indonesia*, ed. Chaider S. Bamualim and Irfan Abubakar (Jakarta: Center for Language and Culture, 2005), 255-282.

⁴⁸ *Ibid.*

⁴⁹ The *waqf* document (Chapter Four) emphasises on various forms of fundraising including *waqf*, *zakat*, gifts, and government subsidies. See Badan Wakaf Universiti.

⁵⁰ On the *waqf* of Pondok Modern see Irfan Abubakar, “Pengelolaan Wakaf di Pondok Modern Gontor Ponorogo: Menjaga Kemandirian Civil Society,” in *Revitalisasi Filantropi Islam*, 217-254.

⁵¹ The research projects were carried out by various institutions: the State Institute for Islamic Studies (IAIN), the Ministry of Religious Affairs, and the provincial government of Jakarta. Eight of them are as follows.

1. Moeslim Abdurrahman and Amidhan, “Tanah Wakaf: Potensi dan Masalahnya,” (Report, Proyek Pembinaan Sarana Keagamaan Islam, Dirjen Bimbingan Masyarakat dan Urusan Haji, Departemen Agama, 1979/1980);
2. Harun Nasution (cord.), “Laporan Hasil Penelitian Peranan Wakaf sebagai Sarana dan Dana bagi Pembinaan Keagamaan” (Report, Faculty of Ushuluddin IAIN Jakarta, 1975);
3. Abdurrahman Syihad, Quraish Syihab and Muhammad Ahmad, “Hasil Penelitian tentang Peranan Wakaf sebagai Sarana dan Dana bagi Pembinaan Keagamaan” (Report, IAIN al-Jami’ah Alauddin Ujung Pandang, 1975);

conclusion that *waqf* has great unseen potential as a resource for religious activities, but that it is not yet advanced. The majority of *waqf* was “dead” estates that were mostly used for traditional purposes, namely mosques, schools, rice plantations and cemeteries. The “profitable *waqf*” were mostly rented rice fields. The condition of the *waqf* institution itself became economically unprofitable and the reform towards modern and profitable *waqf* was somewhat difficult. Accordingly, there were no follow-up projects from the research.

The number of *waqf* estates was actually huge, and increased further from time to time. Djatnika’s study on East Java shows that *waqf* estates increased significantly after independence, except after 1971. In the period 1946-1950 there were 347 new registered *waqfs*, in 1951-1955 there were 631, in 1956-1960 there were 919, in 1961-1965 there were 287, in 1966-1970 there were 639, in 1971-1975 there were 433 and in 1976-1979 there were 124. The fluctuations in the number were less to do with economic development than with local and national politics. Even in the economically difficult period of 1941-1942, there were 201 new *waqf*.⁵² The highest number of new *waqf* was due to the agrarian reform of 1960. Many landowners endowed their estates rather than let them be taken over by the state or by peasants. Thus the reform unintentionally benefited Islamic institutions such as *pesantren*; the Pesantren Gontor, for example, obtained *waqf* of 240 ha rice fields.⁵³

The problem with *waqf* was not scarcity, but rather its form and usage which strongly followed established custom, making *waqf* into totally “dead” properties. A strict reading and implementation of Shafi’i *fiqh* may also have hindered the development of *waqf* due to its exclusion from the economy. “Productive *waqf*” such as

4. Lembaga Research dan Survey IAIN Walisongo, “Laporan Hasil Penelitian tentang Peranan Wakaf sebagai Sarana dan Dana bagi Pembinaan Keagamaan,” (Report, Lembaga Research dan survey IAIN Walisongo Jawa Tengah, 1975/6);

5. Sholahuddin Sanusi et al., “Pembinaan Wakaf dalam Hubungannya dengan Pembangunan Masyarakat (Penelitian Harta Kekayaan Wakaf dan Pemanfaatannya di Daerah tk I Jawa Barat)” (Report, IAIN Sunan Gunung Jati Bandung, 1976);

6. IAIN Imam Bonjol, “Laporan Penelitian Peranan Wakaf sebagai Sarana dan Dana bagi Pembinaan Keagamaan di Sumatera Barat” (Report, Proyek Penelitian Agama dan Kepercayaan terhadap Tuhan YME, IAIN Imam Bonjol Padang, 1975/6);

7. Lembaga Research dan Survey IAIN Sunan Kalijaga Yogyakarta, “Peranan Wakaf sebagai Sarana dan Dana bagi Pembinaan Keagamaan (Report, IAIN Sunan Kalijaga Yogyakarta, 1975);

8. IAIN Raden Fatah, “Hasil Penelitian Wakaf, P2A, BP4 dalam Propinsi Sumatera Selatan dan Propinsi Bengkulu” (Report, IAIN Raden Fatah Palembang, 1976).

⁵² Rachmad Djatnika, “Les Biens de Mainmorte (Wakaf) A Java-Est” (PhD diss., École Des Hautes Études Et Sciences Sociales, 1982), 136-170.

⁵³ Ibid., 286-7.

plantations became an important issue among Reformist Muslims, especially Muhammadiyah. However, the discourse over *waqf*—the non-Qur’anic charity—did not involve “selling” (unlike that of *zakat*, which was strongly endorsed in the Qur’an and was annually attached to Muslim life, and—for Islamists—related to state matters). Following independence from the non-Muslim ruling power, interest in the implementation of *zakat* by the state emerged, as will be discussed in the next section.

2. The Beginning of State Interest in *Zakat*

The involvement of the state in *zakat* matters began with the New Order government, although the growing interest began in 1950, the Old Order period.⁵⁴ The Minister of Finance Yusuf Wibisono stated his thoughts in an article that *zakat* should be included in the state finance system.⁵⁵ Wibisono and state interest in *zakat* was motivated by the growing discourse about *zakat* by Muslim scholars.⁵⁶ There is no information that the Ministry of Finance worked seriously on the idea, which was probably counter to Old Order policy. During the Old Order, the challenge was to maintain the nation-state, which united various religious adherents. The Minister of Religious Affairs (MORA) K.H. Wahid Hasyim, for example, states that his ministry tried to facilitate all religious practices equally.⁵⁷ In a circular issued in 1951, the ministry stated that it would not interfere with *zakat* and *fitrah* matters, but encouraged Muslims to fulfil them.⁵⁸ Although in 1954 the Old Order government began to show an interest in dealing with religious practices, namely recording *zakat* and *fitrah*, these remained under its previous non-interventionist policy inherited from the Dutch. Thus the government somehow followed the legacy of the Dutch administration in having a religiously neutral state which theoretically only facilitated the religious life of the population without intending to be involved in or manage religious practices.⁵⁹

The New Order government played the *zakat* card to maintain Muslim support as well as to fit *zakat* into the developmental ideology of the regime, as had happened

⁵⁴ Moch. Nur Ichwan, “Official Reform of Islam State Islam and the Ministry of Religious Affairs in Contemporary Indonesia, 1966-2004” (PhD diss., University of Tilburg, November 2006), 188.

⁵⁵ Muhammad Daud Ali, *Sistem Ekonomi Islam: Zakat dan Wakaf* (Jakarta: UI Press, 1988), 35.

⁵⁶ *Ibid.*

⁵⁷ K.H.A. Wachid Hasjij, “Kedudukan Agama dalam Kementerian Agama,” in *Penjiaran Kementerian Agama* (Yogyakarta: Pertjetakan Kita, 1951).

⁵⁸ Nur Ichwan, *Official Reform of Islam*, 189.

⁵⁹ On the Dutch policy, see Chapter Four.

with *waqf*. The regime's involvement in *zakat* started from 1968 with the establishment of the state-based *zakat* agency (Badan Amil Zakat or BAZ).⁶⁰ The interest in *zakat* resonated in the early period of the New Order, based, I would suggest, on the growing interest within Muslim leaderships in the Islamisation of society or the state. Among significant initiatives was the proposal and endorsement of eleven leading *'ulama*⁶¹ on 24 September 1968 to the President Soeharto to actively promote *zakat* and endorse the establishment of *zakat* bodies under the provincial government.⁶² MORA worked to gradually institutionalise state *zakat* management through the ministerial regulations for the establishment of *zakat* agencies and a proposal of *zakat* law, both of which failed to be passed into law.⁶³

I agree with many scholars that the failure of this was mostly to do with President Soeharto not supporting a formalisation of Islam under the state, for fear of political Islam. Rather than openly rejecting the idea, Soeharto himself acted as a national *zakat* collector.⁶⁴ He also issued a Government Decree which appointed a staff of three—among whom was Major General Alamsyah Ratuprawiranegara—to help with the president's task as *zakat* collector.⁶⁵ His rejection of national regulation but assumption of the task of collecting *zaka*, suggest that Soeharto was trying to diminish the efforts toward Islamic state formalisation, in a way that did not offend the Muslim population.

However, I cannot explain why from 1968 to 1985 provincial *zakat* agencies

⁶⁰ Bahtiar Effendy, *Islam dan Negara Transformasi Pemikiran dan Praktik Politik Islam di Indonesia* (Jakarta: Paramadina, 1998); Arskal Salim, "Zakat Administration in Politics of Indonesian New Order" in *Shari'a and Politics in Modern Indonesia*, ed. Arskal Salim and Azyumardi Azra (Singapore: Institute of Southeast Asian Studies, 2003), 181-92; Arskal Salim, "Islamising Indonesian laws?: Legal and Political Dissonance in Indonesian Shari'a, 1945-2005" (PhD diss., University of Melbourne, 2006), 155-66; and Amelia Fauzia, "Bazis DKI Jakarta: Peluang dan Tantangan Badan Amil Zakat Pemerintah" [Bazis DKI Jakarta: Challenges and Opportunities of a state-based alms agency], in *Revitalisasi Filantropi Islam*, ed. Chaider Bamualim and Irfan Abubakar (Jakarta: The Centre for Languages and Cultures of the State Islamic University Jakarta, 2005), 31-60; and Moch. Nur Ichwan, *Official Reform of Islam*, 188-212.

⁶¹ Among the *'ulama* were Prof. Dr. Hamka and KH. Hasan Basri, both Reformist Muslims.

⁶² See the letter in Abudin Nata et al., *Pengelolaan Zakat dan Infak/Sedekah di DKI Jakarta* (Jakarta: Badan Amil Zakat dan Infak/Sedekah (BAZIS) Daerah Khusus Ibukota Jakarta, 1999), 90-3.

⁶³ Regulation of Minister of Religious Affairs (PMA) No 4/Juli/1968 on the establishment of BAZIS and Regulation of Minister of Religious Affairs (PMA) No 5/Oktobre/68 on Baitul Mal were annulled in 1969. The proposal of *zakat* law was also rejected by the other ministries. PMA no 4 1968 is published in Abudin Nata, *ibid.*, 85-89.

⁶⁴ See a detail discussion in Nur Ichwan, *Official Reform of Islam*, 190-6 and Salim, "Islamising Indonesian laws?" 156-61, and also my chapter on "Bazis DKI Jakarta," 32-3.

⁶⁵ Government Decree no 07/PRIN/10/1968 appointed among others Major General Alamsyah Ratuprawiranegara, one of Soeharto's confidants to help the president with the *zakat* collection.

were established in many provinces. General Ali Sadikin, the governor of Jakarta, established a state-based *zakat* agency⁶⁶ on 5 December 1968.⁶⁷ He was the first New Order Governor to set up a *zakat* agency in his province, even though Soeharto had announced his own willingness to be a national *zakat* collector. This suggests that Soeharto did not really have a problem with MORA's proposal for the establishment of state-based *zakat* agencies even though he had already announced himself as a national *zakat* collector.⁶⁸ I presume that Soeharto wanted to act as a national *zakat* collector in order to reap benefits from the *zakat* funds. Soeharto thought that *zakat*, *sedekah* and other kinds of charitable giving had economic potential. This can be seen in his autobiography⁶⁹ and in a 1968 speech as follows.

A 90% majority of the Indonesian population is Muslim; and from that number let us say there are about 10 million Muslims entitled to pay *zakat*. Take on average that they are entitled *zakat* due on Rp. 10,000. If the rate of *zakat* is 2.5 per cent from this amount, then Indonesian Muslims will gather capital of $1/40 \times 10 \text{ million} \times \text{Rp. } 10,000$, which means 2.5 billion rupiah each year! This is a good amount of capital. Let us use this capital effectively and efficiently. We shall develop it by varied means for more appropriate targets. We can use this resource to establish mosques, hospitals, orphanages, help the aged, provide jobs for the destitute and poor, and for other social, spiritual and religious development in more productive ways. That amount is not definite yet; it may increase if wealthy Muslims really give 2.5 per cent of their wealth for *zakat*.

The collection of the [*zakat*] capital and its use with national scope, as I described above, means it can fight against poverty with substantial means. Development with such big capital means providing new vocations that can move economic activities in various sectors. This is only an example of a challenge that should be answered by the Muslim community. For the first step, I will announce to all Indonesian Muslims that I myself am ready to organise

⁶⁶ The BAZ agency focused only on the collection of *zakat*. In 1973 it also began to collect *infak* and *sedekah*, and changed its name to BAZIS accordingly. H. Soekarsono et al., *Rekomendasi dan Pedoman Pelaksanaan Zakat (Hasil Penelitian dan Seminar Zakat DKI)* [hereafter referred to as *Rekomendasi*], 2nd ed. (Jakarta: Badan/Amil Zakat, Infak dan Shadaqah (BAZIS) Daerah Khusus Ibukota Jakarta, 1978), 23.

⁶⁷ It was based on the Governor's decree no Cb-14/8/18/68. See *Rekomendasi* 22-3; Taufik Abdullah, "Zakat Collection and Distribution in Indonesia" in *Islam and the Economic Development of Southeast Asia: The Islamic Voluntary Sector in Southeast Asia*, ed. Mohamed Ariff (Pasir Panjang, Singapore: Institute of Southeast Asian Studies, 1991); H.M. Soekanta AS, the Chairman of BAZIS, interview by the author, 27 October 2003.

⁶⁸ In addition, it seems that the cancellation of the two regulations did not have any negative impact on the position of Mohammad Dahlan as the Minister of Religious Affairs. In many cases Soeharto abandoned his aides who made mistakes.

⁶⁹ Soeharto, *Pikiran, Ucapan, dan Tindakan Saya: Otobiografi*, [Soeharto, my thoughts, words, and deeds], seperti dipaparkan kepada [as told to] G. Dwipayana and Ramadhan K.H. (Jakarta: Citra Lamtoro Gung Persada, 1989). See chapter 41 entitled "Mobilising the Capability of Government and Community."

this massive *zakat* collection. Let us prove that the Indonesian Muslim community is a united community that can truly provide a real charity for the advancement of the Muslim community in particular, and Indonesian society in general. Personally I will make myself available to directly receive money orders (*wesel*) of *zakat* from all Muslims in the Indonesian archipelago. With God's will (*insya Allah*) I will regularly announce to all Indonesian people how much money I receive and I will be responsible for the expenditure. I hope my appeal will really get attention and a positive response from Islamic leaders and all Muslims.⁷⁰

Soeharto's calculation of *zakat* capital is similar to his calculation of the *sedekah* money collected by his Amal Bakti Muslim Pancasila foundation.⁷¹ His plan was to make *zakat* into economic capital for national development. He probably gave up his hopes of mobilising *zakat* in 1970. In his function as a national *zakat* collector he could only collect Rp. 39.5 million and USD 2,475, which was far from what he expected.⁷² Later he succeeded in managing *sedekah* through his personal charitable foundations, such as Yayasan Amal Bakti Muslim Pancasila,⁷³ Yayasan Dharma Bhakti Sosial (Dharmais), and Yayasan Supersemar.⁷⁴

Soeharto's approach to *zakat* is consistent with his approach to other charitable resources which he organised under his various personal foundations. I would read this *zakat* policy of Soeharto's as an effort to fit *zakat* into development ideology, which is a modern idea on the collection and disbursement of *zakat* for eradicating poverty. However, this top-down policy under-estimated the local tradition of *zakat* payment in the Muslim community. Rather than following the president's *zakat* movement, the

⁷⁰ Soeharto, "Zakat Adalah Modal Ummat Islam untuk Pembangunan dan Memerangi Kemelaratan dengan Cara-cara yang lebih Prinsipil, Sambutan Presiden pada Peringatan Isra' Mi'raj tanggal 26 Oktober 1968 di Istana Merdeka," in *Agama dalam Pembangunan Nasional Himpunan Sambutan Presiden Soeharto*, ed. Djohan Effendi et al. (Jakarta: Pustaka Biru, 1981), 266.

⁷¹ Soeharto, *Pikiran, Ucapan, dan Tindakan Saya*, p. 285-6; Muarif Ambary ed. et al., "Yayasan Amal Bakti Muslim Pancasila (YAMP)," in *Ensiklopedi Islam*, vol. 1 (Jakarta: Ichtiar Baru van Hoeve, 1993), 133.

⁷² This amount was read out in his speech on 30 November 1970 on the occasion of 'Id al-Fitr entitled "Tidak Menghiraukan Fakir Miskin adalah Mendustakan Agama." *Agama dalam Pembangunan Nasional*, p. 272.

⁷³ For information on this foundation see Muarif Ambary, *ibid.*, 132-3.

⁷⁴ In his autobiography Soeharto explains his methods and purposes for setting up the foundations, and how he managed their funds. He wanted to "educate" government employees (*pegawai negeri*) to perform their "obligation" as religious persons. *Sedekah* money from Muslim employees was collected and managed by the Yayasan Amal Bakti Muslim Pancasila and those of non-Muslim employees by the Yayasan Dharmais. For details of the collection and use of funds see Chapter 41 "Menggerakkan Kemampuan Pemerintah dan Masyarakat" [Mobilising the ability of government and people] in *Pikiran, Ucapan dan Tindakan Saya*, 283-293.

majority of Muslims continued to pay their *zakat* and *fitrah* directly to the poor, to *'ulama*, or to organisations, as I will show later in sections three and four below.

At the same time, however, there was a great effort in civil society to deal with *zakat* matters at state level, as part of an endeavour to “Islamise society” or even “Islamise the state.”⁷⁵ The demand for *zakat* was based on the hopes that the new regime would give a “reward” for the significant support and involvement they had had in crushing the communists. The year 1968 was a “honeymoon” period—to use Mohammad Natsir’s term⁷⁶—for Islam and the State; a time when relations between the two were more agreeable than before.⁷⁷

However, Soeharto was probably disappointed with lack of Muslim response to the *zakat* movement but still let his (military) governors create and control the state-based *zakat* agencies at provincial level. With strong support from the military, the regime had no desire to give more concessions on Islamising society; such demands would only remind this military regime of Darul Islam’s rebellion to create an Islamic state. Therefore, other provinces later established provincial *zakat* agencies which were led by the governors themselves. These were East Kalimantan (1972), West Java (1974), Aceh, West Sumatra, South Sumatra, and Lampung (all in 1975), South Kalimantan (1977), South and North Sulawesi (1985), and West Nusa Tenggara.⁷⁸

3. Resistance against *Zakat* Collection

During the New Order, the development of community *zakat* agencies was small due to the authoritarian character of the regime over Islam, with the exception of the last ten years when the regime tended to use Islam as its power. The establishment of *zakat* and charitable organisations was mostly in the circle of provincial government offices, such as Bazis DKI, or was carried out by foundations of government officials. The state-based *zakat* agencies were in reality only supported by Muslim government officials,

⁷⁵ See Bahtiar Effendy, *Islam dan Negara Transformasi Pemikiran dan Praktik Politik Islam di Indonesia* (Jakarta: Paramadina, 1998), and Boland, *The Struggle of Islam*.

⁷⁶ M. Natsir, “Penyakit Islamofobia,” in *Percakapan antar Generasi: Pesan Perjuangan Seorang Bapak.*, ed. A.W. Pratiknya, Reedit (Jakarta-Yogyakarta: Dewan Dakwah Islamiyah Indonesia (DDII) and Laboratorium Dakwah, 1989), 88.

⁷⁷ Boland, *The Struggle of Islam*.

⁷⁸ These state-based *zakat* bodies had different names, such as BAZ, BAZI, BAZIS, BAZID (D for *derma* -- donation), Badan Harta Agama (Aceh), Lembaga Harta Agama Islam (North Sumatra), or Yayasan Sosial Islam (West Sumatra).

who had no other choice than to agree to *zakat* being deducted from their salaries. In addition to BAZ, MORA instructed around 1970 that village *zakat* committees⁷⁹ be formed to endorse the *zakat* and *fitrah* payment of Muslims. Again, due to the top-down nature of the system, some Muslim communities, in particular Nahdlatul Ulama, refused to pay their *zakat* to these committees.

There was opposition or, more specifically, hidden resistance⁸⁰ to state-based *zakat* agencies and the village *zakat* and *fitrah* committees. The resistance was mainly a refusal to contribute to both institutions, including the charitable foundations established by government officials, and was observable among Nahdlatul Ulama followers in rural communities, for example, in central Java. Nahdlatul Ulama followers stubbornly kept paying their *zakat* to local *kyai*, abandoning the payment of *zakat* to neighbourhood association *zakat* committees.⁸¹ Some *kyai* openly criticised the state-based *zakat* committees in their speeches at religious gatherings (*pengajian*). Dirdjosanjoto has shown that the changes in *zakat* payment to state committees had weakened the social and political power of *kyai* as well as reducing their income.⁸²

Charitable foundations established by government officials also suffered from this kind of rejection. A chief district (*bupati*) of Banyumas established the Basmalah foundation in the 1980s. Supported by the Banyumas MUI, it collected and managed philanthropic contributions from all people in Banyumas. It asked for a contribution of Rp. 100 from each household, which was administered through the government apparatus using neighbourhood associations. It gained about Rp. 38 million a month. However, people criticised the foundation because they did not see the benefit of what they were contributing to and accordingly stopped their contributions. Due to its lower income, the foundation stopped functioning.⁸³

⁷⁹ I differentiate between agencies and committees. The latter functions only temporarily and the former is organised. A detailed explanation of types of *zakat* agencies will be given in Chapter Seven.

⁸⁰ Using James Scott's scheme in *Resistance Without Protest: peasant opposition to zakat in Malaysia and to the tithe in France* (Townsville: Asian Studies Association of Australia, 1986, c1987), and *The Moral Economy of the Peasant: Rebellion and Subsistence in Southeast Asia* (New Haven: Yale University Press, 1976).

⁸¹ Pradjarta Dirdjosanjoto, *Memelihara Umat, Kiai Pesantren-Kiai Langgar di Jawa* (Yogyakarta: LKiS, 1999), 196-204.

⁸² *Ibid.*

⁸³ In 1999 the Basmalah foundation was formally disbanded and all of its assets were given to the Bazis Basmalah, which in 2001 became BAZDA (Badan Amil Zakat Daerah) Banyumas. Drs. Nasib Abbas, Head of the Office of Religious Affairs of Banyumas, interview by the author, 12 September 2005; Drs. Purwanto Hendro Puspito, head of Zakat and Waqf at the Office of Religious Affairs at Banyumas Regency, interview with author, 13 September 2005.

Another type of resistance took the form of community-based *zakat* organisations. This was a kind of “soft resistance” practised mainly by Modernist Muslims. Rather than giving their *zakat* to the state apparatus, they created their own organisations. As a result, non-state *zakat* bodies grew in opposition—or at least as alternatives—to state-based *zakat* agencies. One of these was Bapelurzam, which will be discussed in section five.

In the years following the establishment of the state *zakat* agency, enthusiasm for managing *zakat* continued to grow. This was partially due to the accommodative Islamic policy of the New Order in the late 1980s, and particularly after 1991, when its alliance with the military weakened. This was exploited by religious figures as an opportunity to see their demands met, namely, that the government agree on a more extensive implementation of Islamic law in the country. Their demands resulted in a number of regulations, including the establishment of an Islamic bank, the Religious Judicature law in 1989, and the Presidential Decree on the Compilation of Islamic law in 1991.⁸⁴

In 1989, in order to provide a strong foundation for the practice of *zakat*, the Minister for Religious Affairs issued Instruction No. 16/TH, 1989, which was followed by a Joint Decree from the Minister of Religious Affairs and the Minister of Home Affairs No. 29, 1991, regarding the management of a BAZIS.⁸⁵

The New Order’s political change towards accommodating Islam brought a revival of *zakat* in the 1990s, but was focused on state-based *zakat* agencies. The Indonesian Association of Muslim Intellectuals (Ikatan Cendekiawan Muslim Indonesia or ICMI) was also behind the effort to modernise *zakat* agencies. Records of a National Meeting of the state-*zakat* agency (BAZIS) held in March 1992⁸⁶ show that Dawam Rahardjo, one of the ICMI’s leaders, directed the modernisation of Islamic charity. The

⁸⁴ Compilation of Islamic Law (kompilasi hukum Islam—KHI) is a collection of Islamic laws on marriage, inheritance and *waqf*, passed in 1991. Although the KHI KHI is only a presidential decree not law, it has the political meaning that the New Order government has acknowledged Islamic law.

⁸⁵ The outcome of this instruction was that the status of philanthropic organisations is now recognized nationally; however, they function as autonomous bodies in their respective provinces without any national level of coordination. This results in differently managed philanthropy organisations in different provinces.

⁸⁶ The role of ICMI can clearly be seen in *Pedoman Pembinaan Badan Amil Zakat, Infaq dan Shadaqah Hasil Pertemuan Nasional I BAZIS se-Indonesia, 3-4 Maret 1992* (Jakarta: Ditjen Bimas Islam dan Urusan Haji Departemen Agama, 1992).

establishment of Dompot Dhuafa Republika,⁸⁷ a leading *zakat* agency in the *Reformasi* period, was also due to the blessing of ICMI and the New Order policy towards Islam.

Apart from government policy, modern and rational thoughts on Islamic philanthropy developed together with a growing Islamic identity. Calls for *zakat* reform became stronger after 1984 and they fitted in with the ideas of social justice and poverty eradication. The Ulama council, Muhammadiyah, and Nahdlatul Ulama joined in, and the idea of “professional *zakat*” (*zakat profesi*) or “*zakat* of income” (*zakat penghasilan*) began to develop.⁸⁸

Reformist Muslims were much more advanced than others in regard to the issue and activities of philanthropy. Nahdlatul Ulama appears to have tried to follow the spirit of reform, but was hindered by its strict adherence to the *fiqh* and lack of human resources. Therefore, its 1984 Mukhtamar (general meeting) at Situbondo for example decided to establish a special institution to manage the *zakat* of NU communities, there was hardly any LAZ (Lembaga Amil Zakat) had grown from the NU circle, except in the *Reformasi* period. However, Muhammadiyah was consistent in its philanthropic efforts and executed many projects, such as administering (and legalising) its *waqf* properties through the Majelis Waqf dan Kehartabendaan and expanding the work of the PKU. Azhar Basyir, the leader of Muhammadiyah, brought the process further forward by proposing a more effective of *zakat*.⁸⁹ Amien Rais proposed that the rate of *zakat* payments should be reconsidered between farmers, who were poor, and “white collar” professionals, who were rich.⁹⁰ K.H. Fachruddin of Muhammadiyah also proposed that *waqf* property be sold and rebuilt to maintain its existence.⁹¹

Zakat agencies established either by the state or by Muslim communities worked for the collection of *zakat* and *sedekah* (and later also *waqf*). State-based *zakat* agencies were actually not totally dominated by the state officials. The state did not have the

⁸⁷ Details about Dompot Dhuafa will be given in Chapter Seven.

⁸⁸ There were seminars, books, and surveys on *zakat*. For example, the MUI of Aceh published “Kajian Zakat dan Pengembangan Lembaga Keuangan.” (Zakat Discussion and Developing Financial Institutions).

⁸⁹ Azhar Basyir published *Fungsi harta benda dan wakaf menurut Islam* in 1974. This writing is progressive and offers new rational thinking such as the benefits of *waqf* for the training of convicts, and the use of credits including for non-Muslims.

⁹⁰ Suhardjo Hs et al., “14 Abad setelah At-Taubah,” *Tempo*, 21 May 1988, 80-4.

⁹¹ The majority of Muslims strictly followed the Shafi’i regulation which allowed *waqf* property to disintegrate for fear of violating Islamic law.

authority to deal with religious matters. It asked for the involvement of religious leaders in their performance. This can be seen in the case of Bazis DKI Jakarta below.

IV. A State *Zakat* Agency: Bazis DKI Jakarta

Tension between state and civil society was clear in Bazis DKI Jakarta right from its birth. There is no doubt that Bazis DKI was (and is) a state agency of *zakat* which was created by the New Order Government. However, the involvement of Muslim leaders, namely independent *'ulama*, was also clear from the beginning. Bazis DKI refers to the meeting of eleven *'ulama* in 1968 as the background of its establishment. The local government borrowed the authority of *'ulama* to support this agency.

1. Top-down Administration

Bazis DKI has a top-down administration led by the governor and uses a top-down approach in its work. It is one of the service departments under Jakarta's provincial government; therefore it receives financial support from the Regional Annual Budget of Jakarta (*Anggaran Pendapatan Belanja Daerah* or APBD). Its managers are provincial civil servants selected from among the leaders in the administrative regional units of DKI Jakarta, starting at the provincial level and down through municipality, sub-district, and village levels. The chief of Bazis DKI Jakarta is the Governor of Jakarta; the Chairman at the Municipality level is the Mayor or Deputy Mayor; at the sub-district level it is led by the district head; and at the village level the leader is the village chief. This structure is based on the assumption that the governors and all of the officials are Muslims. In the case of non-Muslim officials, the position would be given to the second-level official. For example, when the mayor is a Christian, the deputy mayor will be the chief of the district Bazis. This centralised structure was originally formed at the inception of BAZIS in 1968 and has not been altered since. In the *Reformasi* period the governor position was no longer the chief of Bazis DKI, but was positioned one level above the chief of Bazis DKI.⁹² Although the governor does not deal with operational matters, the position has remained structurally central to the Bazis DKI.

⁹² Governor's decree no 87 1998. The decree is published in Abudin Nata, *Pengelolaan Zakat dan Infak/Sedekah di DKI Jakarta*, 64-83.

Bazis DKI's fundraising still depends heavily on the power of the governor and other heads of districts and villages through its structured top-down system.⁹³ Its largest *zakat* contribution comes from Muslim civil servants from five municipalities and from prospective *hajjs* as shown in the following table.

**Table 5. Percentage of *Zakat* and *Infak* Funds Received⁹⁴
Period January-September 2003**

Source	Percentage <i>Zakat</i>	Percentage <i>Infak</i>
Central Jakarta	6,83	9,86
North Jakarta	7,38	9,81
West Jakarta	13,92	10,16
South Jakarta	12,93	19,79
East Jakarta	4,69	20,92
Thousand Islands	0,24	0,21
Work Units	12,97	3,78
Entrepreneurs	2,08	0,04
Prospective Hajj Pilgrims	27,27	22,93
Banks and SMS	11,69	2,51
	100,00	100,00

Source: Report on *Zakat* Sources and Report on *Infak* Sources, 2003 from Drs H. Abdul Muhit MA, Director of Collection of Bazis DKI Jakarta.

The *zakat* collection mainly came from salary deductions of Muslim civil servants who worked in six municipalities. Data from the Islamic philanthropy survey confirm that BAZ is supported by civil servants. Of the 3.4 percent respondents who declared that they gave their *zakat* to BAZ, 50 percent referred to the salary deduction as the reason.⁹⁵

Even though there was no "enforced" *zakat* and *sedekah* collection, the hegemony of the state office was strong in providing this enforcement. A former DKI staff member who was a lecturer at the State Islamic University Jakarta said that there was no option other than to agree with the deduction (which according to him was a small amount).⁹⁶ He kept giving his *zakat* and *sedekah* directly to the poor and other

⁹³ Fauzia, "Bazis DKI Jakarta" 39-40.

⁹⁴ Bazis DKI and the majority of Islamic philanthropic bodies keep a separate book keeping for *zakat* and non-*zakat* money. This separation is due to the *fiqh* regulation that *zakat* has specific beneficiaries, in contrast to *sedekah*.reference

⁹⁵ See Appendix 4, Table 6.

⁹⁶ Ridlo Masduki, interview by the author, September 2005.

voluntary organisations and never thought seriously about the amount deducted from his salary for *zakat*.⁹⁷

This method of collection, however, gave Bazis DKI a negative image. In fact, the organisation is fully aware of this image as can be seen in its publications since the *Reformasi* period which reflect the needs for changes, transparency, and accountability.⁹⁸ These concerns have been openly stated by its chief⁹⁹ including in public speeches. Bazis DKI tried to improve its professional performance since *Reformasi* by, among other things, having its reports audited by public accountants.¹⁰⁰

2. Pressures to Change

Despite its strong connection with the state, Bazis “cleaned up” its act, especially during the *Reformasi* period. Within the state hegemony, civil society has become increasingly powerful. Bazis DKI was forced—not only by external pressure, but also by its boards and the Muslim leaders within its structure—to improve its performance.

Bazis DKI has made improvements in three areas: its structure, its transparency and accountability, and its disbursement program. First, the leadership in the formal structure shows the involvement of civil society. It has recruited more public figures such as *'ulama*, intellectuals,¹⁰¹ entrepreneurs, artists, and also NGO activists to sit in on its advisory and trustee boards. Second, it has adopted principles of transparency and accountability especially in its program and financial reports. These principles are becoming the trend in philanthropic organisations, where there is a “competition” for publishing financial reports to the public. From 2001, Bazis DKI started to publish its reports to the public, including via its website and magazine, and from 2003 it began to audit its annual reports to public accountants.

⁹⁷ This individual was a donor to various local voluntary organisations in his area, such as the Muslim Student Association, Muhammadiyah Youth Association, Muhammadiyah Scout group, Muhammadiyah schools, Neighbourhood association, Youth Association, Aisyiyah Orphanage, and the Muhammadiyah hospital. Since the *Reformasi* period, he has paid his *zakat* to many different Islamic philanthropic bodies without reducing his direct *zakat* payment to the poor. Ibid.

⁹⁸ For example, Bazis DKI Jakarta, “Marwah Daud Ibrahim: Perlu Transparansi untuk Menumbuhkan Kepercayaan,” <http://www.BAZISdki.go.id/index> [accessed December 17, 2004].

⁹⁹ H.M. Soekanta AS, the Chairman of Bazis DKI, interview by the author, Jakarta, 27 October 2003 and 7 September 2005.

¹⁰⁰ The auditing started in 2003.

¹⁰¹ Mostly lecturers of the State Islamic University Jakarta and Bandung.

Third, the disbursement program of Bazis DKI reflects its adaptation to the transformations with regard to the interpretation and practice of *zakat* disbursements. During the 1970s, Bazis DKI was already advanced—compared to other charitable agencies—in its interpretation of *zakat* disbursement. For example, in 1978 it was already implementing productive *zakat*” (*zakat produktif*), which was disbursed as capital loans given to traders and small business owners. This modern and advanced interpretation came from Muslim scholars who were involved in the development of Bazis DKI, and it is a tradition that remains until today. Although its disbursement categories were still the *fiqh*/Qur’anic ones of (1) the poor/needy (*fuqara/ masakin*), (2) “*Fi Sabilillah*” and (3) *Muallaf/Gharimin/Ibn Sabil* the categorisation of aid in fact tended to fall into three sectors: education, economy and socio-religious affairs. The percentage of economic and educational aid rose significantly, ranging from scholarships to micro-credit and productive business allowances.¹⁰²

Another feature that shows civil society’s involvement in Bazis DKI is its *zakat* and *infak* collection records.

Table 6. Collection of Zakat and Infak of Bazis DKI Jakarta

First period (1968-1974)		Middle period (1979-1986)		Last period (1995-2003)	
Year	Total in rupiah*	Year	Total in rupiah*	Year	Total in rupiah*
1968	-	1981	437,559,041	1994	6,759,484,973
1969	6,024,247	1982	543,727,260	1995	6,576,617,111
1970	9,303,423	1983	631,054,210	1996	8,944,357,930
1971	25,527,414	1984	599,062,175	1997	10,967,480,548
1972	73,312,001	1985	673,460,962	1998	6,762,772,558
1973	18,045,560	1986	795,894,130	1999	8,122,693,568
1974	151,101,699	1987	865,191,669	2000	8,416,626,931
1975	139,506,793	1988	884,881,989	2001	9,482,194,546
1976	138,638,977	1989	1,235,069,469	2002	11,554,727,015
1977	146,429,546	1990	1,838,764,007	2003	14,103,504,330
1978	195,868,117	1991	2,960,932,835	2004	16,257,823,896
1979	338,155,940	1992	3,250,004,661	2005	18,482,757,570
1980	405,084,081	1993	4,352,241,133	2006	21,770,657,587

Source: Recapitulation of ZIS collection of Bazis DKI Jakarta 2008, issued by the courtesy of Drs. H. Abdul Muhit, MA, head of Collection Department of Bazis DKI Jakarta.

* The cents are omitted.

¹⁰² Fauzia, “Bazis DKI Jakarta.” 41-8.

The above table shows that in general, the *zakat* and *infak* collections of Bazis DKI have increased. The increase has varied between 2.06 and 188.45 percent, depending on the economic and the political situation. A significant increase can be seen earlier in 1989-1991, presumably related to the New Order's Islamic accommodation politics. Other increases reflect an "enforcement" policy and expansion policy. For example, in 1971 there was an increase of 174 percent because it was the beginning of the collection of *zakat* payment from prospective *hajj*. The Bazis DKI apportioned the payment of *zakat* on the assumption that the funds paid for *hajj* travel are substantial and therefore worthy of its *zakat*. Another possible assumption is that the prospective *hajji* are rich. Although these reasons were questioned and the payment of *zakat* for *hajjs* criticised, and the payments continue today. *Zakat* for prospective *hajj* became a commodity that has been contested between the Jakarta Office of Religious Affairs and Bazis DKI. The 102.46 percent increase in 1973 was also to do with Bazis beginning to collect *infak* and *sedekah*.

A decline in collection occurred in certain years, the most significant in 1998. In this year, there was a decline of 38.34 percent from 1997. This relates to the fall of the New Order regime, after which Muslims were strongly against any form of New Order practice, including the "enforced" *zakat* and *sedekah* payments. This fall in revenue was not because of the economic crisis, because community-based *zakat* agencies such as Dompot Dhuafa received almost double the *zakat* and *sedekah* payments of the previous year. Rather, the decline was a symbol of distrust of state-based *zakat* agencies.

However, Bazis DKI has survived in the *Reformasi* period to date. There are three main reasons for this. First, it improved its performance in areas such as maintaining transparency and accountability.¹⁰³ Second, it has continued to get Muslim leaders and scholars involved in its structure, who could provide a balance between the state and society's interests. Bazis DKI was the only BAZ to become an active member of the Zakat Forum, an association of Islamic philanthropic organisations formed by NGOs and LAZs.¹⁰⁴ The Forum has been critical to the government. The involvement of Bazis DKI in this forum was a sign that its management was relatively open. Third, there has been a perception among Muslims that there is no harm in paying their *zakat*

¹⁰³ Bazis DKI won two *Zakat* awards in 2003 for its creative program and impressive income. The award was instituted by the Forum Zakat, an association of state *zakat* bodies.

¹⁰⁴ Detail on Zakat Forum is elaborated in Chapter Seven.

to a state-based body. In fact, some Muslim scholars are in favour of the collection of *zakat* by the state as the ideal practice of *zakat*.

Zakat discourse during 1984-1988 reflected the tendency towards state involvement in *zakat* management. A survey by *Tempo* magazine found that 79 percent of Muslims agree on the need for state “intervention” in *zakat* matters, and 49 percent of them even thought that government should force *zakat* payment. However, the Minister of Religious Affairs, Munawir Syadzali, tried to evade that idea, by asking *’ulama* to resolve the issue of tax and *zakat* first. He also said that “even if the government would agree to manage *zakat*, that does not mean that it would be implemented by the Department of Religious Affairs.”¹⁰⁵ At that time, in contrast to the *Reformasi* period, the government was reluctant to deal with issue of “state *zakat*”.

While Bazis DKI was engaged in political negotiations between Islam and state, a strong commitment to independence from the state can be seen in Muhammadiyah’s *zakat* organization, as outlined below.

V. Bapelurzam Muhammadiyah

Bapelurzam (Badan pelaksana urusan *zakat* Muhammadiyah) is the section that deals with *zakat* collection and disbursement under Muhammadiyah’s District Office (*Pimpinan Daerah Muhammadiyah*)¹⁰⁶ of Kendal, which is located in Kendal Regency,¹⁰⁷ Central Java. Bapelurzam and many other *zakat* organisations within Muhammadiyah’s offices are not regarded as LAZ (even though they could be), but as committees. The Muhammadiyah board created a national-level LAZ called Lazis Muhammadiyah to follow *zakat* movements in the *Reformasi* period.¹⁰⁸ It seems that it wanted to keep those *zakat* committees as they were, and to avoid any overlap with other charitable institutions and enterprises (*amal usaha*) that belong to the organisation. These *amal usaha* have become causes for channelling the *sedekah*, *zakat*, and *waqf* of Muhammadiyah’s members and patrons since the second decades of the twentieth

¹⁰⁵ *Tempo*, 21 May 1988.

¹⁰⁶ District offices are the middle level structure of the Muhammadiyah organisation. Structurally, Muhammadiyah has a Central Board (*Pengurus Pusat* or PP) at national level in Yogyakarta and 30 provincial boards, 375 district boards located in regencies, 2,648 branches, and 6,721 sub-branches. See *Profile Muhammadiyah*, 2005, viii.

¹⁰⁷ Kendal regency covers 1,002.23 km² located in the northern area of Java, and is inhabited by 899,211 people (2004).

¹⁰⁸ Lazis Muhammadiyah will be discussed further in Chapter Seven.

century. In 2005, there were 7,488 registered *amal usaha* scattered all over Indonesia, 61 of which were in Kendal district. (See Table 7 below).

Table 7. Muhammadiyah's Registered Charitable and Enterprise Institutions

Institutions	Total number in Indonesia	Total Number in Kendal Regency
Primary Schools	1,132	2
Islamic Primary Schools (Madrasah Ibtidaiyah)	1,768	24
Junior Secondary Schools (SMP)	1,184	12
Islamic Junior Secondary School (MTS)	534	2
High Schools (SMA)	511	5
Vocational Secondary Schools (SMK)	263	3
Islamic High Schools(MA)	172	1
<i>Pesantren</i>	67	0
Universities/Academies	165	2
Health institutions (hospitals, clinics)	345	3
Baitul Tamwil Muhammadiyah (BTM)	190	1
Banks (Bank Perkreditan Rakyat)	19	0
Economic Enterprise Co-operatives (Koperasi)	808	1
Social Institutions (orphanages, aged care)	330	5
Total	7,488	61

Source: Adapted from *Profil Muhammadiyah* 2005, 570-600. This figure does not include kindergartens, play groups and Qur'anic schools.

In addition to *amal usaha*, Muhammadiyah owned about 10,381 estates (*waqf* and non-*waqf*) in 1994, covering 29.8 million ha.¹⁰⁹ These assets represent the outcomes of Muhammadiyah's philanthropic efforts as a social movement. One important "ideology" of Muhammadiyah is the slogan which is claimed from Ahmad Dahlan, namely "do not seek prosperity from the Muhammadiyah organisation, but support and provide for its life."¹¹⁰

1. The Birth of Bapelurzam

The birth of Bapelurzam was encouraged by the central Muhammadiyah board's decision to reposition the philanthropic movement, and more precisely, *zakat* and Baitul Mal, in 1979.¹¹¹ The chairman of Majelis Wakaf Muhammadiyah, Kasman

¹⁰⁹ Pimpinan Pusat Muhammadiyah Majelis Wakaf dan Kehartabendaan, *Buku Panduan Rapat Kerja Kerja Nasional Majelis Wakaf dan Kehartabendaan Tahun 1999* (Jakarta: Majelis Wakaf dan Kehartabendaan, 1999), 73. There are a few directories of *waqf* and non-*waqf* estates owned by Muhammadiyah from three different periods. However the figures are confusing and show inconsistent numbers, probably because reports from many districts are excluded.

¹¹⁰ Salam, 1968, 51

¹¹¹ The program of the Zakat Movement (Gerakan Zakat) and Charity Movement (Gerakan Amal).

Singodimejo, requested all Muhammadiyah's district offices to establish a *zakat* body called *Badan Pelaksana Urusan Zakat Muhammadiyah*, abbreviated as BPUZ. In response to the request, the chairman of Muhammadiyah in Kendal, K.H. Abdul Barie Sho'im,¹¹² established a *zakat* body which became known under its acronym Bapelurzam.¹¹³ Perhaps this *zakat* movement of Muhammadiyah was re-motivated by the earlier establishment of provincial *zakat* bodies, such as the Bazis DKI Jakarta.

Besides being a response to the central board's instructions, the establishment of Bapelurzam was motivated by a concern about traditional practices of giving and utilising *zakat* in the area of Kendal, which had become ineffective and inefficient. Sho'im was concerned about the small number people who were paying *zakat* (a problem that was not specific to Kendal). He assumed that the majority of Muslims did not properly understand the practice of *zakat*. Another concern was that people were paying their *zakat* to and through the *kyai*, who—according to Sho'im—then kept most of the payment for themselves.¹¹⁴ This was the traditional practice of *zakat* payment, which had become a concern to Muhammadiyah activists since the second decade of the twentieth century. Sho'im was one of the activists who believed that such a practice was not correct, because *zakat* should be disbursed to help the needy.¹¹⁵ Through the BPUZ or Bapelurzam, Sho'im and other Muhammadiyah activists in Kendal put their efforts into changing the practice.

When many BPUZs in other districts declined and disappeared, Bapelurzam survived and became the leading *zakat* body within Muhammadiyah for the collection and disbursement of *zakat*. Three aspects contributed to its success: 1) *ijtihad* (personal judgment) on the *fiqh* of *zakat*, 2) non-discriminatory principles of *zakat* disbursement, 3) the use of transparency and accountability principles. These will be discussed in the following section.

2. *Fiqh* regarding Bapelurzam's *Zakat*

The *ijtihad* on the *fiqh* of *zakat* was proposed by Sho'im. It was agreed on by the

¹¹² KH. Abdul Barie Sho'im. was a teacher at Kendal. He graduated from both secular and religious schools (from Elementary to Senior High schools) including the Al-Munawwir Pesantren in Yogyakarta. He obtained his bachelor's degree from the state Islamic University of Yogyakarta.

¹¹³ Abdul Sachur, interview by the author, Kendal, 15 September 2005.

¹¹⁴ H. Muslim, interview by author, Weleri, 13-15 September 2005; and Sulis Mardiyono, interview by author, Weleri, 15 September 2005.

¹¹⁵ Sachur, interview.

Muhammadiyah leaders in Kendal and written down in a publication entitled *Zakat Kita, Zakat Terapan --Zakat yang Direalisasikan* (Our Zakat – Implementation of Zakat).¹¹⁶ This *ijtihad* is essentially a step-by-step guideline providing an introduction to *zakat*, including its philosophy, regulations, calculation, collection, disbursement, and beneficiaries. In addition, it provides details on how to form a *zakat* committee (*amil*) within Muhammadiyah districts and sub districts and how to make a report, with complete examples.¹¹⁷ Sho‘im also created the slogan “*hayya ala zakat*” “let’s do *zakat*”, a play on words to one of the verses of the Muslim call to prayer “*hayya ala salat*,” as according to him *zakat* is an Islamic principle that should be treated with the same urgency as the five daily prayers. He stated clearly that *zakat* is different from government taxes and it is an obligation both to God and to other Muslims.¹¹⁸

Sho‘im’s *ijtihad* is not the same as the *zakat* guidelines of Muhammadiyah that are written in the *Kitab Zakat* issued by the Majelis Tarjih Muhammadiyah (Council of Islamic Law).¹¹⁹ Interestingly, this *ijtihad* was not rejected by the Central Muhammadiyah leadership. It may be regarded as an effort that did not do any harm to Muhammadiyah’s ideology, but in fact provided benefits for Muhammadiyah’ activities at grassroots level.

The interpretation on the *fiqh* of *zakat* of Muhammadiyah Kendal is different from Muhammadiyah's common interpretations. The differences have been outlined by Alawiyah.¹²⁰ The most significant difference is that Bapelurzam interprets *zakat* as *zakat* on wealth (*zakat amwal*), which counts all of one’s property and money in a one-year holding period (*haul*) without differentiation between the types of assets (such as animals, salary, agriculture, and trade).¹²¹ According to Bapelurzam, splitting assets into different categories of *zakat mal* becomes a hindrance in giving *zakat* because it makes more complex to understand. Take, for example, a person who has various occupations or livelihoods. If the calculation is based on *nisab* (a minimum quantity of property that

¹¹⁶ Abdul Barie Sho‘im, “Zakat Kita Zakat Terapan (Zakat yang direalisasikan),” (stencil, Pimpinan Daerah Muhammadiyah Kendal, 1980).

¹¹⁷ The stencil has been copied and used to date.

¹¹⁸ Sho‘im, *Zakat Kita*.

¹¹⁹ Pimpinan Pusat Muhammadiyah, *Kitab Zakat. Putusan Madjlis Tardjih dalam Mu‘tamar Muhammadiyah* 3rd ed. (Yogyakarta: Persatuan, 1950). The book provides general information on many kinds of property that are liable for *zakat*; it is an orthodox discussion and approach found in many *fiqh* books in that period, but gives no information on what *zakat* should be paid in the Indonesian context.

¹²⁰ Alawiyah, 154-5.

¹²¹ Sho‘im, *Zakat Kita*, 5.

is liable for *zakat*) and *haul*, this person may not be obliged to pay *zakat* even though he or she has 39 goats and receives a considerable salary or profit from his or her other occupations. Bapelurzam, therefore, includes in its *zakat* calculations all salary and property in a year, minus any loans and expenses. If the calculation amounts to a positive figure, the person is a *muzakki* and should pay 2.5 percent of this figure in *zakat*. If however the calculation is negative, the person becomes a *mustahiq* and can obtain *zakat* money.¹²²

Sho‘im and also Bapelurzam went beyond classical interpretations of the beneficiaries and disbursement of *zakat* money. According to Shoim interpretation which is implemented in Bapelurzam, *zakat* should be used 1) to help the poor and for poverty eradication, 2) to sponsor *da’wa* and forestall other religion expansion (read: Christian Missionary activities), and 3) to support *ukhuwah Islamiyah*, or Islamic brotherhood.¹²³

Another principle of Bapelurzam Kendal is that *zakat* should be paid to organisations of *amil*, and not given directly to the poor. Giving *zakat* to individuals is considered unlawful and cannot be regarded as *zakat*.¹²⁴ Through giving to organisations, *zakat* money can be widely distributed to the needy, and can eradicate poverty by improving the economic life of the recipients so that they can become economically strong and can become *zakat* givers in their turn.¹²⁵

Bapelurzam's distribution of *zakat* money is focused on two Qur’anic categories: the poor (including the needy, those in debt, *fi riqab*—those in bondage—and *ibn sabil* or travellers) and those *fi sabilillah* or on the path of God (including *amilin* and *muallaf*).¹²⁶ Principally, Bapelurzam distributes the collected *zakat* money to the eight beneficiaries.¹²⁷ However, the money for the categories of *riqab* (usually translated in Indonesian as ‘slave’) and *muallaf* (translated as ‘new converts’) is often sent to the Baitul Mal that is under Bapelurzam Kendal, because there are no *mustahiq* in these categories. According to Sachur, people in jail and domestic workers can actually get *zakat* money, qualifying as *riqab*. But since there is a difference of opinion about this,

¹²² Sho‘im, *Zakat Kita*, 5, 11.

¹²³ Ibid., 4.

¹²⁴ Ibid., 6.

¹²⁵ Ibid.

¹²⁶ Ibid. This categorization refers to the Qur’an, chapter 9 verse 60. See Chapter Two, p. 38.

¹²⁷ Poor, the needy, *amil*, *muallaf*, those in bondage, those in debt, *fi Sabilillah*, and *ibn sabil*.

Bapelurzam does not distribute that money but instead sends it to the Baitul Mal of Muhammadiyah in Kendal. At the Baitul Mal, the money is used as capital and saved for emergency needs such as in the case of disasters.

The second key to Bapelurzam's success is the principle of non-discrimination. The distribution of *zakat* money is based on need, and does not discriminate between groups, parties and organisations. The purpose of Bapelurzam concerning *zakat* is to promote awareness of the importance of *zakat*. Therefore, *zakat* money can be given to any person in need, including those outside the district of Kendal when the need arises. In this context, *zakat* functions to promote Islamic brotherhood (*ukhuwah Islamiyah*), more specifically between the followers of Muhammadiyah and Nahdlatul Ulama in villages.¹²⁸ Since a majority of the Muslims in Kendal are culturally Nahdlatul Ulama followers, almost 90 percent of *zakat* money is given to Nahdlatul Ulama followers.¹²⁹ Inversely, Nahdlatul Ulama followers pay their *zakat* through Bapelurzam. Bapelurzam does not limit its distribution to Muslims only, but gives also to non-Muslims. Since *zakat* givers can propose *zakat* recipients to Bapelurzam, the distribution often goes beyond the Kendal area and includes non-Muslims.¹³⁰

The next important key is the implementation of transparency and accountability. Bapelurzam continues Muhammadiyah's old tradition of publishing reports on the collection and distribution of *zakat*. Bapelurzam publishes reports containing lists of all *zakat* beneficiaries (*mustahiq*) and *zakat* givers (*muzakki*) indicating the amount of *zakat* they receive and give. By means of these reports, both *muzakki* and *mustahiq* can double-check the finances and activities of Bapelurzam. The reports are distributed to all present *muzakki*, future *muzakki*, and Muhammadiyah members. Muslim states that transparency is much more important for education and gaining trust than the principle of maintaining the secrecy of one's contribution.¹³¹ That is why non-Muhammadiyah members are willing to pay their *zakat* to Bapelurzam. Among them is a leader of Nahdlatul Ulama women wings, Muslimat, Hj Khalimatussakdiyah, who thinks that giving *zakat* to a trusted organisation, be it Nahdlatul Ulama or Muhammadiyah, is important. She believes that Bapelurzam is

¹²⁸ Sachur, interview.

¹²⁹ *Ibid*; Muslim, interview, 2005; and Mardiyono, interview, 2006.

¹³⁰ *Ibid*.

¹³¹ *Ibid*.

trusted, transparent, and has a good distribution system.¹³² Endorsement and support of Khalimatussakdiyah to Bapelurzam may not only because of the trust, but also because most of the recipient of Bapelurzam's *zakat* is Nahdlatul Ulama members.

On the basis of such trust, the performance of Bapelurzam is improving, in terms of an increase in its number of *muzakki* and amount of collected *zakat*. Most contributions and *muzakki* come from Weleri, one of 19 sub-districts (*kecamatan*) in Kendal which has become the central point for *zakat* activities in Kendal regency, which is also central to Muhammadiyah's activities.¹³³ The work of Bapelurzam in Kendal is concentrated in Weleri sub-district, which provides between 30 and 90 percent of the collection. In fact, in the early years of Bapelurzam, almost all of its *zakat* collection came from Weleri. Below is an indication of the increase in *zakat* money and the number of *muzakki* of Bapelurzam in Weleri.

Table 8. *Zakat* Collection in the Bapelurzam sub-district of Weleri 1979-2006

Year	Total Zakat (Rp)	Total Muzakki	Year	Total Zakat (Rp)	Total Muzakki
1979	415,000	65	1993	31,435,175	754
1980	1,456,100	94	1994	30,871,600	421
1981	1,837,200	105	1995	37,775,000	467
1982	1,597,500	103	1996	40,320,325	483
1983	2,115,120	115	1997	46,268,425	520
1984	2,612,750	115	1998	51,775,200	551
1985	2,391,500	104	1999	92,750,000	587
1986	3,567,400	114	2000	122,763,000	633
1987	4,347,555	147	2001	170,400,000	774
1988	7,225,960	181	2002	194,320,000	864
1989	12,500,000	332	2003	220,822,000	914
1990	18,554,100	495	2004	247,000,000	1,078
1991	22,625,760	590	2005	278,950,000	1,083
1992	28,000,000	716	2006	313,500,000	1,034

Sources: Bapelurzam Weleri, "Laporan Zakat Tahun 1426 H," (Report, Bapelurzam Kecamatan Weleri, 2006).

Zakat collection from other sub-districts in Kendal became stronger after 1996. Below is a list of the total collections of *zakat* by Bapelurzam in Kendal (from 19 sub-districts).

¹³² Hj. Khalimatussakdiyah, chief of Muslimat NU, interview by author, Weleri, 12 September 2006. She is a leading grassroots figure in Weleri who is also chief of RW, local farmer association, and Al-Hidayah religious study groups (*pengajian*), among others.

¹³³ Many of the leaders of Muhammadiyah in Kendal, including Abdul Barie Sho'im and H. Muslim are residents of the trading city of Weleri.

Table 9. Zakat collection by Bapelurzam in Kendal 1996-2006

Year	Total Zakat (Rp)	Total Muzakki
1996	54,140,025	547
1997	92,301,253	1,551
1998	129,497,375	1,590
1999	235,898,045	2,415
2000	346,780,900	2,553
2001	471,307,465	3,060
2002	492,185,400	3,096
2003	524,026,775	3,129
2004	540,011,800	3,539
2005	702,988,659	3,463
2006	785,277,550	3,340

Sources: Bapelurzam Daerah Kendal, "Laporan Zakat Tahun 1426 H" (Report, Bapelurzam Daerah Kendal, 2006).

From the tables above, it is evident that the increase in the amount of collected *zakat* was high between 1996 and 2006, namely between 3 percent and 45 percent per year. It can also be seen that the economic crisis of 1998-1999 did not have a negative impact on the economy of farmers and small traders in Weleri and in Kendal generally. In fact, there was a big increase in the amount of *zakat* and the number of *muzakki* during that time. This is probably because Kendal area is based mostly on agrarian small business.

3. Bottom-up Collection

One more thing that contributed to the survival of Bapelurzam Muhammadiyah compared to other philanthropic organisations is the militant support from its activists and followers, and also its orderly and efficient organisation. Bapelurzam consists of a multi-level *zakat* committee representing villages, sub-districts (*kecamatan*) and districts. *Zakat* collectors collect *zakat* in their own village from their neighbours. A *muzakki* will then get a form on which he or she can propose the names of *mustahiq* without limitation of organisation, party or even religion.¹³⁴ Proposing the names of *mustahiq* is an efficient strategy to meet the *muzakkis'* wishes, because most *muzakki*

¹³⁴ Muslim, interview; Shoim, *Zakat Kita*.

have in the past given their *zakat* to certain poor individuals and they still want to make sure that these same people continue receive the *zakat* money.¹³⁵

Later, the Bapelurzam collects all the proposed names of *mustahiq* to determine their eligibility to receive *zakat* in order to ensure fair distribution. It then sends 2 percent of *zakat* money to the Central Office of Muhammadiyah, 3 percent to the Provincial Office of Muhammadiyah, and 10 percent to the District office. Of the remaining 85 percent, approximately 50 percent is distributed amongst the poor in the form of scholarships, consumable goods and capital, and the other half is spent on the category of *fi sabilillah* (10 percent for *amilin* operations, and the rest for consumables and teacher scholarships). The percentage of distribution can differ from year to year according to need.¹³⁶ This *zakat* money is also spent outside Kendal, for instance in Ambon for the victims of the religious conflict on that island.¹³⁷

VI. Conclusion

This chapter has demonstrated that the social and political situation after Indonesia's independence had a significant influence on the activities and organisations of Islamic philanthropy. The national survey of philanthropic organisations carried out by UIN Jakarta supports this conclusion, showing that 5.7 percent of the organisations were established before 1945 (before independence), 6.5 percent between 1946 and 1965 (Old Order), 33.3 percent between 1966 and 1988 (first half of New Order), 20.4 percent between 1989 and 1997 (second half of New Order), and 34.1 percent between 1998 and 2003 (*Reformasi*).¹³⁸

These figures show that the highest percentage of philanthropic organisations were established in the first five years of the Reform period (post-1999), when social and political developments were more conducive to the maintenance of a civil society. The growth in the first half of the New Order era was because of the establishment of state-based philanthropic organisations, whereas the second half of this era represents

¹³⁵ Muslim, interview; Mardiyono, interview.

¹³⁶ For example, Bapelurzam Kendal in 2006 received *zakat* funds of total Rp. 785,277,550 from 3,340 *muzakki* in 19 sub-districts. Each sub-district sent between 6 and 15 percent (total 98,226,650) to the district of Bapelurzam, Provincial board and Central board of Muhammadiyah, and disbursed the amount of Rp. 620,230,350 to beneficiaries in each local sub-district of Bapelurzam.

¹³⁷ Muslim, interview and Mardiyono, interview.

¹³⁸ Appendix 4, table 23.

the New Order's accommodative period vis-à-vis Islam. Post-independence is an era where the state has started to engage in Islamic philanthropic practices and became more powerful in competition with non-state philanthropic organisations.

Throughout the Old and New Order periods, the discourse on Islamic philanthropy, and in particular *zakat*, was advanced by Reformist Muslims. This discourse was, however, divided into two different approaches. The first was the Modernists, namely Muhammadiyah, kept philanthropy as a non-state matter. The second was the Revivalists and Islamists, which tended to facilitate the state institutionalisation of philanthropy and had state management of *zakat* as their ideal. Traditionalist Muslim leaders kept traditional practices of philanthropy from the state's interference.

Even though the number of state-based *zakat* agencies increased from 1968 to 1984 and grew fast in *Reformasi* period, these agencies did not have grassroots support. In general, they merely functioned as agencies with the authority to deduct *zakat* and "enforced" *sedekah* from salaries of civil servants. The state-based philanthropic agencies could not break the traditional payment of *zakat*, which was communal and given in a patron-client dynamic to local religious leaders and the poor. The hidden resistance against state-based philanthropic agencies became open resistance in the *Reformasi* period, when the civil society organisations were strong.

One further consideration is that these state-based and community-based *zakat* agencies mostly work to collect *zakat*, not *fitrah*. *Fitrah* is regarded as a communal contribution which should be paid and distributed within a short time period and in the form of rice (or as cash). All over the country, *fitrah* is collected by committees at mosques, neighbourhood organisations, and religious organisations, including schools and offices, and it is distributed mostly to those in need who live in the direct surroundings.¹³⁹ These *fitrah* contributions are usually recorded by the staff of Sub-district Religious Office (Kantor Urusan Agama -- KUA) in sub-districts.¹⁴⁰ *Fitrah* contribution runs along the traditional understanding that it is a kind of poll tax, and

¹³⁹ Public Survey of UIN in 2004 found that 98.50 percent Muslim households paid *fitrah* (Appendix 4, table 1). About 44.8 percent gave directly to the beneficiaries, about 51.3 percent gave through *fitrah* committees, and only 4.1 percent gave to philanthropic organisations (Appendix, table 3).

¹⁴⁰ Drs. Nasib Abbas, chief of KUA sub-district Banyumas, District Banyumas, Regency Cilacap (Central Java), interview by the author, 12 September 2005; Drs Risani, KUA Talang Kelapa, Banyuasin (South Sumatra), email messages, 25 and 27 February 2008.

fitrah is paid by almost all Muslim households. There are probably no significant fluctuations in the amount of *fitrah* contributions even during the economic crisis because *fitrah* payment is related to the annual household donation. According to a religious official who dealt with *zakat* and *fitrah*, the increase in *fitrah* payment is related to population growth.¹⁴¹

Philanthropic organisations are actually urban phenomena which have developed at the same time as the rising Islamic identity and demand for implementation of Islamic practices. In this respect, the growing demand for involvement of the state in Islamic charity is increasing. I will discuss this phenomenon in Chapter Seven, in the light of the fast growing number of Islamic charitable organisations in the *Reformasi* period.

¹⁴¹ Risani, *ibid.*

CHAPTER SEVEN

THE POST-NEW ORDER PHILANTHROPY MOVEMENT: QUO VADIS?

I. Introduction

The fall of the New Order regime through the *Reformasi* (reform) movement in 1998 set off a new period in Indonesian history. This period saw the rapid growth of Islamic philanthropic organisations, as well as legislation regarding Islamic philanthropy. It also saw the development of two conflicting efforts or movements with regard to Islamic philanthropy.

The first was a movement initiated by Reformist Muslims which aimed to develop, modernise and professionalise philanthropic practices, as a part of the vision to Islamise society. Unlike the trend of the previous period, when Modernist Muslims (Modernism being a variant of Reformism)¹ dominated the development of Islamic philanthropy, in the *Reformasi* period Revivalist Muslims dominated the discourse of Islamic philanthropy. While Modernists, and in particular Muhammadiyah, continued to occupy a position in the centre, maintaining collaboration with state bodies but keeping philanthropic activities independent from state interference, Revivalists inclined to follow an Islamist approach which aimed to Islamise the state as well. On the one hand, this Revivalist movement sought freedom and empowerment for community-based Islamic philanthropic organisations, but on the other hand it also sought active state involvement, especially in managing *zakat*—something that could threaten the existence of civil society philanthropic organisations.

The second was the movement that opposed active state involvement in Islamic philanthropy. This opposition was in some instances expressed clearly, but in general it was (in James Scott's words) "hidden resistance", especially from Traditionalist Muslims.² This resistance was not specifically related to *zakat* and philanthropic practices, but rather to modernisation and active state involvement in general.

The existence of these two conflicting movements is evidence of the vibrant

¹ There are three varieties of Islamic Reformism: Contextualism, Modernism and Revivalism. See explanation in Glossary, Abbreviation and Key Terms.

² James C. Scott, *Resistance without Protest: Peasant Opposition to the zakat in Malaysia and to the tithe in France* (Townsville, Qld: Asian Studies Association of Australia, 1986).

existence of civil society philanthropic activities under the weak *Reformasi* governments. This chapter argues that the first movement to reform Islamic philanthropy does not yet have a strong footing in the majority Muslim community, due to its support for institutionalising Islamic philanthropy under the state. An Islamic philanthropy survey in 2003/4 showed that the majority of Muslims were still practising *zakat*, *fitrah*, *waqf*, and *sedekah* in “traditional” forms, thus silently resisting the modernisation and bureaucratisation of philanthropy.

In this chapter the discussion is limited to the reform of *zakat*, because, compared to *waqf*,³ the attempt to reform *zakat* has been strongly attached to Muslim identity and has therefore attracted more attention in society. This chapter is organised into four main sections. The first section provides a context for the revival of the philanthropy movement during the *Reformasi* period. It will show the internal and external challenges that encouraged the reform of philanthropy. The second section discusses the *zakat* legislation and its impact on the rapid growth of Islamic philanthropic organisations. It shows the success of civil society in forcing the state to give a legal basis to community-based Islamic philanthropic organisations (Lembaga Amil Zakat or LAZs), besides state-based Islamic philanthropic agencies (Badan Amil Zakat or BAZs).⁴ The following section discusses aspects of Islamic philanthropic reform and *zakat* in particular with reference to Dompot Dhuafa (Purse of the Poor), a leading civil society Islamic philanthropic organisation in Indonesia. This section shows that the reform has been supported by Reformist Muslims, some of whom are Islamists. The fourth section will highlight the challenge (if not opposition) to reform, showing that this reform has not received a “warm welcome” from the majority of Muslims, particularly from Islamic Traditionalist leaders.

II. Internal and External Background to Islamic Philanthropic Reform

Reformasi became the significant factor behind the expansion of Reformist Muslims to reform *zakat* practice and management. The fall of the New Order regime on 21 May

³ For a recent survey on *waqf* in Indonesia, see Tuti A. Najib and Ridwan al-Makassary eds., *Wakaf Tuhan dan Agenda Kemanusiaan Studi tentang Wakaf dalam Perspektif Keadilan Sosial di Indonesia* (Jakarta: CSRC, 2006).

⁴ Although the names of BAZ and LAZ are specifically related to *zakat* donation, they both also collect other kinds of charitable forms, including *sedekah* and *waqf*.

1998 marked the transition to the *Reformasi* period in Indonesian history.⁵ The movement for reform and *zakat* legislation was extremely strong between 1999 and 2004,⁶ but then gradually became more moderate, with the moderation of the spirit of *reformasi* and political stability from 2004 onwards, after the first direct presidential election.

This era saw a rapid growth of Islamic philanthropy and its institutionalisation. This section will show that the background to the reform is related to socio-political challenges, both internal and external. These challenges have inspired Reformist Muslims who aim to Islamise society as a way of modernising Islamic philanthropy.

The importance of Islamic philanthropy after the fall of the New Order was triggered by internal causes in the country, as well as the global Islamic movement. The latter cause had an indirect impact on intensifying notions of Muslim identity, especially those of Reformists. Concern about the situation of Muslims in Afghanistan, Palestine, and Iraq had led to the creation of several committees for political and humanitarian action. There were, for example, the Indonesian Committee for Afghan Solidarity (KISA), created in 2001 in reaction to the United States' invasion of Afghanistan; the Indonesian committee for Solidarity with the Iraqi People (KISRA), created in 2003 in reaction to the US invasion of Iraq; and the National committee for the Palestinian People (KNRP), created in 2006 as a response to the US embargo on Palestine.

These committees organise not only demonstrations and political actions but also donations. The last committee mentioned donated an ambulance,⁷ food supplies⁸ and cash⁹ and provided a medical team¹⁰ for Palestinian refugees in 2006. Many Islamic

⁵ For details of the social and political situation, see M.C. Ricklefs, *A History of Modern Indonesia Since c. 1200*, fourth ed. (MacMillan, 2008), chapter six, 382-403. On Islam at the end of the New Order era and the beginning of the Reformation era, see Robert Hefner, *Civil Islam: Muslims and Democratisation in Indonesia* (Princeton: Princeton University Press, 2000), Donald J. Porter, *Managing politics and Islam in Indonesia* (New York: Routledge Curzon, 2002), Robert Hefner ed, *Remaking Muslim Politics: Pluralism, Contestation, Democratisation* (Princeton: Princeton University Press, 2002).

⁶ In this five year period, Indonesia has had four presidents (B.J. Habibie, KH. Abdurrahman Wahid, Megawati Soekarnoputri, and Soesilo Bambang Yudhoyono).

⁷The ambulance was donated through the Humanitarian Relief for Development Society (HRDS), see FPKS DPR RI, "KNRP Serahkan Sumbangan Ambulan untuk Kamp Pengungsi Palestina," URL: <http://fpks-dpr.or.id/new/main.php?op=isi&id=2081>, [visited 26 April 2008].

⁸ FPKS-DPR RI, "KNRP Siapkan 45.000 Paket Bantuan untuk Pengungsi Palestina," <http://fpks-dpr.or.id/new/main.php?op=isi&id=2077> [accessed April 26, 2008].

⁹ The fundraising was able to raise about 2,5 billion rupiah (USD 278,000). About USD 90,000 was given to the Palestinian Prime Minister when he visited Indonesia. See Press Release, Majelis Permusyawaratan Rakyat RI [House of Representative of Indonesia], "Embargo tidak Sesuai dengan Prinsip Kemerdekaan

philanthropic organisations, such as Pos Keadilan Peduli Ummat (Justice [Party] centre for the care of the [Islamic] community-- PKPU), Dompot Dhuafa, and Dompot Peduli Umat (Purse for Caring for Society – DPU) of Daarut Tauhid,¹¹ support the committee with fundraising.¹²

In addition to these committees, the Islamic resurgence movement has provided a basis for the establishment of Islamic humanitarian organisations, which differentiate themselves from *zakat* organisation. One example is the Indonesian Red Crescent Society or Bulan Sabit Merah Indonesia (BSMI). Just as in the 1918s, when the Sarekat Islam created Al-Hilal al-Ahmar Netherlands Indies, a similar organisation was created in May 2002.¹³ Both the colonial and *Reformasi* period Red Crescent societies were non-government organisations that worked separately from the Netherlands-Indies or Indonesian Red Cross Society, and focused on Muslim causes.¹⁴ Jonathan Bentall has noted that the establishment of the Red Crescent Societies in many parts of the Islamic world has been mostly carried out by what he calls “Islamists”.¹⁵ BSMI is supported by Reformist Muslims, some of whom lean towards being Revivalists and Islamists. The founding of BSMI was probably influenced by the existence of Red Crescent Societies in other Islamic countries, including Malaysia.¹⁶

dan Kedaulatan,” [embargo is inappropriate with the principles of freedom and sovereignty] http://www.mpr.go.id/index.php?section=siaran_pers&id=324 [visited 26 April 2008].

¹⁰ The medical team consisted of five specialist doctors from the Indonesian Red Crescent Society (Bulan Sabit Merah Indonesia-BSMI), who worked in several hospitals for two weeks. FPKS-DPR RI, “Dokter BSMI Mulai Berpraktek di Kamp Pengungsi Palestina,” <http://fpbs-dpr.or.id/new/main.php?op=isi&id=2079> [visited April 26, 2008].

¹¹ These three organisations will be explained later.

¹² Partai Keadilan Sejahtera DKI Jakarta, “Palestina: Simpati dan Dukungan Mengalir Deras,” <http://www.pks-jakarta.or.id/modules.php?op=modload&name=News&file=article&sid=402> [visited April 26, 2008].

¹³ The BSMI was established in 8 June 2002 in Jakarta, in response to poverty, disasters and wars, called “humanity crisis,” occurring in several Muslim-majority countries. Its founders and activists were mostly medical doctors, therefore it is not surprising that its programs focus on emergency relief and health. See its website <http://bsmipusat.net/bsmi.html>

¹⁴ Even though the BSMI accepts the principles of the International Red Crescent Society (which are also the principles of the Red Cross Society), its programs are mainly aimed towards Muslim recipients.

¹⁵ There are a few exceptions. One of these is in Jordan, where Islamists established Green Crescent Society in differentiation from the Jordan Red Crescent Society, which was regarded as secular. Jonathan Benthall, “The Red Cross and Red Crescent Movement and Islamic Societies, with Special Reference to Jordan.” *British Journal of Middle Eastern Studies*, vol 24 no 2 (1997):157-77.

¹⁶ Malaysia changed its Red Cross Society (which was inherited from the British) to Red Crescent in 1975. Bulan Sabit Merah Malaysia – Malaysian Red Crescent, <http://redcrescent.org.my/drupal/node/4> [visited 13 July 2008].

Internal challenges to the reform have been triggered by four important causes,¹⁷ namely the *Reformasi* movement, the economic crisis, ethnic and religious conflicts, and the tsunami disaster. These causes encouraged the Reformists (in particular Revivalists) to create philanthropic organisations in order to modernise the traditional practice of *zakat* and to institutionalise *zakat* under the state.

The spirit of *reformasi*, the first cause, has been a great endorsement behind the reform movement of Islamic philanthropy. Reformist Muslim activists and scholars have successfully forced the government to enact laws on Islamic philanthropy at the national level, not just minor and specific regulations such as were put in place during the New Order period. The Zakat Management Law was issued in a rush, for fear that the rapid political change after President Habibie finished his term of office would not favour the legislation. A more detailed discussion on legislation will follow in subsection two.

The second cause triggering the revival of Islamic philanthropy was the economic crisis.¹⁸ Communities and social organisations shared concerns about famine, school drop-outs, and many other social problems caused by the crisis. Due to an excessive increase in poverty, more philanthropic organisations intensified their work¹⁹ and new organizations were created. It can be said that the crisis encouraged Reformist Muslims in general to revitalise philanthropic activities.²⁰ The idea that philanthropic resources—especially *zakat*—could be used for the eradication of poverty and could save the country from the crisis may look like an ambitious dream, but it was shared by many scholars, activists of Islamic philanthropic organizations and members of parliament, and also the government.²¹ This notion is also mentioned in article 5 of the Zakat Management Law.²²

¹⁷ The causes are discussed according to their importance in the discourse of philanthropy.

¹⁸ The crisis hit the country severely with rising prices for food and other main necessities. The conversion rate of the Rupiah to the US dollar dropped more than 600%. For more on the crisis, see K.S Jomo, ed., *After the storm: Crisis, recovery and sustaining development in four Asian economies* (Singapore: Singapore University Press, 2004).

¹⁹ One example is the Dompot Dhuafa organisation. It was booming due to its success in response to economic crisis. The number of people sought assistance from its office increased dramatically. (Noor Aflah, online interview with author, 24 March 2008. Aflah worked for Dompot Dhuafa during the crisis period).

²⁰ The 2004 Islamic philanthropy survey also found that most respondents (75%) agreed that the majority of people give in the time of economic crisis. See appendix 4.

²¹ Nur Ichwan, *Official Reform of Islam*, 319-20.

²² The second consideration of the Zakat Law is that “fulfillment of *zakat* is an obligation for Indonesian Muslims who are capable, and *zakat* revenue is a potential resource to actualise social welfare.” Article 5

The economic crisis has broadened social responsibility, which is now not only shared at national level but also at grassroots level thanks to the creation of various charities offering assistance during the crisis. Reformist Muslims responded by establishing philanthropic organisations. Among them were the PKPU,²³ established on 17 September 1998, House of Zakat Indonesia (Rumah Zakat Indonesia --RZI),²⁴ on 2 July 1998, and the DPU of Daarut Tauhid, on 16 June 1999.²⁵

Apart from concerns about poverty, many Islamic philanthropic organisations were established out of concern for victims of ethnic and religious conflicts,²⁶ such as in Ambon and Poso. The conflicts have raised tensions between Muslims and non-Muslims and, worse, they have caused human casualties, the demolition of houses and buildings, and the problem of refugees. When Islamic radical groups responded by creating civil militias to go on a *jihad* in those conflict areas, Reformist Muslim organisations responded by creating funds and humanitarian missions to help the victims. Among the philanthropic organisations that were established out of this concern are PKPU²⁷ and RZI.²⁸ Both were dominated by Revivalist Muslims, who mostly were members of *da'wa* groups.

The last cause was the tsunami disaster that struck Aceh and Nias on 26 December 2004.²⁹ Although natural disasters and economic crises have some similar consequences in terms of generating poverty, the tsunami disaster was unique on account of its scale. For the tsunami disaster, Islamic organisations were challenged to

states that “*zakat* management aims to (1) improve public service to society for those who pay *zakat* according to religious guidance; (2) improve the function and role of religious institutions in actualizing social welfare and social justice; (3) increase the benefits and capacity of *zakat*.”

²³ PKPU was previously a social section established within the Justice Party (Partai Keadilan; now Partai Keadilan Sejahtera). Activists in this section gave humanitarian assistance in Ambon during the conflict in 1998. In 1999 the section became independent. Sahabuddin, director of the PKPU, interview by the author, Jakarta, 15 August 2006. For the website of the organisation, see <http://www.pkpu.or.id/>

²⁴ RZI was established as the social section of a religious gathering Ummul Qura and named after Dompot Sosial Ummul Quro (Social Purse of Ummul Quro). The name was changed to Rumah Zakat Indonesia on 18 March 2003. The organisation website is <http://www.rumahzakat.org/>

²⁵ DPU was established by a famous *da'i* and entrepreneur, KH Abdullah Gymnastiar, as part of his Daarut Tauhid Foundation. DPU website is <http://www.dpu-online.com/>

²⁶ On ethnic and religious violence, see John T. Sidel, *Riots, pogroms, jihad: religious violence in Indonesia* (London: Cornell University Press, 2006), Noorhaidi Hasan, *Laskar Jihad: Islam, militancy, and the quest for identity in post-New Order Indonesia* (Ithaca: Cornell University, 2006).

²⁷ See footnote 23.

²⁸ Rumah Zakat Indonesia, “Sejarah,” <http://www.rumahzakat.org/profil.php?data1=3> [last visited April 26, 2008].

²⁹ An earthquake of 8.9 on the Richter scale close to Aceh in the Indian Ocean caused a tidal wave sweeping coastal areas of Aceh, Nias, Southern Thailand and Sri Lanka. In Aceh it caused massive destruction and a death toll of 170,000.

perform in a professional manner, which included cooperating with non-Muslim philanthropic agencies.³⁰

The destruction and suffering caused by the tsunami resulted in massive philanthropic resources and relief activities to Aceh, not only from abroad but also from other parts of Indonesia. The disaster mobilised all societal elements in Indonesia to work for the cause. Within a month, the Kehati foundation reported that at least USD 52 million (Rp. 480 billion) had been raised from the Indonesian community, excluding in-kind donations and the help of about 7,000 Indonesian volunteers.³¹ Compared to non-governmental donations from other countries, this may not seem impressive. However, considering the economic state of Indonesia, the figure was extraordinary.

Aid from non-Muslim donors not only came in through government agencies, such as the Agency of the Rehabilitation and Reconstruction for the Region and Community of Aceh and Nias (Badan Rehabilitasi dan Rekonstruksi Aceh dan Nias – BRR), but also through non-government organisations, including Islamic philanthropic organisations such as Muslim Aid. Reformist organisations, such as Dompot Dhuafa and PKPU, quickly engaged in this charitable wave, extending their programs to humanitarian activities. In addition to concern about the impact of the disaster, the fundraising effort was also influenced by Islamic sentiment,³² because Aceh is seen as one of the areas representing Islam par excellence.

Their involvement in post-tsunami assistance drove Islamic philanthropic organisations towards the issue of universal humanitarian assistance, including collaboration with non-Muslim organisations. They were publicly forced to perform in a professional manner. In addition, the post-tsunami effort increased the value of voluntarism as an important part of Islamic philanthropic activities.³³ Some Islamic philanthropic organisations dealt successfully with those issues. One example is the

³⁰ In the early days of the tsunami aid activities, some Acehnese victims expressed their concern about, if not rejection of, non-Muslim aid. In fact, the first major assistance was given by the Australian navy harbored nearby. However, this concern later disappeared as the assistance was badly needed.

³¹ This initial study was conducted by the Kehati foundation supported by the Ford Foundation. It surveyed 14 newspapers, 10 TV stations, 4 radio stations and 2 other media from 27 December 2004 to 31 January 2005. Kehati, “\$52 million raised locally in Indonesia for Aceh and North Sumatra, initial study shows”, in *APPC Post*, [Asia Pacific Philanthropy Consortium], Electronic News Bulletin, Issue 21: March-April 2005, 2.

³² Apart from showing gratitude to western donors, certain national media and discussion groups were critical about the lack of concern of some Islamic countries regarding tsunami relief.

³³ Voluntarism is strongly imbedded in the culture of philanthropy in Indonesia. However, its importance is somewhat under-valued since materialistic culture is prevailing.

PKPU, which declared itself a “national humanitarian foundation,” in addition to its status as a *zakat* collector organisation.

The above circumstances revitalised *zakat* movement in the period of *Reformasi*, specifically by encouraging the establishment of more state and non-state *zakat* organisations.

III. Legislation and Organisations of Islamic Philanthropy

The *reformasi* spirit brought about the issuing of the Zakat Management Law (*Undang-Undang Pelaksanaan Zakat --UUPZ*) no 38 1999. The Waqf Law (*Undang-Undang Wakaf*) no 41 2004 followed this success. This section will show how the Zakat Management Law provides a strong basis for the activities of community-based *zakat* organisations and has also encouraged more state involvement in *zakat* activities.

1. Zakat Management Law

The Zakat Management Law should be seen as a success of Reformist Muslims in enforcing their demand for Islamising society because their demand for the law has been voiced since 1950s.³⁴ The law does not deal only with *zakat* but also with many other philanthropic forms, such as religious *sedekah*, non-religious donations, and *waqf*. The enactment of the Zakat Management Law was prepared in a rush during Habibie’s office, not only because of the reform spirit but also out of fears that the political climate after Habibie would not be in favour of its enactment.³⁵

The law provides three significant legacies. First, the law became the basis for the legalisation and establishment of many LAZs (see next sub-section). Second, it endorsed the Reformist modern interpretation of *zakat* management (see section 3). Third, the law also became a basis for wider state involvement (or bureaucratisation) in Islamic philanthropic activities, as elaborated in the following paragraphs.

³⁴ MORA had already proposed the *zakat* law in 1968, but failed. Moch. Nur Ichwan, “Official Reform of Islam, State Islam and the Ministry of Religious Affairs in Contemporary Indonesia, 1966-2004” (PhD diss., University of Tilburg, 2006). Cf. Arskal Salim, “Islamising Indonesian Laws?: Legal and Political Dissonance in Indonesian Shari’a, 1945-2005,” (PhD diss., University of Melbourne, 2006). Its published version is *Challenging the Secular State: The Islamization of Law in Modern Indonesia* (University of Hawaii Press, Nov 2008).

³⁵ Nur Ichwan, *ibid.*

The Ministry of Religious Affairs (Departement Agama--MORA) played an important role in the institutionalisation of *zakat* activities. MORA issued Ministerial Decree No 581 (1999) and later Ministerial Decree no 373 (2003) on the implementation of the Zakat Management Law to replace the decree no 581. The replacement was also forced by Islamic philanthropy activists, especially the Zakat Forum (Forum Zakat –FOZ). Following these regulations, MORA established the Directorate of Zakat.³⁶ It also promoted *zakat* management and activities through its offices throughout the country. However, the bureaucratisation has not been effective and MORA itself has a reputation for inefficiency and corruption.³⁷

In addition to national-level legislation, the Zakat Management Law has been endorsed by local governments through regional regulation (*peraturan daerah*). There are regional regulations that have a strong Islamic *shari'a* tendency, prescribing for instance the wearing of Islamic clothing, punishments against adultery, and caning.³⁸ These regulations are controversial because the issue of religion is not part of the decentralisation policy decided by local government, with the exception of Aceh province. However, no strict measurements have been taken by the central government because religion is a sensitive issue and these regulations were supported by the regional legislative assemblies (Dewan Perwakilan Rakyat Daerah—DPRD).

Among these *shari'a* regional regulations are those on *zakat* management, called Perda Zakat (*peraturan daerah tentang zakat*). By May 2008, there were 25 local governments (province and districts) which had enacted the regulation. South Sulawesi, West Java, and South Sumatra were among the provinces where *zakat* regulations were enacted most often in districts.³⁹

The Perda Zakat is a kind of regional implementation of the Zakat Management Law which aims to support the law in a province or district. Most Perdas only follow the spirit and substance of the Zakat Management Law, therefore, it is generally

³⁶ For a detailed elaboration on this bureaucratisation, see Nur Ichwan, *Official Reform of Islam*.

³⁷ Minister Said Aqil Al-Munawwar (rule 2001-2004) was jailed for corruption.

³⁸ On the Islamic-influenced regional regulations, see Sukron Kamil, et al, *Syariah Islam dan HAM: Dampak Perda Syariah terhadap Kebebasan Sipil, Hak-hak Perempuan, dan Non-Muslim* [Islamic shari'a and human rights: impacts of Perda Shari'a on the civil freedom, women rights and non-Muslims] (Jakarta: CSRC, 2007).

³⁹ See List of Perda Zakat in appendix 5.

regarded as not against the national law and not the same as other regulations that have a strong *shari'a* nuance.⁴⁰

The endorsement of the Perda *zakat* was primarily related to Islamic and political motives. One Perda *zakat* which is strongly motivated by Islamisation is the Qanun Zakat in Aceh province. Here, the enactment is in the same spirit as other *qanuns* (local regulations) reviving a more conservative form of Islam. These *qanuns* idealise the formal implementation of the *shari'a*. In most other districts, the Perda *zakat* is only a repetition of the Zakat Management Law coloured by local circumstances. There are indications that the Perda *zakat* is being used to gain votes due to the system of regional elections; *zakat* is a “selling” issue to get support for local Islamic leaders. This can be seen in Bulukumba district in South Sulawesi. Supporters of the Perda *zakat* were the secular ruling party in that district, namely the Golongan Karya (Golkar). Research by the Asia Foundation (Indonesia) on Perda *shari'a* found that local politics, especially local elections, were among the strong motives behind the issuance of Perda *shari'a*.⁴¹

In addition to these regulations, the Zakat Management Law also stimulated the rapid growth of Islamic philanthropic organisations, which will be elaborated below.

2. Islamic Philanthropic Organisations

Zakat collection has been performed by three different types of organisation: *zakat* committees (*panitia zakat*), BAZs and LAZs. (See Table 10 below). These types of organisation have been implemented since the New Order period, but the terms “LAZ” and “BAZ” were legally used in the *Reformasi* period by the Zakat Management Law.

⁴⁰ The Zakat Forum and Institute of Zakat Management (Institut Manajemen Zakat—IMZ) are of this opinion. Moreover, one of IMZ programs is providing assistance for regional governments to enact Perda Zakat, such as training to compose Perda Zakat (*Pelatihan Penyusunan PERDA Zakat*) and consultations for those want to enact the perda (Penyusunan Peraturan Daerah Zakat). See for example IMZ advertisement in <http://www.imz.or.id/index.php?p=consulting> [accessed December 20, 2007]. Noor Aflah, online interview and Kushardanta, Director of IMZ, online interview with author 23 June 2008.

⁴¹ Robin Bush (The Asia Foundation, Jakarta), “Regional ‘Shari’ah’ Legislation: Anomaly or Symptom?,” (paper presentation at the Indonesia Update 2007, ANU Canberra, 8 September 2007). The paper will be published in Greg Fealy and Sally While, eds, *Expressing Islam: Religious Life and Politics in Indonesia* (Singapore: ISEAS, 2008).

Table 10. Types of Zakat Collector Organisations

	Community Zakat Committees	BAZs (Badan Amil Zakat)	LAZs (Lembaga Amil Zakat)
Form	Non-government	Government	Non-government
Characteristic	Temporary	Semi-Government structure	Permanent
Legal Basis	N/A	Local Government Decree	Legal deed
Management	Committees	Government administration	Professional
Basis	Neighbourhood and mosques	Government service	NGO
Funding	Community ZIS*	Government funds; ZIS from Government employees & community	Community ZIS

* ZIS: *Zakat, Infak and Sedekah*

The first two types represent bottom-up *zakat* traditions fostered by civil society, a continuation of the work of Muhammadiyah and other Islamic organisations started in 1918. LAZs are an organised and modern form of *zakat* committee. The Zakat Management Law necessitates that LAZs have a legal document (*akte pendirian*)⁴² as a foundation (*yayasan*) or be under a legal body. BAZs are semi-government agencies, established under the local government.

Community-*zakat* committees operate only at the end of Ramadan, mainly for the collection and distribution of *fitriah* and *zakat*. The committees are created by mosque boards, neighbourhood organisations (RTs and RWs), and social organisations. In the New Order, BAZs were developed at provincial level, such as the Bazis DKI Jakarta and BAZ Jawa Barat. In response to the Zakat Management Law, BAZs were established in provinces, regencies and districts, without requiring approval from the MORA. This policy is very much different from that of LAZs, which require approval from the MORA (to be accepted as a national LAZ) or the provincial government (a provincial LAZ). LAZs must also achieve a certain amount of fundraising income if they wish to remain registered by provincial or central governments.⁴³

There are no satisfactory figures regarding BAZs and LAZs, nor even on *zakat* committees in Indonesia.⁴⁴ If each mosque formed a committee to collect *zakat* and

⁴² This document states details the establishment of a foundation, and it must be legalised by a notary. Such documents are also called notary documents (*akte notaris*).

⁴³ The ministerial decree mentions requirements on LAZ.

⁴⁴ Neither the Ministry of Religious Affairs (MORA) nor BAZNAS (National body of Zakat) could be expected to provide detailed figures of LAZ and BAZ due to the weakness of their administration.

fitriah, there would be at least 643,000⁴⁵ *zakat* committees which are based in mosques. The Directorate of Zakat in the Ministry of Religious Affairs expected a total of about 5,649 BAZs, but there were only 1,001 (18 percent had been formed by 2007).⁴⁶ The MORA reports may reflect only the number of BAZs that have been formally created, without a clear understanding of whether they are operational. From the above number, there were only about 300 active BAZs and 73 LAZs by 2007.⁴⁷

The number of registered LAZs is small compared to that of BAZs. Some activists thought that their development was hindered by the strict regulations set by MORA. However, there are many large Islamic philanthropic organisations which do not seek “formalisation” from the MORA or provincial government, such as the LAZ Masjid Al-Markazy, in South Sulawesi, the LAZ Istiqlal Mosque in Jakarta, and the LAZIS Paramadina in Jakarta.

The establishment of LAZs was mostly by Reformist Muslims, especially Revivalist groups, either in Islamic organisations or in “secular” institutions. Based on the members of Zakat Forum and national LAZs, there are three types of modern institutions which became strong bases for the establishment of LAZs: Islamic institutions, (secular) corporations, and financial institutions. See Table 11 below.

Table 11. The Basis of LAZs

	Basis of LAZs	Member of Zakat Forum	%	National LAZs	%
1.	Islamic institutions	15	52	11	61
2.	Corporations	6	26	1	6
3.	Financial institutions (banks)	6	22	6	33
	Total	27	100	18	100

Source: Member lists of both Zakat Forum and national LAZ were provided by Noor Aflah, Executive Secretary of the Zakat Forum, 25 March 2008.

Islamic institutions include Islamic schools (such as Al-Azhar), Islamic parties (such as PKS), religious study-groups (such as Pengajian Al-Falah), and mosques. Examples of

⁴⁵ This is based on a MORA report of 2005. According to MORA, the growth rate of mosques in 2000 is 0.8%.

⁴⁶ Direktorat Pengembangan Zakat Departemen Agama RI, “Data statistik Pengumpulan, Pendayagunaan Zakat, Infaq dan Shadaqah tahun 2007,” [statistics of the collection and disbursement of zakat, infak and sedekah in 2007] in *Data Zakat Seluruh Indonesia*, [available] <http://www.webzakat.com/datazakat.html> [accessed March 28, 2008]. The website provides *zakat* data from 32 provinces.

⁴⁷ This figure is based on the General Meeting of Islamic philanthropic organisations held in 2006 by the Forum Zakat. It was given by Noor Aflah, Executive Secretary of Forum Zakat, online interview.

corporations are PT. Pupuk Kaltim, PT. Pertamina, and PT. Garuda Indonesia, and finance institutions are the National Bank of Indonesia, the Muamalat Bank, and Baitul Mal wa Tamwil –BMT).⁴⁸

More than half of the LAZs belong to socio-religious institutions. Many LAZs developed from a mosque-based social division, an old function of the mosque. Large mosques usually built their own boards for *zakat* and non-*zakat* donations which were active throughout the year, not only during the end of Ramadan. Examples of this type of LAZ are the House of Zakat Indonesia, Al-Falah Social Funds (Yayasan Dana Sosial Al-Falah --YDSA)⁴⁹ and the Body for Waqf and Zakat Salman (Lembaga Wakaf Zakat Salman –LWZ).⁵⁰

The LAZs created in “secular” multi-national banks and corporations were initially only informal bodies working for the collection of *zakat* from Muslim employees who wanted to fulfil the Islamic teaching of *zakat*. As New Order politics during the 1990s were accommodating Islam, these bodies obtained support from their company management. Later, they were encouraged to get legal status as a formal LAZ, as this would provide a positive image for their corporation. Some of these LAZs were created after 1999, stimulated by the spirit of the Zakat Management Law.

Large Islamic Reformist organisations such as Muhammadiyah, Persis, and Dewan Dakwah Islamiyah Indonesia (DDII) created their own LAZs. Even Nahdlatul Ulama, a Traditionalist Muslim organisation, followed the trend of having an organised LAZ called Lazis NU. This establishment was probably launched by a few elite members of Nahdlatul Ulama and did not have any impact on grassroots practices among Traditionalist Muslims. Lazis NU is the only Traditionalist organisation that is recognized as a national LAZ. Lazis Muhammadiyah is the only LAZ that formally represents the Muhammadiyah organisation. The performance of Lazis Muhammadiyah is a little better than that of Lazis NU.⁵¹ Lazis Muhammadiyah has not obtained grassroots support from Muhammadiyah members, such as Bapelurzam in Kendal and other charitable works of Muhammadiyah throughout the country. It was established to serve *zakat*, *sedekah* and other kinds of donations at the national level.

⁴⁸ See the list of Lembaga Amil *Zakat* in Appendix 6.

⁴⁹ It was established in 1987 in Surabaya.

⁵⁰ LWZ is a provincial LAZ established under the Masjid Salman Mosque Foundation. The foundation and activities of Salman mosque is supported by Muslim activists such as of *tarbiyah* or *usrah* movement.

⁵¹ See for example its *zakat* and *sedekah* collection in 2006 in Appendix 6.

Leading LAZs are mostly those which were developed as professional organisations and were established as independent foundations (*yayasan*). Two examples are the Dompot Dhuafa (which is independent from Republika) and PKPU (which is independent from the Prosperous Justice Party). LAZs that are part of large Islamic institutions, corporations, and financial institutions have not been able to compete with those independent LAZs because they work as a section supporting a big organisation. Leading LAZs are mostly supported by Revivalist Muslims who have a strong *da'wa* mission and are in some way connected with Islamism.

III. Zakat Reform: Organisation, Reinterpretation and Adaptation

This section discusses the ways Reformist Muslims professionalise the organisation and disbursement of *zakat*. It will mostly refer to the role of Dompot Dhuafa, an organisation that was created with the blessing of the New Order, but which later led the *zakat* movement after the *Reformasi*.

Dompot Dhuafa⁵² was formerly a charity section in the Republika newspaper. It was established on 2 July 1993 by Parni Hadi, Eri Sudewo, S. Sinansari Ecip and Haidar Baqir, all journalists at Republika. It became independent in 2001 but still has “Republika” in its name.⁵³ There is no doubt that the birth of Dompot Dhuafa was a blessing to the accommodative Islamic policies of the New Order provided by Republika and ICMI (The Indonesian Association of Muslim Intellectuals),⁵⁴ the former being a the project of the latter.⁵⁵ These New Order policies were openly supported by the majority of Muslim reformists. They included the establishment of Islamic media such as Republika, the Islamic intellectual association ICMI, and the Islamic bank (Bank Muamalat Indonesia). While some scholars think that ICMI was used by the New Order government, others think that it also obtained some benefits from the regime. One of the benefits to Muslims was the growth of Republika, the institution which founded

⁵² On Dompot Dhuafa, see Karlina Helmanita, “Mengelola Filantropi Islam dengan Manajemen Modern: Pengalaman Dompot Dhuafa,” in *Revitalisasi Filantropi Islam Studi Kasus Lembaga Zakat dan Wakaf di Indonesia*, ed. Chaider S. Bamualim and Irfan Abubakar (Jakarta: Center for Languages and Cultures, 2005), 87-124. Dompot Dhuafa website is <http://www.dompotdhuafa.org/>

⁵³ Eri Sudewo, interview by the author, 17 August 2006.

⁵⁴ ICMI was found in 1990 and led by B.J. Habibie. About ICMI see M. Syafii Anwar, *Pemikiran dan Aksi Islam Indonesia: Sebuah Kajian Politik tentang Cendekiawan Muslim Orde Baru* (Jakarta: Paramadina, 1995).

⁵⁵ See Helmanita, “Mengelola filantropi,” 88-93.

Dompot Dhuafa. Although it was previously burdened with its affiliation to ICMI and the New Order, Dompot Dhuafa successfully overcame that hurdle because of its accountability and independence from the New Order government, and it gained the trust of Muslim communities.

Dompot Dhuafa and LAZs have sought to reform the practice of Islamic philanthropy in three aspects: modernising management, program diversification and *fiqh* reformulation. Each of these aspects will be elaborated below.

1. Modern Management

Adaptation to modern management is something that has been sought by Reformist organisations from the early twentieth century onwards, but it is still an issue for Reformist organisations in the twenty first century. Dompot Dhuafa and some LAZs have campaigned for professional, or at least, modern management. This became an important aspect because *zakat* collection had been heavily overshadowed by traditional practices and ambiguities. This introduction of modern management can be seen as a revival of Muhammadiyah's work on *zakat* before independence. While Muhammadiyah had transformed some of its philanthropic activities into semi-business non-profit institutions (such as schools, universities, banks, and hospitals), Revivalist Muslims have continued Muhammadiyah's efforts to create modern purely philanthropic organisations.⁵⁶

LAZs and Dompot Dhuafa campaigned for LAZs to have good administration and to be accountable and transparent. Accountability and transparency have become significant icons for LAZs, which compete with one another to publish and distribute their financial reports. In this way, LAZs have broken through a taboo that asking for donated money is not favourable.⁵⁷ Reports of *zakat* collection and distribution have become a significant marketing device to gain trust from the community. LAZs (and also some BAZs) competed to have their reports audited and published.⁵⁸

Following the LAZ model, BAZs are encouraged to be modern charity

⁵⁶ Eri Sudewo, a founder of Dompot Dhuafa, strongly criticised Muhammadiyah for changing its charitable works to become profit-oriented. Sudewo is not an activist of Muhammadiyah.

⁵⁷ It is based on the attitude that donations should be given in secrecy. See Appendix 4, table 10 and 11.

⁵⁸ MORA regulation no 373, 2003 chapter 22 obliges national and provincial LAZs to have their financial reports audited by a public accountant.

organisations. However, the work standards (ethos) of BAZs and LAZs are somewhat different. LAZs tend to be flexible, bottom-up, and supported by industrious (if not militant) activists, who are driven by idealism, whereas BAZs are mostly top-down and bureaucratic, and they are maintained by civil servants who work only to fulfil their duty. LAZs usually have good human resources compared to BAZs.⁵⁹ Only a few BAZs have been able to perform well and earn trust from the community; Bazis DKI Jakarta is one of these.⁶⁰

Another reform is the professionalisation of the job of *zakat* managers (*amil*). In Indonesia, *amil* is a traditional job that has been done voluntarily by a *kyai* or *modin*, or by someone dealing with religious matters in a village. Due to the demand to expand the *zakat* sector, Dompot Dhuafa urged that an *amil* should be a qualified person who can work full-time to manage the *zakat* organisation. Therefore, *amils*, who used to work voluntarily (*ikhlas* or *lillahi ta'ala*—for the sake of God), were to be transformed into professional managers who work full-time and receive good salaries. Dompot Dhuafa pioneered this tradition by recruiting professionals to work in its management. This reform, which has been followed by other LAZs and also by some BAZs, has indirectly encouraged Muslims not to give their *zakat* to *kyais*, because most of them are not capable to the job of a modern *amil*.

2. Program Diversification

Dompot Dhuafa and LAZs campaigned for philanthropic organisations to move from their traditional *amil* job as *zakat* collectors into providing more advanced programs. The majority of LAZs have extended their program sectors into education, health, and social and economic areas. This again challenges the strong tradition that *zakat* money is spent only on rice or as cash and is given to specific beneficiaries, a tradition that has been preserved by local *kyai* and the majority of mosque-based *zakat* committees. It challenges the belief that *zakat* money should be used only for specific religious matters, a belief that came from a long tradition of *zakat* practice.

Dompot Dhuafa has provided a good model for this program diversification. It

⁵⁹ Irfan Abubakar and Chaider S. Bamualim, eds., *Filantropi Islam dan Keadilan Sosial: Studi tentang Potensi, Tradisi, dan Pemanfaatan Filantropi Islam di Indonesia* (Jakarta: Center for the Study of Religion and Culture, 2006).

⁶⁰ See Chapter Six.

has developed various projects in education, health, and economic and social matters, which are run by its independent organs. In education, it created the Lembaga Pengembangan Insani (Human Development Organisation) which provided scholarships and various forms of training, ran a free Islamic boarding school, and established and facilitated numerous other schools. The health sector program is run by the Layanan Kesehatan Cuma-Cuma (Free Health Service), its economic empowerment program by the Masyarakat Mandiri (Independence Community), and its social services through programs such as Aksi Cepat Tanggap (Emergency Action) and the Tebar Hewan Kurban (Dissemination of Sacrificial Meat).

Modern LAZs have adapted very well to community needs. In response to natural disasters, most organisations have humanitarian programs as an extension of the social program. These programs have become permanent because disasters have followed one after the other. After the tsunami struck Aceh and Nias in 2004, a huge earthquake hit Yogyakarta and Bantul in 2005, a huge-scale flood swamped Jakarta in 2006, a tsunami struck the West Javanese coast in 2006, landslides struck Bojonegoro and Padang in 2006, Mount Merapi erupted in 2006, and Mount Kelud erupted in 2007. LAZs have responded to all of these disasters by providing humanitarian assistance, including the establishment of search and rescue groups. Participation in the above efforts has brought new benefits for LAZs, not only in terms of getting trust from the community, but also in getting more income. The “teardrop management” (*managemen air mata*),⁶¹ the most heart-rending and saddening aspects of a particular tragedy, can easily persuade people to help a cause.

Behind the acceptance of humanitarian assistance, philanthropic organisations are open to issues regarding non-Muslims and women’s empowerment, which were sensitive in Islamic organisations. By declaring themselves philanthropic organisations and becoming involved in humanitarian assistance, LAZs have become open to the issue of non-Muslim recipients as well as donors. Dompét Dhuafa, PKPU, LWZ, and DPU, all of which I was able to interview, formally stated their openness to the issue, saying that in a life-threatening situation everyone tries to help without thinking of

⁶¹ Nana Mintarti, Manager of Dompét Dhuafa, interview by the author, Jakarta, 12 June 2005.

religious identity.⁶² In most cases, however, interest in Islamic causes is far greater given that LAZs were specifically founded on Islamic ideology.

Gender issues and women's empowerment are certainly not mainstream issues among LAZs. However, the more professional the management, the more probable it is that the LAZs become more gender-sensitive.⁶³ Dompot Dhuafa also provides a good example of this. In 2005 and 2006 it had two programs specifically for women's empowerment, namely Wakala (Wanita Kepala Keluarga), supporting widows who are sole providers for their families, and the Sahabat Pekerja Migran (Friends of Migrant Workers), supporting female workers. Although both programs were discontinued, such programs are part of the empowerment section, following the recent discourse on "charity" and "philanthropy."

Dompot Dhuafa and LAZs are aware of the differentiation between "charity" (a social service and short-term assistance) and "philanthropy" (a long-term empowerment program to eradicate poverty).⁶⁴ Most LAZs have tried to include "empowerment" programs, such as providing scholarships and small business capital, although these are arguably only "semi-empowerment" programs that do not yet meet the criteria of proper empowerment.

As might be presumed, however, the agenda of empowerment has not yet become a mainstream issue. LAZs seem to accommodate donors who prefer short-term assistance where the impact is easily observed. For LAZs it is easier to use "*managemen air mata*" and religious causes which are usually easily dealt with through short-term assistance. However, some LAZs have successfully used religious causes to support a "long-term" program. For example, the LWZ Salman has a reforestation program called *waqf* of trees (*wakaf pohon*),⁶⁵ covering an environmental concern with a religious issue.

Compared to the reforms undertaken during the New Order period, the program

⁶² Rachmad Riyadi, Director of Dompot Dhuafa, interview by the author, Jakarta, 16 August 2006; Sahabuddin, interview; Abdullah Gymnastiar, founder and chief board of DPU Daarut Tauhid, interview by the author, Bandung, 4 September 2006.

⁶³ See my chapter "Women, Islam and Philanthropy in Contemporary Indonesia," in *Indonesian Islam in a New Era, How Women Negotiate their Muslim Identities*, ed. Susan Blackburn, Bianca Smith and Siti Syamsiyatun (Clayton; Monash University Press, 2008), 167-189.

⁶⁴ The discourse was disseminated in LAZ and BAZ by CSRC of UIN Jakarta, through the Project of Philanthropy for social justice in Muslim communities.

⁶⁵ Iman Abdullah, Chief of LWZ Salman, interview by the author, Bandung, 9 September 2005 and LWZ Salman, "Laporan LWZ 2005," (report, LWZ Salman, 2005).

of diversification of LAZ is well developed, although it seems to be hindered by its own strict understanding of the interpretation and implementation of *zakat*.

3. Reinterpretation Related to *Zakat*

The program diversification is closely related to the last aspect of philanthropic reform, namely *fiqh* (Islamic jurisprudence) reformulation. This reformulation applies to Islamic regulations (mostly found in *fiqh* books) that are specifically related to philanthropic activities requiring a progressive adaptation to a modern society. It can be called *fiqh* of philanthropy (*fikih filantropi*). Most LAZs seek an Islamic basis from the Qur'an, *hadith* and jurist opinions to support their modern adaptations. They use this to justify economic empowerment and humanitarian assistance, including the use of banks and other modern devices.⁶⁶ Two reforms of the *fiqh* of *zakat* have been in progress: the reinterpretation of *zakat* beneficiaries⁶⁷ and a reformulation of and payment of due *zakat*.

This “*fiqh* of *zakat*” reform was not apparent in Muhammadiyah’s reforms before independence, but became evident from the 1980s, most probably through the impact of Hasbi Ash-Shiddieqy’s works.⁶⁸ Bazis DKI was among the first to implement reinterpretations of *fiqh* regarding *zakat*.⁶⁹ LAZs seem to refer to Yusuf Al-Qardawi’s *Fiqh al-Zakat*⁷⁰ in addition to other local works such as the one by KH. Didin Hafidhuddin.⁷¹ However, the reference to *fiqh* and *madhhab* authority is not that strong since the main reference is to the Qur’an and the Prophet’s tradition.

⁶⁶ Local publications on Islamic philanthropy, such as those of CSRC and Pirac, aim to support the reform in the practice of philanthropy. Pirac published a book to support reinterpretation of the use of *zakat* money and *zakat* beneficiaries to include a concern on development, women, the aged, environmental problems, and the protection of children. Hamid Abidin, ed, *Reinterpretasi Pendayagunaan ZIS Menuju Efektivitas Pemanfaatan Zakat Infak Sedekah* (Jakarta: Pirac, 2004).

⁶⁷ See reinterpretation of *zakat* beneficiaries by Hasby Ash-Shiddieqy in Chapter Six.

⁶⁸ On Hasbi’s *fiqh* of *zakat*, see Chapter Six.

⁶⁹ For example, its 1969 guidelines of *zakat* include flower plantations and rental houses as properties liable for *zakat*. Bazis DKI has disbursed *zakat* money as business loans since 1969. Fauzia, “Bazis DKI Jakarta,” 43-5; and Bazis DKI interpretation of “*fiqh* of *zakat*,” *ibid*, 50-1.

⁷⁰ Yusuf Qardawi, *Fiqh al-zakat: Dirasa al- muqarinah li-ahkamiha wa-falsafatiha fi daw' al-Qur'an wa-al-sunnah*, 2 vols. (Beirut: Mu'assasat al-Risalah, 1418 [1997]). The Indonesian version was translated among others by Didin Hafidhuddin. *Hukum Zakat: Studi Komparatif Mengenai Status dan Filsafat Zakat Berdasarkan Quran dan Hadis*, trans. Salman Harun, Didin Hafidhuddin, and Hassanuddin (Singapore: Pustaka Nasional, 1988).

⁷¹ Didin Hafidhuddin, *Panduan Zakat bersama Dr. K.H. Didin Hafidhuddin* (Jakarta: Penerbit Republika, 2002).

Regarding the Islamic legal basis for *zakat* beneficiaries, Dompot Dhuafa and LAZs mostly refer to Qur'an 9:60 either by direct translation or by referring to the above *fiqh* works. The verse mentions eight categories of beneficiaries (see column one of Table 12). There are various interpretations held by LAZs, especially in relation to the meaning of “*fi sabilillah*,” as it historically refers to those going to the war, and “*riqab*” which historically refers to freed slaves. Some LAZs use contextual interpretations in dealing with the categories of beneficiaries. Their interpretation and *zakat* distribution programs are as follows.

Table 12. Interpretation of Zakat Beneficiaries

Categories	General meaning	New Interpretations	Examples of Programs
<i>Fuqara</i>	The poor	The poor	Small business loans; social and economic advocacy; scholarships; food provision; search and rescue; orphan support; and health service
<i>Masakin</i>	The needy	The needy	
<i>Amil</i>	<i>Zakat</i> collectors	<i>Zakat</i> managers/ <i>Zakat</i> agencies	LAZ operational expenses including salaries and marketing
<i>Muallaf</i>	New converts	Those whose hearts are reconciled	Food support, provision of money.
<i>Fi riqab</i>	Slaves	Those in bondage	Training for labourer; religious sermons and food provision for prisoners.
<i>Gharim</i>	Those in debt	Those in debt	Financial loans, provision of money
<i>Fi Sabilillah</i>	Those going to war	Those who work in or use for the advancement of God's cause	Establishment of schools; provision of salaries for teachers and <i>da'i</i> (Islamic propagators); scholarships
<i>Ibn Sabil</i>	Wayfarers	Wayfarers; those who sought for knowledge.	Scholarships; training for street children; poor travellers.

The degree of interpretation and implementation of the eight beneficiaries varies among LAZs, but the above interpretation and programs are fairly well accepted by many LAZs.

One interpretation regarding *zakat* beneficiaries was proposed by Masdar Mas'udi, a leader of NU. According to him, *zakat* benefits should be disbursed to three

sectors, the poor/destitute, *amil*, and *fi sabilillah*.⁷² Since he believes that *zakat* is the same as tax, *amil* refers to state expenditure and *fi sabilillah* refers to any public good. Therefore the use of *zakat* or tax funds is extensive and far reaching such as for eradication of poverty and to support those underprivileged communities.⁷³ Indeed, this category could optimise the use of *zakat* funds to benefit all the people without discrimination, the idea that is based on the thought that Islam promotes justice. However, this idea implies that *zakat* or tax is managed by the state and the existence of LAZs is not important. Although some of the above LAZ's interpretations and programs are in line with that of Mas'udi's interpretation, most LAZs reject the notion that *zakat* is the same as tax. The majority of LAZs (if not all) also disagree with the idea that beneficiaries of *zakat* should not be limited to Muslims.

Some LAZs, however, use a literal translation and strictly follow the examples from the Prophet, after the vision of Revivalist Muslims. For example, LWZ has not created any programs for the category of "*riqab*" because its management thinks that "*riqab*" means slaves. As there are no slaves today resembling those during the Prophet's time, the *zakat* portion that is supposed to be distributed under the category of "*riqab*" is being distributed to other categories.⁷⁴ This decision was made because the management wanted to follow the "safer" conservative opinion rather than a controversial (liberal) one.

LAZs have reformulated the *zakat* dues in order to simplify their calculation and payment, which are rather complicated if the classic *fiqh* books are used. Recalculations are based on monetary value, including that of livestock and agricultural products.⁷⁵ LAZs have promoted and iconised "professional *zakat*" or "income *zakat*," a modern *ijtihad* of *zakat* based on salaries in professional jobs. In addition, they use conventional and Islamic banks, credit cards and SMS services, as well as cooperation with multi-national supermarkets and fast food restaurants to get *zakat* money transferred from

⁷² Masdar F. Mas'udi, *Agama Keadilan Risalah Zakat (Pajak) dalam Islam*, 3rd ed (Jakarta: P3M, 1993); Masdar F. Mas'udi, "Zakat itu Ajaran Ruh yang Harus Dilembagakan," interview in *INFOZ VII* (Ramadan 1426/October 2005): 9-11. Discussion on jurisprudential argument of Mas'udi's thought on *zakat* is provided by R. Michael Feener, *Muslim Legal Thought in Modern Indonesia* (Cambridge: Cambridge University Press, 2007), 174-81.

⁷³ Mas'udi, *Agama Keadilan*; Mas'udi, "Zakat itu Ruh."

⁷⁴ H. Samsoe Basarodin, a member of the advisory board of LWZ, interview with the author, Bandung, 9 September 2005. He is also Chief of Education and cadre division of the Salman Foundation and a lecturer at ITB.

⁷⁵ A classic *fiqh* regulation, for example, regulates in detail the donation of one calf as *zakat* over forty cows and the donation of 10% of one's agriculture harvest if it was produced from rainy soil.

Muslim consumers.

In carrying out these initiatives, LAZs are very careful not to depart from the principles of Islamic law. They have opened the fundraising to any kind of Islamic charitable practice, such as *kafarat* (penance money given for the poor), *qurban* (slaughtered animal contribution), *aqiqah* (giving slaughtered meat in the occasion of a birth), and cash *waqf* (*waqf* given in the form of cash). On this principle, some LAZs openly accept “non-halal” funds. These funds, such as bank interest, are still controversial according to Islamic law. Some donors donate to LAZs their bank interest and other funds that may be unwanted owing to concerns about whether or not they are *halal*. As can be seen in financial reports, some LAZs such as Dompot Dhuafa do not treat bank interest specifically as *halal* or non-*halal*, but others, such as PKPU, YDSA and RZI, call it “non-*halal* funds.” This differentiation is related to the respective constituents of LAZ. Those who separate the funds out as “non-*halal*” use a strict and careful implementation of Islamic regulations as they come from *da’wa* and *tarbiyah* communities, who are mainly from the urban middle class and are Revivalist Muslims.

Based on these three aspects, Reformist philanthropic organisations obtained more trust from the Muslim community. Their *zakat* and *sedekah* incomes are an indicator of this. During the economic crisis in 1998 and 1999, the *zakat* collection of Bazis DKI decreased, but the collected income of Dompot Dhuafa increased by 94 percent (*zakat*) and 160 percent (*sedekah*). Dompot Dhuafa’s *zakat* income increased by 74 percent in 1999 and by 99 percent in 2000. The fundraising income (based on a 2007 report) of Dompot Dhuafa in 2006 was 55.2 billion, and that of the PKPU 35.8 billion, and of RZI 35.3 billion rupiah. These figures are less comparable to those of the National Zakat Body (Baznas), at 14.5 billion, or that of Bazis DKI Jakarta, at 21.7 billion rupiah. The Bazis DKI probably obtains the highest income of any BAZ, due to its good performance. Some BAZ only collected *zakat* from office-bearers in the province or district.⁷⁶ The *zakat* income of the National Zakat Body is an indicator that the body is only supported by bureaucrats. LAZs gained their confidence and accordingly had bargaining power against BAZ, Baznas, and MORA.

⁷⁶ See for example a report about *zakat* collection in Sidoarjo, East Java. Kabupaten Sidoarjo, http://www.sidoarjojab.go.id/08-lemb-non-pem/baz/02-laporan/2006/01-tbl_lap_april06.php [accessed July 8, 2008]

IV. State Involvement in *Zakat* Management

Zakat reform in the *Reformasi* period brought an effort to involve the state in the organisation of Islamic philanthropy, in particular *zakat*. This was mainly instigated by Revivalist Muslims who tend to lean towards the Islamist vision that *zakat* is part of the state. Therefore, the efforts toward modernising *zakat* in particular were not only directed at gaining more autonomy and power of civil society, but also inclined to using state organs in order to empower *zakat* implementation. This section will discuss the achievements as well as challenges of the Reformist *zakat* activism. The achievements included bringing more bureaucratisation and state involvement in the practice of *zakat*, whereas the challenges related to rejection of state involvement and reform.

1. Bureaucratisation: Baznas and Ministry of *Zakat*

This sub-section will show that although Muslim civil society was strong and was able to impose its own *zakat* reform agenda in a weak state, the reform could not successfully be implemented. In their efforts to reform and encourage Islamic philanthropy, LAZs have aimed to obtain state enforcement for Islamic regulations. Among their success are the creation of the National Zakat Body (Badan Amil Zakat Nasional -- Baznas), and tax deduction for *zakat* payers. These ideas are mentioned in the Zakat Management Law.⁷⁷

The foundation of Baznas is regarded as a fundamental step in the direction of the reform and revitalisation of *zakat* management in Indonesia. It was mainly supported by LAZs, through its Zakat Forum (Forum Zakat or FOZ) which was established on 19 September 1997.⁷⁸ MORA accommodated the establishment of Baznas in its own way, by putting it under MORA supervision. From a legal perspective, the position of Baznas is strong as it was established by Presidential Decree No 8/2001 as an independent body reporting to the President. This independent body, however, does not have the legal power to supervise *zakat* and all Islamic philanthropic organisations, nor the power to deal with legislation of Islamic philanthropy. For this

⁷⁷ The foundation of Baznas is stipulated in article III, and tax deduction is stipulated in article IV clause 14, no 3 of the Zakat Management Law.

⁷⁸ It was established by eleven organisations. On the role of FOZ in the creation of the Zakat Management Law, see Nur Ichwan, *Official Reform of Islam*.

reason there have been expressions of disappointment not only from people involved in community-based *zakat* activities but also internally from members of Baznas.

Although the position, structure, and office bearers of Baznas look strong, the organisation is actually weak and somewhat under the jurisdiction of MORA. Baznas's board consists of national figures, a combination of philanthropic activists from LAZs, *'ulama*, philanthropists, intellectuals, and bureaucrats. They sit as commissioners, executives, supervisor and advisors to Baznas. Baznas is led by leading figures of LAZs, such as Eri Sudewo and Didin Hafidhuddin, both from the Dompot Dhuafa.⁷⁹ Nevertheless, the existence of these leading activists does not help Baznas.

In reality Baznas is no more than a national BAZ that has authority to collect *zakat* from government officials (such as the President and ministers) and multi-national corporations. Its office administration is poor because the majority of Baznas board members are not working full-time, and the office depends on MORA for its budget. Moreover, it functions as a *zakat* collection body, like any BAZ or LAZ. It cannot be expected to provide data about LAZs and BAZs in general. Baznas donation income is far from what had been expected. It was predicted to collect 7 trillion rupiah (USD 760 million) in a year,⁸⁰ but could only collect about 1.8 billion rupiah (USD 195,000) from 2001 to 2003⁸¹ or a total 3.8 billion rupiah (USD 413,000) of *zakat* and *sedekah* from 2001 to 2006.⁸² In addition to this poor performance, Baznas's role in the collection and distribution of *zakat* and *sedekah* incited harsh criticism from other philanthropic organizations. The reason being that it had become a significant rival to other LAZs and BAZs rather than encouraging and building strong coordination among them.⁸³

In 2006, Eri Sudewo tried to empower Baznas through a collaboration with Dompot Dhuafa. Baznas appointed Dompot Dhuafa to do its administration work and

⁷⁹ Both have been members of Baznas since its inception and became heads of Baznas from 2004 onwards.

⁸⁰ Forum Zakat, "Baznas Sebuah Catatan Awal yang Tertatih-tatih" [A note on early development of Baznas], Website of *Forum Zakat*, created on 20 January 2006, <http://www.forumzakat.org> [accessed December 20, 2006].

⁸¹ "Baznas: Amanah, Transparan dan Profesional" [Baznas: trustworthy, transparent and professional], Permodalan Nasional Madani website, 28 October 2003, <http://www.pnm.co.id/content.asp?id=647&mid=77&Language=2>, visited on 28 March 2008. This is a performance report from the Permodalan Nasional Madani (Civil National Resources--PNM) as the Baznas board hired PNM to work for its daily operations.

⁸² Forum Zakat, "Baznas Sebuah Catatan Awal." However Baznas reported an income of about 20 billion rupiah in 2006. "Laporan Keuangan," Newsletter Baznas and Dompot Dhuafa, September 2007, 42-43.

⁸³ HM. Sukanta AS, chief of Bazis DKI Jakarta, interview by the author, Jakarta, 7 September 2005.

agreed to a compromise to let the name of Dompot Dhuafa follow that of Baznas's name, hence Baznas-Dompot Dhuafa. However, this synergy ceased in 2007, apparently due to technical difficulties⁸⁴ and objections from MORA and other LAZs.⁸⁵ Rather than allow Baznas to control *zakat* activities in the country, MORA established the Directorate for Zakat Development (previously Directorate of Zakat and Waqf) which works at offices of Religious Affairs at provincial, district, and sub-district levels.⁸⁶

After the breakdown of the synergy, LAZs clearly proposed that the implementation of *zakat* be revitalised through the creation of a Ministry of *Zakat*.⁸⁷ The proposal was shared by a majority of participants at the 2007 Conference of Southeast Asia Boards of Zakat (Konferensi Dewan Zakat Asia Tenggara II), including the MORA.⁸⁸ Both proposals were based on the idea that *zakat* should be regulated and managed by the state,⁸⁹ referring to the implementation of *zakat* at the time of the Prophet (r. 613-632M) and the four rightly-guided caliphs (r. 632-661). Most LAZ leaders, including the chairmen of Baznas, K.H. Didin Hafidhuddin and Eri Sudewo, supported the opinion.

Eri Sudewo, a dedicated icon of *zakat* reform after *Reformasi*,⁹⁰ is of the opinion

⁸⁴ Many difficulties arose from the fact that both Dompot Dhuafa and Baznas were huge organisations. Hafidhuddin gave as an example the fact that it was difficult to integrate Baznas (which is legally based on a Presidential decree) with Dompot Dhuafa (which is based on a foundation (*yayasan*)). Hafidhuddin, email communication, 01 February 2008.

⁸⁵ It was very difficult for MORA to work with Baznas-Dompot Dhuafa which was dominated by idealist activists. In addition, many LAZs thought that the synergy was not fair. They accused Dompot Dhuafa of exploiting Baznas's name for its own benefit. Eri Sudewo, email communication, 9 January 2008; Eri Sudewo, "Masa Suram Zakat," [a gloomy period of *zakat*] in *Politik Ziswaf* (Jakarta: Pustaka, 2008).

⁸⁶ About these directorates, see Nur Ichwan, *Official Reform of Islam*.

⁸⁷ Eri Sudewo was the most vocal activist who proposed many different systems of revitalising *zakat* under the state organ. In 2003 Sudewo has proposed the creation of Ministry of Zakat and Waqf to replace the Baznas. "Mereposisi Peran BAZNAS," *Republika*, 12 September 2003, http://www.republika.co.id/suplemen/cetak_detail.asp?mid=5&id=139514&kat_id=105&kat_id1=147&kat_id2=300 [accessed March 7, 2007]. Besides campaigning the creation of the Ministry of Zakat and Waqf, in 2007 Sudewo also suggested the alternative of creating a Directorate of Zakat under the Ministry of Finance, to stand beside the existing Directorate of Taxation. Eri Sudewo, "Masa Suram Zakat."

⁸⁸ The initial conference was an initiative of the Forum Zakat and Dompot Dhuafa with other *zakat* agencies from Malaysia, Brunei and Singapore. Since *zakat* implementation in these countries is done by a state agency, the second conference (held in Padang, 30 October - 3 November 2007) successfully stimulated the involvement of MORA. MORA's warm support for the idea should be observed carefully since it may be motivated by the benefit to expand the bureaucratisation of its office, as happened previously with the Directorate of Zakat and Wakaf. There is no guarantee it will continue to support the idea.

⁸⁹ Eri Sudewo, email communication.

⁹⁰ Sudewo was a journalist at the Islamic-based newspaper *Republika* and one of the founders of Dompot Dhuafa and the Zakat Forum. He decided to become a "professional *amil*" and work as an "entrepreneur" in the philanthropic sector. He is deputy chief (*Ketua I*) of Baznas and a board member of Dompot Dhuafa.

that *zakat* is an “Islamic tax” which should be controlled and managed accordingly by the state in order to effectively eradicate poverty and to fulfil the implementation of Islamic *shari’a*.⁹¹ According to him, *zakat* is not philanthropy, but an obligation of Muslims that should be implemented by the state.⁹² This is probably a main reason for Sudewo’s acceptance of a position in Baznas, a state agency, as Baznas is a realisation of state management and control over *zakat*.

K.H. Didin Hafidhuddin,⁹³ the general leader of Baznas and board member of Dompot Dhuafa, is of the opinion that:

zakat is not an individual matter, but [a matter for] the state—or a body that represents the state—because *zakat* is not only about giving a ‘mouthful of rice’ to *mustahiq* but also about providing welfare. Talking of welfare, this cannot be achieved by individual persons, [but by the state].”⁹⁴

Hafidhuddin and many other LAZ leaders have as their model the Malaysian system of *zakat* collection by the state.

The above thoughts of Sudewo and Hafidhuddin reflect the support that exists for state involvement in Islamic philanthropy; the idea is close to Islamists who seek to Islamise the state and impose Islamic agendas through state power. This Islamist way of thinking can also be seen in the next sub-section.

2. Tax Deduction and *Zakat* Enforcement

Tax deduction for *zakat* payers has been informally proposed since the 1960s. The tax deduction system is that the amount of *zakat* one pays is deductible from the amount of income that is assessable for income tax purposes.⁹⁵ This regulation was stipulated in both the Zakat Management Law (1999) and the Tax Law (2004). In general, the system is implemented in many western countries, where charitable contributions can be

⁹¹ Eri Sudewo, email communication.

⁹² He criticises the idea that *zakat* is regarded as a form of Islamic philanthropy, as proposed by the State Islamic University Jakarta. Sudewo, *ibid*.

⁹³ Hafidhuddin graduated from the State Islamic University Jakarta. The [Prosperous] Justice Party nominated him as a presidential candidate in the general election in 2004, but the party did not obtain enough votes to compete in the second election round. Hafidhuddin is an advisory member of Dompot Dhuafa and a few other Islamic philanthropic organisations.

⁹⁴ Hafidhuddin, email communication.

⁹⁵ For a practical guide to calculating tax deductions from *zakat* payment, see Gustian Djuanda et al., *Pelaporan Zakat: Pengurang Pajak Penghasilan* (Jakarta: RajaGrafindo Persada, 2006).

deducted from the amount of tax payable. For most Muslim leaders, this policy is an accommodative solution for Muslims living in secular state, where they have the obligation to pay tax as well as *zakat*.⁹⁶

However, this policy is a kind of lip service because it is not fully supported by the Tax Office and the Ministry of Finance. Both agencies are concerned about the decline in tax payment, and fear that the policy would add another problem to cause a decrease in the tax payment. Until 2007, there was no improvement in the realisation of this tax deduction, and almost no Islamic philanthropic organisations clearly assisted their *zakat* payers to benefit from this policy. Muslims also seem reluctant to obtain this “benefit” because it does not give them a significant tax deduction and could cause extra trouble for them in dealing with the notorious Tax Office. It has become general knowledge that the Tax Office is a corrupt state agency and that the tax system is not well run in the country. There was speculation that this policy was intended to trap *zakat* payers who had not fulfilled their tax obligations. In addition, the majority of Muslims may not have tax numbers.⁹⁷ Yet, the managers of Islamic philanthropic organisations think that this taxation issue is not important (67%).⁹⁸

Rather than pushing this tax deduction, it seems that the advocates of *zakat* reform are reviving the proposal of state-enforced *zakat*, through the Tax Office. This is because *zakat* is regarded as tax. For example, Eri Sudewo believes that *zakat* should be enforced in the same way as the government enforces tax payment. Consequently, he thinks that penalties are necessary for those who avoid *zakat* obligation.⁹⁹ This view is shared by some LAZs, including the Lembaga Wakaf Zakat Salman (LWZ Salman). The advisory board of the LWZ, Samsoe Basaroedin, criticised the Zakat Management Law for not punishing those who evade *zakat* payment.¹⁰⁰

K.H. Didin Hafidhuddin has a slightly different view from Sudewo, however. Although he is of the opinion that *zakat* is best administered by the state or a state body, he does not agree with legalising the above penalties explicitly in *zakat* law for fear that

⁹⁶ Quraish Shihab and Abdullah Gymnastiar are among those who agree with the system. Shihab, interview by the author, Jakarta, 20 September 2006, and Abdullah Gymnastiar, interview by the author, Bandung, 4 September 2006.

⁹⁷ Tax numbers are regarded as being mainly for business people, public figures and the rich.

⁹⁸ See Appendix 4, table 33.

⁹⁹ Eri Sudewo, email communication.

¹⁰⁰ Basaroedin, interview.

the regulation would become counter-productive to the *zakat* movement.¹⁰¹ He believes that it is better to disseminate the obligation of *zakat* persuasively. Hafidhuddin's opinion is shared by other Muslim leaders, including K.H. Abdullah Gymnastiar and Quraish Shihab.¹⁰²

Looking at the implementation of Baznas and "tax deduction" and the two ideas outlined above, *zakat* reform takes an uneasy position between demanding the "privatisation" of *zakat* and involving the state to institutionalise it. It keeps promoting and empowering private, community-based Islamic philanthropic organisations, realising that state-based *zakat* organisations would not perform well and would meet with resistance from the people, as happened during the New Order time. This awareness is strong among the majority of Reformist Muslims and LAZ advocates. The strong resistance of LAZs to state-based *zakat* management weakened somewhat after LAZ advocates discovered ways to reform state-based *zakat* agencies. Philanthropic reform has adopted itself to the idea of further state institutionalisation of *zakat* as a realisation of Islamic *shari'a*.

3. Challenge to *Zakat* Reform

The opposition to state involvement in and management of *zakat* is not opposition to *zakat* itself. This section suggests that management of *zakat* by the state is not totally resisted, but is also not favoured.

Three different survey figures in table 13 below show an increase in the level of participation of the payment of *zakat* and *fitrah* since independence.

Table 13. Percentage of *Zakat* and *Fitrah* Payment

	1967	1988	2004
<i>Zakat</i>	14% (Yogyakarta) 30% (Jakarta)	88% (10 cities)	34.7% (national)
<i>Fitrah</i>	n/a		98.5% (national)

Sources: M.P.M. Muskens, *Indonesië, Een strijd om nationale identiteit* (Bussum: Uitgeverij Paul Brand, 1969), 266-7; *Tempo*, 21 May 1988; and database of Islamic philanthropy for social justice (Appendix 4).

A 1967 survey by Herder Correspondenz reported that *zakat* payments by Muslims in

¹⁰¹ KH. Didin Hafidhuddin, phone conversation and email messages with author, 01 February 2008.

¹⁰² Their opinions were expressed during interviews with each of them. Gymnastiar, interview; and Shihab, interview.

Yogyakarta were about half those of Jakarta.¹⁰³ The figures seem to reflect a strong *abangan* (nominal Muslims) tendency among people in Yogyakarta despite the Islamic identity of *santri* people. In fact, the 1967 figures look much better than the negative statement by the Minister of Religious Affairs in 1960 when he claimed that only about 10 percent Muslims were actively practising Islam.

The 1988 figure, based on a survey by *Tempo* magazine, reflects *fitrah* payment more accurately than *zakat* payment and shows a confusion of the meanings of *zakat* and *fitrah*. In some urban areas, [*zakat*] *fitrah* is also called *zakat*. The 2004 figure, which is based on a clear distinction between *fitrah* (*zakat fitrah*) and *zakat* (*zakat mal*) is more realistic and shows an increase in *zakat* payment. *Zakat* is claimed to be paid by 35 percent of Muslims who are economically stable and are from either a Reformist or a Traditionalist background.

The 2004 survey shows that *zakat* and *fitrah* are most often practised in a traditional way, that is, for short-term consumption (rice and cash). It shows that 45 percent of Muslims claimed to pay their *zakat* and *fitrah* directly to the beneficiaries (including local religious leaders), and 51 percent paid through *zakat* committees in neighbourhoods and mosques. Only 5.4 percent of Muslims claimed to pay their *zakat* or *fitrah* to BAZs and LAZs. These findings suggest that neither LAZs nor BAZs are yet accepted by the majority of Muslims.¹⁰⁴

There are various answers to the question as to why BAZs and LAZs are not favoured by the majority of Muslims. First, most Muslims think that giving should be first to family (38%) and neighbours (27%).¹⁰⁵ Therefore, most *zakat* and *fitrah* are given directly to the poor and to neighbourhood *zakat* committees, as noted above. Second, the motive for giving *zakat*, *sedekah* and *waqf* is completely religious, with little concern as to how the donation is used. Third, Muslims tend to give their charity to persons or organisations they trust.¹⁰⁶ Accordingly, the idea of giving to modern organisations in order to eradicate poverty is not supported by the majority of Muslims who live in rural areas and depend much on their religious teachers and leaders. In these

¹⁰³ The report is mentioned in M.P.M. Muskens, *Indonesië, Een strijd om nationale identiteit* (Bussum: Uitgeverij Paul Brand, 1969), 266-7.

¹⁰⁴ Appendix 4, table 3.

¹⁰⁵ Appendix 4, table 17, and also 15.

¹⁰⁶ For example, 62 percent of the respondents who claim to donate organisations do not donate to institutions that they don't feel close to (Appendix 4, table 11), and 63 percent stated that they do not trust street charity (Appendix 4, table 22).

areas, there are not many Muslims who know about modern *zakat* organisations, as is shown in the case of Pondok Berjan below.

In Berjan, the area where the Pondok Berjan is located, most people refer to the opinion of the *kyai* for anything related with religion. The *kyai* himself, Kyai Chalwani, who is well educated and a member of parliament, is not familiar with Reformist philanthropic ideas. According to him, Muslims in Berjan pay *fitrah*, but not *zakat*. The payment of *fitrah* by *santri* is organised by the staff of Pondok Berjan to be redistributed mostly to poor *santri*. Most Berjan villagers give their *fitrah* to the *kyai*, as a form of reciprocal giving. Kyai Chalwani agreed with this observation, saying that *kyai* usually received *zakat* and/or *fitrah*, but added that some of them also redistributed it to others in need. During big events, such as the annual commemoration of the death of the pondok founders (*haul*), *tarekat* members and villagers meet Kyai Chalwani and hand over their *sedekah* or *zakat* to him. At general religious gatherings, most of the time, the *kyai* does fundraising either for the *tarekat* organisation or for the Pondok. Berjan shows a picture of philanthropy which is shaped by the communal religious life of the villagers. State *zakat* collection through BAZs may not seem favourable to *kyai* because it threatens this religious equilibrium in which they hold strong religious authority.

The reluctance of Muslims to pay their *zakat* and *fitrah* to modern organisations may be for various reasons, including an inability to adapt to modern technology,¹⁰⁷ disagreement with modern interpretations of *zakat* and *fitrah* management, and resistance to or distrust of the state. Resistance or distrust is shared among Muslims and is more hidden than public.

4. Opposition to *Zakat* Management by the State

As the Reformist (specifically Revivalist) philanthropic efforts incorporate state involvement, it is important to find out the views of the general public and Islamic philanthropic organisations about state involvement in Islamic philanthropic matters. While there were unfortunately no specific questions on state involvement on *zakat* in the 2004 Islamic philanthropy survey, we can refer, at least, to Muslims' responses on

¹⁰⁷ Those who pay to neighbourhood and mosques *zakat* committees do this because of the nearby location and to follow custom (33% and 27%). Appendix 4, table 4.

the question of *waqf*. The responses showed two different attitudes: willingness to have a national body which deals with *waqf*, and a wish to avoid state control of *waqf*.¹⁰⁸ These responses are parallel with the responses from the managers of Islamic philanthropic organisations on the the Zakat Management Law. 81 percent of managers agreed with the existence of the law on the grounds that the law provides a legal basis for their work (39%) and the law may expand *zakat* activities (35%). Those who did not agree with the law (19%) stated that the law created bureaucratisation (41%), threatened the independence of civil organisations (23%), and was unimportant owing to the existence of religious law (27%).¹⁰⁹

The majority of managers also thought that state involvement in philanthropy was not important (52%). 56 percent of managers thought that the political and economic policy of the government had no effect on amount of donations they collected, and 67 percent thought that taxation was not an important issue.¹¹⁰

Although state involvement in *zakat* matters is not totally rejected by Muslim communities, there is not enough trust in state-based philanthropic organisations. The case of Bazis DKI as elaborated in Chapter Six shows that “voluntary” *zakat* payment through the government is not favoured and has been implemented by “morality” coercion. The government administration itself is definitely regarded as inefficient and corrupt. Although the “voluntary” *zakat* payment for Muslim government employees has been refused, most of their resistance is hidden, as the issue of *zakat* is related to that of morality and identity.

There is “hidden resistance” towards the management of BAZ. The involvement of the state in managing *zakat* through BAZs does not have grassroots support from communities, except from those civil servants who are urged to pay their *zakat* to BAZs through a salary deduction. This “hidden resistance” became evident when it turned into “open resistance,” as happened in East Lombok regency (in West Nusa Tenggara Province), where open protests against the state-based *zakat* collection occurred on a large scale on October 10, 2005. By local standards, the protest was massive. It was

¹⁰⁸ 72 percent of respondents supported the necessity of having a national body for *waqf*. If there was a national body of *waqf*, 58 percent respondents stated that the government should be the regulator only, and that the manager of the body should be from the people. 19 percent stated that the body should be fully controlled by the people. Appendix 4, table 19 and 20.

¹⁰⁹ Appendix 4, table 29 and 30.

¹¹⁰ Appendix 3, table 27 and 33.

attended by about 4,000 teachers, who went on rallies for days on end, neglecting their teaching duties and protesting against the 2.5 percent *zakat* that was deducted from their salaries. Additional strikes were held by members and board leaders of the East Lombok branch of the Indonesian Teachers Association (PGRI) on November 30 of the same year. About 1,000 teachers refused to teach until the deduction was discontinued.¹¹¹

The rallies and protests were supported by civil servants (*Pegawai Negeri Sipil*—PNS) and teachers since most of the teachers were civil servants themselves. The East Lombok PGRI organised the strikes, rallies and negotiations with the Regent and regional legislative assembly (DPRD) to challenge what it called “illegal” deduction in the name of *zakat*.¹¹² A leader of the protest stated that they were not against *zakat*, nor against the Perda Zakat, but against its being deducted. According to him,

...the deduction had been implemented without enough information, or consent, and –funny— it also deducted salaries of PNS and teachers with very low incomes. Its aims and purposes were not clear. There were indications of personal interest. ...The deduction by the Regent Ali BD could not be regarded as an implementation of *shari’a*, but a salary deduction of 2.5 percent without the consent of the teachers involved. In addition, Islamic law (which is based on the Qur’an and *hadith*) has set clear regulations, namely (a) *zakat* is due from those who are capable, (b) it is due when it reaches *nisab* and *haul*, and (c) it has clear recipients. It should not be based on the desire, intervention and intimidation of the Regent Ali BD. In this case, PGRI is against this injustice and the incorrect policy of the Regent. ... it was odd that the salaries of non-Muslim teachers were also subject to this deduction.¹¹³

This open protest was a culmination of the frustration of people at grassroots level with the way a local BAZ was managing *zakat* and of their awareness of *zakat* abuse by the incumbent ruler.

The protests finally succeeded, as the Governor of West Nusa Tenggara and the Ministry of Home Affairs issued a prohibition against such deductions.¹¹⁴ Half of the amount that had been deducted from the salaries has been returned to the PNS and teachers; the other half was still being demanded by the PGRI of East Lombok at the

¹¹¹ “Ribuan Guru Lombok Mogok Mengajar” *Koran Tempo*, 2 December 2005, “Gaji dipotong, Seribu Guru di Lombok timur Mogok Mengajar,” *Tempo Interaktif*, 1 December 2005, <http://www.tempointeraktif.com/hg/nusa/nusatenggara/2005/12/01/brk,20051201-69968,id.html>, Suara NTB, July 2005

¹¹² Yunuz, Spd, Deputy Chief of PGRI East Lombok, written statement to the author, 3 August 2008.

¹¹³ *Ibid.*

¹¹⁴ Governor’s decision no 180/417/KUM dated 3 December 2005 and Ministerial circular no 840/58A/SJ dated 9 January 2006.

time of writing.¹¹⁵ These rallies and protests succeeded because the demonstrators could distinguish between the issue of *zakat* and its wrong implementation, and they obtained support from Traditionalist leaders—including some MUI members—who have great religious authority.¹¹⁶ In addition, the protesters were teachers, who have a significant social status in Indonesian society.

The case of East Lombok is a rare one but it shows a resistance to the implementation of *zakat* by the state that is no longer hidden.

V. Conclusion

The post-New Order period has seen a social movement in philanthropy advanced by Reformist Muslims, specifically Revivalists. The movement aimed to Islamise society and to some extent also to Islamise the state. It has been supported by educated middle-class Muslims who have established LAZs and are in favour of state involvement in philanthropy. The movement is based in urban communities and some of its supporters belong to *da'wa* organisations. In the *Reformasi* period, this philanthropy movement was spurred on by the external Islamic resurgence movement as well as by social and political circumstances within the country. The movement took its religious basis directly from fundamental Islamic sources and adapted a simple *fiqh* of philanthropy which is appropriate to modern life. The movement has been dominated by Revivalist Muslims who aspire to revive *zakat* as in the time of the Prophet and the rightly-guided caliphs.

The post-New Order period also a strong civil society contesting the state, either using the state to enforce the faith or stopping the state from interfering with philanthropy. Revivalist and Islamist Muslims obtained bargaining power to enforce their Islamisation agendas through a weak state. However, success in forcing a certain agenda into state legislation did not necessarily mean that the agenda could be implemented successfully. This chapter shows that state bureaucratisation can become a hindrance, especially in a weak state. A weak state usually has a weak administration. Another problem is the challenge from Traditionalist Muslim leaders and from traditional customs generating philanthropic practice. The practice of giving in

¹¹⁵ Yunuz, written statement. The deduction started in May 2005.

¹¹⁶ A statement by TGH. Ahmad Hulaimi, a religious leader, dated 28 October 2005.

Indonesia is still very much part of a communal culture. Efforts to change this tradition cannot be successful if they are focused on the philanthropic sector only. The practice of giving is related to many other sectors, such as the economy, education, and politics. Yet another problem is the involvement of the state. While the majority of the community still remembers the experience of state hegemony during the New Order, attempts to use the state will not easily get support. Distrust of the state creates opposition to any state involvement in philanthropic practices.

Finally, there is an ironic twist in the philanthropic movement. On the one hand, the movement seeks freedom and is thus critical of the government; but on the other hand, it seeks to use state systems to impose “faith” behind the agenda of philanthropy. The second effort contradicts the first and poses a threat to the movement’s development. Post-New Order developments show a contestation between those trying to involve the state in support of Islamic philanthropy and those opposing any state involvement.

CHAPTER EIGHT

CONCLUSION: PHILANTHROPY AND MUSLIM CIVIL SOCIETY

This thesis has focused on the argument that the history of Islamic philanthropy in Indonesia is characterised by the ongoing maintenance of a balance between the prerogatives of religiosity and secular state power, between individual spirituality and the public realm. The realms of public life and the state have furthermore been the sites of constant contestation, especially in modern times, between Muslim civil society groups who want to impose formal Islamic law and those who want to maintain the secular state.

The tilt of this balance, whether to the “right” or the “left,” has mainly depended on the power of the state. When the state has been weak, philanthropy has developed powerfully and has been used to challenge the state. When the state has been strong and powerful, Muslim civil society was weak but still found ways to use philanthropic practices as a means of supporting social change. However, there is an exception to the equation that a strong state inevitably produces a weak civil society, or a weak state produces a strong civil society. This exception is the colonial period; when the state was strong yet philanthropy as a privatised civil society activity was also strong as a result of the colonial government’s non-interference in religious affairs. This is a generalisation that neglects the fluxes that took place over a given political period.

In this chapter I will make some concluding remarks on how the balance has tilted in the activities of Islamic philanthropy in Indonesia, and on the importance of philanthropy as part of civil society there.

I. The Balance between “Privatisation” and State Institutionalisation

Philanthropic practices have become a battleground for various interests and agendas, such as Islamisation, the maintenance of patron-client relationships, and the provision of “salaries” for religious officials. Although there is not much historical documentation regarding practices of philanthropy in Indonesia before modern times, it is obvious that *zakat*, *sedekah* and *waqf* have been practised in the archipelago and have undergone changes to adapt to the needs of Muslims. From Islamic monarchs to Dutch colonial

rulers and the time of Indonesian independence, there have been different levels of development of and interest in Islamic philanthropy, whether from the rulers or from within Muslim civil society. Through these periods, there has also been a tentative balance between “privatisation” and the state institutionalisation of philanthropic activities. “Privatisation” means that *zakat*, *sedekah* and *waqf* are voluntarily practised by Muslims without state involvement, but not strictly separated from the state. The resources from these practices are used to benefit voluntary associations, poor families, local Muslim leaders and non-state institutions such as schools and hospitals. State institutionalisation points to the involvement of state power in the activities of philanthropy, particularly *zakat*, and includes the creation of state-based philanthropic organisations, the establishment of specific state bureaus to control these activities, the centralisation of *zakat* management, and the enforcement of *zakat* payment. Throughout the centuries, a degree of balance has prevailed, as I shall summarise in the following paragraphs.

During the time of the Islamic city-states and monarchs, before the nineteenth century, Islamic philanthropy was practised both privately and state institutionalisation, depending on the style of Islamisation and the interests of the rulers (Chapter Three). In dealing with *zakat* for example, rulers applied different approaches, ranging from recognising *zakat* as the moral obligation of the people towards the kingdom (leaving *zakat* as a fully voluntary practice) to stressing taxation rather than *zakat*. The rulers used *zakat*, *sedekah* and *waqf* to further their interests, especially when emphasising patronage between the ruler and the Muslim community.

The seventeenth-century Sultanate of Aceh showed practice of *zakat* following the models of the Ottoman and Mughal empires in the separation of *zakat* into both private and public realms. The *fiqh* (Islamic jurisprudence) of *zakat*—which became generally practised—showed that rulers have rights to collect only certain kinds of *zakat*, mainly on agricultural and trade items, leaving the *zakat* due on other possessions (such as gold) to be done privately. As the power of Islamic monarchs weakened and was taken over by the Dutch colonial administration, the practice of philanthropy was left to the patronage of local Muslim leaders and teachers.

The private character of Islamic philanthropy, including *zakat*, continued and was supported by the Dutch colonial administration under its secular or neutral policy

whereby religious matters were separated from the state. Although it could not be fully neutral,¹ the Dutch government tried its best to keep religious issues in the private domain and accordingly prevented its staff from interfering in Islamic philanthropic matters. However, infringements (whether by native or Dutch staff) in *zakat* and *fitrah* payment and the use of mosque funds could not be totally eliminated. As the colonial state was powerful, philanthropic activities were officially recognised as non-state activities without any interference from state institutions. Philanthropic resources went to support religious leaders and non-state socio-educational institutions, mainly mosques, *madrasah*, and *pesantren* (Chapter Four). This colonial period provides an exception to the general assumption that if the state is powerful, civil society will be weaker. In fact, Muslim civil society charitable activities were strong because the colonial government did not want to get involved in religious activities and Muslims did not want the non-Muslim state involved either. In this way, perhaps, colonial rule unintentionally strengthened civil society philanthropic activities.

This strong colonial power, however, could not avoid the wave of Islamic reform movements—known as Reformism—that developed and strengthened in the archipelago in the early twentieth century. The movement mobilised the establishment of Islamic voluntary organisations, working mostly in the social (as opposed to political) domain. One of these organisations, Muhammadiyah, pioneered change in the traditional practice of *zakat*, *waqf* and *sedekah* to adapt to modern needs (Chapter Five). This reform of philanthropy successfully produced modern educational institutions, hospitals, and orphanages that mostly operated without intervention from the government. Even though Muhammadiyah obtained and appealed for more government funding of their schools because Christian and Catholic schools received generous funding, such funding was regarded as insignificant and was seen as the state commitment toward public education.

Apart from the modern charitable practices achieved by Reformist Muslims, traditional practices of *zakat* and *waqf* were still being preserved by Traditionalist Muslims. The Reformists were more involved in philanthropy and were more accommodative towards state involvement, whereas the Traditionalist Muslims, represented by Nahdlatul Ulama, were less active in philanthropy and less

¹ H. Aqib Suminto, *Politik Islam Hindia Belanda: Het Kantoor voor Inlandsche Zaken*, (Jakarta, LP3ES, 1985).

accommodative to the state. Both groups were Muslim civil society organisations which had control over Islamic philanthropic practices.

Following the departure of the secular colonial administration, philanthropy in independent Indonesia has maintained a balance between religious and state power (Chapter Six). The Old Order government—which was controlled mainly by secularists—tried not to become involved in *zakat*, *fitrah*, *waqf*, and mosque funds, but recorded them under the administration of MORA. Although MORA may be regarded as accommodating Islamic voices, it functioned as a registration service which to some extent tried to accommodate Traditional Muslims within the modern nation state.² However, the registration was poor and could not control those charitable practices which were essentially under the control of Muslim Traditionalist and Reformist leaderships. Under the secular government, Muslim Reformists expanded their philanthropic works, occupying universities and *pesantren* with *waqf*, establishing religious and non-religious charitable organisations, and supporting the poor newly independent state. The spirit of *gotong royong* (working together), an old tradition of Indonesian philanthropy that had been revived and used in the struggle against Dutch colonialism and towards the development of the new nation-state and government, might have blurred the line between state responsibility and citizens' philanthropic efforts. This spirit had been invoked from time to time either in state campaigns or in civil society movements for social change.

The state's involvement in *zakat* started from the New Order regime, which responded to Muslims' demands to introduce state-based *zakat* agencies and government regulations on Islamic charities (Chapter Six). The New Order government, however, which was controlled by military personnel and secularists, did not let religious faith play too dominant a role in governance due to the ugly experiences with "separatist" Islamic movements during the Old Order period. The New Order regime tried to control and bring philanthropic activities, especially *zakat*, under its developmental ideology. It froze efforts to pass *zakat* legislation, but left *zakat* collection to be organised at provincial level. In addition, President Soeharto worked as a personal collector of *zakat* to show that personal faith could be implemented under the

² See for example the explanation of the Ministry of Religious Affairs about the position of religion in the ministry. K.H.A. Wachid Hasjim, "Kedudukan Agama dalam Kementerian Agama" [Position of Religion in Ministry of Religion] in *Penjiaran Kementerian Agama* (Yogyakarta: Pertjetakan Kita, 1951).

secular state. However, Soeharto's attempt to take over and modernise *zakat* was totally unsuccessful due to the strength of civil society. Although his personal interest in *zakat* declined, his efforts with *sedekah* were successful. He "forced" the donation by civil servants of a small amount of their salaries to his own charitable foundations (*yayasan*), which to some extent benefited him, his family and cronies.³

The New Order's Islamic phobia closed public spaces to the development of a state institutionalisation of Islamic philanthropy, except for the establishment of state-based *zakat* (philanthropic) agencies under the provincial governments (Chapter Six). These agencies suffered hidden opposition from Muslim communities and could not compete with or replace the deep-rooted traditional charities led by Muslim Traditionalist leaders or modern Muhammadiyah activities of philanthropy. The New Order's accommodation of Islam became imminent in the last decade of Soeharto's term, when the army's support of Soeharto's regime was declining, and the global Islamic resurgence movement was growing. This policy opened public space to the growing Islamic philanthropic organisations on a national level. One such organisation was Dompot Dhuafa, which led philanthropic reform in the period of *Reformasi*.

The balance continued in the *Reformasi* period with strong civil society movements which successfully brought the New Order regime to an end. The *Reformasi* government was weak, and Islamic philanthropic activities were on the rise, led by Revivalist Muslims. The supremacy of Islamist Muslims, who wanted to modernise philanthropy as well as Islamise society and the state, resulted in the intensification of the state institutionalisation of *zakat*. However this supremacy was contested by other Muslim groups, including Modernists and Traditionalists and by secularists (Chapter Seven). The modernisation of Islamic philanthropy still only touches a small percentage of urban Muslims, in spite of the growing number of modern philanthropic organisations.

II. Philanthropy and Muslim Civil Society

The above balance was made possible by the emerging power of Muslim civil society groups which, in their own interpretation of Islamic philanthropy, had located it in a

³ On Soeharto's various foundations see George Junus Aditjondro, *Korupsi Kepresidenan: Reproduksi Oligarki Berkaki Tiga: Istana, Tangsi, dan Partai penguasa* (Yogyakarta: LKis, 2006).

contested discourse between reform and tradition. Reformist Muslims inclined to purify and modernise the practice of philanthropy as a means of Islamising society. No other Muslim organisation in the world is comparable to Muhammadiyah's achievement in establishing 7,489 philanthropic and non-profit centres (*amal usaha*)⁴ spread out across the nation. Other Reformist Muslim groups (Islamists) also inclined to Islamise the state through the struggle to introduce *zakat* collection under a central government administration, based on their interpretation of *zakat* as an "Islamic tax" that would not function effectively except through enforcement by state power. This view has been contested by secularists, Traditionalist Muslim leaders and also Reformist Muslims, based on their different interpretations of *zakat* and the notion of the Islamic state, acknowledging the reality that Indonesia is not an Islamic state, respecting the voices of "privatisation" and maintaining Muslim's traditional customs. In reality, the Traditionalist Muslim leadership dominates Muslim's practices of philanthropy, as is shown by the 2004 survey of Islamic philanthropy.⁵

Due to its significance for Muslims, Islamic philanthropy has become a political and economic commodity. This picture is not unique to Islamic philanthropy. As can be seen from various periods, cultures, nations, and religions, philanthropy has become a political commodity for power-holders, functioning as a patronage system, and showing the piety of those in power through their protection of the people. In Islamic societies in the Middle East and South Asia, the *waqf* institution has been much more important than in Indonesia in its support and funding of society, and has also been used by both rulers and civil society groups to further their own interests. The story is quite different in the Indonesian archipelago.

Although *zakat*, *sedekah* and *waqf* have mostly fitted in with this patronage system from pre-modern to modern Indonesia, *zakat* has become much more important in modern Indonesian Islamic society. It would seem that *zakat* has been important to all the major stakeholders of Muslim communities, from Traditionalist leaders to Reformists, and including the state. Among Traditionalist leaders, *zakat* has been used as a form of religious patronage and economic commodity at regional and local level, serving local religious leaders who are independent from the state. Among Reformist Muslims, *zakat* has become an important issue for the purification of religious life as

⁴ See Chapter Six

⁵ See the discussion in Chapter Seven p 208-12 and the survey figures in Appendix 4.

well as the modernisation of the community. Reformist Muslims want to change the function of *zakat* from the patronage system to empowerment of Muslims' economy, by modernising *zakat* and *fitrah* practices. For Islamists, *zakat* is an important part of Islamic society that must be managed centrally by the state. For the state, *zakat* and other Islamic philanthropic forms yield significant economic resources, which can be used for the welfare of the nation, without taking resources from the government's "pocket." Adopting *zakat* may also be a means of winning the hearts (and votes) of Reformist Muslims and the majority of the Muslim population. *Zakat* has been and will continue to be an important "commodity" in Indonesia.

The economic value of *zakat*, *sedekah*, and *waqf* cannot be underestimated. Reformist Muslims mostly use abstract mathematical calculations of the ideal amount of *zakat* collection. They received support from the government in the *Reformasi* era to transform the "misuse" or "waste" of resources. Economic values vary, from *fitrah*, which is about 3.5 litres of rice per person, to *waqf* of land, which may reach millions of rupiah. Reformist Muslims mostly rely on economic calculations of how much money would be collected if every Muslim paid *fitrah* and if every rich Muslim paid *zakat*⁶—the same calculation as was used by Soeharto to estimate the *zakat* collection in 1968⁷ and *sedekah* collection for his foundations.⁸ There is nothing wrong with these calculations except that they are often based on overly optimistic expectations. For Traditionalist Muslims, the potential social impact of *zakat* does not really mean anything. In fact, the modernisation of *zakat* is not preferable because the practice of *zakat* and *fitrah* is strongly engaged with personal and cultural matters, especially the interaction with religious leaders. Modernisation may also reduce the economic privilege as well as the political authority of Traditionalist leaders in the community.

These conditions produce the balance between private religiosity and the public realm, or between civil society and the state. Islamic philanthropy in Indonesia has served as a significant element in maintaining civil society, as has also been the case in

⁶ For example, see Eri Sudewo, "Potensi Zakat Indonesia" [Potencial of *zakat* in Indonesia], in *Politik Ziswaf* (Jakarta: Piramedia, 2008).

⁷ Soeharto, *Agama dalam Pembangunan Nasional: Himpunan Sambutan Presiden Soeharto* (Jakarta: Pustaka Biru, 1981).

⁸ Soeharto, *Pikiran, Ucapan, dan Tindakan Saya: Otobiografi*, [Soeharto, my thoughts, words, and deeds], as told to G. Dwipayana and Ramadhan K.H. (Jakarta: Citra Lamtoro Gung Persada, 1989).

other societies.⁹ The discourse of civil society cannot in this case be detached from religion. Just as there are religious discourses that diminish the growth of civil society, so also are there discourses that empower civil society. The history of American philanthropy owes a debt to the role of religious philanthropy in the story of the “Good Samaritan,” which also contributed to the history of its democracy.¹⁰

Some scholars have shown that there is civil society in Islam,¹¹ which understandably cannot easily be seen in many Middle Eastern Islamic communities under the iron grip of despotic rulers.¹² A recent survey shows that ideals of democracy are present in these places but are not strong enough to rise above these repressive rulers.¹³ Islamic philanthropy in Indonesia is deeply rooted in the society and has been preserved by Traditionalist and Reformist Muslim civil society groups. There is an indication that some Reformist Muslim groups (Islamists) are inclined towards a more political approach to imposing their version of Islam in society, by means of subjugating the coercive power of the state. This movement represents a certain historical irony, since the Islamist agenda was previously established as independent of, or even a contender to, the state. While a strong state could prevent religious leaders’ or even Islamists’ accumulation of such power, a weak state could not. A weak state offers a great opportunity for any person or group that should wish to exert control over it in order to implement their religious agenda. Even if Islamist groups, for example, could control the state to impose the obligatory payment of *zakat*, the weak state administration would not be able to enforce it successfully. In addition, one should not underestimate the potential resistance from Islamic leaders who speak for grassroots communities. Therefore, the Islamists’ agenda seems useless in its appropriation of coercive state power since their vision of Islamising society is better implemented through a “bottom-up” approach facilitating the creation of civil society groups.

The orthodox interpretation of how to use philanthropic resources is also contested here. It is true that there are some Muslim groups and Islamic organisations

⁹ For examples *Women, philanthropy, and civil society*, ed Kathleen D. McCarthy (Bloomington: Indiana University Press, 2001), Kathleen D. McCarthy, *American Creed: Philanthropy and the Rise of Civil Society 1700-1865* (Chicago: University of Chicago, 2003).

¹⁰ Lawrence J. Friedman and Mark D. MacGarvie eds., *Charity, Philanthropy, and Civility in American History* (Cambridge University Press, 2003).

¹¹ Among others see Robert W. Hefner, *Civil Islam: Muslims and Democratization in Indonesia* (Princeton: Princeton University Press, 2000).

¹² John O. Voll and John L. Esposito, *Islam and Democracy* (New York: Oxford University Press, 1996).

¹³ Riaz Hassan, *Inside Muslim Minds* (Melbourne: Melbourne University Press, 2008).

that support what have been called—mainly after 11 September 2001—Islamic terrorist organisations, but the number is very small.¹⁴ Compared to the majority of Islamic charitable practices that are directed for public needs (social, educational, health and economic programs) the percentage of alms given to (let us say) funding terrorist aims is insignificant. The 2003/4 Philanthropy for Social Justice survey includes “*jihad*” as one of its choices for preferred charitable causes in order to ascertain the opinions of Muslims on this controversial issue, which may have been taken up by Islamic *jihadists*. Only 0.9 percent of respondents thought that *jihad* was the most popular philanthropic form in the country.¹⁵ Even Islamic philanthropic organisations that may be regarded as having strong Islamist constituents, such as PKPU, refuse to support radical factions that are involved in religious and ethnic conflicts.¹⁶ The survey data also disprove the allegation that Islamic philanthropic organisations receive significant funding from Islamic organisations abroad, since only 4.4 percent of organisations had received funding from Arab donors and 10 percent from other Islamic donors (either local and abroad).¹⁷ In fact, they are mainly supported by *sedekah*, *zakat*, *waqf*, and donations from local leaders.¹⁸

“Uncivil” aims of philanthropy do not have enough justification and support, particularly in professional or—at least—modern organisations which strongly engage with the community and are accountable and transparent. As modernisation and professionalisation have opened up more opportunities for the involvement of women within Islamic philanthropic organisations, the situation may be the same for “uncivil” aims. The more transparent the philanthropic organisation, the more likely it is to abandon “uncivil activities,” and the more support they will get from their communities.

This thesis finds that civil society has been maintained by the practice of philanthropy. When the state is strong, the discourse and practices of philanthropy are maintained in grass-roots traditions, while under a weak state they grow to challenge the government. The balance between faith and the state has been maintained this way. Meanwhile, Indonesian Muslims cannot be excluded from global Islamic resurgence

¹⁴ J. Millard Burr and Robert O. Collins, *Alms for Jihad Charity and Terrorism in the Islamic World* (New York: Cambridge University Press, 2006), 1. From about 6,000 (which is a conservative number) registered Islamic charities in the US, 14 were associated with Al-Qaida in 2004.

¹⁵ Appendix 4, table 16.

¹⁶ See Chapter Seven.

¹⁷ Appendix 4, table 25.

¹⁸ *Ibid.*

movements that have intensified Islamic identity. For that reason, the tensions between the state and Muslim philanthropic organisations have not declined, and it is unlikely that they will do so in the near future as Islamic philanthropy, particularly *zakat*, becomes an increasingly important part of Indonesian Muslim identity.

GLOSSARY, ABBREVIATIONS AND KEY TERMS

A. Glossary and Abbreviations

<i>'Amal salihat</i>	Ar. good deed
<i>'Id al-Fitr</i>	Ar. celebration at the end of Ramadan (fasting month)
<i>'Ubudiyya</i>	Ar. religious rituals
<i>'Ulama</i>	Ar. jurists, religious scholars and leaders
<i>'Ushr</i>	Ar. one-tenth
<i>Ahl al-hadith</i>	Ar. traditionalist, “people of <i>hadith</i> ”
<i>Ahl al-ra'y</i>	Ar. rationalist, “people of private judgment”
<i>Amal usaha</i>	Charitable institutions and enterprises (of Muhammadiyah)
<i>Amil</i>	Ar. <i>'amil</i> , <i>zakat</i> collector/manager
<i>Amilin</i>	Ar. pl. of <i>amil</i>
<i>Amwal</i>	Ar. wealth
<i>Amwal al-batinah</i>	Ar. “non-visible” properties
<i>Amwal al-zahirah</i>	Ar. “visible” properties
<i>Anggaran Dasar</i>	Chapter
<i>Anggaran Rumah Tangga</i>	Bylaw
APBD	Anggaran Pendapatan Belanja Daerah (Regional Annual Budget)
Ar.	Arabic
<i>Badal</i>	Ar. substitute; assistant teacher
Baitul Mal	Ar. <i>bayt al-mal</i> , state treasury; philanthropic institution
Bapelurzam	Badan Pelaksana Urusan Zakat Muhammadiyah
<i>Berkah</i>	Ar. <i>baraka</i> , blessing
BAZ	Badan Amil Zakat (body of <i>zakat</i> collectors); state-based <i>zakat</i> agency
BAZIS	Badan Amil Zakat Infak dan Sedekah (collecting body of <i>zakat</i> , infak and sedekah)
Baznas	Badan Amil Zakat Nasional (National Zakat Body)
<i>Bilal</i>	Those who call for prayers
<i>Birr</i>	Ar. righteousness
BMPKT	Baitul Mal Pupuk Kaltim (Philanthropic body of Pupuk Kaltim)
BMT	Baitul Mal wa Tamwil; economic and charitable institution
BO	Boedi Oetomo/Budi Utomo; a voluntary organisation
BPZIS	Badan Pelaksana Zakat Infak dan Sedekah (Body for the Implementation of Zakat, Infak and Sedekah).
BRR	Badan Rekonstruksi dan Rehabilitasi Aceh dan Nias (Agency of the Rehabilitation and Reconstruction for the Region and community of Aceh and Nias)
BSM Ummat	Bangun Sejahtera Mitra Ummat (Body for Progressing Welfare of Ummat)
BSMI	Bulan Sabit Merah Indonesia (Indonesia Red Crescent Society)

BKI	Bijdragen tot de Taal-, Land-en Volkenkunde
CSRC	Centre for the Study of Religion and Culture (Pusat Studi Agama dan Budaya)
D.I.	Darul Islam (The Abode of Islam)
<i>Da'wa</i>	Ar. call to Islam; Islamic propagation
<i>Dana</i>	Giving, ritual giving to holy persons
DD – DDR	Dompot Dhuafa – Dompot Dhuafa Republika
<i>Derma</i>	Donation
<i>Dharma</i>	Giving, obligation
DKI	Daerah Khusus Ibukota (Special Territory of Jakarta)
DPR	Dewan Perwakilan Rakyat (The House of Representatives)
DPRD	Dewan Perwakilan Rakyat Daerah (Regional legislative assembly)
DPU	Dompot Peduli Ummat (Purse for the Caring of Society)
f.	Dutch florin/guilder
<i>Faqir – fuqara</i>	Ar. destitute
<i>Fatwa</i>	Ar. scholarly opinion on a matter of Islam
<i>Fay'</i>	Ar. return or tax from non-believers
<i>Fi sabilillah</i>	Ar. "on the path of God"
<i>Fiqh</i>	Ar. Islamic jurisprudence; knowledge
<i>Fiqh Zakat</i>	Ar. Islamic jurisprudence on the subject of <i>zakat</i>
<i>Fitrah</i>	Ar. <i>fitr</i> , see <i>zakat al-fitr</i>
FOZ	Forum Zakat (The Zakat Forum)
<i>Ghanima</i>	Ar. war booty
<i>Gharim</i>	Ar. those in debt
Golkar	Golongan Karya (Functional Group Party)
<i>Gotong royong</i>	Mutual self-help or communal service
<i>Hadith</i>	Ar. Prophet's tradition
<i>Hadiyah</i>	Ar. Present
<i>Haul</i>	Ar. hawl, one year; annual celebration of some one's death
<i>Hibah</i>	Ar. grant, present
<i>Hijra</i>	Ar. emigration
<i>Hisab</i>	Ar. Calculation
I.G	Indische Gids
I.P.O	Overzicht van de Inlandsche Pers (Overview of the Native Press)
<i>I'alah sanawiyah</i>	Ar. annual contribution
<i>I'alah shahriyah</i>	Ar. monthly contribution
IAIN	Institute Agama Islam Negeri (State Institute for Islamic studies)
<i>Ibn Sabil</i>	Ar. traveller
ICMI	Ikatan Cendekiawan Muslim Indonesia (Indonesian Association of Muslim Intellectuals)
<i>Ihsan</i>	Ar. Virtuous
<i>Ijaza</i>	Ar. certification
<i>Ijtihad</i>	Ar. personal judgment; a process of making legal decisions by independent interpretation
<i>Ikhlas</i>	Ar. Sincerity, "for the sake of God"

IMZ	Institut Manajemen Zakat (Zakat Management Institute)
<i>Infak</i>	Ar. <i>infaq</i> ; donation
INIS	Indonesian-Netherlands Cooperation in Islamic Studies
IPHI	Ikatan Persaudaraan Haji Indonesia (Association of Indonesian Hajj Brotherhood)
<i>Jihad</i>	Ar. struggle
<i>Jihad fi sabilillah</i>	Ar. struggle for the sake of God; war
<i>Jimat</i>	Amulet
<i>Jizya</i>	Ar. poll-tax
JMBRAS	Journal of Malaysian Branch of the Royal Asiatic Society
<i>Kabupaten</i>	District or regency
<i>Kafir</i>	Ar. non-Muslim
<i>Kati</i>	Volume consist of about 625 gr
<i>Katib</i>	Ar. Secretary; writer; also Jav. <i>khatib</i>
<i>Kayim</i>	Local religious functionary; leader of communal prayers; village cleric
<i>Kecamatan</i>	Sub-district
<i>Kedermawanan</i>	Philanthropy, generosity
<i>Kharaj</i>	Ar. tax, taxation
<i>Khatib</i>	Ar. person who delivers a speech
<i>Khayr</i>	Ar. Goodness
<i>Khums</i>	Ar. one fifth
KISA	Komite Indonesia untuk Solidaritas Afghanistan (Indonesian committee for solidarity for Afghan)
KISRA	Komite Indonesia untuk solidaritas Rakyat Irak (Indonesian committee for solidarity for Iraqi People).
<i>Kiswa</i>	Ar. cloth, cloth of the Ka'bah
<i>Kitab</i>	Ar. book
<i>Kitab kuning</i>	“Yellow book”; (referring to classical religious book)
KITLV	Koninklijk Instituut voor Taal-, Land- en Volkenkunde (The Royal Netherlands Institute of Southeast Asian and Caribbean Studies)
KNRP	Komite Nasional untuk Rakyat Palestina (National committee for the Palestinian People)
KUA	Kantor Urusan Agama (Religious Offices)
<i>Kyai</i>	Expert on Islam; Muslim leader in Java
<i>Langgar</i>	Prayer house
LAGZIS	Lembaga Zakat Infaq dan Shodaqoh (Body of Zakat Infak and Sedekah)
LAZ	Lembaga Amil Zakat (non-state <i>zakat</i> agency)
LAZIS	Lembaga Amil Zakat Infak dan Sedekah (Body for Collection of Zakat, Infak and Sedekah).
<i>Lebai – lebe</i>	Local religious functionaries
LMI	Lembaga Manajemen Infak (Body for Managing Donation).
LWZ	Lembaga Wakaf Zakat (Body for Waqf and Zakat Salman)
<i>Madhhab</i>	Ar. school of Islamic law
<i>Madrasah</i>	Ar. school; referring to Islamic school
MAN	Madrasah Aliyah (Islamic High School)

<i>Managemen air mata</i>	“teardrop management”
<i>Masakin</i>	Ar. pl of <i>miskin</i>
Masyumi	Majlis Syura Muslimin Indonesia (The Consultative Council of Indonesian Muslim).
<i>Maulid</i>	Ar. celebration of the birth (of the Prophet)
<i>Merbot</i>	Mosque functionary
<i>Meunasah</i>	Prayer/study house, hall
MIAI	Majlis Islam A’la Indonesia – MIAI (Indonesian High Islamic Council)
<i>Miskin</i>	Ar. the poor
<i>Modin</i>	Local religious functionaries, mosque functionaries
MORA	Ministry of Religious Affairs – Departemen Agama
<i>Moskeekas</i>	Dutch. Mosque fund
MTS	Madrasah Tsanawiyah (Islamic Junior Secondary School)
<i>Mu’amala</i>	Ar. social, non-ritual matters
<i>Muadzin</i>	Ar. those who call for prayers
<i>Muallaf</i>	Ar. new convert
MUI	Majelis Ulama Indonesia (Indonesia ‘ <i>Ulama</i> Council)
<i>Muktamar</i>	General Meeting
<i>Murshid</i>	Ar. tarekat teacher
<i>Mustahiq</i>	Ar. those who are entitled to get <i>zakat</i> money
<i>Muzakki</i>	Ar. those who pay <i>zakat</i>
<i>Nazir</i>	Ar. manager or supervisor of a <i>waqf</i>
NGO	Non-government Organisation
NIRK	Netherlands Indies Red Cross Society
NRK	Nederlandsche Rode Kruis – Netherlands Red Cross
NU	Nahdlatul Ulama; a traditionalist voluntary organisation
<i>Nyai</i>	Female Muslim leader/expert on Islam; wife of a <i>kyai</i> .
p.b.u.h	Peace be upon him [Prophet Muhammad]
<i>Pandan</i>	Pandanus leaves
<i>Pate, patih</i>	Local ruler
<i>Pegawai negeri</i>	Government employees
<i>Pengajian</i>	Religious gathering; Islamic study group
<i>Penghulu</i>	Religious official
<i>Penghulu naib</i>	Religious official at district level
<i>Penghulu landraad</i>	Religious official for the regency
Perda	Peraturan Daerah (regional regulation)
<i>Perdikan</i>	Free; estates that are exempted from certain taxes/obligation
<i>Pesantren</i>	Islamic boarding school
PETA	Pembela Tanah Air – Volunteers Corps for the Defence
PGRI	Persatuan Guru Republik Indonesia (Indonesian Teachers Association)
PKI	Partai Komunis Indonesia (Indonesian Communist Party).
PKPU	Pos Keadilan Peduli Ummat (Justice [Party] centre for the care of the [Islamic] community)
PKS	Partai Keadilan Sejahtera (Justice Prosperous Party)
PKU	Penolong Kesengsaraan Umum (Assistance for the Relief of Public Suffering) or Pembina Kesejahteraan Ummat (Ummat

	Welfare Supervisor)
PMI	Palang Merah Indonesia – Indonesian Red Cross Society
<i>Pondok</i>	Accommodation; accommodation for <i>santris</i> .
PUI	Persyarikatan Ulama Indonesia – Association of Indonesia ' <i>Ulama</i>
<i>Qadi</i>	Ar. Judge
<i>Qanun</i>	Ar. laws
<i>Qurban</i>	Ar. animal sacrifices
<i>Reformasi</i>	Reform
<i>Riba</i>	Ar. usury
<i>Riqab</i>	Ar. “slaves”
<i>Fi al-riqab</i>	Ar. those in bondage
<i>Riya</i>	Ar. boastfulness
<i>Riyal</i>	Saudi Arabian currency
Rp.	Rupiah (Indonesian currency).
<i>Rujuk</i>	Ar. <i>ruju</i> ’, re-marry
RT	Rukun Tetangga (neighbourhood association)
RW	Rukun Warga (neighbourhood association)
RZI	Rumah Zakat Indonesia (Zakat House of Indonesia)
S.I.	Sarekat Islam
<i>Salat</i>	Ar. prayers
<i>Santri</i>	Students at <i>pesantren</i>
<i>Santri mukim</i>	<i>Santri</i> who live/stay inside <i>pesantren</i> .
<i>Santri tarekat</i>	<i>Santri</i> who learn <i>tarekat</i> and do not live inside <i>pesantren</i>
<i>Sawah</i>	Irrigated lands usually for paddy
<i>Sedekah</i>	Ar. <i>Sadaqa</i> ; donations, giving
<i>Sharia</i>	Ar. principles, Islamic law.
SMA	Sekolah Menengah tingkat Atas (High School)
SMK	Sekolah Menengah Kejuruan (Vocational Secondary School)
SMP	Sekolah Menengah tingkat Pertama (Junior Secondary School)
<i>Srakah</i>	Money given as fees for conducting a marriage ceremony
STI	Sekolah Tinggi Islam (Islamic High Academy)
<i>Sufi</i>	Ar. Islamic mysticism; person who adheres to Sufism
<i>Sumbangan</i>	Donation
<i>Swadaya</i>	Self-support and mutual assistance
<i>Tabligh</i>	Ar. preaching
<i>Tail</i> or <i>tahil</i>	Measurement of 38.601 gram
<i>Talak</i>	Ar. <i>talaq</i> , divorce
<i>Talfiq</i>	Ar. adopting the opinions of other schools of law
<i>Tanah wakaf</i>	<i>Waqf</i> land/estate
<i>Tarekat</i>	Ar. <i>tariqa</i> ; Sufi order
TBC	Tahayul, Bid’ah dan Churafat (superstition, non-authentic religious inventions, and religious delusion)
TBB	Tijdschrift voor het Binnenlandsch Bestuur
TBG	Tijdschrift voor Nederlandsch-Indie, uitgegeven door het Bataviaasch Genootschap voor Kunsten en Wetenschappen.
<i>Teungku</i> or <i>teuku</i>	Local religious functionary in Aceh.
TNI	Tijdschrift voor Nederlandsch-Indie

UID	Universitas Islam Djakarta (Islamic University of Djakarta)
UIN	Universitas Islam Negeri (State Islamic University)
<i>Ukhuwah Islamiyah</i>	Ar. Islamic brotherhood
<i>Uleebalang</i>	Chieftains
UNISULA	Universitas Islam Sultan Agung (Islamic University of Sultan Agung)
UUPZ	Undang-undang Pengelolaan Zakat – The Zakat Management Law
Wakala	Wanita Kepala Keluarga (women as heads of family)
<i>Wakaf kuburan</i>	Cemetery given as <i>waqf</i>
<i>Waqf masjid</i>	A mosque building that given as <i>waqf</i>
<i>Waqf lajim</i>	Waqf giving which benefit family member; <i>waqf ahly</i>
<i>Wali</i>	Ar. substitute; saint
<i>Waqf</i>	Ar. religious foundation/trust
<i>Wakaf produktif</i>	“Productive” <i>waqf</i>
<i>Waqif</i>	Ar. <i>waqf</i> endower
<i>Wesel</i>	Money order
<i>Yayasan</i>	Foundation
YBM BRI	Yayasan Baitul Mal Bank Rakyat Indonesia (Baitul Mal foundation of Bank of Indonesian People)
YDSA	Yayasan Dana Sosial al-Falah (Al-Falah Social Funds)
<i>Zakat</i>	Ar. alm, almsgiving
<i>Zakat anak</i>	“ <i>Zakat</i> due on children”
<i>Zakat arto</i>	<i>Zakat</i> due on money
<i>Zakat bondo</i>	<i>Zakat</i> due on wealth
<i>Zakat kewan</i>	<i>Zakat</i> due on animals
<i>Zakat mal</i>	Ar. <i>zakat al-mal</i> , alms due on income and property
<i>Zakat emas</i>	<i>Zakat</i> due on gold
<i>Zakat fitrah</i>	Ar. <i>zakat al-fitr</i> , poll-tax
<i>Zakat padi</i>	<i>Zakat</i> on (rice) crops
<i>Zawiya</i>	Ar. living quarters annexed to mosques
<i>Ziarah</i>	Ar. <i>ziyarah</i> ; pilgrimage; visiting religious sites
ZIS	<i>Zakat, Infak dan Sedekah</i>

B. Definitions of Key Terms*

Contextualism	A Reformist approach to knowing Islam which accepts that Revelation can be clarified by observing how it has been understood in changing socio-historical contexts. Because it accepts that understandings have evolved historically, Contextualism also commonly implies an acceptance that understandings may evolve in the present and future. It is often open both to mysticism and to local cultural expressions.
Contextualist	One who, or that which, embraces Contextualism.
Islamisation	A social process of deepening commitment to standards of normative Islamic belief, practice and religious identity. Those standards are subject to contestation among groups and individuals. Islamisation as an objective is found in both Traditionalist and Reformist communities.
Islamism	A political ideology which aims to establish state institutions and/or to control existing ones so as to impose deeper Islamisation, achieve greater justice, and safeguard the integrity of the Muslim community. Islamism is most commonly associated with Reformist thought and sometimes (but not necessarily) validates the use of force to achieve its objectives. It usually seeks social conformity and, where it is tolerant of other faiths, normally expects them to accept a position subordinate to Islamic dominance.
Islamist	One who, or that which, embraces the ideology of Islamism
Liberalism	A set of beliefs favouring individual liberty and greater justice in religious and other matters, so long as no harm is done to the rights of others. Liberalism is found amongst both Reformists and Traditionalists. It is generally suspicious of the role of government in religious affairs and opposed to the use of force in any context. It commonly prioritises associated values such as social and gender

* These terms and definitions are those developed by Prof M.C Ricklefs, Assoc Prof R Michael Feener and Mr Chaider Bamualim in a research project based at the National University of Singapore.

equality, interfaith harmony, social pluralism and economic progress.

Liberal	One who, or that which, embraces Liberalism
Modernism	A Reformist approach to knowing Islam which relies fundamentally upon human reason in understanding Revelation. This commonly involves a disregard for socio-historical contexts but openness to modern learning as a way of enhancing the power of reason. It is principally opposed to what it sees as the medieval obscurantism of Traditionalism, may reject local cultural expressions and is at least suspicious of mysticism.
Modernist	One who, or that which, embraces Modernism.
Reformism	An approach to knowing Islam which denies that the four Sunni Schools of Law are authoritative guides. Reformism also commonly sees the promotion of greater Islamisation as an urgent matter. Approaches to local cultural expressions and mysticism may differ, as set out in the following section.
Reformist	One who, or that which, adheres to Reformism.
Revivalism	A Reformist approach to knowing Islam which aspires to revive a pristine universal Islam as in the time of the Prophet and his Companions. Its epistemology rests on cognition of Revelation as found in the Qur'an and <i>Hadith</i> through Divine guidance. Revivalism normally distrusts the application of human reason and rejects the idea that Islam may evolve in changing socio-historical contexts. It commonly rejects local cultural expressions and regards mysticism as a source of heresy. It denies that understandings of Revelation may legitimately change over time.
Revivalist	One who, or that which, adheres to Revivalism.
Traditionalism	Acceptance of the four Sunni Schools of Law as valid guides to knowing Islam. Traditionalism usually recognises that these legal traditions are subject to change and redefinition. It commonly involves tolerance towards locally derived cultural expressions, acceptance of mysticism, and a gradualist approach towards greater Islamisation.
Traditionalist	One who, or that which, adheres to Traditionalism.

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Bramartani

Locomotief

Neratja

Oetoesan Hindia

Oetoesan Islam

Oetoesan Melajoe

Pantjaran Amal

Sinar Hindia

Soeara Moehammadijah

Soeara M.I.A.I.

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D. Interviews and Email Messages

(All are interviews except noted as others)

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APPENDICES

Appendix 1

List of Balances of Mosque Funds by September 1920

Source: Collection of R.A. Kern DH 797 no 460.

Residencies	Regencies	Dutch Guilders*	Fees of Marriage in guildens
1. Banten	Serang	743	Marriage: from 2.00 to 0.50. <i>Rujuk</i> : 0.25
	Cilegon	n/a	
	Pandeglang	3,708	
	Menes	n/a	
	Rangkasbitung	2,102	
2. Batavia	Batavia	n/a	Marriage: between 1.00 and 5.00 Divorce: 1.00
	Mr. Cornelis [Kota]	n/a	
	Tangerang	n/a	
	Bekasi	n/a	
	Buitenzorg [Bogor]	n/a	
	Purwakarta	13,419	Marriage: from 0.50 and 2.50; <i>Rujuk</i> : 0.25
3. Priangan	Bandung	1,242	Marriage: the highest: 2.00 <i>Rujuk</i> and divorce: 1.00
	Cianjur	846	
	Sukabumi	3,705	
	Sumedang	2,771	
	Garut	65	
	Tasikmalaya	5,529	
	Ciamis	3,855	
4. Cirebon	Cirebon	1,059	[Marriage]: 1.50
	Kuningan	2,022	
	Indramayu	3,259	
	Majalengka	2,195	
5. Pekalongan	Pekalongan	171	Marriage or divorce: from 0.50 to 2.00
	Batang	5,016	
	Tegal	33,179	
	Pemalang	24,340	
	Brebes	4,988	
6. Semarang	Semarang	1,561	Marriage from 1.00 to 2.00 Divorce from 1.50 to 2.50 <i>Rujuk</i> from 0.75 to 1.50
	Salatiga	4,097	
	Kendal	4,782	
	Demak	4,029	
	Grobogan	6,612	
	Pati	36,586	
	Kudus	4,367	
	Jepara	13,013	

7. Rembang	Rembang	8,200	[Marriage]: from 0.50 to 2.50 <i>Rujuk</i> : free of charge
	Tuban	25,223	
	Bojonegoro	2,177	
	Blora	10,095	
8. Surabaya	Surabaya	10,958	Marriage and <i>rujuk</i> : 2.00
	Sidoarjo	13,310	Marriage and <i>rujuk</i> : 2.50
	Mojokerto	995	Marriage and <i>rujuk</i> : 2.00
	Jombang	9,607	Marriage and <i>rujuk</i> : 2.25
	Grisee (Gresik)	1,422	Marriage and <i>rujuk</i> : 1.80
	Lamongan	3,876	Marriage and <i>rujuk</i> : 2.25
	Sidayu	2,856	
9. Madura	Pamekasan	2,755	Marriage: 1.00 to 3.00; <i>rujuk</i> 1.00; divorce 4.00
	Sumenep	14,897	[Marriage]: 0.50 to 1.50; <i>rujuk</i> 0.50; divorce 2.00
	Bangkalan	5,376	
	Sampang	9,208	[marriage]: 1.00 to 3.00; divorce 4.00; <i>rujuk</i> : free
10. Pasuruan	Pasuruan	7,007	Marriage and divorce from 1.00 to 2.00
	Bangil	2,710	
	Malang	6,524	
	Probolinggo	n/a	
	Kraksaan	n/a	
	Lumajang	n/a	
11. Besuki	Bondowoso	1,062	[Marriage]: from 0.50 to 2.50 Divorce: 2.50 <i>Rujuk</i> 0.50 to 2.50
	Jember	1,172	
	Situbondo	379	
	Banyuwangi	1,462	
	Besuki	714	
12. Banyumas	Banyumas	9,742	Marriage 3.00; divorce 2.00; <i>rujuk</i> 1.00
	Purwokerto	13,385	
	Purbalingga	7,340	
	Banjarnegara	5,303	
	Cilacap	20,030	
13. Kedu	Magelang	2,293	[Marriage]: from 2.00 to 3.00
	Grobog	268	
	Temanggung	9,303	Divorce: from 2.50 to 3.00
	Purworejo	1,726	
	Kutoarjo	2,261	The highest [marriage fee]: 2.00
	Kebumen	3,858	
	Karanganyar	28,872	
	Wonosobo	11,468	
	Tegalrejo	287	Marriages outside mosque 10.00
	Bandongan	342	Divorce the highest 2.00
Muntilan	854	<i>Rujuk</i> highest 2.00	

	Salam	224	
	Salaman	626	
14. Madiun	Madiun	571	Marriage and divorce 3.00; <i>rujuk</i> 0.75
	Ngawi	2,106	As above
	Magetan	12,709	As above
	Ponorogo	2,578	
	Pacitan	1,053	
15. Kediri	Kediri	4,868	[Marriage]: from 0.50 to 2.00
	Tulungagung	16,031	Divorce and <i>rujuk</i> maximum
	Nganjuk	1,348	1.50
	Blitar	18,679	
	Trenggalek	295	
		509,667	

* Cents are ignored

Appendix 2

Financial Report of Central Board of Muhammadiyah in 1936

Lampiran S. M. no 1/1356.						VERANT			
OEANG MASOEK.						Hoofdbestuur Moehammadijah			
						19			
No.	NAMA POST	H. B.	P. K. O.	Pengadja- ran	Tabligh	Aisijah	T. P.	Pemoeda	Djoemlah
1	Contributie	500,17	—	—	—	515,80	—	0,90	1016,87
2	Donatie	198,75	768,98	—	618,42 ⁵	194,26	134,90	—	1915,31 ⁵
3	Derma	286,73	544,09	—	19,—	318,61	18,85	51,89 ⁵	1239,17 ⁵
4	Zakat	181,—	314,49	134,80	436,05	209,11 ⁵	73,10	94,98	1443,53 ⁵
5	Madjelis Sjoera	846,—	—	—	—	—	—	—	846,—
6	Sokongan	414,35 ⁵	4693,63	11331,78	242,34 ⁵	115,27	—	65,15	16862,53
7	Peroesahaan	—	540,44	—	—	64,50 ⁵	30,—	78,07 ⁵	713,02
8	S. M.	84,54	—	—	—	—	—	—	84,54
9	Oetang	—	500,—	625,—	—	—	—	33,19 ⁵	1158,19 ⁵
10	Lain - lain	178,56	636,10	—	4,55	12,10	—	—	831,31
11	Tjelengan	9,13 ⁵	45,60	—	—	57,76	—	0,91 ⁵	113,41
12	Pendjoelan barang	—	210,—	—	—	—	—	—	210,—
13	Pembayaran oetang	—	1162,38	135,13	—	3,—	—	—	1300,51
14	Subsidie (1)	—	12916,40	50377,05	—	—	—	—	63293,45
15	Bajaran Moerid	—	—	8090,78	3,80	—	—	6,95	8101,53
16	Bajaran Internaat	—	—	—	—	—	—	—	—
17	Hasil Klinik (2)	—	9847,46	—	—	—	—	—	9847,46
18	Fonds	—	—	—	—	—	—	—	—
19	Loonbelasting	—	—	2116,47 ⁵	—	—	—	—	2116,47 ⁵
Djoemlah :		2699,24	32179,57	72811,01 ⁵	1324,17	1490,42	256,85	332,06	111093,32 ⁵
Saldo t. j. l.		47,73	2746,61	—	96,56	225,08	57,64	-18,55	3192,17
Djoemlah :		2746,97	34926,18	72811,01 ⁵	1420,73	1715,50	314,49	350,61	114285,49 ⁵

Gezien : HOOFDBESTUUR MOEHAMMADIJAH,
 Vice Voorzitter, Secretaris,
 H. M. SOEDJAK. H. MOEHTAR.

(1) Gouvern. en Kasultanan.
 (2) Practijk loear Klinik.
 Dokter en Vroedvrouw f 3428,52

WOORDING
dengan Bahagian-bahagiannya.

36.

CEANG KELOEAR.

No.	NAMA POST	H. B.	P. K. O.	Pengadja- ran	Tabligh	'Aisijah	T. P.	Pemoeda	Djoemlah
1	Onk. Oetoesan	636,88 ^s	183,72	226,10 ^s	317,23	35,15	26,70	70,53	1496,32
2	Onk. Vergadering	87,95	130,20	79,43 ^s	73,15	36,36 ^s	1,35	22,59	431,04
3	Toelis menoelis	305,55	263,01	103,97 ^s	38,62	23,07	17,06 ^s	59,02 ^s	810,31 ^s
4	Telf. & Telgr.	29,90	220,02	—	—	—	—	—	249,92
5	Tjitakan	90,07	74,80	94,77	115,04	11,14	31,18	53,29 ^s	470,29 ^s
6	Madjlis Sjoera	—	—	—	—	—	—	—	—
7	Sewaan	—	2915,40	1742,60	—	—	—	7,50	4665,50
8	Premie	9,05 ^s	416,19	614,68 ^s	—	57,97	14,98 ^s	2,27	1115,15 ^s
9	Gadjih Pegawai (1)	—	10454,25	61741,03 ^s	52,87 ^s	—	—	—	72248,16
10	Penerangan	—	900,18	160,80	—	312,81	12,48	12,40	1398,67
11	Waterleiding	—	656,11	20,30	—	—	—	—	676,41
12	Menjokong	1134,93	1983,67	1811,11 ^s	95,25	742,69 ^s	123,91	8,60	5900,17
13	Pertoeloengan	—	154,43	—	—	—	—	—	154,43
14	Pemeliharaan	—	453,65	103,46	—	1,40	—	—	558,51
15	Peroesahaan	—	47,34	—	—	—	—	—	47,34
16	Pioetang	20,—	2056,22	—	—	3,—	35,—	—	2114,22 ^s
17	Pembayaran Oetang	275,—	530,50	354,01	—	—	—	37,73	1197,24
18	Kekajaan	—	294,04	312,13	—	19,90	—	9,15	635,22
19	Jajasan	—	1004,66	—	—	—	—	—	1004,66
20	Lain - lain	44,40	604,48	456,15 ^s	35,72 ^s	91,29 ^s	—	8,75	1240,80 ^s
21	Boekoe & Soeratkarbar	—	113,99	940,50	—	—	—	—	1054,49
22	Onk. Makan P.K.O. (2)	—	6656,85	—	—	—	—	—	6656,85
23	Onk. Pakean P.K.O. (3)	—	448,65	—	—	—	—	—	448,65
24	Keperloean Kliniek	—	374,24	—	—	—	—	—	374,24
25	Onk. Kendaraan	—	772,36	—	—	—	—	—	772,36
26	Onk. Internaat	—	—	—	—	—	—	—	—
27	Onk. Moeballigh	—	—	—	—	202,36	—	—	202,36
28	Membagai Zakat	—	—	—	—	—	—	—	—
29	Loonbelasting	—	—	2190,60	—	—	—	—	2190,60
30	Nadeeling saldo	—	—	925,89	—	—	—	—	925,89
31	Onk. Madrasah	—	—	—	438,28	—	—	—	438,28
32	Beaja balai & cursus	—	—	—	—	—	—	31,52 ^s	31,52 ^s
	Djoemlah :	2633,74	31708,96	71877,56 ^s	1166,17	1537,15 ^s	262,67	323,36 ^s	109509,62 ^s
	Saldo ini th.	113,23	3217,22	933,45	254,56	178,34 ^s	51,82	27,24 ^s	4775,87
	Djoemlah :	2746,97	34926,18	72811,01 ^s	1420,73	1715,50	314,49	350,61	114285,49 ^s

(1) Geroe. Dokter. Pegawai.
(2) Roemah Miskin. Jatim. Kliniek.
(3) Jatim. Miskin. Kliniek.

Djakarta, 1 Maart 1937.

S. E. et O.

Diboeat oleh : Penningmeester.

H. BASIRAN.

Financial Report of Central Board of Muhammadiyah in 1940

Lampiran S. M. No. 4/1360.

Verant

Hoofdbestuur Moehammadijah

1940

OEANG MASOEK

No.	Nama Post	H. B.	P. K. O.	Pengadjaran	Tabligh	Aisjijah	T. P.	Pemoeda	Djoemlah
1	Contributie	727,30				589,30		14,75	1331,35
2	Donatie	154,60	711,45		211,97 ⁵	179,—	182,10		1439,12 ⁵
3	Derma	55,85	907,74	576,37 ⁵	66,15	189,69	4,44 ⁵	38,04	1838,29
4	Zakat	248,50	197,74	30,50	376,35	210,85	134,25	89,25	1287,44
5	Madjlis Sjoera . . .	3142,90							3142,90
6	Sokongan	2770,28 ⁵	1039,77		184,42 ⁵	120,16	18,50	59,50	4192,64
7	Peroesahaan		23,77			0,85	1841,12		1865,74
8	S. M. dan S. Kabar			192,45			143,75		336,20
9	Oetang			32,40		40,—			72,40
10	Lain-lain	231,90 ⁵	19,50	579,43	79,61 ⁵	7,20	19,38		937,03
11	Tjelengan		40,68			80,91			121,59
12	Pendjoelan barang		9,—						9,—
13	Pembayaran pioe- tang	35,—	1359,18	981,48 ⁵		9,—			2384,66 ⁵
14	Subsidie (1)		9198,92	77485,61					101996,41
15	Oeang Sekolah dan Entree		15311,88	30061,37					30061,37
16	Hasil (2)	302,10	14306,83 ⁵				111,05		14719,98 ⁵
17	" Boemi dan Pekarangan		54,46					20,77	75,23
18	" Séwan roemah		335,70						335,70
19	Loonbelasting . . .			3727,63 ⁵					3727,63 ⁵
20	Praktijk Dr. diloear		3043,95						3043,95
21	" beranak "		577,40						577,40
22	Peroesahaan Keset								
23	Oeang Internaat dan Entree			13321,30					13321,30
24	Derma moerid ² . . .			3779,69 ⁵					3779,69 ⁵
25	" Goeroe ²			12873,16 ⁵					12873,16 ⁵
26	Bagian loterij . . .		3212,70						3212,70
27	Kembali sokongan		713,16						713,16
28	Titipan haknja Jatim Istri								
29	Titipan haknja Jatim Laki								
30	Keoentoengan Roe- mah Obat		1034,21						1034,21
31	Madrasah								
32	Kekajaan					1,15			1,15
33	Pendapatan sewa kendaraan		126,82						126,82
34	Subsidie Soerakarta		170,—						170,—
35	Daja oepaja		2038,59						2038,59
	Djoemlah	7668,44	54433,45 ⁵	143641,41 ⁵	918,51 ⁵	1428,11	2454,59 ⁵	222,31	210766,84
	Saldo th. jl.	523,32 ⁵	2055,54	1349,92 ⁵	231,38	102,85	296,14 ⁵	46,07	4605,23 ⁵
	Djoemlah	8191,76 ⁵	56488,99 ⁵	144991,34	1149,89 ⁵	1530,96	2750,74	268,38	215372,07 ⁵

Gezien: Hoofdbestuur Moehammadijah.

Vice Voorzitter,
H. A. BADAWI.

(1) Gouvernement dan Kasoeltanan.

(2) Klinik dan Poliklinik, pendjoelan
boekoe-boekoe d.l.l.

woording dengan Madjlis - Madjlisnja

OEANG KELOEAR

No.	Nama Post	H. B.	P. K. O.	Pengad- djaran	Tabligh	'Aisjijah	T. P.	Pemoeda	Djoemlah
1	Onkost oetoesan . .	963,66	17,58	352,48	109,67	215,31	1,80	13,39	1673,89
2	" Vergadering . .	54,66 ⁵	102,78	226,85 ⁵	150,02 ⁵	70,37	42,84 ⁵	29,03	676,57
3	Toelis menoelis . . (Onkost Kantoor administratie	77,05 ⁵	304,11	838,40	17,38 ⁵	9,76 ⁵	91,00 ⁵	25,16	1362,88
4	Telf & Telegram . .	542,77	328,53			0,50			871,80
5	Tjitakan	668,31	267,86	612,75	122,29	23,12	1631,77	9,26	3335,36
6	Sewaän		2545,17	6765,35			14,95		9325,47
7	Premie	3,46	2384,14 ⁵		47,15			12,50	2447,25 ⁵
8	Gadji pegawai (1)		13174,03	99521,34 ⁵					112695,37 ⁵
9	Penerangan		1103,20	1165,36 ⁵		207,57	26,56 ⁵	16,80	2519,50
10	Waterleiding		1000,49	660,—					1660,49
11	Menjokong	4718,31	9918,33	2330,04	174,87 ⁵	311,78 ⁵	151,49	37,10	17641,93
12	Pertolongan		103,60						103,60
13	Pemeliharaan		298,51	789,45 ⁵		47,22		17,79	1152,97 ⁵
14	Peroesahaän		19,43				218,97 ⁵		238,40 ⁵
15	Pioetang		679,50	711,33		11,—			1401,83
16	Pembayaran oetang	150,—	100,—	71,45		40,—			361,45
17	Kekajaän	12,50	333,46	3736,24			245,43	29,90 ⁵	4357,53 ⁵
18	Lain - lain	308,57	1535,24 ⁵	542,38 ⁵	85,64 ⁵	28,97 ⁵	57,40 ⁵	6,46	2564,68 ⁵
19	Boekoe ² dan S. Kabar	11,60	91,19	507,55		3,64	32,09 ⁵		646,07 ⁵
20	Onkost makan (2)		8197,96 ⁵	8552,80 ⁵					16750,77
21	" Pakejan P. K. O. (3)		536,72						536,72
22	Alat makan dan tidoer intern.			165,78					165,78
23	Alat kliniek Jatim Miskin								
24	Alat kendaraaän . .		295,09						295,09
25	" Moeballigh				425,78	192,11			617,89
26	Loonbelasting dan belasting			3937,17					
27	Onkost madrasah . .								
28	Pembayaran obat ² . .		8073,60						3937,17
29	Onk. djalan		1592,80				121,23		
30	Mengembalikan . . . oeang Polikl.								
31	Leermidd & schoolbehoefte			4646,78					8073,60 1714,03
32	Onkost ketjil								4646,78
33	Didikan dan pengadjaran		54,29 ⁵						
34	Beli Instrument		189,98						54,29 ⁵
35	Onkost Transport . .		104,04						189,98
36	Kesehatan			169,49					104,04
37	Recl. & advertentie								169,49
38	Membagi zakat					71,75			71,75
39	Advertentie & recl.		130,50				96,04		226,54
40	Restitutie		101,49						101,49
41	Onkost filiaal		188,24						188,24
42	Leermidd dan school b. (Inventaris)			7043,62 ⁵					7043,62 ⁵
	Djoemlah	7510,90	53771,88	143346,64 ⁵	1132,82	1233,11 ⁵	2731,60	197,39 ⁵	209924,35 ⁵
	Saldo ini th	680,86 ⁵	2717,11 ⁵	1644,69 ⁵	17,07 ⁵	297,84 ⁵	19,14	70,98 ⁵	5447,72
	Djoemlah	8191,76 ⁵	56488,99 ⁵	144991,34	1149,89 ⁵	1530,96	2750,74	268,38	215372,07 ⁵

(1) Dokter, Goeroe, Pegawai.
(2) Roemah Miskin, Jatim, Kliniek,
Internaat.
(3) Jatim, Miskin, Kliniek.

Djokjakarta, le. Mei 1941
Diboeat oleh :
Penningmeester, H.B.
H. MOEHADIE.

Appendix 3

1. Report of Zakat Collection by Nahdlatul Ulama, December 1941.

Source: *Soeara Ansor*, December 14, 1941, 122.

Verslag Comite Zakat Fithrah dan Kleedingsfonds.									
No.	Nama Tjabang	BERAS		Di bagi orang	OEANG		Di bagi orang	Pakaian	Di bagi orang
		pkł.	kt.		r.	c.			
1	Soekaradja	3	53	277	—	—	—	6	1
2	Keboemen	6	11 ^{1/2}	132	—	—	—	—	—
3	Demak	10	71	284	2	—	10	1	1
4	Tasikmalaja	57	67	1330	16	52	25	—	—
5	Bangkalan	5	52	546	5	75 ^{1/2}	11	7	7
6	Negara	4	35	116	—	—	—	—	—
7	Moeara Enim	13	92	132	—	—	—	—	—
8	Bandjarmasin	2	30	49	—	—	—	—	—
9	Banjoewangi	13	95	358	25	—	130	kain-kain	6
10	Soemenep	7	85	387	—	—	—	—	—
11	Kroja	4	90	244	3	50	17	—	—
12	Madioen	8	61	472	14	06	30	—	—
13	Probolinggo	4	17	258	—	—	—	—	—
14	Kendal	3	—	270	—	—	—	33	28
15	Kraksa'an	4	40	76	1	15	3	7	7
16	Pamekasan	7	60	350	—	—	—	—	—
17	Poerworadjo	7	84 ^{1/2}	124	1	50	7	—	—
18	Pasoeroean	13	63	576	1	25	2	barang2	13
19	Toeboehan	24	—	93	—	—	—	—	—
20	Lamongan	?	?	152	—	—	—	—	—
21	Ponorogo	10	21 ^{1/2}	299	29	25	131	—	—
22	Sitoebondo	8	10	175	—	—	—	—	—
23	Soekoredjo	10	46 ^{1/2}	341	2	64 ^{1/2}	20	—	—
24	Tandjoengkarang	6	58	161	57	50	150	—	—
25	Ngandjoek	12	24	337	—	—	—	—	—
26	Ketangoengan.	74	—	1925	2	72	30	20	17
27	Kentjong	26	90	387	7	75	15	—	—
28	Samarinda	4	24	78	54	24	22	—	—
29	Koedoes	50	—	5000	—	—	—	—	—
30	Kadjen (Pati)	8	47	367	13	84 ^{1/2}	40	—	—
31	Sampang	8	55	285	—	—	—	—	—
32	Indramajoe	15	24	383	—	—	—	38	32
33	Grissee	10	20	920	—	—	—	—	—
34	Bodjonegoro	5	50	100	—	—	—	—	—
35	Pleihari	8	85	97	5	10	97	—	—
36	Pagaralam	9	36 ^{1/2}	59	—	—	—	—	—
37	Djember	103	33	3458	27	32 ^{1/2}	138	—	—
38	Toeloengagoeng	27	38	1318	32	—	?	4	4
39	Teloekloeboek	21	95	20	—	—	—	—	—
40	Semarang	24	32	1047	—	—	—	barang2	200
41	Malang	629	78 ^{3/4}	10764	95	61	—	4	—
Djoemblah		1279	14 ^{3/4}	33747	398	72	—	120	316

Ketrangan : 1. Dalam jang tertera diatas, ternyata bahwa masih ada beberapa angka jang beloem tertjantoe. Dalam tjabang Lamongan (no. 20) ta' diseboetkan berapa pikoel atau kati jang telah diterima oleh tjabang. Begitoe poela dalam tjabang-tjabang Bandjarmasin (no. 8), Pasoeroean (no. 18) dan Semarang (no. 40) tidak diterangkan berapa pakaian atau lain-lain barang jang telah diperolehnja. Selain ini tjabang Toeloengagoeng (no. 38) telah menerima oeang sebesar f 32,—, tetapi tidak diterangkan berapa orang jang diberi bagian dari oeang itoe. Begitoe poela tjabang Malang (no. 41) pakaian jang telah diterima tidak diterangkan kepada berapa orang telah dibaginja.

2. Djoemlah beras jang sebesar 127914^{3/4} kati itoe, beloem terhitoeng jang beroepa padi sebesar 150 pikoel 80 kati jang telah diterima oleh tjabang Malang.

3. Tjabang2 jg tidak tertampak namanja dalam verslag ini, adalah memang beloem kita terima. Tentang dikerdjakan atau tiadaknja, itoe, kita tjoema membilang: wallahoe a'lam!

H. B. N. O. bagian Ansor.

Ketoea,

H. M. THOHIR BAKRI

Penoeelis II,

A. C. DJAILANI,

2. Report of Zakat collection of Muhammadiyah, February 1941.

Source: *Soeara Moehammadiyah*, February 1941, 6-16.HASIL GERAKAN MENERIMA DAN
MEMBAGI ZAKAT FITRAH

Tjabang dan Groep Moehammadiyah jang telah mengadakan gerakan tersebut dan sebetapa hasilnja menoeeroet verslag - verslagnja jang datang sebagai dibawah ini.

Tempat	pendapatan			dibagikan ke miskin	masing2		Keterangan
	pikoei	kati	liter		kati	liter	
DAERAH ATJEH							
Tj. Sabang			2268	134	—	17	
" Kotaradja	—	—		152	—	—	beroeoed oean f 138.62.
" Lho Soumawe				31			masing ² f 1.20.
Gr. Seulimeun	7	46 1/4		72	—	—	Tidak tentoe.
Tj. Sigli	13	60 1/2		346	1	—	diembah oean ada f 20,01 ⁵ dan 483 helai pakaian
DAERAH BENKOELAN							
Tj. Kepahiang	9	81		218	4 1/2	—	
" Tjoeroep	15	75		10	—	—	
" Karangdapo	16	52		72	16	—	
" Moeara Aman	—	—		304	—	—	beroeoed f 76.42.
Gr. Manna	14	—		120	12	—	
" Oedjoeng Tandjoeng	27	36		29	16	—	
" Tebingtinggi	1	60		8	—	—	
" Sekoenjit	—	63		18	3 1/2	—	
" Doesoen Kebon	2	10		2	10	—	
" Tais	5	5		30	16 5/6	—	
" Loeboek Linggau	8	96		56	16	—	
" Kamp. Tjina	12	24		355	1 1/5	—	
" Padang Goetji	8	64		11	15	—	
" Tandjoeng Agoeng	14	30		—	—	—	diserahkan 'Aml dan Sabillillah.
Bk. Gr. Goenoeng tiga	7	24		94	7 1/2	—	
" Gr. Tabah Penandjoeng	2	20		15	15 3/4	—	dapat oean f 2.50.
" Tandjoeng Aeer	2	—		20	10	—	
Bk. Gr. Simpang 3.	11	20		64	17 1/2	—	
DAERAH BESOEKI							
Tj. Banjoewangi	12	41		310	4	—	
" Bondowoso	15	20		379	4	—	
" Sitoebondo	13	39 1/2		450	3	—	pendapatan oe- ang f 4.50.
Gr. Besoeeki	7	50		240	—	—	
" Poeger	1	92		48	4	—	
" Watoekebo	12	37		617	2	—	
" Baloeng	4	20		397	1	—	dan oean f 0,01.
" Genteng	9	—		250	3	—	
" Pradjekan	3	8		88	—	—	tidak tentoe.
" Pakisdoeren	5	48		89	—	—	
Bk. Gr. Rambipoedji	6	25		311	2	—	

Tempat	pendapatan			dibagikan fakir miskin	masing2		Keterangan
	pikoei	kati	liter		kati	liter	
DAERAH BORNEO TIMOER							
Gr. Samarinda	2	44		82	3	—	
" Kotabaroe	11	5		84	1 1/2	—	
" Tarakan	1	60		3	5	—	
DAERAH BORNEO SELATAN							
Gr. Marabahan	8	66		55	9 1/2	—	sisanja oentoek soerau.
" Moeara Tewe	1	48		74	2	—	dan oean f 0.42.
" Soengai Alang	7	27		75	9	—	
" Kasongan	—	45		9	5	—	ditambah f 0.25.
" Mandoemai	5	60		39	8 3/4	—	sisanja oentoek sabillillah.
bk. GR. Poelantan Sihin	4	—		3	15	—	
Tj. Martapoera	—	—	510	170	3	—	
bk. Gr. Kalaan	1	56		31	5	—	
Gr. Djr. Koeantan	8	89		54	7 1/5	—	
DAERAH MADOERA							
Tjab. Pamekasan	8	—		400	2	—	
" Sampang	2	90		200	1 1/2	—	
" Bangkalan	14	—		700	2	—	
DAERAH BANJOEMAS							
Tj. Poerwokerto	10	8		670	1 1/2	—	beroeoed oe- ang f 20,30 1/2
" Adjibarang	7	20		273	2 1/2	—	
" Tjilatjap	8	16		800	1	—	
" Bandjarnegara	13	13		265	5	—	
" Banjoemas	11	68		1019	1	—	
Gr. Bobotsari	—	550		300	1 3/8	—	
" Pengadegan	—	170		226	3 1/4	—	
" Merboeng	2	48		100	2	—	
" Karangobar	2	44		130	2	—	tidak tentoe
" Kebanaran	1	23 1/2		69	1	—	
" Kaoeman Batoer	8	90		195	4 1/4	—	dan oean f 0.23.
" Kraganalan	1	18		118	1	—	
" Tinggardjaja	15	41		625	2 1/2	—	
" Simbarsoember	—	—		71	—	—	beroeopa oean f 15.08.
" Mandirodja	—	35		50	3 1/4	—	dan oean f 0.08.
" Djatilawang	3	40		200	1 1/5	—	

Tempat	pendapatan			dibagikan fakir miskin	masing ²		Keterangan
	pikoeel	kati	liter		kati	liter	
DAERAH CELEBES SELATAN							
Gr. Batoe-batoe Soppeng	11	11		50	23		
" Lantjirang	8	51		74	11 1/2		
" Djampoe E	7	35		24	30		
" Bontobangoen	3	14		78	4		sisanja 2 kt.
" Boeloekoemba	9	42 1/2		75	12 1/2		
" Tjappasolo	4	—		100	4		
" Takkalasi	10	5		150	6 1/2		
" Bira	1	68		84	2		
" Pinrang	9	93		111	5		sisanja dimasoeakkan madjlis Pengadjaran.
" Watan	5	37		40	10 1/2		
" Lariang bangi	2	32		58	4		
" Bonto	1	70		34	5		
" Boengeng	2	76		69	4		
" Teteadi	3	40		25	14		
" Ele	8	80		47	18 1/2		
" Belang - belang	4	—		80	5		
" Kampong Pisang	8	80		176	5		
" Balangnipah	4	—		40	10		
" Enrekang	—	—	405	81	5		
" Soenggoeminasa	—	—	766	766	1		beroejoe oeang f 8,57 ⁵ dibagikan 87 orang anak- anak jatim dan miskin.
Tj. Bonthain	—	—	747	249	3		
Gr. Sengkang	—	—	3481 1/2	539	6 1/4		(beroejoe DJAGOENG)
" Tiro	36	36		310	11 1/2		
" Sangalinna	1	—		—	—		centoek keper- lecan Moesolla.
" Pangkadjene	3	49		37	5		
" Belawa	29	80		298	10		
" Pare - pare	9	7		151	6		
" Bilokka	4	45		34	12 1/2		20 kt. oentoek onkost.
" Barembeng	3	68		130	1 1/2		sisanja centoek lain - lain.
" Djongaja	—	—	220	49	4		
" Palleko	7	48		94	4		
" Oedjoeng Loé	4	15		138	3		
" Limboeng	8	60		280	2		
" Labakkang	7	—		175	4		
" Pao	2	60		—	—		

Tempat	pendapatan			dibagikan fakir miskin	masing ²		Keterangan
	pikoeel	kati	liter		kati	liter	
DAERAH CELEBES OETARA							
Tj. Gorontalo	13	10		470	3		
Gr. Tjilamoeta	4	54		605	3/4		
" Kwandang	3	40		85	4		
" Dehoealolo	10	34		200	5		
" Toetoela	2	2		101	2		
" Bonto	1	70		34	5		
" Wonggaditi	5	—		100	5		
" Tomboehilato	3	45		69	5		
Tj. Donggala	7	10		237	3		
Gr. Kabila	3	5		61	5		
" Lemiton	—	75		15	5		
" Marissa	7	83		196	3		sisanja 165 kt. beroeapa SAGOE
" Petta Taboekan	12	18		87	4		beroeapa oeang f 101,25
" Ampana	—	—		—	—		
DAERAH DJAWA BARAT							
Gr. Soreang	4	32		120	3 1/3		tidak tentoe.
" Laboean (Bantam)	3	28		186	—		
" Karawang (Soekaboemi)	1	25		32	4		
" Soekamandi	9	86		273	3 1/2		Amilnja 7 kati.
" Djableng	7	—		313	2		
" Panawoean	1	42 1/2		95	1 1/2		
" Tjimahi	15	—		362	4		
" Bekasi	—	—	216	80	—	2	
" Krawang	—	—	666 1/2	309	—	2	
Tj. Djasinga	—	—	63	411	—	—	beroeapa oeang f 41.66 1/2.
" Koeningan	12	55		220	4		sisanja oen- toek madjlis Pengadjaran.
" Soekaboemi	9	5		248	3 2/3		
Gr. Tjiledoek	15	4		670	2 1/4		
" Bendoengan	—	—	320	110	—	2	100 liter oentoek madjlis Pengadjaran.
" Tjirebon	19	95		532	2 1/2		
" Sanding	—	—	112	125	1 1/2		
" Batoedjadar	5	50		136	4+		
" Tjihaoergeulis	14	—		562	2		
" Rantjaekek	11	70		563	2+		
" Lemboerawi	3	91		72	3 1/2		
" Tjitjalengka	4	21		159	3—		beroeapa oeang f 5,89
Tj. Bandoeng	64	60		3107	1 1/2		

Tempat	pendapatan			dibagikan fakir- miskin	masing ²		Keterangan
	pikoe ¹	kati	liter		kati	liter	
DAERAH KEDIRI							
Tj. Ngandjoek	20	28		1014	2		
" Paree	14	28		1505	1		
" Toeloengagoeng	18	39		3678	1/2		
Gr. Wlingi	5	58		223	2 1/2		
Tj. Kediri	14	14 1/2		656	2		100 1/2 kt. oen- toek madjlis P.K.O.
DAERAH LAMPOENG PALEMBANG							
Tj. Kotaboemi	1	53		38	4		ada sisa f 4.80
" Oelak Parjeh	35	—		70	50		
" Soengai Pinang	19	8		104	18 1/4		
" Soengailat	4	12 1/4		91	4 1/2		
" Teloekbetoeng	7	3		88	4		
" Ladang Pladjoe	33	76		620	4		djega kepada kjai2 jang pantas.
Gr. Padang Bindoe	4	5		4	9		
" 13 Oeloe	1	35		31	4		
" Pagar Goenoeng	12	—		200	6		
" T. Baroe.	5	40		135	4		
" Seri Djabo	8	62 1/2		23	37		
" Merandjat	8	14		65	12 1/2		
" Soeka Bandjar	2	64		39	3		
" Kertapati	11	92		22	54		seharga f 5— dite- raikan Comité Moe- kimin Mekkah.
" Lorok	5	76		40	9 1/2		lainja oentoek anak-anak jatin. sisanja oentoek Co- mité „Gedong”.
" Karang lantang	10	5		4	25		jang 352 kati. oentoek oermoem. sepedelapannja di- kiriman H.B. sisanja disimpan P.K.O.
" Poelaupangoeng	7	4		24	14 5/8		
" Batanghari	6	20		31	5 1/2		
" Tandoengbaroe	3	57		4	8		
" Bandjarnegeri	3	50		15	10		
" Djirak	7	4		22	32		
" Danautjala	1	20		16	8 3/4		
" Keloempang	7	50		9	83 1/3		
" Goenoeng liwat	3	—		8	25		
" Goenoeng tiga	1	50		3	8		
" Nantigiri	9	20		92	10		
" Pengandonan	11	52		7	20 1/2		
" Sekajoe	17	35		44	25		
" Goenoeng 3	4	40		40	11		
" Negarabatin	7	65		153	5		
" Arisan Gading	5	93		113	5+		
DAERAH MADIOEN							
Tj. Ngawi	5	—		500	1		dan oeng f 0.05
Gr. Plalangan	4	2		201	2		
" Barat	1	4		156	2 1/3		
" Somoroto	1	67		111	1 1/2		
" Djētis	3	66		183	2		

Tempat	pendapatan			dibagikan fakir- miskin	masing ²		Keterangan
	pikoe ¹	kati	liter		kati	liter	
Gr. Tempoerredjo	3	33		250	1 1/3		
" Oeteran (Djatisari)	5	15		316	2 3/4		
DAERAH PEKALONGAN							
Tj. Tegal	21	78		836	1 3/4		toerah 6 pikoe ¹
" Balapoelang	2	96		194	1 1/2		
" Pekalongan	12	36		1236	1		
Gr. Kedjambon	2	43		306	3/4		
" Batang	11	75		587	2		ig. berharga f 5 oentoek Comité Moekimien Mek- kah.
" Kemantran	3	57		119	3		
" Pagongan	5	59		246	2		
" Gringsing	3	96		474	5/10		
" Wiradesa	10	—		500	2		
" Woeled	5	8		254	2		
" Petarokean	6	5		605	1		
Tj. Pekadangan	8	80		1000	1—		dan oeng f 0.15.
Gr. Randoedongkal	3	19		159	2		
DAERAH MINANGKABAU							
Tj. Matoer	5	92		124	—		tidak tentoe.
" Soeliki	8	4		263	3		
" Solok	3	25		50	6		
" Pajakoemboeh	22	13 1/2		518	4 1/4		
" Kerintji	5	—		80	6 1/2		
" Priaman	7	78		552	1 1/2		ig. besar ditam- bah 6 ct. Ig. ke- tjil 3 ct.
bk. Tj. Soelit Air	6	—		300	2		dan oeng f 0,01 1/2
Gr. Pandai Sikat	25	48		226	9 1/2		
" Kolo Mambang	4	5		100	5—		
" Lawangtiga	15	—		60	18 1/2		semoea dari padi.
" Djopang Menganti	11	84		392	3		
" Pakandangan	6	50		215	3		
" Pantar	2	5		20	10 1/4		
" Soemanik	6	30		105	6		
" Penampoeng	4	20		100	4		ig. 20 kt. oen- toek onkost.
" Panjalajan	7	50		150	5		
" Batoehampar	2	94		27	10 3/4		tidak tentoe. menoer- roet banjak anaknja. menoeroet pandan- ngan.
" Koto Palambajan	5	15 3/4		77	8 1/2		
" Kota Malintang	1	50		53	3		
" Batangtoroe	16	36		43	38		
" Andoeng Pariaman	4	20		40	10 1/2		
" Rawang	15	79		410	4—		
" Karang Intan	15	56		257	6		
" Toedjoeh Koto	8	10		184	4 1/2		

Tempat	pendapatan			dibagikan fakir- miskin	masing ²		Keterangan
	pikoe	kati	liter		kati	liter	
Gr. Moeara Laboh	537 ^{1/2}			196	23 ^{1/4}		
" Sawah Tengah	324			104	21 ^{1/2}		
" Kajoetanam	1078			354	3		
" Pisang	2			60	31 ^{1/3}		
" Malai Moeda	352			19	15		67 kt. oentoeok Groep.
" Selajo	1019			159	6 ^{1/2}		
" Gantoeng Tjiri	474			158	3		
" Limakaum	168			45	3		salah seorang ada yg. dapat 36 kati.
" Panjakalan	1120			70	16		
" Limbanang	375			73	5		
" Topon	748			132	4		sisanja boeat Comité Moekimin Mekkah.
" Manggoeng	240			50	4 ^{1/2}		
" Pasar Gedang	131			2121	—		oearngnja f 142.90
" Kotabaroe	648			648	1		
" Tandjoengbonai	1740			400	1		
" L. Lintang Moengka	412			60	15		
" Oedjoeng Gading	370			11	33 ^{1/3}		
" Sitjintjin	—	702		303	—		besar 3 liter ketjil 1 liter.
" Sialang	—	1236 ^{3/4}		50	25 ^{1/2}		
" Poelau Poendjoeng	—	5525		60	85		
" Soengai Landir	244			56	4		
" Naras	240			40	6		
" Matoer Katik	38			77	4		
" Maroengi	156			88	2		
" Soengai Rimbang	—	1751		63	—		tidak tentoe.
" Soengai Sarik	593			83	6		
" Boekit Kili	3			81	3 ^{1/2}		
" Kaloemboek	195			65	3		
" Biaro Gadang	278			82	2		
" Goegoek Randah	3			50	6		
" Tandil Bali	—			178	—		dapat 24l boeah. dan oearngnja f 16.25.
DAERAH PESISIR TIMOER							
Tj. Tebingtinggi	1436			68	21		
" Kisanan	320			88	3 ^{2/3}		dan oearng f 1.12.
" Tandjoeng Balai	—	92		103	3 ^{1/4}		dan oearng f 0.75.
Gr. Indrapoera	425			85	5		
" Air Kanopan	61			60	10		
" Serbelawan	44			25	16		
" Bah Goenoeng	768 ^{2/6}			29	28 ^{5/20}		jang 18 kati boeat 'Amil.
" Bandar Cholifah	128			11	10		
" T. Tiram	759 ^{1/2}			34	—		tidak tentoe.
" P. Brandan	—			84	—		beroeoedjoed oearng f 115.08.
" Bengkalis	980			50	19		
" Bantajan	270			162	1 ^{3/4}		

Tempat	pendapatan			dibagikan fakir- miskin	masing ²		Keterangan
	pikoe	kati	liter		kati	liter	
DAERAH PASOEROEAN							
Tj. Singosari	2	40		96	2 ^{1/2}		
" Pasoeroean	8	50		261	3		
" Bangil	7	5		352	2		
Gr. Porrong	9	—		600	1 ^{1/2}		
" Lawang	15	77		827	2		
" Toempang	2	93 ^{1/2}		215	1		
" Kraksaan	17	15		927	2		
Tj. Loemadjang	17	85		744	1 ^{1/2}		ig. 669 kt. boeat 'Amilnja.
DAERAH RIAUW INDRAGIRI							
Tj. Taloeok	10	83		82	13		
" Loeboek	8	—		98	—		tak sama dan oe- angnja f 6.—.
Gr. Genting	7	95		76	10 ^{1/3}		
" Seberang Pantai	2	80		93	3		
" Poelau Aro	5	85		117	5		
" Sentadja	10	6		17	6+		
" Pabaoen	9	80		56	1 ^{3/4}		
" Soengai Pinang	18	23		28	65		
DAERAH IBOETEMPAT							
Tj. Temanggoeng	7	50		370	2		
" Keboemen	5	—		250	2		
" Koetoardja	2	57		110	2 ^{1/2}		
Gr. Wotgaleh	1	44		100	1 ^{1/2}		
" Ngadiwinatan	4	8		250	1 ^{1/2}		
" Pakoelalaman	3	67		209	1 ^{3/4}		
" Wanasari	6	50		120	5		
" Sangoebanjoe	1	60		30	4		40 kati oentoeok d'enst jatim.
" Moentilan	6	84		171	4		kelebihan 40 kt.
" Pandjatan	1	80		148	1+		
" Kedaton Plered	2	25		83	2 ^{1/2}		
" Mlesen	2	48		181	1 ^{3/10}		
" Premboen	3	—		600	1 ^{1/2}		
" Magelang	2	86		—	—		diroeces oleh MIM.
" Kedoe	10	4		1004	1		
" Pakoeningratan	3	34		175	2—		
" Maesan	4	94		414	4 ^{1/6}		
" Godean	2	48		166	1 ^{1/2}		
" Gesikan	4	—		400	1		
" Koeloer	2	8		104	2		
" Mranggen	1	20		—	—		
" Tempel	10	36 ^{1/2}		691	1 ^{1/2}		
" Boroboedoer	3	92		176	2		sisanja oentoeok 'Amil
" Blawong	1	—		113	1—		
" Gombong	7	9		508	1 ^{1/2}		
Tj. Poerworedjo	7	3		370	2—		
Gr. Kranggan	7	93		882	8 ^{1/9}		

Tempat	pendapatan			dibagikan fakir-miskin	masing ²		Keterangan
	pikoe	kati	liter		kati	liter	
DAERAH SEMARANG							
Tj. Soeroeh	4	71		231	1 1/2		
.. Blora	14	18		2561	1 1/2		
.. Semarang	73	13		6594	1 +		
.. Salatiga	18	59		1035	1 1/2		
.. Kendal	10	-		500	2		
Gr. Demak	10	-		875	1		1/8nja boeat 'Amil.
.. Tjepoe	9	59		900	1		
.. Djamboe	11	37		211	6		
.. Soekoredjo	2	50		162	1 1/2		dan oeang f0.05.
.. Goendih	1	52		46	3 1/3		dan oeang f0.01 1/2
.. Djoewana	6	69 3/4		250	2 1/2		
.. Bringin	2	5		205	1		
.. Bodja	5	20		328	1 1/3		dan oeang f 0.07 1/2
.. Pagersari	5	20 1/2		219	2		
.. Boejaran	1	80		50	3 3/5		
.. Tajoe	1	60		65	2 1/2		
.. Oengaran	7	22		309	2 1/2		
.. Poerwadadi	19	90		1900	1		jang 90 kati boeat 'Amil.
.. Randoeblatoeng	2	35		109	2 +		
.. Weleri	7	27		295	2		jang 137 kati boeat 'Amil.
.. Soesoekan	3	82		191	2		
.. Besito Koedoes	3	64		390	1 -		dan oeang f0.10
.. Ambarawa	5	-		500	1		
DAERAH SOERABAJA							
Gr. Kependjen	7	18		1064	3/4		besar 1 kati ketjil 1/2 kati.
.. Djombang	17	33		875	2		(ig. 17 orang masing ² 1 kt.).
.. Boeloelawang	4	15		174	2 1/2		
.. Krian	2	42		135	2		
.. Sidajoe	4	50		450	1		
.. Sepandjang	8	71		445	2		tidak tentoe me-noeroet pandangan.
.. Kaliwaran	8	11 1/2		296	2 1/4		ada kelebihan
.. Sidoardjo	13	27		539	2 1/2		54 kati.
.. Toeren	1	81		143	1		
.. Wadjak	3	57		305	1		kelebihan 52 kati.
.. Klajatan	3	32		112	3		
.. Donomoelio	2	23		56	4		djoemlah oeang ada f3,83, paksaan 9 potong.

Tempat	pendapatan			dibagikan fakir-miskin	masing ²		Keterangan
	pikoe	kati	liter		kati	liter	
• Gr. Waroe	2	64		61	4 1/3		
Tj. Gresik	7	25		-			(oeangnja f0.78)
DAERAH BORNEO • BARAT							
• Tj. Singkawang	6	94		63	11		
DAERAH SOERAKARTA							
Tj. Klaten	8	30		1061	4 1/5		
.. Bojolali	6	50		650	1		
.. Kartasoera	4	9		367	1		
.. Sragen	7	92		260	1		ada jang lebih
Gr. Gading Santren	5	36		536	1		
.. Djoewangi	1	65		55	3		
.. Gawok	2	15 1/2		89	2		
.. Wonogiri	5	50		550	1		
.. Kalidjambe	2	50		167	1 1/2		
.. Sidohardjo	1	5		48	2		
.. Sentono	2	49		72	4		
.. Brondongan	-	58		58	1		
.. Karanganjjar	3	69		369	1		
.. Podjok	8	-		400	2		
.. Batoeretno	3	91		404	3 1/4		dan oeang f0.01.
.. Prati mantoro	5	20		520	1		
.. Masaran	4	80		480	1		
.. Wonosari	1	60		160	1		dan oeang f0.01.
.. Kamp. Sewoe	3	40		170	2		
.. Ampel	1	64		78	2		
.. Djatinom	6	1 1/4		480	1 1/4		
.. Tembajat	-	89		80	1		dan oeang f0.06
.. Waroe	2	40		130	1 1/2		
.. Wedi	3	90		260	1 1/2		
.. Tjinderedjo	3	15		315	1		
.. Ponggok	1	89		164	1		ig. 25 kt. oentoek anak jatim. di Kartasoera.
.. Pengging	3	78		189	2		
.. Kapatihan	3	37		337	1		
.. Kottabarat	13	91		1474	1 -		
DAERAH TAPANOELI							
Tj. Sipirok	22	-		7	29		
.. Goenoeng Sitoli	9	50		158	6		
Gr. Djanajirangkola	4	-		6	22		
.. Kota Nopan	1	55		22	7 1/22		
.. Loemoet	8	75		35	25		
.. Bt. Garigis	4	77		140	3		57 kt. oentoek Administratie.
.. Miga	3	60 1/2		103	3 1/2		

Tempat	pendapatan			dibagikan fakir miskin	masing ²		Keterangan
	pikoel	kati	liter		kati	liter	
Gr. Natal			336	110	3		
„ Baroes Moedik			430	72	3		
„ Bagas - lombang	12	56 ² / ₃		2	16 ³ / ₄		
„ Hoera Imbaroe	2	20		8	6 ⁷ / ₈		
„ Simangambat	5	83		8	7		
„ Parsarminan	11	25		15	10 ¹ / ₂		99,675 bocat kas.
—							
LOEAR DAERAH							
Tj. Gautoeng	4	42		19	23 ¹ / ₅		
„ Singaradja	11	22		374	3		
„ Amboina	5	4		144	3 ¹ / ₂		
Gr. Air Roesa	1	26		18	7		
„ Laboean Hadji	16	92		1050	16 ¹ / ₁₀		
„ Pangkalandjamboe	7	90		79	10		
Djoemlah 389 Tjabang dan Groep	2500	15627 ⁷ / ₁₂	20113 ¹ / ₄	104230			Djadi pendapatan be- ras semoea 2978,085 pikoel, dibagikan 104230 orang.

Sekianlah hasil gerakan menerima dan membagi Zakat Fithrah, yang diadakan oleh Moehammadijah seloeroeh Indonesia yang mengirinkan verslaginja.

Kalau mengingat banjaknja Tjabang dan Groep Moehammadijah pada achir tahoen 1939 ada 1063 tempat (lihat S. M. no. 9/1358), maka yang tidak mengadakan gerakan terseboet ada 674 tempat. Soedah tentoe, oleh karena Tjabang atau Groepnja tidak mengadakan gerak penerimaan dan pembahagian Zakat Fithrah, maka fithrah mereka dibagikan oleh masing-masing.

Sesoenggoehnja Zakat Fithrah itoe soedah mendjadi kewadajiban dari Agama Islam. Maka kita mengadakan gerakan pembahagian dan penerimaan itoe, ialah oentoek mempersemangatkan berdjalanja perintah Agama Islam terseboet, yang akan meninggikan sjar Agama, pada hal dapatlah merata pembahagiannja kepada fakir dan miskin.

Soeal-soeal yang datang, diwaktoe kami memerintahkan gerakan terseboet, yang berhoeboengan dengan Zakat Fithrah itoe, soedah akan dibitjarakan oleh Madjlis Tardjih dalam Congres ke 30 di Poerwokerto; yang mana moelanja dibitjarakan dalam Congres ke 29 yang laloe, tetapi oleh karena kesempatan waktoe, maka ditoenda dalam Congres yang akan datang.

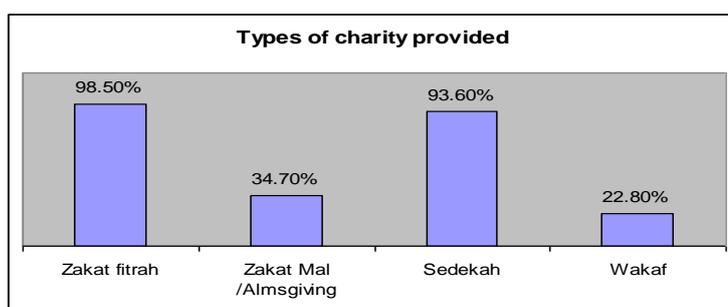
Poetoesan Madjlis Tardjih kelak, mendjadi djawab akan pertanjaannja.

Appendix 4

Selected findings of the survey Islamic Philanthropy for Social Justice in Indonesian Muslim Communities 2003/4.*

A. Public Survey

1. Types of charity provided by Muslims



2. Motivations for giving *sedekah*

	Percent
Because of religious teachings	49
To get close to God	41
The right of the poor	36

3. Payment of *zakat* and *fitrah*

	Percent of Cases
Given to committees of ZIS	70.0%
Given to LAZ	.6%
Given to BMT	.2%
Given to BAZ	4.6%
Directly to the recipients	61.2%
Total	136.6%

4. Reasons why giving *zakat* to the committees of ZIS

	Valid Percent
Close/nearby	33.1
Know and trust the committee members	19.9
Wide distribution	19.9
Following tradition	27.2
Total	100.0

5. Reasons giving *zakat* through LAZ/BMT

	Valid Percent
Organisers are trustworthy	28.6
Transparent and accountable	57.1
Widely known	7.1
Ability to deal with many kinds of donations	7.1
Total	100.0

* They are gathered from two surveys, public and organisation. Methodology of both surveys is elaborated in the Chapter One.

6. Reasons giving *zakat* through BAZ

	Valid Percent
Deducted from my salary	50.0
Forced by my office	6.0
Feel secured because it is guaranteed by the government	12.0
Wide distribution	12.0
Trust to the organisers	20.0
Total	100.0

7. Reasons for not giving *zakat*

	Percent of cases
Do not have wealth due for <i>zakat</i>	95.5
Don't know whether I have to pay <i>zakat</i>	10.7
I paid tax already	6.9
Disappointed with the management of <i>zakat</i>	3.3
I don't trust amil (<i>zakat</i> manager)	2.9

8. Response whether Muslims in their area go to religious leaders to consult their *zakat*

	Valid Percent
Yes	27.0
No	47.8
Don't know	25.3
Total	100.0

9. Opinion on the tax deduction after payment of *zakat*

	Valid Percent
Totally agree	4.6
Agree	35.1
Disagree	51.1
Totally disagree	9.2
Total	100.0

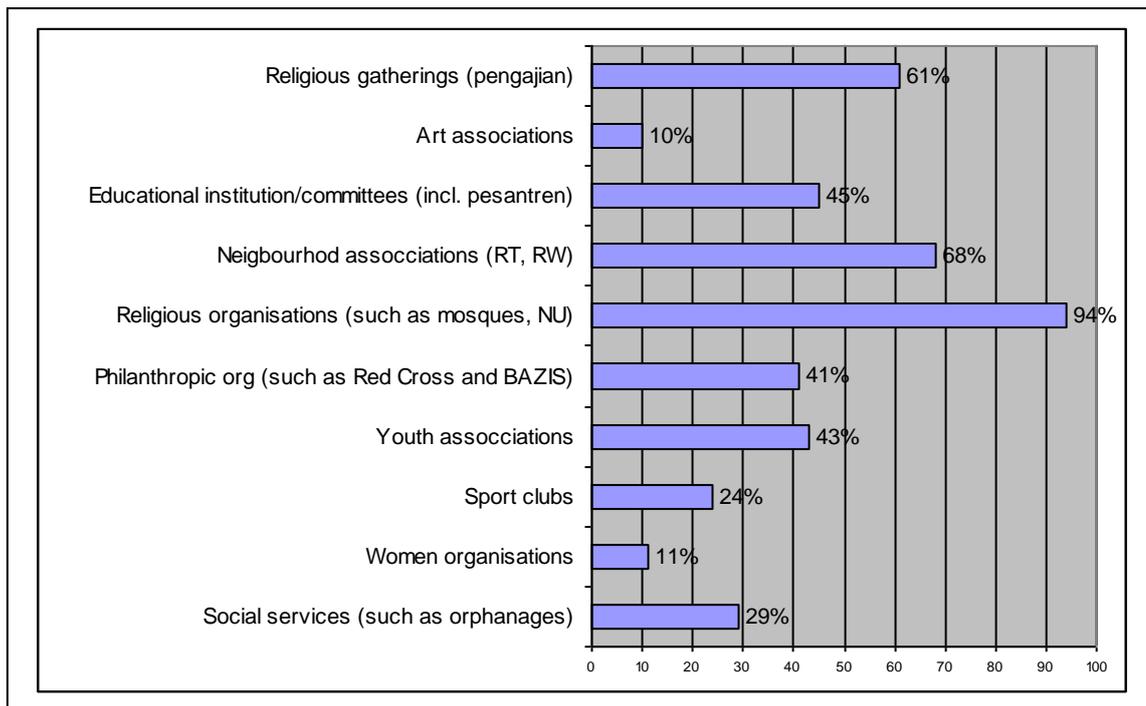
10. Maintaining the secrecy of giving

	Valid Percent
Yes	77.4
No	20.0
I don't know	2.6
Total	100.0

11. Reasons for maintaining the secrecy of giving

	Valid Percent
Religious teaching	6.3
Avoiding boastful and pompous or preventing show off to keep sincerity	71.9
In order to prevent the less reward, because giving is for God to judge	10.4
Respecting the feeling of the recipients	1.3
Asked by the donors	3.9
The amount is small	1.4
Other reasons	2.7
Total	100.0

12. Muslims donations to organizations



13. Donate to an institution that you don't feel close to

	Valid Percent
Yes	37.6
No	62.4
Total	100.0

14. Know where the money and the assistance will be going

	Valid Percent
Yes	59.1
No	26.3
I don't know	14.6
Total	100.0

15. Target of *sedekah* infak

	Percent of Cases
Family	66.8%
Neighbours	75.3%
Friends	41.7%
Beggars	71.0%
Collectors of donation for mosques at street	44.7%
Students	8.6%
Total	308.1%

16. The most popular philanthropic forms (first choice)

	Percent
Helping families or giving to the poor	50.9
Helping neighbours and friends who have problems	6.1
Volunteering	6.8
Jihad (wars) with soul and body	.9

Serving for public needs	2.3
Giving money to organisations for the poor	10.4
Donations for prayer buildings and hospitals	15.3
Donations for important events (such as religious festivities, and independence day celebration)	7.3

17. Recipient preference for donations (first choice)

	Valid Percent
Persons who were born in the same region as me.	5.0
Persons who have the same political view	.6
Neighbours	27.0
Persons who have same culture and language	.5
Those who have the same faith	13.6
Family	38.4
Those who earn smaller than me	15.0
Total	100.0

18. Giving to others regardless their religion

	Percent
Totally disagree	1
Disagree	9
Neutral	13
Agree	71
Totally agree	6

19. Necessity to enact *Waqf* Law

	Valid Percent
Totally necessary	9.0
Necessary	56.6
Not really needed	14.7
No needed	19.7
Total	100.0

20. Role of government for national body of *waqf* (for those who think the body is needed)

	Valid Percent
As regulator and organiser	18.0
As regulator only, the organiser is community	57.6
The body should be totally organised by the people	19.4
n/a	4.6
Other answers	.4
Total	100.0
Total	100.0

21. Response on the street charity

	Valid Percent
Totally agree	.9
Agree	34.3
Disagree	32.0
Totally disagree	32.8
Total	100.0

22. Trustworthy for the collection and use of street charity

	Valid Percent
Totally trust	1.0
Trust	36.0
Distrust	39.9
Totally distrust	23.1
Total	100.0

B. Organisation Survey

23. Establishment of Philanthropic Organisations

	Valid Percent
Before 1945	5.7
1945 - 1965	6.5
1966 - 1988	33.3
1989 - 1997	20.4
After 1998	34.1
Total	100.0

24. Programs of Islamic philanthropy organisations

	Percent of Cases
Organising economic projects	14.1%
Giving loan and financial assistance	27.2%
Caring of the aged	13.8%
Providing protection for powerless communities	36.2%
Family care	14.5%
Service for mother and babies	8.6%
Service for family planning	2.8%
Providing school fees for those incapable	36.2%
Education for women	17.6%
Literacy	29.7%
Organising specific services such as funeral and wedding	34.1%
Social services (such as circumcision and bazaar)	37.6%
Distributing <i>zakat</i> money to the poor	92.8%
Distributing <i>sedekah</i> money to the poor	84.1%
Support orphans	71.7%
Total	521.0%

25. Sources of income of Islamic philanthropic organisations

	Percent of Cases
Benefit from business	20.1%
Funding from foreign organisation (non Arab)	1.0%
Funding from local donor organisation	23.5%
Funding from Arab donor organisations	4.4%
Funding from Islamic donor organisations	10.2%
Funding from government agencies	36.9%
Funding from private donations	23.5%
Donations from entrepreneurs	38.2%
Donations from public figures (leaders)	65.2%
Donations from individual working abroad	8.2%
<i>Waqf</i> benefit	45.4%

<i>Fitrah</i>	78.2%
Sacrificed meat	57.3%
<i>Zakat</i>	70.0%
<i>Waqf</i> of the organisation	28.3%
Bazaar and charitable events	13.7%
Donations/fees of members	51.2%
<i>Sedekah</i>	83.6%
<i>Hibah</i>	32.1%
Total	691.1%

26. Managers of organisations who understand *waqf* and *zakat* regulations

	Percent
Regulation no. 28/1977 on <i>waqf</i>	34.8
Zakat Management Law no 38 1999	47.8

27. Opinion of organisations' managers on the intervention of the state

	Valid Percent
Not important at all	19.0
Not important	32.0
Neutral	17.6
Important	22.2
Very important	9.2
Total	100.0

28. Opinion on the law on philanthropy

	Valid Percent
Agree	81.4
Disagree	18.6
Total	100.0

29. Reasons to agree the *Zakat* Management Law

	Percent of Cases
The law give legal basis	74.9%
The government can control	41.3%
To develop philanthropy	68.1%
Other reasons	7.7%
Total	191.9%

30. Reasons for those do not agree with the *zakat* law

	Percent of Cases
The law create bureaucratisation	48.1%
Civil society organisation can not independent	26.9%
Religious teachings is enough	32.7%
Other reasons	9.6%
Total	117.3%

31. Organisation income is higher during the *Reformasi* period than during the New Order

	Valid Percent
Yes	37.8
No	60.4
Total	100.0

32. Opinion whether government policy on economy and politics effected the organisation income

	Valid Percent
Yes	28.7
No	55.7
Don't know	15.6
Total	100.0

33. Perception on taxation according to managers of philanthropic organisations

	Valid Percent
Not important at all	23.8
Not important	43.3
Neutral	14.8
Important	14.1
Very important	3.2
Total	100.0

34. Opinion on what/who give strong influence to the organisation

	Valid Percent
Few community leaders	19.1
Few donors of the organisations	5.9
Government (Department of Social Welfare)	25.0
Charismatic leaders	19.1
Religious leaders	26.5
Other	4.4
Total	100.0

35. Response whether government funding weaken philanthropic organisations

	Valid Percent
Yes	14.1
No	84.8
Total	100.0

36. Rate of annual income of philanthropic organisations

No	Organisational Category	Zakat Fitrah	Zakat Mal	Infak/Sedekah	Wakaf
1	Board ZIS mosque	4.164.010	5.725.466	5.423.296	58.515.931
2	Section ZIS mosque	3.194.715	16.308.421	24.854.608	28.500.000
3	BMT	4.257.000	26.766.666	16.946.528	117.500.000
4	LAZ	8.657.500	103.876.839	53.345.386	588.652.500
5	BAZ	390.523.072	99.369.982	3.145.510.067	232.096.666

Appendix 5**List of Regional Regulation on Zakat**

NO	PROVINCE	NO	NAME
1	Nanggroe Aceh Darussalam	Qanun Province NAD No. 7 2004	Pengelolaan Zakat
2	West Sumatra	Regional regulation of District Pesisir Selatan No. 31 2003	Pengelolaan Zakat
3		Regional regulation of City Bukit Tinggi No. 29 2004	Pengelolaan Zakat
4		Regional regulation of City Solok No. 13 2003	Pengelolaan Zakat
5		Regional regulation of District Tanah Datar	
6	Bangka Belitung	Regional regulation of District Bangka No. 4 2006	Pengelolaan ZIS
7	Banten	Regional regulation of Province Banten No. 4 2004	Pengelolaan ZIS
8		Regional regulation of District Serang No. 6 2002	Pengelolaan Zakat
9		Regional regulation of District Tangerang No. 24 2004	Pengelolaan ZIS
10		Regional regulation of City Cilegon No. 4 2001	Pengelolaan ZIS
11	West Java	Decree of West Java governor Jabar No. 73 2001	Pengelolaan Zakat & Pengurus BAZ Jawa Barat
12		Regional regulation of City Bandung No. 30 2002	Pengelolaan ZIS
13		Regional regulation of District Cianjur No. 7 2004	Pengelolaan Zakat
14		Regional regulation of District Garut No. 1 2003	Pengelolaan ZIS
15		Regional regulation of District Karawang No. 10 2002	Pengelolaan ZIS
16	East Java	Regional regulation of District Sidoarjo	
17	East Kalimantan	Regional regulation of City Bontang	Pengelolaan ZIS
18		Regional regulation of District Kutai Kartanegara 2008	
19	West Nusa Tenggara	Regional regulation of District Lombok Timur No. 9 2002	Pengelolaan Zakat
20		Regional regulation of District Kabupaten Bima	

21	South Sulawesi	Regional regulation of District Bulukumba No 02 2003	Pengelolaan Zakat Profesi, Infaq & Shadaqah
22		Regional regulation of District Maros No 17 2005	Pengelolaan Zakat
23		Regional regulation of District Barru No 3 2004	Pengelolaan Zakat
24		Regional regulation of District Takalar No 5 2003	Teknis Pengelolaan Zakat
25		Regional regulation of City Government Makassar No 05 2006	
26	West Sulawesi	Regional regulation of District Mamuju 2005	Pengelolaan Zakat & Ibadah Maliyah
27	Central Sulawesi	Decree of Governor Donggala No. 188.45/0241/DEPAG	Petunjuk pelaksanaan Pengelola Zakat

Sources:

1. *Kompilasi 20 Perda Zakat Kabupaten/Kota dan Provinsi di Indonesia (Jakarta: Institut Manajemen Zakat -IMZ, 2007)*
2. Salman, Executive Secretary of Institute of Zakat Management (Institute Managemen Zakat--IMZ), online interview with author, 25 April 2008.
3. Websites of regions and districts, such as <http://www.barru.go.id>; <http://makassarkota.go.id>; <http://www.takalarkab.go.id>;
4. Local Newspapers (such as Samarinda Pos), Tempointeraktif and Syirah online.
5. Original copies of the regional regulations of *zakat*.

Appendix 6

List of National non-state Islamic Philanthropic Agencies (Lembaga Amil Zakat) in 2007
(Member of Zakat Forum)

NO	NAME	ADDRESS/PHONE	WEBSITE	YEAR*	AREA	FUNDRAISING INCOME IN 2006 in IDR**
1.	Dompot Dhuafa Republika	Komplek Perkantoran Ciputat Indah Permai Jl. Ir H. juanda No. 50 Ciputat Telp. (+62-21) 7416050 Fax. (+62-21) 7416070	http://www.dompetdhuafa.org	1993	National	55,226,587,485
2.	Pos Keadilan Peduli Ummat (PKPU)	Jl. Raya Condet No. 27-G Batu Ampar Jakarta Timur 13520 Telp. (+62-21) 87780015 Fax: (+62-21) 87780013	http://www.pkpu.or.id	1999	National	35,879,234,456
3.	Rumah Zakat Indonesia	Jl. Turangga No.25 C. Bandung Telp. (+62-22) 7332451 Fax. 022- 7301822	http://www.rumahzakat.org	1998	Java and Sumatra	35,312,466,256
4.	Yayasan Dana Sosial Al Falah	Jl. Kerta Jaya VIII-C/17 Surabaya Telp. 031-5056654 Fax. 031 5056656	http://www.ydsf.or.id	1987	National	21,796,047,000
5.	Bazis DKI Jakarta	Gedung Prasada Sasana Karya Jl. Suryo Pranoto No.08 Jakarta pusat 10130 Telp. (+62-21) 3901367/3144023 Fax. (+62-21) 3144579/3901367	http://www.bazisdki.go.id	1968	DKI Jakarta	21,770,657,587
6.	Bamuis Bank BNI	Jl. Pejompongan Raya 23 JKP Telp. (+62-21) 5743573 Fax. (+62-21) 5743964	Not available	1967	National	16,643,668,000
7.	BAZNAS	Gedung BAZNAS Jl. Kebon sirih Raya No. 57 Telp. (+62-21) 3904555 Fax. (+62-21) 3913777	www.baznas.or.id	2001	National	14,524,094,558

* Year of establishment.

** Cents are ignored.

8.	DPU- DT pusat	Jl. Geger kalong Girang No. 32 Bandung Telp. 022-70775632 Fax. 022-2009174	http://www.dpu-online.com	2002	National	12,376,153,052
9.	Baitul Maal Muamalat	Ged. Dana Pensiun Telkom Lt. II Jl. Letjend S. Parman Kav. 56 Jakarta 11410 Telp. (+62-21) 5326744 Fax. (+62-21) 5326731	www.baitulmaal.net	2000	National	11,132,034,023
10.	BSM Umat	Gedung Bank Syariah Mandiri Lt. Dasar Jl. M. H. Tamrin No. 5 Jakpus Telp. (+62-21) 2300509 ext.3816 Fax. (+62-21) 39832976	www.syariahmandiri.co.id	2001	National	8,627,932,424
11.	Baituzzakah Pertamina	Jl. Medan Merdeka timur No. 11 Jakarta Pusat Telp. (+62-21) 38503166 Fax. (+62-21) 3862515	Not available	2004	DKI jakarta	8,328,157,570
12.	Baitul Maal Hidayatullah	Jl. Inspeksi Saluran Kali Malang No. 19 Jaktim Telp. (+62-21)-8503166 Fax. (+62-21)-8503166	http://www.bmh.or.id	2001	National	6,422,111,121
13.	Al-Azhar Peduli Ummat	Kompleks Masjid Agung Al-azhar Jl. Sisingamangaraja kebayoran baru Jakarta 12110 Telp. (+62-21) 7221504 Fax. (+62-21) 7265241	http://www.al-azharpeduli.com	2005	Jawa and Sumatra	3,658,656,076
14.	LAZ DDII	Jl. Kramat Raya 45 Jakarta Pusat Telp. (+62-21) 31901233 Fax. (+62-21) 3908203	Not available	2002	National	3,368,087,688
15.	LAGZIS	Jl. Bogowonto No. 45 Surabaya Jawa Timur Telp. 031-5621212 Fax. 031-5681829	http://www.lagzis.or.id	1999	East Java	3,038,090,547
16.	LAZIS Muhammadiyah	Jl. Menteng Raya No. 62 Jakarta Pusat Telp. (+62-21) 3150400 / 70648779 Fax. (+62-21) 3903024	http://www.lazismuh.org	2005	National	2,632,400,266

17.	BMPKT Pupuk Kaltim	Lantai Dasar Masjid Baiturrahman Jl. Tulip 01 PC VI PT Pupuk Kaltim Timur Bontang Telp. 0548-41202 Ext. 6943/5107144 Fax. 0548-20185	Not available	1993	East Kalimantan	2,460,750,968
18.	YBM BRI	Gedung BRI II Lt. 4 Jl. Jend sudirman Kav. 44-46 Telp. (+62-21) 57932809 Fax. (+62-21) 5752458	Not available	2002	National	2,375,786,282
19.	Amanah Takaful	Jl. Mampang Prapatan Raya No. 100 Telp. (+62-21) 7991234 ext.1217 Fax. (+62-21) 79193662	Not available	1998	DKI Jakarta	2,304,882,140
20.	LMI	Ruko Nginden Raya Jl. Telp. 031-5998484 Fax. 031-5920299	http://www.lmi-amilzakat.com	1994	East Java	2,241,794,601
21.	LAZ Persis	Jl. Perintis Kemerdekaan No. 2 Bandung Telp. 022 4220704 / 4217436 Fax. 022 4220702	Not available	2001	National	2,180,386,177
22.	BPZIS Bank Mandiri	Plasa MANDIRI Gatot Subroto Kav. 36-38 Jakpus 12190 Telp. (+62-21) 5265045 Fax. (+62-21) 52964066	Not available	2000	Greater Jakarta and West Java	1,600,000,000
23.	LAZ Pupuk Kujang (BMPK)	Jl. Jend. Ahmad Yani No. 39 Cikampek Telp. 0264-316141 Fax. 0264 313386	Not available	1994	Jawa Barat	716,468,702
24.	LAZIS GA	SBU Garuda Sentra Medika, Jl. Angkasa Blok B 15 No. 1 Kemayoran Jakarta Telp. (+62-21)-4243413/70646164 Fax. (+62-21)-4243227	Not available	2005	Greater Jakarta and West Java	711,918,533
25.	Baitul Maal Bumiputera Group	Wisma Bumiputera-Sekretariat Aktuaris Perusahaan Lt. 20 Jl. Jend. Sudirman Kav. 75 Jakarta Telp. (+62-21)-2512154 ext 1978 Fax. (+62-21)-2512172	www.baitulmaalbp.org	2003	Greater Jakarta	237,834,162

26.	LAZ Portal Infaq	Jl. Radio IV No. 8 A Kebayoran Baru Telp. (+62-21) 72786073 Fax. (+62-21) 2786074	http://www.portalinfaq.org	2001	NTT, Aceh, Yogyakarta Makassar	226,244,377
27.	LAZIS NU	Jl. Kramat Raya No. 164 Jakarta Pusat Telp. (+62-21)-3102913/0818457802 Fax. (+62-21)-3102913	http://www.lazisnu.com	2005	Jawa, Sumatra	99,850,000
28.	LAZ IPHI	Jl. Tegalan No. 1 Matram, Jakarta Timur Telp. (+62-21)-8576645 Fax. (+62-21)-8576645	Not available	2006	DKI Jakarta	20,158,847

Sources: Treasurers, financial officers or directors of philanthropic organisations and database of Zakat Forum accessed May 2008.