

THE OPTIMIZATION OF ISLAMIC PHILANTHROPY TO DEVELOP OF SMEs AT DOMPET DHUAFa REPUBLIKA FOUNDATION

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ABSTRACT

Islamic philanthropy is one of the pillars in economic development. Islamic philanthropy consists of zakat, infaq, shadaqah and waqf. The asset turnover from the muzakki to mustahik aims to reduce poverty. Islamic philanthropy which is managed professionally through productive programs in the development of small and medium micro enterprises is expected to be able to transform mustahik to be muzakki. Republika Dompot Dhuafa Foundation as one of the national amil zakat institutions that has an economic development program is expected to be able to develop small and medium micro businesses in Indonesia. The method used in the research is descriptive qualitative method, which describes the source of fundraising and distribution of ZISWAQ at the Dompot Dhuafa Republika Foundation.

Keywords: Dompot Dhuafa, ZISWAQ, SMEs

INTRODUCTION

Islamic economics is divided into three instruments, one of which is social funds. The social funds in Islam that we know are divided into four, namely: Zakat, Infaq, shadaqah and Waqf. The purpose of social funds is to increase economic growth that is evenly distributed to all groups. So that it eliminates the gap between the rich and the poor. Islam makes zakat instruments to ensure a balance of income in the community.

This means that not all people are able to struggle in the economic arena, because some of them are not capable of being both destitute and poor. Expenditures from zakat are minimal expenditure to make income distribution more evenly distributed. With zakat, the poor and the poor can play a role in their lives, carrying out obligations to Allah. With zakat, non-possessed people also feel that they are part of the community. Poor people also feel valued because there is empathy from people who have.

Law No.38 of 1999 concerning Management of Zakat has been revised with Law No. 23 of 2011 concerning Management of Zakat. After the adoption of the Zakat Management Law, Indonesia has entered the stage of institutionalizing the management of zakat in the formal territory of the state, although it is still very limited. Zakat management institutions began to develop, including the establishment of zakat institutions managed by the government, namely BAZNAS (National Amil Zakat Agency and LAZNAS (National Amil Zakat Institute) managed by a better and more modern management.

Dompot Dhuafa is one of the community amil zakat institutions, established since 1993, which contributes to economic development. The managed zakat is also able to alleviate poverty through economic empowerment programs. Through empowerment, we not only "give fish", but "give a hook" and train mustahik (Zakat Recipients) to become Muzakki (Giver of Zakat).

Based on the description above, the author feels interested in conducting further research on the collection and distribution of Islamic philanthropy owned by the Republika Dompot Dhuafa Foundation, especially in channeling for economic activities. The formulation of the problem in this paper is the first, how is the development of Islamic philanthropy in the Dompot Dhuafa Republika Foundation in 2017. The second is how the development of the distribution of Islamic philanthropy in the Republika Dompot Dhuafa Foundation specifically contributes to the economic empowerment activities of productive Micro Small and Medium Enterprises.

THEORETICAL BACKGROUND

A. Islamic Philanthropy

Philanthropy is actually a maaliyah ijtima'iyah worship, which is worship in the field of property which has a very important and decisive social position. Philanthropy in Islam should be used as a necessity and lifestyle of a

Muslim. The strengths and weaknesses of one's faith and Islam are determined, among others, by generosity and social care.

The increasingly significant development of Islamic philanthropy has attracted the attention of many groups. This is reasonable because in practice elements of philanthropy such as zakat and waqf have been proven to help alleviate community poverty. The role of philanthropy is expected to be able to maximize the potential of zakat and integrate it into the real economic system. For this reason, the development of Islamic philanthropy needs to be managed professionally. Not only managed by consumptive distribution, but must be more dominantly managed with productive distribution.

B. Zakat

Zakat comes from the formation of the word zaka which means 'holy', 'good', 'blessing', 'growing', and 'developing'. In line with Yusuf Qardhawi that the basic word zaka means to grow and grow, so that it can be said that "the plant is zaka", meaning that the plant grows. According to the Shari'a terminology (term), zakat is the name for a number of certain assets which are required by Allah to be issued zakat and given to those entitled to receive it with certain conditions as well. The link between meaning in language and this term is very closely related, namely that every asset that has been issued zakat will be holy, clean, good, blessing to grow, and develop (at-Taubah: 103 and Ar-Rum: 39).

Zakat is a property that must be issued by a Muslim or business entity to be given to those who have the right to receive it in accordance with Islamic law. Infak is a property issued by a person or business entity other than zakat for public benefit. Alms is a property or non-asset issued by someone or *badang* business outside of zakat for public benefit.

As one of the pillars of Islam, of course zakat contains a purpose. The purpose can be seen from various aspects, including the aspects of worship, social, and economy.

1. The purpose of zakat in the aspect of worship is a form of servitude of a human being to Allah as the Creator, Owner & Regulator of the universe and its contents through financial sacrifice. For every Muslim, this sacrifice is manifested through zakat fitrah (ie zakat for every living soul). Whereas for every individual who has assets in sufficient quantities, it is suggested to perform zakat maal (zakah for wealth).
2. The purpose of zakat in the social aspect is to become a media for the distribution of wealth among people who have excess wealth with those who lack wealth. In this regard, zakat has a goal dimension, among others :
 - a. Overcoming hunger and pain

- b. Overcoming difficulties in living
 - c. Provide or assist community education.
 - d. Overcoming difficulties in emergencies or urgency (for example meeting basic needs and other basic human needs in the event of a disaster).
3. The purpose of zakat in the economic aspect is the circulation of wealth media so that wealth does not revolve among the rich. Zakat is a vehicle for the distribution of wealth, so that the components of society that can enjoy wealth are increasingly widespread. Zakat is an instrument of equalizing the economic income of the community in Muslim communities, so that economic inequality can be reduced through the delivery of zakat to the poor.

C. Waqf

Waqf is a legal act of wakif to separate and / or surrender a portion of his property to be used forever or for a certain period of time in accordance with his interests for the purposes of worship and / or general welfare according to sharia. Wakif is the party who inherits his property. The waqf pledge is a statement of wakif's wishes spoken orally and / or written to Nazhir to endow his property. Nazhir is a party that receives waqf property from wakif to be managed and developed in accordance with its designation. Endowments are property that has long-term durability and / or long-term benefits and has economic value according to sharia which is represented by Wakif.

D. Micro small and Medium Enterprises

Micro business is a productive business owned by individuals and / or individual business entities that meet the criteria of Micro Enterprises as stipulated in this Law. Small-scale business is a stand-alone productive economic enterprise, carried out by individuals or business entities that are not subsidiaries or not branches of companies that are owned, controlled, or become part of either direct or indirect from medium-sized businesses or large businesses that meet business criteria small as referred to in this Act. Medium-sized enterprises are productive economic businesses that are independent, carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become part of either directly or indirectly with small businesses or large businesses with total net worth or proceeds annual sales as stipulated in this Act.

METHODOLOGY

The research method used in this paper is a qualitative method which aims to explain and analyze comprehensively the potential of Islamic

philanthropy in developing small and medium micro enterprises. The data used are secondary data obtained through the study of literature, scientific documents and publications and the internet related to the purpose of writing.

The next step is to analyze the available data literature, namely by reading and studying it. The simplest and most frequently used data analysis by a researcher or developer is analyzing existing data using descriptive principles. By analyzing this descriptively they can present it more concisely, simply, and more easily understood. Then the last step is to hold a validity check of the data.

RESULTS AND DISCUSSION

Fund raising is an activity to collect Islamic philanthropic funds (Zakat, Infaq, Alms and Endowments) from a person or business entity and is given to people who are entitled to receive it. The following is a table on the collection of Islamic philanthropic funds (Zakat, Infaq, Alms and Endowments) at the Republika Dompot Dhuafa Foundation for the period January - June 2017 to July - December 2017.

Tabel 1. Funding of Zakat, Infaq, and Waqaf Dompot Dhuafa

No.	Instruments of Islamic Philanthropy	Year 2016	Year 2017	Growing (%)
1.	Zakat	143.341.656.531	145.858.551.296	1,76 %
2.	Infak	36.735.926.988	33.037.865.855	-10,07%
3.	Wakaf	10.812.346.705	20.004.435.003	85,01%
	Total	190.889.930.224	198.900.852.154	4,20%

Source: Dompot Dhuafa, 2017

From the data above shows the collection of Islamic philanthropy at the Dompot Dhuafa Republika Foundation. In the period of 2016 - 2017 shows the highest accumulation of waqf instruments, which is equal to 85.01%. Infaq instruments decreased by -10.07%. While the zakat instrument only grew by 1.76% and overall the percentage growth of zakat, infaq and waqf funds collection at Republika Dompot Dhuafa Foundation was 4.20%.

Distribution is the distribution and empowerment of Islamic philanthropic funds (Alms, Infaq, Alms and Endowments) to people who have the right to receive them in accordance with sharia guidance. The distribution of Islamic philanthropy is not only consumptive but also productive through economic empowerment programs. The following is a table of distribution of Islamic philanthropic funds (Zakat, Infaq, Alms and Endowments) at Republika Dompot Dhuafa Foundation for the period of January - June 2017 to July - December 2017.

Tabel 2. Distribution of ZISQAF Dompot Dhuafa

No.	Instruments of Islamic Philanthropy	Year 2016	Year 2017	Growing (%)
1.	Zakat	155.184.810.852	121.621.800.893	-21,63 %
2.	Infak	36.881.541.304	34.388.977.597	-6,76 %
3.	Wakaf	9.143.309.140	6.720.449.273	-26,49 %
	Total	201.209.661.296	162.731.227.763	-19,12 %

Source: Dompot Dhuafa, 2017

From the data above shows that the distribution of Islamic philanthropy in the Dompot Dhuafa Republika Foundation in 2016 - 2017 as a whole has decreased by -19.12%. The biggest decrease in waqf instruments was -26.49% and the lowest decrease in infaq instruments was -6.76%. While the decrease in zakat instruments was -21.63%.

Table 3. Segment Distribution

No.	Segmens of Distribution	Year 2016	Year 2017	Contribution
1.	Education	57.992.997.063	42.475.087.771	-26,75 %
2.	Health	34.342.691.630	39.843.865.176	16,02 %
3.	Commonity Social	37.092.663.186	29.575.860.215	-20,26 %
4.	Economic	59.415.673.154	56.567.196.410	-4,79 %
5.	Humanity	6.336.338.658	13.902.149.220	119,40 %
6.	Advocacy	5.654.701.756	3.073.204.415	-45,65 %
7.	Network Development	4.559.248.158	5.393.889.499	18,31 %
	Total	205.394.313.605	190.831.252.706	-7,09 %

Source: Dompot Dhuafa, 2017

From the above data, we can see the distribution of Islamic philanthropic instruments carried out by the 2017 Dompot Dhuafa Republika Foundation. The largest distribution of Islamic philanthropic funds is channeled to humanitarian programs by 119.40%. While the lowest distribution of Islamic philanthropy funds was channeled to an advocacy program of -45%. The Islamic philanthropic funds in the economic program are in fourth position at -4.79%. This means that Islamic philanthropic funds in economic programs have not been a priority for the Republika Dompot Dhuafa Foundation. Even though it is expected that channeling productive economic activities of SMEs will make recipients become muzakki in the future.

CONCLUSION

The development of Islamic philanthropic fund raising at the Dompot Dhuafa Republika Foundation in the 2017 period decreased for infak instruments by -10, 07%. While the zakat instrument only grew 1, 76%. While

waqf instruments experienced a large growth of 85, 01%. The total growth of the collection of Islamic philanthropic funds is 4, 20%.

The development of the distribution of Islamic philanthropic funds in the Dompot Dhuafa Foundation for the 2017 period all instruments have decreased. Zakat instruments decreased by -21.63%. While infak instruments decreased by -6.76%. While the waqf instrument is -26.49%. The total distribution of Islamic philanthropic instruments decreased by -19, 12%. The Islamic philanthropic distribution program for productive MSME economic activities ranked fourth and decreased from 2016 to 2017 by -4.79% or Rp. 2. 848.476.744,-.

FURTHER STUDY

To increase competitiveness, a synergy between the role of government as policy makers and supporting institutions is needed, especially for sharia financial institutions to facilitate access to capital and expand the information network of SMEs to develop and the national economy becomes stronger and more advanced.

For SMEs, they need to be active in collaborating and coordinating with LKS to continue to provide guidance, assistance, and training through increasing capacity building and implementing sharia principles as a whole so that they can have direct implications for SMEs.

Researchers really hope for further research conducted after this study, specifically examining the role of Islamic financial institutions in empowering SMEs, so that a new concept is expected to be created which is a complement to previous research.

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