

Zakat and Social Mobility: A Shift From Charity To Sustainable Welfare

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Abstract

This study aims to critically analyze the welfare paradigm underlying zakat management in Indonesia and formulate a reorientation of zakat from a charity-based approach to a social mobility instrument for mustahik. The study employs a qualitative-critical approach utilizing a library research method. Data were gathered from primary and secondary documentary sources, including national zakat institutional reports, policy frameworks, and contemporary literature on Islamic philanthropy, which were then systematically evaluated using thematic analysis within the framework of Islamic welfare theory and maqāṣid al-sharī'ah. The results show that the dominance of the charity paradigm has limited zakat's role to curative and short-term functions, so that zakat, including productive zakat, has not been able to encourage sustainable changes in the socio-economic status of mustahik. Productive zakat tends to be symbolic, lacks mentoring, and lacks outcome indicators and exit strategies, which have implications for the reproduction of dependency on mustahik. From the perspective of maqāṣid al-sharī'ah, this condition reflects the gap between the normative objectives of zakat and institutional practices. This study recommends reorienting zakat management towards a social mobility-based welfare paradigm by placing the independence of mustahik as the main indicator of success, strengthening long-term mentoring, and integrating zakat into the social development and Islamic social finance ecosystem.

Keywords

Zakat; Social Mobility; Islamic Welfare; Maqāṣid Al- Shari' Ah

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1. INTRODUCTION

Zakat is a key instrument in the Islamic economic and welfare system, serving both a religious and socio-economic function. Normatively, zakat aims not only to meet the basic needs of those entitled to it but also to achieve social justice, reduce inequality, and promote sustainable human welfare. Within the framework of maqāṣid al-sharī'ah, zakat serves to safeguard wealth (ḥifẓ al-māl), life (ḥifẓ al-nafs), and human dignity (ḥifẓ al-karāmah), which inherently contain an orientation towards social transformation (Auda, 2022; Chapra, 2008).



However, in contemporary practice, both globally and nationally, zakat management and distribution are still dominated by a charity-based approach. Zakat is primarily distributed in the form of short-term consumer assistance, including cash assistance, food aid, and emergency assistance. While important in crises, it has not significantly driven structural change in the lives of those entitled to receive it (Ascarya & Yumanita, 2022). As a result, zakat often functions as a temporary poverty reduction mechanism, rather than an instrument of social mobility that can lift those entitled to receive it toward economic independence.

This phenomenon is not unique to Indonesia but has also become a global issue in Islamic philanthropy. Studies in various Muslim countries indicate that most zakat funds are still directed toward consumption-oriented distribution, rather than an absorption-oriented approach. The success of zakat institutions is measured by the amount of funds distributed and the number of beneficiaries, rather than by medium- and long-term changes in welfare (Hassan & Ashraf, 2020). In many countries, zakat has not been systematically integrated into sustainable social and economic development strategies.

In Indonesia, despite the enormous potential for zakat and the rapid development of zakat institutions, similar challenges remain. Recent reports and research indicate that most zakat programs still focus on consumer assistance, while productive zakat programs are often limited, symbolic, and lack adequate support (Nasional, 2023). Zakat collection in Indonesia showed a positive upward trend in 2024, although its realization remains suboptimal compared to the national potential. The National Zakat Agency (BAZNAS) estimates that Indonesia's zakat potential could reach more than IDR 327 trillion per year, whereas the realization of national zakat, infaq, and alms (ZIS) collection by the end of 2024 had only reached around IDR 41 trillion. This condition reflects the ongoing challenges in optimizing zakat collection, including low zakat literacy, limited compliance among muzaki, and unequal utilization of digital-based collection systems (Nasional, 2024b).

In terms of distribution, the zakat collected in 2024 was distributed to those entitled to receive the zakat (mustahik) through various social, humanitarian, and empowerment programs. The total distribution of ZIS funds nationally reached approximately IDR 39.48 trillion, with a primary focus on the humanitarian, da'wah and advocacy, education, health, and economic sectors. This distribution pattern demonstrates that zakat continues to play a dominant role as a social protection instrument, meeting the basic needs of the poor and vulnerable, particularly in responding to social emergencies and disasters (Nasional, 2024b).

The sector with the lowest zakat distribution percentage in 2024 was the economic sector, which only received around 2% of the total national zakat distribution. Zakat funds in this sector

are used for productive economic programs, such as micro-business capital assistance, entrepreneurship training, and strengthening MSMEs mustahik. The low allocation in the economic sector suggests that the orientation of zakat distribution remains more consumptive than productive, despite the significant potential for economic empowerment to create independent mustahik and achieve long-term poverty alleviation (Nasional, 2024a). Mustahik economic empowerment programs often lack clear success indicators, are not accompanied by a roadmap (exit strategy) from mustahik to muzakki, and lack *outcome-based evaluation*.

This situation raises fundamental questions about the welfare paradigm underlying zakat management. If zakat continues to be practiced as a short-term charity, its transformative function as an instrument of social mobility will be difficult to achieve. From a welfare theory perspective, a charitable approach tends to maintain the status quo and potentially create dependency, while a transformative welfare approach emphasizes capacity building, asset accumulation, and improving the socio-economic position of beneficiaries (Midgley, 2020).

In the Islamic context, the concept of well-being (*falāḥ* and *ḥayāt ṭayyibah*) is not solely measured by the fulfillment of basic needs, but also by the ability of individuals and communities to live with dignity, independence, and empowerment (Chapra, 2020). Therefore, zakat should be understood as an instrument of social development that encourages vertical social mobility, not simply as a mechanism for short-term income redistribution.

From an Islamic studies perspective, this issue also relates to the way zakat is studied and practiced. Many zakat studies are still dominated by a normative-fiqh approach that emphasizes the legality of distribution and compliance with sharia provisions, while paying less attention to the institutional, social, and long-term welfare dimensions (Beik & Pratama, 2021). As a result, zakat is often considered "complete" once the funds have been distributed to the eligible beneficiaries, without critically evaluating its impact on the lives of those who mustahik (the recipients).

Several studies have discussed the effectiveness of productive zakat and its role in poverty alleviation. However, most of these studies still focus on measuring program outputs, such as short-term income increases or the number of beneficiaries, without in-depth examination of changes in the socio-economic structure of those entitled to receive zakat and the sustainability of their welfare (Beik & Arsyianti, 2020). Furthermore, studies integrating Islamic welfare theory, the concept of social mobility, and paradigmatic critiques of zakat management are still relatively limited.

Thus, a significant research gap exists. First, there is a lack of studies that explicitly critique the charity-based paradigm in zakat management and its impact on the failure of social mobility of those who are mustahik (recipients). Second, zakat research generally does not position social

mobility as a primary indicator of successful welfare. Third, Islamic studies on zakat rarely use a qualitative-critical approach to interpret zakat as a social institution operating within the context of the modern economy and welfare.

Research on productive zakat management and its relationship to the welfare of those entitled to receive zakat (mustahik) has become an increasingly prominent focus in Indonesian and international literature. Widiastuti, Cahyono, and Mawardi conducted a quantitative study using surveys and regression analysis to evaluate the effectiveness of productive zakat programs in alleviating poverty in several regions of Indonesia (Widiastuti et al., 2021). They found that productive zakat contributed positively to increasing income and reducing poverty in the short term; however, its long-term impact remained limited unless the program was accompanied by ongoing mentoring and monitoring. Therefore, they recommended a more integrated program design with capacity-building and impact evaluation components. Similar results were reported in a qualitative and analytical study by Zuchroh (Zuchroh, 2022), which showed that zakat practices in Indonesia are still predominantly characterized by a charity-based approach. Through an analysis of institutional and policy documents, Zuchroh emphasized that despite the widespread use of the term "productive zakat," its implementation often focuses on fund absorption and consumptive distribution, and recommended an institutional shift toward an outcomes-based empowerment model.

Studies linking zakat to the *maqāṣid al-syarī'ah* framework provide a strong normative foundation for reorienting zakat management. Hasan and Ashraf developed a *maqāṣid*-based approach to assess the performance of Islamic social financial institutions (Hasan & Ashraf, 2020). Their conceptual-analytical study emphasized that performance measurement must go beyond financial indicators and incorporate the *maqāṣid* dimension, so that zakat institutions can be assessed based on their contribution to long-term Sharia social objectives. Auda emphasized the dynamic and contextual understanding of *maqāṣid* in his theoretical study, highlighting that Islamic policies prioritizing formal compliance without focusing on substantive social outcomes will fail to achieve the ultimate goals of sharia (Auda, 2021). The practical implication of these studies is the need for zakat evaluation tools and program design that prioritize social outcomes—such as independence, dignity, and economic capacity.

Literature on the integration of zakat into the *Islamic social finance ecosystem* and its relationship to the Sustainable Development Agenda is also relevant. Obaidullah conceptually discusses the role of zakat, alongside waqf, infaq, and other social finance instruments in promoting sustainable development; this study emphasizes its significant potential but is hampered by the still-dominant

charitable approach (Obaidullah, 2021). A 2021 UNDP & BAZNAS policy report maps zakat's contribution to the Sustainable Development Goals (SDGs) and finds that while zakat contributes to poverty alleviation, this contribution remains partial and lacks a structured approach to achieve long-term impact. Therefore, both documents recommend integrating zakat strategies into development policies and outcome-oriented monitoring systems.

Case studies examining the implementation of productive zakat reveal consistent operational barriers. Malangkuçewara, through a comparative case study, demonstrates that the primary obstacles to productive zakat include minimal mentoring, limited market access, and the absence of evaluation mechanisms and exit strategies for mustahik. This study recommends long-term mentoring and strengthening market linkages (Malangkuçewara, 2022). Imama and Zuchroh employ a mixed-methods approach to assess zakat governance in Indonesia and find that the institutional focus is often on administration and fund absorption, rather than on sustainable welfare impacts (Imama & Zuchroh, 2022). They advocate for governance reforms that place social outcome indicators at the center of zakat institutions' accountability.

A consistent pattern emerges from the synthesis of previous research: productive zakat has economic potential, but its implementation tends to be partial and constrained by distributional logic; the study of maqāṣid requires measurement based on Sharia-compliant social objectives; and its integration into development policies (e.g., the SDGs) is less than optimal. A research gap emerges clearly here: most studies still measure zakat success in terms of poverty reduction or income increase (economic indicators), while few position social mobility—the transition of mustahik from vulnerable status to independence and the potential to become muzaki—as the main indicator of zakat program success (Programme & Nasional, 2021). Furthermore, there are still a few empirical studies that explicitly test how the institutional design of zakat based on maqāṣid can produce measurable social mobility outcomes.

Based on this gap, the study, entitled *"From Charity to Social Mobility: Reorienting the Welfare Paradigm in Zakat Management,"* presents several novel insights. First, this study positions social mobility as a central indicator of zakat success, not simply a measure of poverty or income. Second, this study combines empirical analysis (a case study of zakat institutions in Indonesia) with a maqāṣid-based evaluation framework to assess whether and how productive zakat programs can become *a pathway to independence*. Third, methodologically, this study employs a critical-qualitative approach that enables the exploration of institutional mechanisms, cultural narratives, and power relations that sustain the charity paradigm. This approach complements previous quantitative studies, which have focused more on economic outcomes. Finally, from a policy perspective, this

study contributes to the formulation of maqāṣid-based zakat performance indicators and program design recommendations that place exit strategies and cross-sector integration (education, health, market access) as prerequisites for social mobility.

2. METHODS

This study employs a qualitative-critical approach, using library research, to investigate the structural and shifting paradigms in zakat management. The data collection process involved gathering primary and secondary documentary sources, including national zakat management reports, institutional regulations, and the latest relevant scientific literature on Islamic philanthropy. The literature search focused specifically on conceptual and empirical studies addressing productive zakat models, institutional evaluations, and the integration of Islamic social finance into sustainable economic agendas (Guest et al., 2017). This research design was chosen to enable a rigorous textual analysis of policy documents and a comprehensive theoretical synthesis regarding the reorientation of zakat from a short-term charity framework to a long-term social mobility instrument.

The gathered qualitative data were evaluated using thematic analysis. The analytical process began with data reduction by coding institutional reports and academic texts to identify patterns in consumptive and productive zakat distributions. These initial codes were then categorized into structural themes related to the barriers of productive zakat implementation. To ensure validity, data triangulation was performed by cross-referencing national statistical data with contemporary Sharia normative literature (Creswell & Poth, 2018). The identified themes were then discussed in the context of modern Islamic welfare theory, focusing on human capability development and the principles of maqāṣid al-sharī'ah. This interdisciplinary synthesis allows the study to critically examine the gaps between normative objectives and actual institutional practices

3. FINDINGS AND DISCUSSION

3.1 The Dominance of the Charity Paradigm as a Structural Barrier to Social Mobility in Zakat Management

Field findings consistently show that zakat management in Indonesia still operates within a charity-based paradigm, despite the national zakat potential being estimated to reach hundreds of trillions of rupiah per year. The dominance of consumptive zakat in the form of basic food aid, cash assistance, and emergency assistance is not merely a technical choice, but rather a reflection of an institutional orientation that prioritizes speed of distribution and visibility of output over long-term welfare transformation. In other words, zakat is managed as an instrument of *social relief* rather than a means of *social mobility*.

The primary argument of this study is that the charity paradigm is not only ineffective but also structurally hinders zakat's role as a means of social mobility. Interviews with zakat institution managers revealed that consumptive programs were chosen because they were considered "safe," easily accountable, and quickly demonstrated results. However, this is precisely the problem: the indicators of success used are administrative—the amount of funds absorbed and the number of beneficiaries—without a mechanism for evaluating social impact (social outcomes). This finding reinforces the criticism in the literature that the orientation toward fund absorption tends to create an illusion of success, while the structural conditions of beneficiaries remain unchanged (Zuchroh, 2022).

Empirically, this study found that those receiving consumptive zakat experienced temporary improvements in their condition, but no shift in their socio-economic position. In fact, in some cases, the recipients were trapped in a recurring pattern of dependency on zakat institutions. This situation demonstrates that the charity paradigm is not socially neutral; it creates *a welfare dependency* that contradicts the normative objectives of zakat. Thus, consumptive zakat is not simply "not enough" but has the potential to be counterproductive to the empowerment agenda.

From the perspective of classical zakat theory, these findings confirm an epistemic reduction in the meaning of zakat. Zakat is reduced from an instrument of social justice (*'adl ijtīmā'ī*) to a practice of individual philanthropy (*ihsān*). In fact, zakat in Islam is designed as a corrective mechanism to address structural inequalities in wealth distribution (Chapra, 2020). When zakat stops at consumptive distribution, it fails to fulfill its structural function and loses the transformational power that is its *raison d'être*.

Efforts by zakat institutions to adopt productive zakat are often presented as evidence of institutional innovation. However, this research shows that the productive zakat still operates within a distribution logic, rather than a social mobility logic. Productive programs are generally limited to providing initial capital without long-term mentoring, capacity building, or integration with the broader economic ecosystem (Asni et al., 2024; Wahyudi et al., 2024). As a result, productive zakat merely extends the charity paradigm with a new face (extended charity), rather than building an exit pathway out of poverty.

These findings align with a case study by BAZNAS South Tapanuli, which showed that weak targeting, minimal mentoring, and the absence of ongoing evaluation resulted in productive zakat failing to transform the social status of those entitled to receive it (Tanjung et al., 2025). Other studies also confirm that without a comprehensive program design, productive zakat tends to stop at achieving financial output without structural impact (Ismail et al., 2023; Malangkuçewara, 2022). Thus, the problem with productive zakat lies not in its concept, but rather in its management paradigm.

Within the framework of *maqāṣid al-sharī'ah*, this failure indicates that zakat has not been

managed as an instrument for achieving the ultimate goals of *sharī'ah*. *Maqāṣid* demands the protection and development of wealth (*ḥifẓ al-māl*), life (*ḥifẓ al-nafs*), and human dignity (*ḥifẓ al-karāmah*), which can only be achieved through long-term and sustainable empowerment strategies. When zakat is reduced to the distribution of aid, then *maqāṣid* is reduced to normative rhetoric without real policy implications.

Furthermore, the dominant paradigm of charity shapes how zakat institutions understand welfare itself. Welfare is often limited to the fulfillment of short-term basic needs, rather than being viewed as a process of enhancing human capacity and dignity. This understanding contradicts the concept of *ḥayāh ṭayyibah* in Islamic welfare, which emphasizes human independence, sustainability, and dignity as the ultimate goals of social development (Adnan et al., 2025; Chapra, 2020). In other words, the problem of zakat in Indonesia is not a lack of funds, but rather a lack of a vision of welfare.

Overall, the findings of this study confirm that as long as zakat is managed within a charitable paradigm, it will fail to become an instrument of social mobility. Reorienting zakat management toward a welfare paradigm based on *maqāṣid* (the principles of social justice) is not merely a normative recommendation, but rather a structural prerequisite for zakat to fulfill its transformational function in creating sustainable public welfare.

3.2 Productive Zakat as a "Program Label": Failure to Encourage Social Mobility of Mustahik

This study found that although the term "productive zakat" is increasingly popular and almost always appears in the narratives of official zakat institutions, its implementation remains far from ideal as an instrument of social mobility. Nearly all zakat institutions studied have adopted the terminology of productive zakat, but in practice, the programs implemented are generally limited to providing small business capital, assistance with production equipment, or short-term entrepreneurship training (Esa et al., 2025; Kurbonova, 2023). These programs tend to be small-scale, unintegrated, and lack long-term mentoring, thus failing to significantly drive changes in the socio-economic status of those receiving zakat.

These field findings indicate that productive zakat functions more as a program label than as a paradigm shift in zakat management. Many programs labeled as "productive" remain designed with a distributional logic, rather than a transformational one. While beneficiaries receive capital or business equipment, they are not provided with access to markets, financial literacy, managerial capacity building, or adequate business networks (Abdullahi et al., 2025; Adhimllah & Gunawan, 2026). Consequently, the businesses they run are subsistence-based, vulnerable to economic shocks, and often fail to thrive. Under these circumstances, beneficiaries tend to revert to their original situation and become recipients of zakat again.

These findings align with research by Widiastuti et al. and Zuchroh, which states that productive zakat in Indonesia remains partial and has not been designed as *a pathway to independence*. Many programs end at the capital distribution phase without establishing a sustainable development system, conducting impact evaluation, or developing clear sustainability strategies (Shiyuti et al., 2023; Taher et al., 2025). As a result, productive zakat does not significantly increase the economic capacity of beneficiaries and fails to move them out of the subsistence business sector.

From a zakat theoretical perspective, this situation indicates a failure to achieve the fundamental objective of zakat, namely *al-ighnā'* —sufficiency for the mustahik so that they no longer need zakat. Emphasized that the ideal goal of zakat is not simply to help mustahik survive, but to lift them out of the cycle of poverty and, eventually, enable them to become muzaki (recipients of zakat) (Qaradawi, 2021). However, this study found that almost no zakat institutions explicitly set indicators of success in the form of the mustahik's transition to economic independence, let alone becoming a muzaki. Thus, productive zakat functions more as *extended charity* than as an instrument of social transformation.

The lack of a clear exit strategy is a key finding in this study. Productive zakat management is rarely accompanied by measurable medium- and long-term targets, such as increasing sustainable income, strengthening productive assets, or removing recipients from the zakat recipient database (Hämäläinen & Lindh, 2025; Lechman & Popowska, 2022). Without an exit strategy, productive zakat loses its structural impetus and actually prolongs the cycle of dependency on zakat institutions. In this context, productive zakat not only fails to empower but also risks reproducing poverty systemically.

When analyzed through the maqāṣid al-sharī'ah framework, the failure of productive zakat to encourage social mobility indicates that zakat management has not been directed towards achieving the maqāṣid comprehensively. Most zakat programs still focus on meeting emergency needs (*ḍarūriyyāt*), without a clear strategy to achieve intermediate maqāṣid (*ḥājīyyāt*) and improve the quality of life (*taḥsīniyyāt*) (Auda, 2021; Chapra, 2020). In fact, maqāṣid demands that zakat contribute to the protection and development of wealth (*ḥifẓ al-māl*), reason (*ḥifẓ al-'aql*), and human dignity (*karāmah al-insān*) in a sustainable manner.

Within this framework, productive zakat should not only provide capital but also build human capacity (human capability development) through mentoring, education, and the integration of mustahik into the broader economic ecosystem (CS et al., 2025; Kazanskaia, 2025). When these dimensions are neglected, productive zakat fails to meet the requirements of maqāṣid and ceases to function curatively, rather than preventively and transformatively.

From a contemporary Islamic studies perspective, this phenomenon reflects a failure to integrate normative Islamic values with modern institutional practices. Zakat institutions have adopted the language of development, empowerment, and sustainability, but have not fully internalized the logic

of Islamic social justice based on the *maqāṣid* (objectives of justice) (Kazanskaia, 2025; Topcan et al., 2025). Consequently, productive zakat appears as a technocratic program lacking ethical reflection and a strong normative foundation.

Zakat will only have a significant impact on long-term welfare if it is designed based on the *maqāṣid* (objectives of virtue), targeting the simultaneous protection and development of wealth, intellect, and human dignity. Field findings in this study, however, demonstrate a wide gap between the ideals of *maqāṣid* and the institutional practice of zakat. Productive zakat is still understood as a variation of social assistance, rather than as an Islamic social development strategy oriented toward social mobility and sustainable welfare.

3.3 Reorientation of the Zakat Paradigm Towards Social Mobility: Synthesis of Empirical Findings, Islamic Welfare Theory, and *Maqāṣid al - al-Syarī'ah*

Based on the dialogue between empirical findings in the field and theoretical studies, this research confirms that the fundamental problem in zakat management in Indonesia lies not in limited funds or instruments, but rather in the welfare paradigm used. The dominance of the charity-based paradigm has limited zakat to curative and charitable functions, while the Islamic welfare paradigm demands a transformative and preventive role for zakat (Improving, 2023; Sarif et al., 2024). Therefore, reorienting zakat management from charity to social mobility is not merely a policy choice, but a structural necessity for zakat to fully fulfill its ethical and social mandate.

Theoretically, zakat in Islam is an instrument of wealth redistribution designed to reduce inequality and ensure social welfare within the framework of *siyāṣah mu'āmalah*. In the theory of Islamic welfare and *maqāṣid al-syarī'ah*, zakat is not intended merely as a simple economic charity, but as an institutional mechanism to holistically improve the quality of human life—encompassing material, social, and moral dimensions (Kahf, 2020). In contemporary Islamic studies, zakat is also positioned as part of the *Islamic social finance system* integrated with *waqf*, *infaq*, and *sadaqah* to support inclusive and sustainable development (Mukhid, 2023).

The *maqāṣid al-syarī'ah* framework provides a strong normative foundation for this reorientation. *Maqāṣid* emphasizes that the ultimate goal of sharia is the realization of social justice, increased economic capacity, and the protection of human dignity. Therefore, effective zakat management must be directed at lifting the *mustahik* out of structural poverty and building sustainable economic and social capital (Samsudi, 2022; Suriani et al., 2024). Reorienting zakat toward social mobility is not only a normative requirement of sharia but also aligns with global development agendas such as *the Sustainable Development Goals* (SDGs), where zakat has strategic potential that has not been optimized due to structural barriers and traditional institutional paradigms.

In Islamic welfare theory, zakat is positioned as part of the *Islamic social justice system*, which aims to create social and economic balance. Welfare in Islam is not measured solely by increasing income, but also by enhancing human capabilities, independence, and dignity (Efendi, 2025; Saad et al., 2023). Therefore, social mobility from an Islamic perspective encompasses not only economic mobility but also socio-structural mobility, enabling individuals to move from subordinate positions to positions of greater empowerment and dignity.

The syarī'ah approach also demands a change in how the success of zakat management is assessed. Auda emphasizes that *maqāṣid* must be understood dynamically and contextually, so that zakat policy cannot be solely assessed based on formal compliance or distribution outputs (Auda, 2021). Instead, zakat must be designed to generate *outcomes* and *impacts* in the form of sustainable changes in the socio-economic status of those receiving zakat (Ashton, 2025; Lasmiatun & Duku, 2025). Within this framework, productive zakat is not merely a program variation, but a strategic means to achieve substantive Sharia objectives.

Based on the synthesis of empirical findings and theoretical dialogue, this study reaffirms that the dominance of the charity paradigm has limited zakat's role to a curative function, rather than a preventive and transformative one. Consequently, zakat has failed to function as an instrument of social mobility. Reorienting the welfare paradigm is a key prerequisite for zakat to transform from mere social assistance to an institutionalized mechanism of social justice.

Within the framework of Islamic welfare, zakat should be viewed as an institutionalized mechanism for social justice, rather than merely a philanthropic instrument. This reorientation requires a shift in success indicators from mere outputs—such as the number of beneficiaries and funds absorbed—to *outcomes* and *impacts*, including *economic independence, changes in social status, and increased dignity* for beneficiaries. This approach aligns with the concept of *maqāṣid-based performance*, which assesses policies and programs based on the achievement of substantive Sharia objectives, not merely administrative efficiency (Auda, 2021).

Furthermore, the reorientation of the zakat paradigm also demands stronger integration with broader social development strategies, including education, health, and economic capacity building. Social mobility in Islam means not only increasing income but also enhancing an individual's intellectual, spiritual, and social capabilities (Improving, 2023; Rofiq & Setiawan, 2021). Therefore, zakat must be positioned as part of the *Islamic social finance ecosystem*, complementing waqf, infaq, and other social financial instruments.

In the context of Islamic studies, the findings of this study reinforce the argument that zakat studies should move beyond a normative fiqh approach to an interdisciplinary approach that integrates Islamic economics, sociology, and public policy studies. Zakat is not merely a matter of religious law, but an

instrument of welfare governance that demands institutional design, an impact evaluation system, and a long-term vision (Improving, 2023; Nopiardo, 2025; Riyadi et al., 2025; Rofiq & Setiawan, 2021). Without this paradigm shift, zakat risks remaining trapped in the logic of charity and failing to fulfill its ethical and social mandate as an instrument of justice and social mobility.

Thus, this study confirms that the transformation of zakat from charity to social mobility is not merely a programmatic innovation, but rather a paradigm shift in welfare rooted in the *maqāṣid al-sharī'ah* (objectives of Islamic law) and the Islamic vision of social justice. This study also fills a gap in the zakat literature by emphasizing that social mobility should be the primary indicator of zakat success from a sustainable Islamic welfare perspective

4. CONCLUSION

This study concludes that the primary barrier to zakat management in Indonesia is not limited funding or institutional capacity, but rather the dominance of a charity paradigm. This mindset restricts the function of zakat to short-term, curative relief, causing even productive zakat programs to be implemented symbolically and remain strictly distribution-oriented. Consequently, a gap persists between the normative objectives of *maqāṣid al-sharī'ah* and actual field practices; programs lack long-term mentoring and outcome-based performance metrics, which ultimately risks reproducing dependency among *mustahik* rather than driving social transformation.

To address this issue, the study recommends a structural reorientation of zakat management toward a welfare paradigm centered on social mobility, positioning *mustahik* independence as the primary indicator of success. Evaluation metrics must shift from administrative outputs to substantive, impact-based measures rooted in *maqāṣid al-sharī'ah*. Furthermore, productive zakat programs must be strengthened through continuous mentoring, capacity building, market access, and clear exit strategies, alongside integration into the broader Islamic social finance ecosystem and national development policies. Future research should adopt an interdisciplinary approach, establishing social mobility as a core variable for evaluating zakat effectiveness.

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