

EMPOWERING ISLAMIC PHILANTHROPY: ANALYSIS OF ENTREPRENEURIAL CAPITAL ASSISTANCE PROGRAM BY LAZISMU SURABAYA CITY

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Abstract

Purpose of the study: This paper aims to analyze how the Lazismu of Muhammadiyah regional leadership (PDM) of Surabaya City collect to manage and distribute Islamic philanthropic funds (zakat, infaq, shodaqoh, and waqaf) to empower micro-business through the Entrepreneurial Capital Assistance program (BMW).

Methodology: This research uses the qualitative approach with case study research design.

Results: The results show that the distribution of Islamic philanthropic funds (ZISWAF) in the BMW program greatly empowers the people's economy.

Applications of this study: This research can be used for the universities, teachers, and students.

Novelty/Originality of this study: LAZISMU Surabaya (Muhammadiyah institution of collecting zakat) is part of an institution of collecting zakat under peoples' organization of Muhammadiyah Surabaya with its field in the collection and management of zakat funds that have been tested.

Keywords: *Islamic philanthropy, LAZISMU, economic empowerment.*

INTRODUCTION

BPS data shows that in September 2016, the number of poor (people with per capita expenditure per month under the Poverty Line) in Indonesia reached 27.76 million people (10.70 percent), decreased by 0.25 million people compared to March 2016 which amounted to 28.01 million people (10.86 percent). While the percentage of poor people in urban areas in March 2016 amounted to 7.79 percent, fell to 7.73 percent in September 2016. Although during the period of March 2016 - September 2016 the percentage of poverty declined, but the number of poor people in urban areas rose by 0.15 Million people (from 10.34 million people in March 2016 to 10.49 million people in September 2016). This is certainly a unique phenomenon amid the growing urban middle class as well as the rapidly growing urban lifestyle symptoms.

Based on the above data, the increasing urban poverty rate is strongly indicated to be an obstacle to economic growth. As a result, the poverty eradication program is a means to treat 'poverty' as an object to the success of economic growth programs. Yusuf Qardhawi states that poverty as one cause of the emergence of economic problems because of the weak source of income. Economists see poverty from various aspects, namely the primary and secondary aspects. Primary aspects include visible poverty from poor assets, socio-political organizations, and education and skills. While the secondary aspect of poverty is seen in the poverty of social networks, sources of finance and information ([Suleri & Cavagnaro, 2016](#)).

The crucial issue in poverty is inequality, and the capitalistic economic system is not capable of being a solution. While Islamic Economics as an economic system born of Islamic teachings, without negating the economic concepts with the feature of eliminating the element of usury and encourage multiplying charity (philanthropy) through *zakat*. This means that the Islamic economy brings the distribution of equity between the surpluses of capital to minimal capital. This is where the positive domain of Islamic economy. Spirit distribution of equitable distribution of income and wealth is in line with the concept of economic populist characteristic of Indonesia, the economy in favor of the *mustadh'afin*. The distribution of income and wealth equalization is done by philanthropy, as a proof of love, caring for others.

Zakat, Infaq, Shodaqoh, Waqaf, Waris (inheritance) and *Hibah* are various instruments of distribution in Islam. The potential of Islamic philanthropic fundraising, ZISWAF funds (*Zakat, Infaq, Shodaqoh, and Wakaf*) among Muslims in Indonesia cannot be underestimated. It is proven that the absorption of *ziswaf* potential in this country is not optimal yet. This is important since the potential of *zakat* in Indonesia reached Rp 19.3 trillion. The amount consists of Rp. 5.1 trillion in goods and Rp. 14.2 trillion in cash. In addition, the results of a survey conducted by the Public Interest Research and Advocacy Center (PIRAC) stated that the potential of *zakat* in Indonesia increased from Rp 4.45 trillion in 2004 to Rp 9.09 trillion in 2007. Fakhruddin⁹ also mentions that on the latest research BAZNAS (national institution of collecting zakat) in 2011, the potential of national *zakat* reached Rp. 217 trillion consisting of Rp 82.7 trillion potential *zakat* household, Rp. 2.4 trillion potential *zakat* BUMN (institution belongs to country), and Rp17 trillion potential of *zakat* savings.

There is a large gap between the potential of *zakat* with the amount of *zakat* collected and distributed invites many questions, given a large number of *zakat* management organization (BAZNAS and LAZNAS) and the amount of

government attention in handling *zakat* issues. Then, whether it is appropriate and optimal target in their welfare efforts, through programs that are innovative and productive (Irvani, Niknejadi & Jahandoost, 2015; Yazdekhasti, Erfan, & Nazari, 2015).

LAZISMU (Muhammadiyah Institution of Amil Zakat, Infaq, and Shodaqoh) is one of the National LAZ (institution of collecting zakat) since 2002 and to be the icon of Muhammadiyah zakat. With the motto of "giving for the country" it is undoubtedly their role in collecting, managing and distributing ZISWAF funds rather than *muzakki* (Muslims who are obliged to take out zakat) to be handed over to the *amil* (the people entitled to receive zakat). Including LAZISMU Surabaya city, which became pockets of ZISWAF for the citizens of Surabaya, the Muslim population was quite high.

Through this research, the researcher intends to analyze the management of Islamic philanthropy fund (ZISWAF fund) collected by LAZISMU PDM (Regional Leader of Muhammadiyah) Surabaya City in an effort to empower informal micro enterprise through Micro Finance Unit program (UKM) of BMW (Bina Mandiri Entrepreneurship).

RESEARCH METHODS

The type of this research is descriptive qualitative research that produces descriptive data in the form of words written or oral from people and behavior that can be observed. The research approach used in this research is the case study approach. Based on this approach, this study aims to analyze the economic empowerment program directed by LAZISMU through UKM of BMW program using Islamic philanthropic fund (ZISWAF) by PDM Surabaya city.

Research respondents are management, escort assistant of LAZISMU Surabaya business and business partners as primary data source taken by chosen (purposive) and other documents related to research as the secondary data source. Data collection is done by interview, observation, and documentation. Data analysis is qualitative through three stages: data reduction, display data, and conclusion drawing/verification. By going through the three stages of work it wants to reveal the typology of Aisyiyah movement of Feminism in community empowerment conducted by PCA (Muhammadiyah women leadership) Krembangan.

ISSUE

Through this research, the researcher intends to analyze the management of Islamic philanthropy fund (ZISWAF fund) collected by LAZISMU PDM (Regional Leader of Muhammadiyah) Surabaya City in an effort to empower informal micro enterprise through Micro Finance Unit program (UKM) of BMW (Bina Mandiri Entrepreneurship).

ZISWAF AN ISLAMIC PHILANTHROPIC

i. Zakat Optimization

Simple logic like this, Indonesia as a granary of Muslims, at one of Islam pillar, is the obligation of *zakat*, but in reality the poor people who are quantified by BPS are mostly Muslims. Then where is the fault? The religion or the perpetrators of religion?

Historically, since the independence period until 1980, the fact that *zakat* funds have not been able to create the welfare of Indonesian Muslims. This is allegedly due to the 1980-1n management of *zakat* that is not professional, even not touching the realm of the country. It was not until the 1990s that the management of *zakat* professionally began in the early 1990s, which was marked by the founding of YDSF (the charitable foundation of al-Falah) in 1987, Dompot Dhuafa 'Republika in 1993, and Government BAZIS in 1994. In 1997, 11 institutions established the FOZ (Zakat Forum) to become a synergy container among LAZ communities and between LAZ and BAZIS.

In real terms, *zakat* funds can be allocated to overcome the impact of Indonesia's economic development in the debt, unemployment, and poverty, as follows⁴:

- *Zakat* for the Poor. This fund is given as additional income for the poor who reach 31.02 million people to fulfill the needs of life. It is also allocated as a means of empowerment of the poor by giving productive *zakat* by providing *zakat* to build agricultural facilities, industry and education and skills for the poor to get eradicated from poverty. The category of the poor who deserve *zakat* includes orphans who do not have enough inheritance, the elderly, victims of natural disasters, homeless people, abandoned children and many others that should be borne by the state.
- *Zakat* for *Amil* (*zakat* organizer) is allocated for the administration fee and salary for *amil* in developing *zakat*, and used to train and improve their skill to be more professional, so as to be able to develop *zakat* maximally.
- Helping the life of *muallaf* because of their possible economic difficulties due to conversion. Providing the means and funds to help those trapped in crime, immoral, and illegal drugs and helping to create a means of humanitarian rehabilitation is possible because in essence those who are trapped because they have not fully grasped the Islam doctrine as a whole.
- For the riqab (slave) group the current *zakat* funds can be allocated to free the laborers/laborers from the oppressive employers, who consider the workers to be equal to slaves who can be treated at will. Establish an advocacy institution

for TKW / TKI (Indonesian employee) and underage workers who are under contract to obtain justice, and assist trafficking victims who become prostitutes to be free from those who expose them.

- For the Gharimin group (the indebted person), *zakat* funds can be allocated to relieve the debt of debt-racked people, freeing traders from the debt of capital to the bank and so on. Even in macro *zakat* funds is possible to pay debts borne by the state amounting to Rp 1664.43 Trillion. This is possible because what the government has to pay has burdened and reduced the public welfare allocation. Even if the total debt to be paid by the government, charged to the entire population of Indonesia amounted to 237 million people, then every resident of Indonesia will bear the debt of approximately Rp 7,022,911.39.
- In the Fi Sabilillah group, *zakat* funds can be allocated to finance the improvement of the quality of human resources (HR) in order to have quality so as to compete globally. In this case can be done through the help of the development of teacher quality, educational facilities and infrastructure, medical personnel and so on in remote areas and borders, which automatically helps the government in defense cost of national sovereignty.
- *Zakat* funds for the class of ibn sabil can be allocated to help the cost of education of students and underprivileged students in order to continue to get a decent education and quality, so have the skills and ready to compete in the world of work. Provide assistance for victims of natural disasters and other disasters. And provide funds for the traveler who ran out of supplies on the street ([Razavi, Nasirian & Afkhami, 2015](#); [Novikova, et al. 2018](#); [Kenan, 2018](#)).

The allocation of *zakat* funds in the settlement of the impact of development that is less equity will be maximal if *zakat* issues can be decomposed and resolved thoroughly. *Zakat* funds that can be collected and distributed will be larger, thus providing a significant impact on the economic development of Indonesia.

The tangled threads of *zakat* management here cannot be separated from the initial understanding of each individual Indonesian against poverty (as destiny, no mere orientation/orientation, and superficial understanding of covenants), an understanding of the collection, management and distribution *zakat*, the subjects who became the base of the inability of the concept of *zakat* provide significant output for the economic improvement of the people.

The potential of *zakat* owned by Indonesia is an opportunity for the realization of prosperity. But this will be difficult if the community is not given the understanding to create a better understanding of poverty, *zakat* and its use. In addition, the government's role in responding to the development of *zalt* awareness as part of efforts to strengthen the Indonesian economy needs to be improved by realizing a shared vision between the government and *amil zakat*. This needs to be done so that the agenda of empowerment and poverty alleviation can run in synergy and try to involve financial institutions in order to create one unified whole in optimizing *zakat* as social security in society.

ii. Usage of Wakaf for Empowering People

The potential of waqaf owned by the nation of Indonesia is quite large, ie. as many as 2.686.536.565,68 m² spread in 366,595 locations. But unfortunately, the potential has not been well managed so it has not been able to contribute to the Indonesian economy. Therefore, a strategic step needs to be done is to re-register all the waqaf property that has the potential to be empowered. Empowerment can be done by looking at the usefulness and sustainability of the waqaf property. For example, waqaf in the form of schools/madrasah that is not managed to improve and improve the quality of teaching system so that it is expected to produce students (HR) quality.

In addition to the optimization of funds and wakaf property that already exists, then the next effort is necessary to stimulate the color of other Indonesian Muslims to do wakaf. Especially for those who have excessive assets such as entrepreneurs, millionaires, billionaires and even the richest people in Indonesia who have many companies, encouraged to want to Inaugurate some shares of the company and his wealth for the benefit of the ummah.

Along with the progress of the times, the contemporary jurisprudence contained for Muslims who want to cash-waqaf. And of course, the opportunity for all Indonesian Muslims to do waqaf. With the cash waqaf every Muslim can unbundle his wealth with unlimited amount and magnitude. Then the funds can be used to design the empowerment program of the poor by providing financing of micro small and medium enterprises that will grow. Automatic micro-business will be independent because it does not depend on the government nor the high interest of moneylenders. So with the appropriate management of waqaf in addition to being able to empower the poor can also break the moneylender circle that has an effect on the circle of poverty.

Today's cash waqaf is very applicable, as it goes hand in hand with the current rich definition-related conditions. The paradigm of today is changing, the rich people emerging in other-looking Indonesia, its size is not land ownership, but company ownership, investments everywhere, other languages of corporatocracy rulers (controls over the fields of capital accumulation, e.g. media rulers, corporations, company capital and so on). So that cash waqaf is relevant if faced with contemporary conditions that should be offered to them as the rights makers of the poor in their property.

The cash wakaf also opens opportunities for wider community use. For example, with the accumulation of cash waqaf as illustrated above, it can be used to build training and education place in accommodating an active workforce that still not enough skill, hence it can become production machine of qualified human resources so that able to enter formal and proper

job field. In addition, the results of the cash waqf collected earlier can also be built micro-sharia finance institutions, which can be a partner for the poor in terms of collection, borrowing, financing, culture and empowering the Islamic economic spirit, so that in addition to powerless also cut the chain with Loan sharks.

ii. Infaq and Sedekah

The concept of charity that has a broad meaning in Islam gives meaning that infaq and alms are not limited to material gifts, but more than that, alms includes all good deeds, both physically and non- physically. The breadth of this meaning provides an opportunity for Islamic economics through the concept of infaq and alms to contribute more widely to the creation of distributive justice within the Indonesian economy.

The attitude of infaq and sadaqah is an appropriate means to create a society that cares about the bonds of social solidarity because basically every human being is a social being and must realize that he needs others in his life and vice versa because he cannot afford to meet his own needs. If such consciousness is always built, it will undoubtedly lead to new philanthropists capable of sharing not only with wealth but also with the deeds (skills and abilities) they are able to do.

In addition to the government, people are also required to be able to try to find a solution, one of them by establishing social institutions that are able to manage the potential solidarity of society both material and material non-material. If that has been done, then there will be no one of the Indonesian people to be invincible by law, social and economic.

Infaq materially can be given by anyone both individuals and groups. Especially for the upper classes who master the Indonesian economy should be willing to give a little advantage as compensation to, which has been marginalized, not limited to CSR (Corporate Social Responsibility).

While non-material infak and alms in the form of expertise for individuals, or groups/companies can be provided through mechanisms of empowerment for micro-enterprises through cooperation, training, and skills. Cooperation that can be done by companies such as Indofood, Carefour, Indomart, and others can be done by empowering micro-business as a supplier of raw materials or even finished materials with qualifications that have been in accordance with the quality of the company's products. For that, cooperation should also be followed up with training and supervision on an ongoing basis⁸⁻¹⁰.

Through the alms of empowerment, the development of big companies does not kill small businesses and vice versa developments experienced by large companies, can grow and encourage the development of small businesses, thus increasing employment and minimize unemployment. As well as creating equity in the distribution of income that ultimately creates prosperity in society.

Therefore, infaq and alms in the form of non-material are very appropriate with the condition of Indonesian society and the development of the era, in which every individual, both micro and big business requires skill and skill in face of competition. In addition, the cooperation of charity cooperation in terms of individual expertise of professionals has great potential in Indonesia, teachers, doctors (medical) and lecturers, which if able to be distributed equally able to concoct a quality Indonesian human, if disinggungkan with HDI (Human Development Index) then the existence of this skill cooperation can be a catalyst, especially if its distribution reaches the geographical domain, such as in remote and border areas, so that it can become a source of development of Indonesian human resources, which will lead to the alleviation of unemployment, poverty, and more targeted economic development will be realized.

HISTORY OF LAZISMU SURABAYA

Muhammadiyah as an Islamic Da'wah organization establishes various charities of social enterprises, such as orphanages for orphans and the elderly, health centers and schools, which are intended to empower the mustadh'afin and provide educational facilities for the children of poor families. Muhammadiyah was founded and raised from the zakat funds, infaq and shadaqah (ZIS) of the community and its aghniya'. ZIS fund excavation is still partial and sporadic and has not been done systematically and institutionalized more intensively so that the results achieved are less than optimal. ZIS funding like this is not only experienced by Muhammadiyah, but other social organizations at that time also experienced a similar thing. In the end, the Government and the People's Legislative Assembly made Law no. 38 of 1999 on the Management of Zakat as a legal basis for community organizations to explore the source of ZIS funds. Through the Act, the Government provides incentives to the payer of zakat in the form of tax deductions amounting to zakat issued through the Amil Zakat Body and Institution.

In 2007 LAZISMU Kota Surabaya was established and established more precisely on 14 September 2007 with SK from Muhammadiyah Regional Leader of Surabaya City. Legally formal LAZISMU Surabaya is based on LAZIS Muhammadiyah (PP Muhammadiyah) as BAZNAS with the Decree of the Minister of Religious Affairs No.457 / 2002 dated 21 November 2002. It is structurally under the leadership of Muhammadiyah of Surabaya City.

There are some things that behind the establishment of LAZISMU are:

1. The fact that Indonesia is no exception in the city of Surabaya which is still covered with widespread poverty, ignorance and human development index is very low. All of them result in and at the same time due to the weak social justice order. The religion of Islam embraced by the majority of the population of Indonesia requires every Muslim to issue zakat from the sustenance earned and also encourage bershadaqah and ber infaq, to help the poor and the poor.

2. Zakat is believed to be able to contribute to promoting social justice, human development and able to alleviate poverty. As the country with the largest Muslim population in the world, Indonesia has the potential of zakat, infaq, and wakaf which is quite high. However, the existing potentials cannot be managed and utilized optimally so as not to have a significant impact on solving the existing problems. Muhammadiyah views the need for efforts to overcome poverty by optimizing ZIS fundraising, in order to improve the welfare of people who are in poverty and distress. Quite a lot of Muslims who have not paid zakat due to lack of understanding and their knowledge. It is appropriate that the people who receive the abundance of sustenance are motivated and made aware of their religious obligations, ie paying ZIS.

Lazismu Surabaya is still implementing humanity programs, such as Caring for Education, Social Care, Economic Empowerment, Da'wah Fisabilillah, Solidarity of People, Event of Sacrifice, Back to Masjid, Kampung Berdaya and Indonesia Siaga, with various program variants such as; Scholarships, UKM BMW, Business analysis, Youth Entrepreneurship, LAPD, Sankesmas, Baksoskes, Pengajian Pencerah and so on. Well, for the year 2015 is in accordance with the aspirations and proposals that enter it will need to increase the program variants in the field of social and economic empowerment, among others: House Benefits, Ambulance Service and Wiramuda House.

MANAGEMENT AND DISTRIBUTION

LAZISMU here as one of the OPZ managed by private parties, in this case, Muhammadiyah mass organizations have performed their main tasks and functions in accordance with the provisions outlined by the Government. In accordance with Act No. 23 of 2011, which has the following management objectives:

1. Improve the effectiveness and efficiency of services in the management of zakat. Good zakat management will facilitate the steps of a zakat management organization (OPZ) to achieve the core objectives of the zakat itself, which is zakat optimization. By acting efficiently and effectively, OPZ is able to utilize the existing zakat funds to the maximum.
2. Increasing the benefits of zakat to realize the welfare of society and poverty alleviation. The management of Islamic philanthropy funds is intended to fund the ziswaf that is channeled completely to the right people and productive in order to improve the welfare of the community on an ongoing basis. Utilization of zakat for productive things can be done by conducting home industry training, providing business capital loans, providing scholarships to participate in the preparation of human resources of the educated nation, and so forth. Thus, LAZISMU accepts and manages various types of funds, i.e.:
 - Zakat fund
 - Infaq / Shadaqah fund
 - Wakaf fund (cash)
 - Management Fund (amil rights used to finance the institution's operational activities derived from: zakat rights, certain parts of infaq / shadaqah funds, other sources that do not conflict with sharia)

In order to optimize the collection, management, and distribution of ZISWAF, it takes innovative and massive strategies from the upper classes to the middle and low class. People can not only be expected to come to ZISWAF institutions after listening to lectures or sermons in the mosque. Communities need to be convinced that the ZISWAF channeling through ZISWAF is safer, directed according to sharia and on target. Proven with administrative neutrality, accountable and transparent.

The activities of the Administration on Lazismu include: correspondence and filing, including the recording of requests for assistance requests that go to ZISWAF institutions. While the ZISWAF Institute Financial Statements include: Reports on receipt and distribution of ZISWAF, to regulatory agencies and muzakki (publicized in general) on a regular basis. Annual financial report to the LPPL supervisory board PDM Surabaya City. The financial statements in the form of daily cash books and bank books are internal, unpublished but open for review or auditing.

The allocation of ZISWAF distribution from LAZISMU Surabaya city is 100% to the recipient of zakat, infaq and shadaqah distributed to Mustahiq. Distribution is proportioned for both consumptive and productive. ZISWAF distribution activities can be in the form of cooperation with the Muhammadiyah regional leadership council of Surabaya city and conducted by LAZISMU itself. Part for amil is distributed in the form of operational expenses as needed, with a maximum budget platform of 10% of the recipients. The actual needs of ZIS institutional operations are reported periodically to the public every month. Namely through a monthly magazine published by LAZISMU with the main mission of da'wah to diligently donate. As for various kinds of zakat distribution activities:

1. Compensation to the poor to meet daily needs in the form of cash.
2. Benefits for orphans, orphans, neglected children, victims of natural disasters, displaced persons, the elderly, and persons with disabilities from poor families.

3. Education funding assistance for disadvantaged children such as scholarships, SPP payments, committee fees, exam fees.
4. Help school equipment for children cannot afford, for example, school uniforms, textbooks, etc.
5. The assistance of medical expenses, labor, and accidents for the poor, free treatment.
6. Provision of the free ambulance, which is taken from the cash waqaf funds of the muzakki.
7. Mass Massacre for poor children.
8. Aid allowances for mosque and mosque managers (guards, janitors, muezzins and teachers of the Ngaji).
9. Capital assistance for micro small business.

The management of LAZISMU fund that focuses on the analysis of the researcher is the distribution of Islamic philanthropy funds that empower the economics of assisted citizens. Based on data obtained by informants in the field, since UKM BMW program runs in 2010 until now there have been 120 businesses assisted 30 types of businesses that get business capital assistance and additional capital for the continuation of its business. Among the business catfish, nasi pecel seller, rawon rice, design, screen printing, tailor, Muslim clothing business, various fried foods and so forth.

Nominal injection of venture capital averaging 1 million rupiah every effort built, repaid 10 times without any additional cost. The way of granting business capital assistance is done by means of monthly activities together in Muhammadiyah Da'wah building in the city of Surabaya in the form of business and religious coaching to the business partners. In addition, coaching to improve business skills through training to make cakes, meatballs, chicken noodles, and fish livestock and so on. Precisely this coaching is held every Saturday of the fourth week of every month.

In the provision of this capital is not unconditional, capital assistance will be provided to the partner business after passing some verification, either personal partners and business prospects that will and or have been run by business partners. After it was decided to be given venture capital assistance, there are several mandatory attributes that must be installed in one corner of the business given the business capital such as banners and rags LAZISMU. After running the business, more or less every two months, from LAZISMU will conduct a direct review of the business location of each of the assisted partners as an effort to control Islamic philanthropy funds managed by LAZISMU.

In the provision of venture capital, there must be one or two business partners who have not met the expectations LAZISMU. One informant mentioned that about 20% of installments from business partners are not smooth. Surprisingly the average level of education that is not smooth is the business partner who graduated from the graduate level of education (S1). While the business partners whose level of education graduate junior high school/high school smoothly. This data is in accordance with the report of BMW SME Program LAZISMU PDM Surabaya from 2010-2013. These data indicate that the education factor has not determined the level of a person's mandate so that the personality factor (Character) of each prospective business partner is an important consideration.

Based on data reporting of Islamic philanthropic fund distribution (ZISWAF) from muzakki (donor LAZISMU), not more than 2% every month Islamic philanthropy fund collected from muzakki allocated for BMW SME program. Of nominal is very far from the level of needs of the urban poor who are in informal employment, street vendors (PKL) in Surabaya who dominate not yet fully covered.

If calculated on the basis of the allocation of ZISWAF LAZISMU funding funds 100% channeled to mustahik, then from the portion of 100% if the post for poor (40%, including for the empowerment program through SMEs BMW), while for Fii Sabilillah, Ibn Sabil and Amil Approximately 20%. While the portion for the special economic empowerment program through BMW SMEs from the total allocation of 40% ranges from 20% -an. While with a variety of businesses that LAZISMU builds both in the form of street vendors, sellers in the market and so forth are a variety of efforts for economic empowerment programs by LAZISMU people.

Empowerment conducted by LAZISMU spread in the corners of Surabaya, including powerless villages in Kedinding, the area around Mulyorejo and Kenjeran, as well as the area located in Putat, Surabaya. For any management and distribution of ZISWAF funds. If creative efforts in the economic empowerment of the people are carried out by other private institutions more widely and massively in the distribution of wealth derived from ZISWAF funds. So that the economic welfare of the peoples will be achieved.

ANALYSIS OF PHILANTHROPIC ISLAM FUND

Based on data obtained by researchers from LAZISMU assisted in the BMW program is the provision of business capital assistance, either in the form of production tools, interest-free soft loans, and guidance in the area of spirituality.

The LAZISMU supporters, who initially did not have a permanent business field, are in better position by the project. This can be used as a tool to live in Metropolis city of Surabaya. Of course, in doing this great economic empowerment agenda LAZISMU alone, MEK (entrepreneurship economic board) of PDM Surabaya City is also a partner in running UKM BMW program of LAZISMU.

The assistance from MEK here is in the form of networking and back-up of the business fund of the assistant of LAZISMU PDM Kota Surabaya. For example, redemption of the location of some businesses built by LAZISMU. Several informants in this research are school canteen business, with selling of meatballs and light snacks for students at Muhammadiyah school. LAZISMU provides venture capital and production equipment in the form of rosebud meatballs, while MEK PDM Surabaya accompanies LAZISMU in empowering it here by providing land for trading, by leasing land in the school. So as to provide a positive value for the guidance of LAZISMU in running its business, because the market shares are clear and the land is comfortable. Here shows the optimal effort undertaken by LAZISMU in empowering the targeted for their economic welfare.

Elsewhere, LAZISMU's partner business through the BMW SME program is a rice seller located near one PTM in Surabaya. He admitted that the program is very helpful for the continuation of his business after having repeatedly expelled by Satpol PP Pemkot Surabaya. "I am happy to have business capital assistance, with interest-free installment, and also with given allocation," he said. With this effort, the built-in business partners can be independent even though only high school graduates. And some of the existing business partners in Kedinding, Simokerto, Simolawang, and others stated the same thing. Although there is one informant who states that a bit of disappointment because it is rarely visited because the location is far from GDM. However, it does not discourage the spirit of the built-in business partners in expanding their business and following the joint programs held by LAZISMU.

CONCLUSION AND RECOMMENDATION

Management System as well as Islamic philanthropic funding (ZISWAF) compiled by LAZISMU Surabaya city through the UKM BMW program which started in 2010 until now with 120 business achievements still not been said successful. But looking deeper into each of the built-inpartners, this successful UKM program has been successful in empowering their economies, although there is still a lack of mentoring and business control that needs to be an input for LAZISMU. The allocation of Islamic philanthropy funds distribution (ZISWAF) from the muzakki approximately 2% allocated for economic empowerment of the people, the rest is allocated to the program that is consumptive.

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