

Exploring Informal Corruption Through Local Wisdom in Community-Based Zakat Institutions

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Abstract

Community-based zakat management is a critical component of Islamic welfare systems, grounded in participation, social trust, and local wisdom. However, such systems are not immune to informal corruption. This study investigates the forms and drivers of informal corruption in local zakat distribution and examines how local cultural norms may legitimize or mitigate such practices. Using a qualitative approach with a descriptive-analytical design, the research integrates literature review, discourse analysis, and case documentation in Putukrejo village. Findings reveal three major patterns of informal corruption: nepotistic distribution, discretionary deductions by zakat managers, and non-transparent reporting. These are legitimized through patron-client relationships, elite dominance, and uncritical local norms. The study argues for a hybrid governance model combining public deliberation, community-based transparency, and social auditing. Reinvigorating local wisdom as a form of ethical control aligned with Islamic public ethics is essential to establishing a more equitable, participatory, and accountable zakat governance framework.

Keywords: informal corruption; community governance; patron-client

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Introduction

Zakat constitutes a fundamental pillar of the Islamic financial system, encompassing both devotional obligations and a mechanism for promoting social justice through equitable wealth redistribution. Within Muslim societies, zakat serves not only to enhance the welfare of the *mustahik* (eligible recipients), but also to strengthen the spiritual and social bonds between the *muzakki* (donors) and the beneficiaries. Empirical studies have demonstrated that zakat performs a dual function, as a religious practice and as an economic instrument, facilitating the redistribution of resources and reinforcing social solidarity within the community ([Mohammed, et al. 2021](#); [Retsikas, 2014](#)).

Zakat's distribution governance, which usually faces contextual difficulties, especially at the local level, is what determines how effective it is. The discrepancy between Sharia's normative ideals and the realities of field practices is one of the main barriers to its application. According to a number of studies, formal and informal zakat institutions frequently fall short in upholding the values of transparency and accountability. The distribution of zakat in local contexts is often influenced by elite dominance, power dynamics, and the lack of effective social oversight mechanisms. ([Saad, dkk., 2014](#); [Widiastuti, dkk., 2021](#)).

One of the central issues in local zakat management is the phenomenon of informal corruption, a form of deviation not codified in formal regulations but operating through socially embedded mechanisms legitimized by cultural norms. Such practices manifest in various ways, including nepotism in zakat distribution, unauthorized deductions by zakat administrators for personal or group interests, and a lack of transparency in reporting, which collectively obscure public accountability ([Müller, 2017](#); [HalimatusA'Diyah, 2015](#)). These patterns of misconduct indicate that institutional failure is not the sole source of corruption; rather, deeply rooted social norms and patronage networks also play a significant role in sustaining and normalizing their informal practices.

In this context, local wisdom occupies an ambivalent position. On one hand, values such as deliberation (*musyawarah*), mutual cooperation (*gotong royong*), and moral leadership can serve as ethical social controls against deviations in zakat distribution. On the other hand, uncritical adherence to these norms can be easily exploited by local elites to consolidate and maintain their power. Consequently, culturally embedded social control mechanisms risk becoming tools of legitimization for informal corruption—subtle and deeply embedded practices that are difficult to challenge through formal or public means ([Schaeublin, 2019](#); [Weiss, 2020](#)).

However, studies examining the interaction between informal corruption and local social institutions in zakat management remain highly limited. Most research has predominantly focused on technocratic aspects such as zakat digitalization, institutional audit effectiveness, or formal regulatory reforms, without delving deeply into the social structures and power relations that sustain deviant practices in local zakat distribution. Based on this gap, there is an urgent need to develop a critical-analytical and interdisciplinary approach that integrates sociological, ethical, and religious perspectives. This study focuses on exploring forms of informal corruption in local zakat management and analyzing the potential revitalization of local wisdom values as a more ethical and democratic social control mechanism. Using the case of

Putukrejo Village, Malang Regency, this research aims to reveal how zakat practices are implemented not merely as administrative systems but also as products of complex socio-cultural and power structures.

Literature Review

The asymmetric social relations between those who have resources (patrons) and those who rely on them (clients), which are ingrained in mutually beneficial and protracted relationships, are explained by the patron-client theory. These connections frequently involve local elites in the village setting, such as heads of the village or religious leaders, who have the power to distribute resources, including zakat. These patron-client relations are not inherently negative; however, when conducted without principles of justice and accountability, they may become fertile ground for informal corruption.

[Scott \(1972\)](#) identifies such practices as part of the “moral economy,” in which distribution practices are not entirely governed by formal rules but are instead shaped by informal norms and social loyalties. Studies by [Rohman \(2020\)](#) and [Tanjung & Syafruddin \(2019\)](#) reinforce this thesis, demonstrating that zakat distribution in rural areas is often not solely based on the needs of the mustahik but is influenced by personal proximity and loyalty to local elites. Consequently, zakat management is vulnerable to being used as a political instrument and a means of symbolic power by patron groups seeking to consolidate their social position.

Informal corruption represents a deviation of power that is not always explicitly regulated by formal legal frameworks but is instead facilitated through social norms, personal networks, and local cultural practices. [Vannucci \(2019\)](#) presents the idea of “shadow governance” to show how, even in cases where these practices are accepted by society, informal relationships can result in an opaque and unaccountable system of resource distribution. The community frequently does not consider certain zakat management practices to be immoral, such as selective distribution, unauthorized fund deductions, and paying “service fees” to zakat administrators. But these actions go against Islamic ethics and good governance.

[Amaliah \(2018\)](#) categorizes informal corruption as an ethical deviation that is legitimized by a culture of silence. According to a study by [Huda \(2021\)](#), the allocation of zakat and social assistance is frequently connected to regional political networks, which strengthens nepotistic practices within the distribution system. This phenomenon erodes public confidence in local zakat institutions in addition to undermining Sharia principles in zakat allocation.

Though informal corruption is often legitimized by local norms, values such as cooperation, deliberation, and moral leadership can, in fact, serve as social mechanisms to prevent deviations. [Wulandari \(2019\)](#) emphasizes the importance of local moral leadership in establishing a fair and trustworthy zakat governance system. Meanwhile, [Prasetyo and Munir \(2020\)](#) demonstrate that village deliberations and collective participation can strengthen the selection process of zakat beneficiaries (*mustahik*) in a transparent and democratic manner.

However, as [Hadad \(2008\)](#) and [Zainuri \(2010\)](#) show, these ideals frequently remain purely symbolic and unsubstantial, especially when local elites are able to control

religious and cultural narratives to suit their own agendas. Therefore, the development of accountable and participatory mechanisms must go hand in hand with the reinforcement of local values as a social control mechanism.

A number of theories are used as the framework for analysis to understand how complicated informal corruption is in local zakat management:

a. Clientelism and Patronage Theory

This theory, which was developed by [Scott \(1972\)](#), highlights the unequal exchange relationship between clients and patrons. Because distribution decisions are made based on personal connections rather than actual needs, these relationships frequently deny vulnerable groups access to their rights in the context of local zakat.

b. New Institutional Economics Theory

North (1990) asserts that cultural norms, traditions, and other informal institutions have just as much of an impact on economic behavior as do formal institutions. Within zakat management, local norms can legitimize corrupt practices that are perceived as “not wrong” because they have become embedded in the local culture.

c. Principal-Agent Theory

As described by [Susan Rose-Ackerman \(1999\)](#), corruption arises when agents (zakat administrators) abuse the trust placed in them by the principals (*muzakki* or the community) due to weak oversight and information asymmetry.

d. Good Governance Theory

According to UNDP (1997), good governance requires transparency, accountability, and participation. When these principles are not upheld, significant opportunities arise for informal corruption to flourish.

e. Islamic Ethics and Accountability Theory

Chapra (2008) emphasizes that zakat is an amanah (trust) that needs to be administered in accordance with morality and fairness. Even though they are frequently covered up by religious narratives, informal corruption practices are obviously in opposition to Islamic ethical values.

f. Moral Economy Theory

According to [Scott \(1976\)](#), moral principles and market rationality both influence community economies. When zakat is distributed unjustly, the community feels that its collective values have been violated, which can provoke latent social resistance.

Existing studies on zakat have predominantly focused on formal aspects such as zakat information systems, audits, or regulatory effectiveness. However, the informal dimensions, including a culture of silence, social relations, and local politics, have not been sufficiently explored. [Yusuf and Andriani \(2022\)](#) draw attention to a gap in the literature that links local customs and culture to zakat distribution practices. This disparity causes a gap between the normative framework of national zakat policies and the realities at the local level, which are influenced by unofficial practices.

Research on informal corruption in local zakat management becomes important in this context because it offers a contextual perspective rather than merely a normative one. By understanding the sociocultural causes of informal corruption, it is possible to

develop anti-corruption programmes that are more locally sensitive, community-based, and not exclusively reliant on state laws.

Research Methodology

This study employs a qualitative approach with a descriptive-analytical design. This approach was chosen to deeply explore complex and meaning-laden social phenomena, particularly those related to local zakat management practices in Putukrejo Village. A qualitative approach provides ample space for the researcher to understand social realities from the perspective of local actors (emic), rather than relying solely on a predefined theoretical framework (etic) (Creswell & Poth, 2018). This is particularly important because zakat practices at the community level are not governed exclusively by formal systems but are also shaped by distinctive local cultural values, social norms, and power relations.

A descriptive-analytical design was employed to systematically and thoroughly organize data, aiming to explain and analyze patterns of informal corruption that are legitimized through social norms and local cultural symbols. This approach is not intended to generate statistical generalizations, but rather to uncover the social configurations that underpin zakat distribution practices, and to identify how informal institutions function as arenas for negotiation between public ethics and elite interests. Consequently, this study is exploratory-critical in nature and is intended to develop a contextual understanding framework of local zakat realities.

Putukrejo Village was selected as the primary research site due to its representative characteristics in community-based zakat management. This village exhibits prominent features in terms of social participation, vibrant patron-client relationships, and informal zakat distribution mechanisms. The unit of analysis in this study is local zakat practices, which encompass management structures, distribution processes, actor dynamics, and the accompanying socio-cultural values.

Data collection was conducted through three principal methods: (1) literature review to understand the concepts of governance, local wisdom, and informal corruption from an academic perspective; (2) discourse analysis of the narratives and rhetoric employed by zakat managers and community leaders in defining the rights and eligibility of mustahik; and (3) case documentation, including recordings of zakat distribution practices, minutes of community meetings, and observed reports. These three methods enable the researcher to obtain a holistic understanding of zakat as a social practice, rather than merely an administrative religious activity.

The validity of the data in this study was ensured through methodological triangulation and source triangulation (Lincoln & Guba, 1985). Methodological triangulation was performed by comparing the results of literature studies, discourse analysis, and case documentation to obtain consistency of findings. Source triangulation was conducted by cross-checking information from various actors, including religious leaders, zakat administrators, and zakat recipients (mustahik). Data analysis was carried out inductively, reflectively, and concurrently with the data collection process (Miles, Huberman, & Saldaña, 2014).

Results and Discussion

This study aims to explore the forms, causes, and implications of informal corruption practices in the management of local zakat, concentrating especially on Putukreja Village, which serves as the case study location. In this situation, informal corruption functions covertly within the deeply ingrained social and cultural norms of the local community rather than necessarily breaking clear statutory laws. This situation makes such abnormal behaviors appear "normal" to the community, even though they seriously compromise the distributive justice tenets of the zakat system.

Based on the results of observations and an in-depth literature review, three main forms of informal corruption have been identified in the management of local zakat, as presented in Table 1.

Table 1. Forms of Informal Corruption in Local Zakat

No	Form of Informal Corruption	Description
1	Nepotism in zakat distribution	Distribution of zakat funds is prioritized for relatives or supporters of local elites
2	Deductions from zakat funds	A portion of zakat funds is deducted for personal of group interests
3	Lack of information disclosure and reporting	There is no public reporting or transparency regarding the distribution of zakat funds

Source. Adapted from [Supranoto \(2018\)](#)

These findings indicate that informal corruption operates within a framework of asymmetric and covert social relations. Such relations are often legitimized by unwritten local norms, as elaborated by [Scott \(1972\)](#) through the concept of the moral economy. These practices do not emerge suddenly but rather grow from social structures that facilitate the dominance of elites over resources, including zakat funds. The dominance of local elites serves as a key explanatory factor for why the distribution of zakat tends to be undemocratic. The elites exploit their social and political authority to direct zakat funds according to their own preferences. This aligns with the concept of elite capture, in which social programs are monopolized by a small number of powerful actors ([Platteau, 2004](#)).

Nepotism in zakat distribution emerges as one of the most prominent forms of corruption. In many cases, zakat beneficiaries are not those who are most economically disadvantaged, but rather individuals with social or political ties to influential local figures. The prevailing patron–client patterns reveal that zakat distribution is frequently utilized as a patronage instrument rather than as a mechanism of empowerment. [Scott's \(1972\)](#) study of political patronage is particularly relevant in elucidating how zakat is employed as a tool to sustain symbolic power and social influence by local patrons. Furthermore, the practice of deducting a portion of zakat funds by administrators represents another form of deviation that is informally legitimized. Even though this practice violates the public accountability principles in the management of religious funds, it is frequently disguised as "service fees" or "reciprocal donations" for zakat administrators. The absence of transparency is a third manifestation. There is no evidence of public reporting mechanisms or citizen audits. This reinforces the assumption that local zakat institutions not only lack adequate

regulation but also suffer from weak social oversight. According to principal-agent theory, this situation reflects a failure of oversight by the public (as principals) over zakat administrators (as agents) ([Rose-Ackerman, 1999](#)).

Management of Zakat in Indonesia exhibits institutional dualism: on one hand, there are formal institutions such as BAZNAS (National Amil Zakat Agency) and LAZ (Amil Zakat Institutions), which are legally regulated under UU No. 23 of 2011; on the other hand, there are informal, community-based zakat practices that have evolved organically, particularly in rural areas. Local zakat is typically managed by informal actors at the community level, such as religious leaders, neighborhood heads, or faith-based social groups. The main benefit of this model is that the muzakki (zakat payers), amil (zakat managers), and mustahik (zakat recipients) have strong emotional ties and trust in each other. Local zakat is often more responsive to the needs of the community because it is based on social proximity and communal solidarity. On the other hand, BAZNAS and LAZ have benefits when it comes to consistent governance, regular reporting, and government oversight. Formal procedures such as information system-based reporting, financial auditing, and the integration of mustahik-muzakki data constitute the core strengths of these institutions (BAZNAS, 2022). However, formal institutions often encounter challenges in reaching rural communities that retain strong informal cultural practices.

Furthermore, a comparison between local zakat institutions and formal institutions such as BAZNAS and LAZ reveals significant disparities in terms of accountability and transparency. Although a local zakat institutions demonstrate greater social responsiveness, they lack the administrative standards and oversight mechanisms required by modern governance frameworks. Table 2 below summarizes these comparisons.

Table 2. A Comparative Analysis of Local Zakat and Zakat Institutions

Aspect	Local Zakat	BAZNAS/LAZ
Operational basis	Social relations, customary norms	National laws and re
Transparency	Minimal, informal	High (financial reports/audits)
Community participation	High, organic	Low, formalistic
Risk of informal corruption	High (nepotism, elite dominations)	Relatively lower
Contextual responsiveness	Very high	Moderate to low

By examining the structure, it can be understood that local zakat presents a dilemma between responsiveness and governance integrity. A trust-based governance system creates opportunities for elite domination, particularly when social norms are invoked to justify deviance. A study by [Bakti and Masyhudi \(2022\)](#) indicates that the

effectiveness of zakat distribution by BAZNAS is significantly influenced by institutional capacity and digital literacy, while local zakat governance relies primarily on social trust. However, Local models are often open to informal corruption because they lack effective means of ensuring that individuals are accountable.

The low level of accountability within local zakat institutions is made worse by the limited practice of transparent reporting regarding the use of zakat funds. Serious repercussions of this practice include apathy, a drop in public confidence in zakat management, and a lack of community involvement in oversight procedures. This situation generates a negative cycle in which reduced public participation increases the potential for elite manipulation, ultimately eroding the legitimacy of zakat institutions. This phenomenon aligns with the concept of elite capture as elaborated by [Platteau \(2004\)](#), where a small number of people with power and political access monopolize community resources. Such actions run counter to the UNDP's recommended standards for good governance (UNDP, 1997), which emphasize transparency and public participation in resource management. The dominance of local elites emerges as the most salient structural factor: religious leaders, village heads, or informal zakat managers often exercise absolute authority in determining zakat beneficiaries. In many cases, local zakat institutions lack democratic structures or mechanisms for community oversight, contributing to a perception of low trust ([Yusuf & Andriani, 2022](#)).

In moral economy theory by [Scott \(1976\)](#), injustice is accepted in the name of social stability in this situation, which is a reflection of a symbolic exchange between society and elites. Informal corruption is further supported by the lack of auditing procedures or community-based forums. Community members are not included in the planning or assessment phases of the zakat distribution process, which is carried out in a closed fashion. As a result, zakat institutions are far from the ideals of democratic participation and are susceptible to manipulation.

The decline in public confidence in zakat institutions is the main effect of informal corruption practices. People often stop participating in the group process and stop using community mechanisms to channel their zakat contributions when they learn about unfair practices or abuses in zakat distribution. This apathy and skepticism lead to a weakened transformative capacity of the zakat institutions themselves. Furthermore, low levels of community participation create a negative cycle in which elites gain increasing freedom to act without social oversight, while the public becomes further excluded from decision-making processes. This condition reinforces social inequality and impedes the development of community-based governance systems.

In order to establish a robust and transparent zakat system, it is essential to develop a hybrid institutional model that integrates traditional participatory values, such as deliberation, with ideas from contemporary governance, like public accountability and social auditing. This model can be developed using three pillars:

1. Deliberate Participation

Deliberative participation is used to decide as a group on distribution priorities, the evaluation of the zakat program, and the requirements for zakat beneficiaries (mustahik). This pillar strengthens social legitimacy and minimizes elite domination. A study by [Prasetyo and Munir \(2020\)](#) documented the success of village-level deliberative forums in enhancing the fairness of zakat distribution in East Java.

2. Public Accountability

Zakat should be managed through a publicly accessible reporting mechanism, including a list of beneficiaries (*mustahik*), the amount of funds distributed, and the management of operational funds. Such transparency enhances trust and encourages community participation in oversight. A community-based digital dashboard can serve as an effective instrument for this purpose. This approach aligns with the principle of accountable administration in responsive and open public governance ([Bovens, 2007](#)).

3. Social Audit

Social audit is a community-based evaluation process of zakat management, not limited to professional auditors. It is conducted periodically and participatively, involving civil society groups and independent figures. Social audit functions as an informal control mechanism grounded in moral and local cultural values but is systematically organized. This model is adapted from the social accountability approach introduced by the [World Bank \(2004\)](#) for the public service sector.

This hybrid institutional model has been tested in several regions, such as Aceh (Saifudin & Amri, 2020) and Lombok (Wulandari & Subekti, 2021), using a zakat-based approach grounded in *syuro* and community-based transparency.

This finding underscores the importance of integrating informal institutional approaches into the study of zakat policy. As highlighted by [Vannucci \(2019\)](#), informal norms such as loyalty, mutual assistance, or religious symbols are often employed to justify practices that are morally and ethically deviant. Informal corruption is not merely a legal deviation but a reflection of an imbalanced power structure, a culture of silence, and weak community empowerment. Therefore, efforts to reform zakat governance must consider local contexts, social conventions, and the unofficial hierarchies of power that underlie routine zakat activities.

Particularly in complex local contexts, an integrative theoretical framework is required. For the analysis of these issues, three primary approaches are relevant: the Theory of governance, the theory of informal institutions, and Islamic public ethics. This literacy is essential to prevent communities from continually accepting deviations from these principles as normal. Villages should establish open deliberation forums to define the criteria for *mustahik* (eligible zakat recipients), audit the performance of zakat institutions, and engage the community in regular evaluations. Collective participation will foster stronger social control. Zakat institutions should adhere to good governance principles, including accountability, transparency, and fairness. Strengthening local regulations and community oversight is necessary to prevent elite domination.

Conceptually, an effective strategy for the reform of zakat institutions must incorporate Islamic ethical principles, informal institutional dynamics, and contemporary governance theory. A zakat system that is not only administratively effective but also socially and morally just can arise as a result of this integration. An integrative theoretical framework is necessary to comprehend the dynamics and difficulties of zakat management, especially in complex local contexts. The analysis of these issues can be done using three primary approaches: governance theory, informal institution theory, and Islamic public ethics. Together, these approaches help to explain the structural, cultural, and normative aspects of zakat practice. Governance

theory evolved as a result of the difficulties in running the public sector and the growing demands for transparency and accountability. According to UNDP (1997), good governance is characterized by four key principles: transparency, accountability, participation, and effectiveness. These principles are highly relevant to the management of zakat, as zakat represents public funds derived from religious obligations but managed for social purposes. Zakat distribution must be equitable, accountable, and founded on community involvement in order for governance principles to be applied. This implies that the community is positioned as active participants in planning, execution, and oversight rather than just as passive recipients (policy objects). Without these tenets, zakat distribution runs the risk of undermining its focus on justice by turning into a tool of power for particular groups. Governance theory thus provides a structural framework for building a zakat system that is clean, responsive, and inclusive of the needs of the *mustahik* (zakat beneficiaries). While formal governance emphasizes regulatory and administrative structures, informal institution theory highlights the role of unwritten social norms that are binding in everyday life. According to North (1990), informal institutions encompass conventions, customs, values, and norms that exist in society and shape behavioral expectations. Helmke and Levitsky (2006) further classify informal institutions as rules that can reinforce, undermine, or even replace formal institutions. In the context of local zakat management, informal institutions play a significant role in determining who is deemed eligible to receive zakat, how distribution is carried out, and who is trusted to manage it. Rather than governmental regulations, values like patron-client relationships, social loyalty, religious symbols, and mutual cooperation (*gotong royong*) are frequently used as primary references. Informal institutions are strong because they are sensitive to community dynamics and close to local culture. However, informal institutions can also justify corrupt practices like nepotism, discrimination, and abuse of power if they are not critically examined. Therefore, informal institution theory is essential for understanding how deviant practices can persist “without conflict,” as they are perceived to align with local norms.

Zakat, from the Islamic perspective, is not merely an act of obligatory worship but also embodies a profound sense of social responsibility rooted in the concept of *amanah* (trust). Therefore, the management of zakat should not be confined solely to administrative compliance but must be anchored in the public ethical values of Islam, such as justice, moral integrity, and *maslahah* (public welfare) ([Chapra, 2000](#)). In Islamic ethics, zakat administrators are regarded as bearers of a moral obligation to uphold the rights of the beneficiaries (*mustahik*) and to ensure that the distribution of funds is free from personal, political, or group interests. Justice is the norm in all distribution procedures, and *amanah* means maintaining trust. In addition, Islamic public ethics expressly forbids any kind of misuse of power in the administration of public funds since it not only transgresses religious precepts but also erodes the social trust that forms the cornerstone of the zakat system. Consequently, this theory serves as a critical normative component that complements governance and informal institutional approaches with the dimensions of value and spirituality (Siddiqi, 2004).

These three approaches to governance, informal institutions, and Islamic public ethics can be integrated into a complementary analytical framework. Islamic public ethics offers a moral basis and highlights justice as a key component of zakat governance. The theory of informal institutions explains social realities and local

contexts, while the theory of governance offers a universal framework and guiding principles. By combining these components, the formal-informal divide in the analysis of local zakat management can be bridged, and a more comprehensive understanding of zakat as a sociopolitical and spiritual phenomenon that requires a multifaceted approach can be achieved.

Conclusion

Based on the analysis presented in the discussion section, it can be concluded that the practice of zakat management in Putukrejo Village is still substantively entangled in various forms of informal corruption that are hidden yet systemic. Although formally it does not violate written laws, this practice undermines the principles of distributive justice in zakat and has a negative impact on community trust and participation.

Informal corruption is not merely a reflection of individual behavioral deviation; it also manifests as a product of power relations, social norms, and inequitable access to zakat resources at the village level. Therefore, the governance of zakat must be clean, fair, and participatory, and it should incorporate considerations of cultural factors, social structures, and the position of local elites within the community.

Overall evaluation of the program indicates that:

1. Forms of informal corruption.

Three main forms of informal corruption were identified:

- Nepotistic distribution: The allocation of zakat funds is based on social or political ties rather than on the actual needs of the recipients (*mustahik*).
- Zakat fund diversions: A portion of the zakat funds is diverted by zakat managers for personal or group of interests, informally justified as “operational costs” or “service fees” for the *amil*, without any public accountability.
- Information opacity: There is no public reporting, community involvement, or transparency in the zakat distribution process.

2. Factors contributing to informal corruption.

Informal corruption is a manifestation of an unbalanced local power structure rather than being the exclusive product of individual wrongdoing. The community is placed in a subordinate position with little access to information and few channels for criticism due to the dominance of local elites within zakat institutions. Low levels of social and legal literacy, patron-client relationships, and symbolic allegiance to religious leaders all contribute to the community's inaction against these wrongdoings.

3. Socio-cultural dynamics legitimizing the practice.

Local values such as cooperation (*gotong royong*) and deliberation (*musyawarah*), which, in theory, ought to act as moral restraints, frequently devolve into meaningless rituals. Instead, inequities in the distribution process are hidden through the use of social relations, religious narratives, and cultural symbols as normative legitimization. Because of this, these practices continue without community pressure to change them or efficient oversight systems.

4. Contextualized anti-corruption strategies.

In response to this reality, zakat institutional reform strategies must be tailored to local contexts. Recommended approaches include:

- Enhancing social and religious literacy to foster awareness of justice and accountability principles in zakat management.
- Establishing inclusive and participatory public deliberation forums that involve independent figures outside the local power networks.
- Promoting transparency and open reporting, including public access to *mustahik* and *muzakki* data via digital platforms or community mechanisms.
- Implementing community-based social audits as informal oversight mechanisms that are culturally adaptive yet uphold principles of governance.

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