



# Sharia principles in counternarratives of charity-based terrorism financing

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## Abstract

**Purpose** – This study aims to formulate a sharia-based counternarrative framework to address charity-based terrorism financing while reducing the suspicion and stigmatization of Islamic philanthropic institutions within the Countering the Financing of Terrorism (CFT) regime. It seeks to bridge the gap between terrorism financing scholarship and Islamic philanthropy by offering a normative model that strengthens institutional legitimacy and enables the public to distinguish between credible charitable organizations and high-risk fundraising entities.

**Methodology** – This qualitative library study draws on academic literature on terrorist financing and Islamic philanthropy, as well as relevant policy and regulatory frameworks in Indonesia. Through conceptual synthesis and normative analysis, the study integrates key Sharia principles governing zakat, infaq, and shadaqah into a structured counternarrative framework.

**Findings** – The study finds that dominant approaches to countering terrorist financing largely emphasize legal compliance and risk-based regulation, whereas existing counternarrative frameworks—particularly religious moderation—focus on interfaith harmony and ideological tolerance. These approaches inadequately address how humanitarian appeals are exploited in charity-based terrorist financing. To respond to this gap, the paper formulates a normative model grounded in six sharia principles: *ukhuwwah*, *adalah*, *ri'ayah*, *maslahah*, *tawazun*, and *shumuliyah*.

**Implications** – Embedding these principles within counternarratives can strengthen public trust, reduce the stigmatization of Islamic charities, and support clearer differentiation between legitimate philanthropic institutions and exploitative fundraising entities.

**Originality** – This study bridges terrorism financing research and Islamic philanthropic ethics by shifting the discourse from securitized compliance toward legitimacy-based counter-narrative construction in the Indonesian context.

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## Introduction

Countering terrorist financing (CTF) has been a pillar of global counterterrorism since the terrorist attacks of September 11, 2001, although CTF efforts pre-date these attacks (Davis, 2024). Terrorism financing refers to a practice whereby money is acquired through various means such as donations or money laundering and funneled to support or promote terror activities (Honga et al., 2025). Financial capital allows terrorist groups to recruit members, maintain organisational structures, and

support logistical operations necessary for carrying out attacks (Zahari et al., 2024). Without adequate financial resources, the operational capacity and expansion of terrorist networks would be significantly constrained (Ismail et al., 2025). Consequently, disrupting financial flows has become a key strategy in global counterterrorism efforts, giving rise to expansive regulatory regimes such as anti-money laundering and counter-terrorism financing (AML/CFT) frameworks. These regimes have produced a complex regulatory landscape that fosters transnational cooperation through financial intelligence networks, reshapes banking compliance practices, and expands the capacity of law enforcement agencies to detect and intervene in potential terrorist plots (de Geode, 2018).

Among the various mechanisms of terrorist financing, the potential exploitation of charitable organizations and non-profit entities has attracted increasing international attention. Research has shown that many Islamist organizations rely heavily on charitable donations as a major source of revenue, while also mobilizing financial support through diaspora networks and membership contributions (Freeman (2011). Charitable institutions typically operate through public donations and humanitarian appeals that mobilize moral obligation and solidarity among potential donors. While these mechanisms are vital for supporting social welfare initiatives, they may also be vulnerable to manipulation by extremist actors seeking to exploit humanitarian sentiments for fundraising purposes (Khoirunnisa, 2025).

Fundraising activities conducted through religious events, intermediary collectors, and structured donation campaigns have been identified as possible channels through which funds can be diverted to support extremist networks (Zahari et al., 2024). The rapid expansion of donation-based crowdfunding platforms further complicates the landscape, as such systems depend largely on individuals' emotional engagement with humanitarian causes rather than predictable revenue streams, making financial monitoring more difficult (Farber & Yehezkel, 2024). Consequently, recent studies suggest a growing shift toward exploiting charitable donations and abusing non-profit organizations (NPOs) as conduits for illicit financial flows, a trend that significantly complicates detection and regulatory oversight (Rabitha et al., 2026).

In Muslim-majority contexts, institutions associated with Islamic philanthropy—such as zakat, infaq, and sadaqah—play a central role in social welfare systems; however, they have occasionally been identified in policy debates as vulnerable to exploitation for terrorism financing purposes (Alhejaili, 2025). These practices are normatively grounded in Qur'anic injunctions that encourage believers to cooperate in righteousness and social welfare and institutionalize charitable redistribution through structured mechanisms, such as zakat allocation to designated beneficiary groups (QS 5:2; QS 9:60).

Islamic philanthropy provides both tangible and intangible forms of community support, strengthening social solidarity and welfare mechanisms within Muslim societies (Zaenal et al., 2022). Within the Islamic economic system, zakat, infaq, and sadaqah (ZIS) function as key redistributive instruments aimed at promoting social justice and reducing economic inequality (Astawi, 2025). Productive zakat programs further seek to transform *mustahiq* (aid recipients) into economically independent contributors, reinforcing the developmental role of Islamic charitable institutions (Tulab et al., 2024).

Meanwhile, policy frameworks within countering the financing of terrorism (CFT) regimes frequently portray NPOs as sectors inherently vulnerable to terrorist exploitation. Indonesia's National Risk Assessment (NRA) identifies the diversion of donations through NPOs as one of the most frequently observed domestic terrorism financing methods (Otoritas Jasa Keuangan, 2022). Similarly, Wardhana (2023) notes that recent cases of terrorism financing through NPOs are continually emerging. This regulatory framing reflects broader international concerns regarding the potential misuse of charitable platforms for illicit financial flows. However, such securitized narratives may also contribute to generalized suspicion toward philanthropic ecosystems, particularly those rooted in religious charitable practices.

Several studies provide empirical evidence of how charitable organizations have been exploited as channels for terrorist financing. Freeman (2011), for instance, mentions multiple cases in which charitable institutions were linked to extremist groups, including the Global Relief Foundation and the al-Wafa organization associated with Al-Qaeda, the Holy Land Foundation for

Relief and Development and the Quranic Literacy Institute connected to Hamas, and Benevolence International linked to Chechen militant networks. In the Indonesian context, [Wardhana \(2023\)](#) identifies at least eleven non-profit organizations affiliated with terrorist networks, including the Azzam Dakwah Center and the Hilal Ahmar Society Indonesia.

Further evidence is provided by [Rabitha et al. \(2026\)](#), who show that the financing structure of Mujahidin Indonesia Timur (MIT) evolved beyond the use of personal bank accounts into a more sophisticated arrangement involving a non-profit organization, Yayasan Ummaht Almal Al Khayrah (YUAAK). Studies focusing on organizations affiliated with Jemaah Islamiyah also highlight how humanitarian narratives can be strategically mobilized in fundraising activities. [Khoirunnisa \(2025\)](#), for example, illustrates how Syam Organizer deploys humanitarian appeals to attract public donations, while [Nugroho et al. \(2025\)](#) demonstrate that Syam Organizer and LAZ BM ABA operate through distinct organizational and fundraising mechanisms despite their shared affiliation with Jemaah Islamiyah. Collectively, these cases illustrate how charitable platforms and humanitarian narratives may be strategically utilized to facilitate financial flows for extremist activities.

This situation reveals a fundamental paradox. Islamic philanthropy is normatively constructed as a system designed to promote social justice, welfare redistribution, and ethical financial conduct ([Abd Jalil, 2020](#); [Tulab et al., 2024](#)). Practices such as zakat, infaq, and sadaqah are deeply embedded within religious doctrine and social life, functioning as institutionalized mechanisms for poverty alleviation and community solidarity ([Hendrianto & Elfalahy, 2021](#)). Participation in Islamic charitable giving is primarily shaped by religiosity, institutional trust, and social norms rather than deviant financial motivations ([Rachmawati et al., 2024](#)). However, within the logic of counter-terrorism financing regimes, these same charitable infrastructures may simultaneously be framed as potential channels for financial diversion.

Despite growing regulatory attention to terrorism financing risks in the nonprofit sector, existing scholarship has largely focused on institutional vulnerabilities, regulatory compliance, and financial monitoring mechanisms within counter-terrorism financing regimes. Comparatively little attention has been paid to the ethical and normative foundations of charitable giving itself, particularly within Islamic philanthropic traditions. This oversight is significant because charitable giving in Muslim societies is not merely a financial transaction but ‘a moral practice embedded within religious obligations, social trust, and community solidarity’ ([Abd Jalil, 2020](#)). Empirical studies further show that participation in Islamic charitable giving is largely shaped by religiosity, institutional trust, and social norms rather than deviant financial motivations ([Kasri, 2013](#); [Kasri & Indriani, 2022](#); [Kasri & Ramli, 2019](#); [Rachmawati et al., 2024](#)).

In a different but related policy domain, Indonesia’s contemporary counterterrorism architecture has institutionalized religious moderation as a central normative framework for counter-narratives and counter-radicalization. Promoted by the Ministry of Religious Affairs, religious moderation is framed not as a securitized intervention but as an ethical-religious orientation embedded within everyday religious practice. Grounded in the principle of *wasathiyah*—Islam as *rahmatan lil ‘alamin*—this framework emphasizes balance, justice, tolerance, and the rejection of extremism in both belief and conduct ([Hikmah et al., 2024](#); [Hutagalung, 2023](#)).

Over time, religious moderation has become the dominant paradigm guiding Indonesia’s counter-radicalization efforts across educational, social, and policy institutions ([Prasetyo et al., 2025](#)). It is widely framed as a state-endorsed counter-narrative to intolerance and extremism, closely associated with national commitment, anti-violence principles, and Pancasila values. In practice, this framework has been operationalized through curriculum reform, character education, mentoring initiatives, and literacy programs across formal and informal institutions ([Aprilianto et al., 2025](#); [Arum & Cahyono, 2024](#); [Yasin et al., 2023](#)). Simultaneously, digital platforms have increasingly been utilized as strategic arenas for disseminating moderate religious discourse and countering extremist narratives through online literacy campaigns and institutional partnerships ([Abror & Wahrudin, 2025](#); [Hikmah et al., 2024](#); [Setia & Haq, 2023](#)).

Institutionally, the Ministry of Religious Affairs operationalizes religious moderation through four key indicators: national commitment, tolerance, anti-violence, and accommodation of local culture ([Kementerian Agama Republik Indonesia, 2025](#)). These indicators are reinforced

by broader ethical values such as humanity, justice, social welfare, balance, and constitutional loyalty, constructing moderation as a civic–theological synthesis that seeks to harmonize religious commitment with democratic citizenship in Indonesia’s plural society.

However, while this framework has proven effective in promoting interfaith harmony (*hablumminannas*) and mitigating ideological polarization, its application remains largely pedagogical and attitudinal. Existing scholarship shows that religious moderation is primarily operationalized through education, character formation, digital literacy, and interfaith dialogue (Abror & Wahrudin, 2025; Aprilianto et al., 2025; Arum & Cahyono, 2024; BR et al., 2023; Dodego & Witro, 2020; Fajar, 2024; Hayati et al., 2025; Husna et al., 2025; Jati et al., 2024; Minarti et al., 2025; Nasir & Rijal, 2021; Prasetyo et al., 2025; Ridho et al., 2025; Wardi et al., 2023). The relevance of religious moderation in addressing the structural and institutional dimensions of radicalization, particularly in relation to terrorism financing through NPOs operating under humanitarian banners, remains relatively underexplored.

To address these limitations, this study draws on the ethical principles of Islamic philanthropy—*ukhuwwah* (brotherhood), *‘adalah* (justice), *ri’ayah* (care), *maslahah* (public interest), *tawazun* (balance), and *shumuliyah* (comprehensiveness)—as a normative framework for governing financial and organizational practices (Zaenal et al., 2022). Building on these insights, this study examines how Islamic philanthropic principles can serve as a normative foundation for constructing counter-narratives against charity-based terrorist financing. By situating Islamic philanthropic practices within both ethical and governance dimensions, this study contributes to ongoing debates on how counter-terrorism financing frameworks can balance financial security measures with the protection of legitimate humanitarian and charitable activities.

## Literature Review

### Islamic philanthropy

Islamic philanthropy is grounded in a normative economic ethic that structures both individual conduct and institutional practice. At its core, Islamic economic thought recognizes tauhid—the belief that Allah is the absolute owner of wealth—while humans act as stewards responsible for just and balanced distribution (Karim et al., 2025). Within this framework, economic transactions are governed by ethical principles such as *amanah* (trustworthiness), professionalism, and responsibility (Karim et al., 2025). Acts of charity—particularly zakat—are understood as forms of accountability not only toward fellow human beings (*habluminnās*), including donors (*muzakki*), recipients (*mustabiq*), and managing institutions, but fundamentally toward God (*habluminaallah*) as the ultimate sovereign (Hikmaningsih & Pramuka, 2020).

These ethical commitments are embedded within the broader objectives of Islamic economic law (*maqāṣid al-iqtisād al-islāmī*), which aim to ensure the fulfillment of basic human needs, guarantee equality of opportunity, prevent excessive wealth concentration, safeguard moral freedom, and maintain economic stability (Abdillah & Azzuri, 2022). Doctrinally, Islamic philanthropy falls within the domain of *mu‘āmalah*, where the foundational legal principle is permissibility (*al-aṣl fī al-mu‘āmalāt al-ibāḥah*) unless explicitly prohibited (Hendrianto & Elfalahy, 2021). This principle enables institutional innovation in zakat management bodies, waqf institutions, and contemporary Islamic financial platforms. Philanthropic practice is further animated by motivational-ethical concepts such as *targhib*, *tarhib*, *iḥsān*, and *ikbmah*, situating charity within spiritual accountability and communal solidarity (Abd Jalil, 2020).

Conceptually, Islamic philanthropy encompasses both institutionalized and non-institutional forms, including zakat, infaq, ṣadaqah, waqf, hibah, grants, and endowments (Zaenal et al., 2022). Qur’anic references to *birr*, *‘amal al-ṣāliḥāt*, *kebaya*, and *iḥsān* further reflect the breadth of charitable obligations in Islam (Abd Jalil, 2020; Hendrianto & Elfalahy, 2021). Contemporary interpretations expand categories such as *fī sabillillah* to include education, social welfare, and community empowerment, aligning philanthropic objectives with maqāṣid-oriented development (Tulab et al., 2024). In this sense, philanthropy is not merely voluntary benevolence but a structured redistribution mechanism aimed at socio-economic justice and long-term empowerment. For

instance, productive zakat programs are designed to transform beneficiaries into self-sufficient economic actors (Tulab et al., 2024).

In the Indonesian context, much scholarship has focused on the organizational and managerial dimensions of zakat institutions, particularly governance, accountability, and financial reporting (Astawi, 2025; Ikhsan & Kholifah, 2025). Zakat, infaq, and shadaqoh are often examined as institutionalized financial practices that require standardized accounting systems compliant with sharia principles (Astawi, 2025). Regulatory discussions emphasize the formalization of zakat management through Law No. 23 of 2011 on Zakat Management, which frames zakat administration as a religious obligation best managed through formal institutions to enhance efficiency and social impact (Ikhsan & Kholifah, 2025).

Beyond managerial concerns, a growing normative literature articulates Islamic philanthropy as a value-based system. Zaenal et al. (2022) Islamically, six foundational values are identified: *ukhummah* (togetherness), *adalah* (justice), *ri'ayah* (welfare), *maslahah* (benefit), *tawazun* (balance), and *shumuliyah* (universalism). Similarly, Sari and Sukti (2024) emphasizes sincerity of intention, transparency, amanah, avoidance of riba, prioritization of the needy, and integration of moral-spiritual development alongside material assistance. These studies collectively shift the focus from technical governance to ethical legitimacy.

Empirical research further highlights Islamic philanthropy's socioeconomic impact. Abdullah and Azzuri (2022) demonstrate that zakat distribution contributes to reducing class asymmetries and promoting balanced welfare in Garut, West Java. Using an ARDL analysis, Iskandar et al. (2021) find that zakat significantly reduces poverty in the short and long terms. Wibisono et al. (2024) situates zakat within a broader political economy of charity, illustrating how philanthropic redistribution intersects with governance and welfare regimes.

Existing scholarship on Islamic philanthropy in Indonesia has largely concentrated on three dominant strands: (1) institutional governance and financial accountability, (2) normative-ethical foundations grounded in maqāsid and sharia principles, and (3) socioeconomic impacts. While these studies successfully establish philanthropy as a structured mechanism of redistribution and welfare enhancement, they primarily focus on internal organizational performance, poverty alleviation outcomes, and regulatory compliance. The operation of Islamic philanthropy within securitized environments, particularly under counter-terrorism financing (CTF) regimes that frame certain charitable flows as potential risks, remains underexplored.

### Charity-based terrorism financing

In contrast, within the context of Indonesian terrorism financing scholarship, a growing body of research has increasingly focused on non-profit organizations (NPOs) as sites of financial risk and regulatory concern. The collection of funds through charitable fronts has been identified as a common mechanism within terrorism financing networks. Fundraising activities are often conducted through religious events, humanitarian campaigns, and intermediary collectors who mobilize donations from the general public under philanthropic or humanitarian narratives (Zahari et al., 2024). These practices frequently resemble donation-based crowdfunding models that rely on public sympathy, moral appeals, and voluntary contributions rather than revenue generated through commercial transactions (Farber & Yehezkel, 2024). Because such fundraising mechanisms depend primarily on public trust and emotional engagement, they may provide opportunities for financial diversion when exploited by extremist actors.

Within the Indonesian context, these activities may occur through a variety of legally recognized non-profit organizational structures. Indonesia hosts at least six types of non-profit organizations involved in social and charitable activities, including *yayasan* (foundations), *perkumpulan* (associations), *lembaga amil zakat* (Islamic charity institutions), *organisasi kemasyarakatan* (social organizations), *organisasi kemasyarakatan asing* (foreign social organizations), and *lembaga kesejahteraan sosial* (social welfare institutions) (Wardhana, 2023). While the vast majority of these institutions operate legitimately to deliver social services and humanitarian assistance, their organizational legitimacy and access to public donations may also create vulnerabilities if exploited for illicit purposes.

Drawing on these insights, this study defines charity-based terrorism financing as the diversion or misuse of charitable fundraising mechanisms, philanthropic institutions, or donation-based crowdfunding activities to collect, channel, or transfer financial resources intended to support terrorist organizations, networks, or activities. This definition emphasizes three key elements: the use of charitable narratives to mobilize donations, reliance on non-profit or humanitarian platforms as financial channels, and the redirection of collected funds toward extremist purposes.

Subsequent scholarship deepens this empirical focus by tracing the strategic adaptation of terrorist networks and the evolving role of NPOs within legal financial ecosystems. [Wardhana \(2023\)](#) maps the evolution of terrorist financing strategies, demonstrating how post-2013 networks increasingly rely on legal entities, including registered NPOs, to sustain operations, mobilize resources, and maintain organizational continuity under heightened security pressure. [Yunanto et al. \(2023\)](#) provides an important contextual foundation by documenting how Islamic charities and philanthropic institutions have been misused by terrorist groups. Their study maps the modus operandi of misuse, showing how religious and humanitarian narratives are employed to conceal financing activities related to training, logistics, weapons procurement, and overseas militant travel ([Yunanto et al., 2023](#)).

More recent contributions have shifted attention toward narrative and governance dimensions. [Nugroho et al. \(2025\)](#) contributes to this discussion through a comparative analysis of Syam Organizer and LAZ BM ABA, demonstrating how Jemaah Islamiyah-affiliated NPOs operated differently. Meanwhile, [Khoirunnisa \(2025\)](#) shows how humanitarian narratives are leveraged by NPOs affiliated with terrorist networks to exploit public trust and donor sentiment. [Nanda and Cumbhadrika \(2025\)](#) and [Renaldi and Purba \(2025\)](#) underscore how weaknesses in donation governance and supervision risk normalizing financial flows into terrorist networks.

### Religious moderation as counternarratives

Over the past decade, religious moderation (*moderasi beragama*) has emerged as the dominant conceptual framework in Indonesia's counter-radicalization discourse. The most consistent pattern across studies is the pedagogical orientation of religious moderation. Scholarship overwhelmingly situates moderation within educational institutions—schools, pesantren, universities, and teacher training programs. Recent studies conceptualize moderation primarily as curriculum integration, literacy development, mentoring strategies, and teacher modeling ([Aprilianto et al., 2025](#); [Arum & Cahyono, 2024](#); [Hayati et al., 2025](#); [Wardi et al., 2023](#); [Yasin et al., 2023](#)).

These studies emphasize moderation, which is embedded through classroom discussions, digital literacy programs, interfaith exposure, and character habituation practices. Even when employing different methodologies—qualitative case studies, participatory action research, or descriptive surveys—the operational focus remains consistent: radicalism is treated as an attitudinal deviation that can be corrected through educational intervention. In this paradigm, moderation becomes synonymous with moral cultivation and behavioral balance rather than institutional reform.

A second pattern is the strong alignment of moderation with civic-national ideology. Most studies adopt the Ministry of Religious Affairs' four indicators—national commitment, tolerance, anti-violence, and accommodation of local culture—as the definitional core of moderation. [Aprilianto et al. \(2025\)](#) explicitly frames moderation as a counter-narrative that reinforces loyalty to Pancasila and national unity. [Husna et al. \(2025\)](#) further emphasizes teachers as agents of moderation within a multicultural state framework, while [Nasir and Rijal \(2021\)](#) highlights the institutionalization of moderation through pesantren-based university models.

Finally, the third recurring feature is the use of moderation as a counter-radicalization or counter-extremism strategy. Radicalism is typically conceptualized as intolerance, exclusivism, or ideological rigidity—often exacerbated by digital misinformation ([Setia & Haq, 2023](#)). Consequently, moderation functions as a preventive “inoculation” mechanism against extremist narratives. However, this body of literature largely treats radicalization as a cognitive or cultural deviation rather than a phenomenon embedded within broader institutional, economic, and organizational structures.

## Research gap

Despite growing attention to terrorism financing risks within the non-profit sector, existing scholarship has largely focused on institutional vulnerabilities, regulatory compliance, and financial monitoring mechanisms within the AML/CFT regime (Farber & Yehezkel, 2024; Nanda & Cumbhadrika, 2025; Nugroho et al., 2025; Rabitha et al., 2026; Renaldi & Purba, 2025; Wardhana, 2023; Yunanto et al., 2023; Zahari et al., 2024). These studies predominantly approach terrorism financing from a financial governance or security perspective, emphasizing risk detection, regulatory oversight, and institutional compliance. While such approaches provide valuable insights into structural vulnerabilities within the charitable sector, they tend to overlook the normative and ethical foundations of charitable giving, particularly within Islamic philanthropic traditions.

Recent research suggests that Islamic ethical frameworks may provide important foundations for strengthening financial integrity within counter-terrorism financing systems. For instance, Alhejaili (2025) demonstrates how Saudi Arabia integrates Shari'ah principles into its AML/CFT architecture. In this model, ethical principles embedded in Islamic finance, such as transparency, fairness, and accountability, are aligned with global regulatory standards to reinforce financial governance while maintaining religious legitimacy. Although charitable organizations have been identified as potential channels for terrorism financing due to the risk of donation diversion, Saudi regulators have sought to address this vulnerability by embedding Shari'ah-compliant governance mechanisms within broader financial oversight systems (Alhejaili, 2025).

However, existing scholarship has primarily examined the integration of Islamic ethical principles within Islamic banking and financial institutions; comparatively little attention has been paid to how Islamic philanthropic ethics may function as a normative governance framework for the non-profit sector, particularly in addressing charity-based terrorism financing. This gap is significant because charitable giving in Muslim societies is not merely a financial transaction but a moral practice embedded within religious obligations, institutional trust, and community solidarity (Abd Jalil, 2020; Kasri, 2013; Kasri & Indriani, 2022; Kasri & Ramli, 2019; Rachmawati et al., 2024).

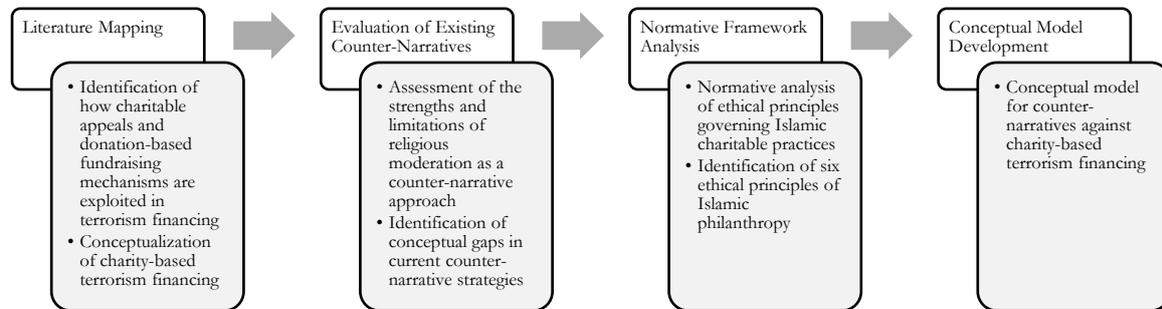
To address this gap, this study adopts Islamic philanthropic ethics as its theoretical framework, drawing on the principles identified by Zaenal et al. (2022), namely, *ukhummah* (brotherhood), *adalah* (justice), *ri'ayah* (care), *maslahah* (public interest), *tawazun* (balance), and *shumuliyah* (comprehensiveness). These principles conceptualize philanthropy as a normative system that governs charitable conduct, institutional accountability, and social responsibility. Within this framework, charity-based terrorist financing can be understood as a deviation from the ethical principles that structure legitimate Islamic philanthropic practices. By applying this normative lens, this study examines how Islamic philanthropic principles can function as a governance framework for strengthening accountability and public awareness within charitable ecosystems.

## Research Methods

This study employed a qualitative library research design to investigate the intersection between Islamic philanthropy and terrorism financing. The research relied on secondary data drawn from academic publications, policy documents, regulatory frameworks, and authoritative reports concerning terrorism financing, Islamic philanthropy (zakat, infaq, and shadaqah), and religious moderation in Indonesia. Regulatory and policy materials were obtained from institutions such as Otoritas Jasa Keuangan (OJK), the Ministry of Religious Affairs of Indonesia (Kementerian Agama), and the Financial Transaction Reports and Analysis Center (PPATK), which oversee financial integrity, religious charitable governance, and anti-money laundering and counter-terrorism financing measures. Sources were selected based on their relevance to two analytical domains: (1) conceptualizations of humanitarian appeals in terrorism financing narratives, and (2) normative principles governing Islamic philanthropic ethics.

The analytical framework was influenced by Zaenal et al.'s (2022) articulation of sharia-based principles of Islamic philanthropy. Previous studies have demonstrated that Islamic ethical principles can be integrated into financial governance frameworks to strengthen integrity and

transparency within counter-terrorism financing regimes. For instance, Alhejaili (2025) examines how Saudi Arabia incorporates Shari'ah principles into its AML/CFT architecture, illustrating how normative Islamic financial ethics can complement regulatory oversight mechanisms. Building on this line of scholarship, the present study extends the discussion from Islamic financial governance to the domain of Islamic philanthropy, using these ethical principles as an analytical lens to examine how charitable institutions may construct counter-narratives against charity-based terrorism financing.



**Figure 1.** Analytical framework of the study  
Source: Conceptual framework developed by the author

Figure 1 illustrates the analytical framework of this study, outlining the sequential process through which the research develops its proposed counternarrative model. The framework begins with literature mapping, which identifies how charitable appeals and donation-based fundraising mechanisms are exploited in terrorist financing and conceptualizes charity-based terrorist financing as a distinct analytical category. This is followed by an evaluation of existing counter-narratives, focusing on the strengths and limitations of religious moderation approaches and identifying conceptual gaps in current strategies. The third stage involves normative framework analysis, where key ethical principles governing Islamic charitable practices are examined, leading to the identification of six core principles of Islamic philanthropy. Finally, these stages culminate in conceptual model development, which formulates a structured counternarrative framework aimed at addressing charity-based terrorist financing while preserving the legitimacy of Islamic philanthropic institutions.

Data were analyzed through qualitative conceptual synthesis and normative analysis. First, the study examined gaps in prevailing counter-narrative approaches, particularly those centered on religious moderation frameworks. Second, it analyzed how humanitarian appeals and charitable narratives are mobilized within terrorism financing mechanisms. Finally, the study integrated six Sharia principles—*ukhuwwah*, *'adalah*, *ri'ayah*, *maslahah*, *tawazun*, and *shumuliyah*—into a structured conceptual model for constructing counter-narratives against charity-based terrorism financing.

## Results and Discussion

### Existing counternarratives framework

Counternarratives have become a central component of efforts to counter violent extremism (CVE) because they seek to challenge the meaning systems that sustain support for terrorism. As Braddock and Horgan (2016), just as a variety of actors can produce and disseminate narratives intended to persuade others to adopt radical viewpoints or engage in violence, narratives can also be constructed to achieve a core CVE objective: dissuading support for terrorism. These counternarratives are designed to contradict the themes that fuel and sustain terrorist narratives and, by extension, weaken the legitimacy and appeal of violent extremist messaging (Braddock & Horgan, 2016).

In the Indonesian context, the dominant counternarrative framework operates largely through the paradigm of religious moderation. As currently formulated by the Ministry of Religious Affairs, this concept emphasizes interfaith harmony, civic coexistence, and the prevention of extremism through an ethical-religious orientation grounded in the Islamic principle of *wasathiyah*

(the middle path) (Kementerian Agama Republik Indonesia, 2025). Across the reviewed literature, religious moderation is consistently linked to values such as balance, justice, tolerance, deliberation, and rejection of *ghulw* (excessiveness), and is operationalized through civic commitments to Pancasila, constitutional loyalty, anti-violence, and the accommodation of local culture (Kementerian Agama Republik Indonesia, 2025). In this sense, Indonesian counternarratives are not framed primarily as securitized rebuttals to extremist propaganda but as state-endorsed moral and civic education designed to align religious commitment with plural coexistence.

This orientation is broadly consistent with international findings on counternarrative campaigns. A systematic literature review by Treacy et al. (2024) shows that much of the alternative messaging developed in CVE campaigns promotes values that are seen as absent from extremist discourse, including diversity, religious freedom, unity, inclusion, integration, tolerance, family values, and education. Many of these themes closely resemble the normative substance of Indonesia's religious moderation paradigm, particularly its emphasis on tolerance, anti-violence, and social harmony.

Treacy et al. (2024) further find that some counternarrative campaigns seek to present a corrective interpretation of "real" Islam in response to extremist messaging, expose the mechanisms of extremist recruitment strategies, provide avenues for disengagement from radical groups, and encourage audiences to develop critical thinking skills to resist manipulation and misinformation. Similarly, Khoirunnisa and Effendi (2025) observe that counternarratives may operate through the rearticulation of Islamic signifiers, whereby key religious concepts are reframed to challenge extremist interpretations and reinforce peaceful meanings. These approaches reflect how counternarratives function not only as rebuttals to extremist discourse but also as pedagogical interventions aimed at preventing ideological polarization and radicalization.

The Ministry of Religious Affairs operationalizes moderation through four key indicators: (1) national commitment, (2) tolerance, (3) anti-violence, and (4) accommodation of local culture (Table 1)(Kementerian Agama Republik Indonesia, 2025). These indicators appear consistently across educational and policy-oriented studies (Aprilianto et al., 2025; Arum & Cahyono, 2024; Husna et al., 2025; Yasin et al., 2023). Moderation is therefore framed not merely as theological equilibrium but as civic-religious alignment with Pancasila, constitutional loyalty, and plural coexistence.

**Table 1.** Indicators of religious moderation

Principles	Definition
National Commitment	Acceptance and support of Pancasila, UUD 1945, NKRI; love of homeland manifested through safeguarding the state
Tolerance	Openness to differences; respect for others' right to belief; tolerance internally, interreligiously, and toward legitimate government
Anti-Violence	Awareness and refusal of violence, including violence committed in the name of religion; compliance with positive law
accommodation of local culture	Recognition that religious expression should engage constructively with Indonesia's cultural diversity; religion does not negate local wisdom

Source: Kementerian Agama Republik Indonesia (2025).

Beyond the four indicators, the Ministry of Religious Affairs also identifies five universal values that form the ethical core of religious moderation which incorporates 1) humanity; 2) public welfare; 3) justice; 4) balance; and 5) constitutional obedience (Kementerian Agama Republik Indonesia, 2025) (Table 2)(Kementerian Agama Republik Indonesia, 2025). These values are framed as universal ethical commitments shared across religions and positioned as the moral foundation of Indonesia's constitutional-religious order, in which religious life is facilitated within Pancasila and the 1945 Constitution, rather than outside or against it (Kementerian Agama Republik Indonesia, 2025).

In practice, the promotion of religious moderation is often articulated through locally grounded interpretations of Islam, such as the concept of *Islam Nusantara*. This concept refers to the form of Islam that has developed within the Nusantara region by integrating Islamic teachings with local cultural traditions and emphasizing a moderate religious orientation(Hanafi et al., 2025).

By harmonizing Islamic doctrine with local values, *Islam Nusantara* promotes tolerance, diversity, and socially moderate attitudes and behaviors (Hanafi et al., 2025).

**Table 2.** Principles in religious moderation

Principles	Definition
Humanity	Respect for human life and dignity across religious differences; grounded in universal ethics (e.g., sanctity of life)
Public Welfare	Religious practice must contribute to public welfare and social benefit, not harm or division
Justice	Equal treatment and rejection of discrimination or excess
Balance	Avoidance of extremes; harmonization between rights–obligations, faith–reason, individual–collective
Constitutional Obedience	Religious adherence must not contradict constitutional commitments and national law

Source: Kementerian Agama Republik Indonesia (2025).

However, existing counternarrative frameworks remain largely attitudinal, pedagogical, and ideological in orientation. While they are effective in promoting values that reject extremism and foster interreligious harmony, they are less equipped to address the “moral economy of giving” that underpins charity-based terrorism financing (Khoirunnisa, 2025). In other words, although religious moderation can discourage intolerance and legitimize peaceful coexistence, it does not directly regulate how humanitarian narratives, religious obligations, and emotionally charged donation appeals may be mobilized to channel funds toward harmful causes. Consequently, a conceptual gap emerges: existing counternarratives address beliefs and social attitudes more clearly than they address the governance of charitable giving. This gap opens space for Islamic philanthropy principles to complement religious moderation by providing a normative framework for evaluating how charitable contributions should be directed, governed, and protected from diversion.

### Principle of Islamic philanthropy

In many counter-extremism initiatives, extremist interpretations of Islam are addressed by reframing Islamic teachings to emphasize ethical principles that reject violence. Studies on counter-extremism messaging show that extremist use of the Qur’an and Islamic practice is often presented as a distortion rather than a representation of “true” or “real” Islam (Treacy et al., 2024). By highlighting alternative interpretations rooted in widely accepted religious values, counternarratives seek to undermine the theological legitimacy claimed by extremist actors. This approach aligns with research showing that narrative persuasion can circumvent psychological reactance, a negative cognitive and emotional response that arises when individuals perceive threats to their freedom of belief or behavior (Braddock & Horgan, 2016). Instead of directly confronting audiences with prescriptive messages, narrative-based strategies can subtly reshape perceptions by embedding persuasive elements within culturally and religiously resonant narratives.

Zaenal et al. (2022) conceptualize Islamic philanthropy as resting on six interrelated Sharia principles: togetherness (*ukhummah*), justice (*‘adālah*), welfare (*ri‘ayah*), benefit (*maṣlahah*), balance (*tawāzun*), and universalism (*shumūliyyah*). These principles collectively demonstrate that Islamic philanthropy is not a purely material redistribution mechanism but a faith-based socioeconomic system integrating theology (*tawhīd*) and jurisprudence (*fiqh*) into practical economic action. As Zaenal et al. (2022) emphasize, philanthropy in Islam is more than voluntary generosity; it is structurally oriented toward social justice and communal cohesion.

The principle of *ukhummah* (brotherhood or togetherness) positions philanthropy as an expression of interdependence within the Muslim community. According to Zaenal et al. (2022), philanthropic instruments and motives are directed toward fostering mutual recognition, cooperation, alliances, and complementarity. This reflects the Qur’anic injunction to “cooperate in righteousness and piety” (Q. 5:2), which frames giving as a collective moral responsibility rather than isolated charity.

Abd Jalil (2020) supports this understanding by situating Islamic philanthropy within the ethical motivations of *ikhwab* (brotherhood) and *iḥsān* (benevolence), emphasizing that giving strengthens social solidarity. Likewise, Hendrianto and Elfalahy (2021) notes that economic conduct within *muʿāmalah* is premised on permissibility and social benefit, allowing institutional forms of cooperation to flourish under Sharia norms. In practice, *ukhummab* transforms philanthropy from a donor–recipient hierarchy into a relational partnership rooted in moral accountability, consistent with Zaenal et al.’s (2022) argument that Islamic philanthropy seeks to avoid perpetuating superior–inferior dynamics. This relational ethic is further reinforced by the concept of *takaful* (mutual guarantee), which operates at multiple levels—family, community, associations, and public charities—ensuring comprehensive social security mechanisms recovery (Yusof et al., 2022). Thus, *ukhummab* establishes philanthropy as an institutionalized form of communal resilience rather than discretionary generosity.

Second, justice (*ʿadālah*) constitutes the normative core of Islamic philanthropy. Zaenal et al. (2022) describes justice as applying to all economic actors—consumers, producers, financial institutions, and beneficiaries. Philanthropy, therefore, is not merely a bridge between the rich and the poor but a structural corrective to inequality. This principle aligns with the Qur’anic command: “Indeed, Allah commands justice (*ʿadl*) and excellence” (Q. 16:90).

The concept of *al-ʿadl* requires economic and social actions to promote public benefit (*maṣāliḥ al-mursalah*). Abdillah and Azzuri (2022) Similarly, argue that Islamic economic law aims to prevent wealth concentration and reduce disparities in income and assets. This redistributive function is particularly evident in zakat, which is institutionally mandated for designated beneficiaries (Q. 9:60). Yusof et al. (2022) Further, describe zakat as promoting equitable redistribution and preserving social harmony between wealthy and poor members of society. Justice in Islamic philanthropy also reflects the prophetic principle of “no harm” (*lā ḍarar wa lā ḍirār*), prohibiting economic actions that endanger others’ rights. Consequently, philanthropy operates as both redistributive justice and preventive harm mitigation, countering structural inequalities that might otherwise generate social resentment or instability.

This paper suggests that counternarratives on charity-based terrorism financing should uphold the principle of *riʿāyah*, which emphasizes welfare and protection. Zaenal et al. (2022) explain that philanthropy should enhance the economic well-being of all parties through inputs, outputs, and long-term outcomes. Welfare here encompasses material security, social protection, and spiritual stability. Tulab et al. (2024) demonstrate this welfare orientation through productive zakat programs aimed at transforming beneficiaries (*mustabiq*) into economically self-sufficient individuals. Rather than perpetuating dependency, Islamic philanthropy seeks sustainable empowerment. Similarly, Yumna and Clarke (2019) highlights how Islamic charity-based microfinance contributes to financial resilience among marginalized communities.

At a broader level, Zaenal et al. (2022) argue that philanthropy contributes to property, facilities, services, and both tangible and intangible assets, strengthening social cohesion and guiding societies toward a welfare state. This welfare dimension reflects the Qur’anic vision of a community in which basic needs—food, shelter, clothing, health, and education—are safeguarded. Thus, *riʿāyah* situates Islamic philanthropy as a socioeconomic infrastructure aimed at long-term communal stability.

Moreover, the principle of *maṣlahah* (public interest or benefit) is essential in crafting counternarratives as it constitutes one of the most foundational evaluative standards in Islamic jurisprudence and Islamic economic thought. Derived from the root *ṣ-l-ḥ* (to be good, proper, beneficial), *maṣlahah* refers to the realization of welfare and the prevention of harm in both the worldly and spiritual dimensions. Zaenal et al. (2022) emphasizes that Islamic philanthropy must generate comprehensive benefits—material, social, and spiritual—for individuals and society at large.

In Islamic finance scholarship, *maṣlahah* has increasingly been used as a corrective lens against purely formalistic Sharia compliance. Djumadi et al. (2025), for instance, argue that Islamic financial institutions often risk becoming trapped in contractual formalism, ensuring compliance at the surface level while failing to realize substantive welfare objectives. Their analysis highlights the need to shift from “legal validity” toward “maḳāṣid realization,” ensuring that financial

practices genuinely contribute to economic justice and social stability. Similarly, [Rachmawati et al. \(2024\)](#) frame Islamic economic instruments—particularly waqf and zakat—within *maqāṣid al-sharī‘ah*, emphasizing that the protection of wealth (*ḥifẓ al-māl*) and protection of intellect (*ḥifẓ al-‘aql*) require proactive governance structures that maximize societal benefit rather than merely preventing procedural violations.

In practice, the principle of *maṣlaḥah* shapes Islamic philanthropy across the redistributive, developmental, and preventive dimensions. Redistributively, zakat prevents wealth concentration among elites in line with the Qur’anic directive that resources should not circulate only within privileged groups (Q. 59:7). Developmentally, philanthropic programs emphasize long-term empowerment rather than dependency, as productive zakat initiatives aim to transform *mustabiq* into economically self-sufficient actors ([Tulab et al., 2024](#)), reinforcing a sustainable welfare model; similarly, Islamic charity-based microfinance strengthens financial resilience, highlighting that the benefit is systemic rather than episodic ([Yumna & Clarke, 2019](#)). This orientation reflects the prophetic maxim, “The best of people are those most beneficial to others” (Hadith, reported by al-Ṭabarānī), underscoring benefit as the ethical benchmark of Islamic economic action. At the same time, *maṣlaḥah* functions as a regulatory safeguard, requiring transparency, auditability, and oversight to ensure that the public good is realized and not diverted into harm; thus, Sharia-compliant crowdfunding mandates halal sources, halal projects, and supervisory mechanisms to prevent misuse ([Novitarani & Setyowati, 2018](#)), framing fund diversion not only as a legal breach but as a failure of *maṣlaḥah* itself.

Counternarratives on charity-based terrorism financing should also emphasize *Tawāḥun* (balance). This principle captures the equilibrium between material and spiritual, public and private, and worldly and hereafter concerns. [Zaenal et al. \(2022\)](#) describes balance as integrating economic activity with social responsibility and moral accountability. [Karim et al. \(2025\)](#) articulates this equilibrium through the recognition of divine ownership (*tawḥīd*) and stewardship of private property. Wealth accumulation is permissible, provided it does not undermine social welfare. This reflects the Qur’anic principle that wealth “may not circulate only among the rich” (Q. 59:7). Islamic philanthropy, therefore, balances individual economic freedom with collective responsibility.

The principle of *tawāḥun* also prevents excessive materialism or ascetic neglect, as it affirms that economic growth and social justice are not mutually exclusive. In governance terms, [Zulqarnain \(2025\)](#) emphasizes that Islamic economic institutions must balance regulatory compliance with substantive ethical realization, ensuring that formal Sharia compliance aligns with moral objectives.

The principle of *shumūliyyah* (comprehensiveness or universalism) reflects Islam’s holistic and inclusive ethical orientation. [Zaenal et al. \(2022\)](#) describes universalism as the obligation to extend philanthropic benefits to all stakeholders without discrimination. This principle is rooted in the Qur’anic characterization of Islam as *rahmatan lil ‘ālamīn*—a mercy to all creation (Q. 21:107)—which situates charitable engagement within a universal moral horizon.

Universalism in Islamic philanthropy operates not only as an ethical abstraction but also as an institutional practice. Zakat and waqf distributions are typically based on socioeconomic vulnerability rather than sectarian or identity-based exclusion, reinforcing inclusivity as a normative standard. [Yusof et al. \(2022\)](#) illustrates how Islamic humanitarian assistance in disaster contexts extends beyond communal boundaries, demonstrating that philanthropic action often transcends intra-group solidarity. Moreover, digital philanthropic platforms, as discussed by [Rasiam et al. \(2023\)](#), aim to enhance transparency and public trust across diverse societal constituencies, further embedding universal accessibility within institutional design.

The universalist orientation of Islamic philanthropy also resonates with Indonesia’s policy framework of religious moderation. [Hikmah et al. \(2024\)](#) conceptualize moderation (*wasathiyah*) as embodying Islam as *rahmatan lil ‘ālamīn*, emphasizing balance, tolerance, and the rejection of extremism in belief and practice. [Hutagalung \(2023\)](#) similarly articulates moderation through principles of justice (*‘adl*), balance (*tawāḥun*), proportionality, and the avoidance of excess (*ghulum*). These values mirror the normative content of *shumūliyyah*, suggesting that Islamic philanthropy—when guided by universalistic ethics—operates as an expression of moderation rather than exclusivism.

### Islamic philanthropy principle for counternarratives

[Khoirunnisa \(2025\)](#) shows that humanitarian appeals in charity-based terrorism financing do not rely on explicit calls to violence. Instead, they use emotionally powerful and religiously framed narratives that present donations as sacred, urgent, and spiritually rewarding. By drawing on Qur'anic verses, hadith, crisis imagery (especially children and water), ritual moments such as Ramadan and Friday charity, and promises of “afterlife rewards,” extremist-affiliated non-profit organizations turn giving into a symbolic performance of piety rather than a carefully examined act of redistribution ([Khoirunnisa, 2025](#)).

This strategy is effective because Islamic philanthropy is already embedded within ethical traditions such as *targhīb*, *tarhīb*, *iḥsān*, and *ikḥwāh*, which frame charity as both spiritually meritorious and socially obligatory ([Abd Jalil, 2020](#)). The broad interpretation of *fi sabilillāh* in contemporary discourse—covering education, welfare, and humanitarian causes—further strengthens the religious legitimacy of donations when presented as service to Islam ([Tulab et al., 2024](#)). Consequently, giving operates within a wider sociocultural ecosystem shaped by routine charitable practice, institutionalized zakat and waqf governance ([Zulqarnain, 2025](#)), strong religious motivation ([Masrini et al., 2023](#); [Rachmawati et al., 2024](#)), and Sharia-compliant digital crowdfunding platforms that may still face oversight gaps ([Novitarani & Setyowati, 2018](#); [Rasiam et al., 2023](#)).

**Table 3.** Islamic philanthropy principles for countering narratives of charity-based terrorism financing

Principles	Definition	Example
<i>Ukḥummah</i> (Togetherness / Brotherhood)	Giving must strengthen ethical solidarity based on righteousness, not factional loyalty or emotional mobilization toward conflict.	<i>Ukḥummah</i> is built through cooperation in goodness, not through anger or division. Our donations must unite communities in peace and shared welfare, not deepen conflict or support harm. True brotherhood protects life and dignity wherever they exist.
<i>‘Adālah</i> (Justice)	Redistribution must correct inequality while preventing injustice and harm. Funds must never contribute to violence or instability.	Islam commands justice ( <i>‘adh</i> ) in every economic act. Charity that harms others or destabilizes society contradicts the spirit of zakat. Before we give, we ensure that our contributions reach rightful beneficiaries and strengthen peace, not destruction.
<i>Ri‘āyah</i> (Welfare / Protection)	Philanthropy must create sustainable welfare and protection for communities, not symbolic or short-term emotional relief.	Giving is about protecting livelihoods, education, health, and dignity. Our programs focus on long-term empowerment so that families become resilient and self-sufficient. Charity is not a moment of emotion—it is a commitment to sustainable welfare.
<i>Maṣlahah</i> (Public Benefit)	All giving must generate measurable public good and prevent harm, aligned with maqāṣid al-sharī‘ah.	Every donation must bring real benefit ( <i>maṣlahah</i> ) to society. We commit to transparency and accountability to ensure that funds protect life, intellect, and welfare. If a cause produces harm or instability, it cannot be considered Sharia-compliant charity.
<i>Tawāzun</i> (Balance)	Balance between spiritual reward and social responsibility; between intention and consequence.	Seeking reward in the hereafter must be balanced with responsibility in this world. Tawāzun reminds us that good intentions are not enough—our giving must be lawful, transparent, and socially responsible.
<i>Shumūliyyah</i> (Universalism)	Philanthropy must reflect Islam as <i>rahmatan lil ‘ālamīn</i> —inclusive, non-sectarian, and beneficial to humanity at large.	Our humanitarian efforts serve vulnerable communities without discrimination. Compassion is not limited by borders, identity, or political narratives—it is guided by universal mercy.

Source: Adapted from Zaenal et al. (2022) and processed by the author.

Within this environment, the line between humanitarian compassion and ideological mobilization becomes blurred. Religious moderation, as promoted by the Ministry of Religious Affairs, provides an important safeguard against extremism. However, it does not sufficiently regulate the moral economy of Islamic giving. Similar applications of Shari'ah principles have been implemented in Saudi Arabia's AML/CFT framework (Alhejaili, 2025). Building on this perspective, the present study proposes that Islamic philanthropy principles can complement religious moderation by providing a more specific normative framework for guiding charitable practice. Table 3 presents an integrated framework that embeds Islamic philanthropy principles within the counternarrative architecture of religious moderation.

Rather than replacing religious moderation, these principles strengthen it by adding clear economic and ethical safeguards to Islamic charitable practice. While religious moderation sets civic and ideological boundaries against violent extremism, Islamic philanthropy principles regulate the moral economy of giving—ensuring that charitable funds are not symbolically or materially diverted toward harmful purposes. This integration also aligns with Braddock and Horgan (2016), which emphasizes that effective counternarratives must challenge the themes embedded in extremist narratives while remaining grounded in the cultural context of the target audience). In the case of charity-based terrorism financing, extremist actors often reinterpret the diversion of public funds not as fraud but as a sanctified redistribution of resources for religious struggle (*iqamat ad-din*) (Rabitha et al., 2026).

Consequently, counternarratives that draw on Islamic philanthropic ethics can directly contest these reinterpretations by reaffirming the normative purposes of *zakat*, *infaq*, and *sadaqah* as instruments of justice, welfare, and public benefit. Such approaches may also be complemented by public awareness initiatives that encourage potential donors, crowdfunding platforms, and financial intermediaries to scrutinize humanitarian appeals more carefully and recognize the risks of terrorist exploitation in charitable fundraising (Farber & Yehezkel, 2024). By incorporating Sharia-based philanthropic ethics into the moderation paradigm, counternarratives move beyond reactive condemnation toward proactive ethical governance of Islamic giving, restoring its normative foundations so that charitable practices function as mechanisms of social justice and collective welfare.

## Conclusion

This study set out to examine the limitations of existing counternarrative frameworks in addressing charity-based terrorism financing and to explore how Islamic philanthropic principles can contribute to a more ethically grounded counternarrative model. The findings show that current counternarrative approaches in Indonesia—particularly the paradigm of religious moderation—primarily emphasize tolerance, national commitment, and anti-violence values. While these frameworks play an important role in mitigating interfaith polarization and ideological radicalization, they insufficiently address the structural and moral-economy dimensions of charitable giving that can be exploited in charity-based terrorism financing. In this respect, the study successfully demonstrates a conceptual gap between the ethical legitimacy embedded in Islamic philanthropy scholarship and the security-oriented discourse dominant in terrorism financing studies.

By synthesizing these two domains, this study develops a Sharia-based counternarrative framework grounded in six Islamic philanthropic principles—*ukhummah*, *'adalah*, *ri'ayah*, *maṣlahah*, *tawāzun*, and *shumuliyah*. These principles collectively reposition charity not merely as a compliance issue within financial monitoring regimes but as a normative socioeconomic institution oriented toward justice, welfare, balance, and universal mercy. In doing so, the proposed framework complements the existing religious moderation paradigm by embedding ethical governance and economic safeguards into the moral economy of Islamic giving. This approach enables a clearer differentiation between legitimate Islamic philanthropic institutions and exploitative fundraising entities that manipulate humanitarian narratives.

This study also has several broader implications. Theoretically, it contributes to counterterrorism financing scholarship by introducing Islamic philanthropic ethics as a normative

analytical lens for understanding charity-based terrorism financing. Practically, the findings suggest that strengthening donor literacy, institutional transparency, and ethical governance within Islamic philanthropic ecosystems may serve as an effective complement to conventional financial monitoring and security-based interventions. Rather than securitizing philanthropy, the framework emphasizes restoring the *maqāṣid*-oriented foundations of Islamic giving while addressing the vulnerabilities exploited in extremist fundraising narratives.

However, this study has several limitations. The research relies primarily on qualitative conceptual synthesis and secondary data sources; therefore, the proposed framework has not yet been empirically tested in institutional or community settings. Consequently, the analysis focuses on conceptual integration rather than evaluating the practical effectiveness of Sharia-based counternarratives in real-world contexts.

Future research should therefore explore how zakat institutions, philanthropic organizations, and digital crowdfunding platforms operationalize Islamic philanthropic principles in their governance practices. Empirical studies examining donor awareness, institutional transparency, and the role of religious authorities in shaping charitable narratives would also provide valuable insights. Comparative research across Muslim-majority countries may further reveal how ethical governance frameworks can complement regulatory approaches in counter-terrorism financing regimes. By strengthening institutional legitimacy and public trust—rather than relying solely on securitization—counter-terrorism financing efforts may more effectively safeguard both public safety and the integrity of Islamic philanthropy.

### **Declaration of generative AI and AI-assisted technologies in the writing process**

The author used ChatGPT and Scopu AI to support language enhancement and literature exploration during the preparation of this work. These tools were utilized to improve the clarity, readability, and overall structure of the manuscript. All outputs generated by these tools were carefully reviewed, verified, and edited by the author. The author takes full responsibility for the accuracy, integrity, and originality of the final content of the published article.

### **Author contributions**

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