



The Change of a Poor Paradigm to a Rich Paradigm Through the NU Coin Movement Process

(A Case Study on the Zakat Infaq and Alms Institution MWC NU Kalidawir, Tulungagung Regency)

M. Yusuf Azwar Anas^{1,2(✉)}, Armanu Thoyib¹, Sudjatno¹, and Risna Wijayanti¹

¹ University of Brawijaya, Malang, Indonesia
yusufazwar9@gmail.com

² Islamic University Raden Rahmat, Malang, Indonesia

Abstract. Poverty is a problem in many countries worldwide. Poverty can be in the form of poor wealth or mental poverty. This study aims to explain changing the poor paradigm to the rich through the NU Coin movement carried out by the amil zakat and infaq institutions of Nahdlatul Ulama. Community movement phenomenon that collects coins or money worth IDR 500 to IDR 1,000 and even more can be followed by a massive community at all levels. A very small value of money becomes unique, and if it is collected many times, it will become a very large financial strength. Massive community involvement in the coin movement can have an impact on changing the behavior of the community itself. A qualitative research approach with phenomenological methods was used in this study. The implementation of coin fundraising conducted by the Nahdlatul Ulama organization in Tulungagung Regency has become a case to be studied, which impacts changing the behavior of people who have a poor paradigm. The NU Coin movement can shift from a poor paradigm to a rich paradigm. The impact of this research reveals that poverty is a paradigm that can be changed so that groups of people who used to feel poor then turn into prosperous because they can give something even though it is small. This paradigm change can be used as social capital to solve various social problems.

Keywords: Poor paradigm · rich paradigm · nu coin movement

1 Introduction

Poverty is a global problem and a worrying phenomenon in the third world, including in Muslim countries. It remains a major world issue as around 40% live below the poverty line, most of whom struggle hard to survive [1, 2]. The 2017 Central Bureau of Statistics (BPS) data showed that poor people in Indonesia are still relatively large, reaching 25.95 million people (9.82%), most of whom are in rural areas [3].

Poverty is a complex problem in development and is multi-dimensional. The problem of poverty is not always financial but also social, cultural, political, and ideological.

The essence of the problem of poverty lies in its shortcomings and limitations. There are five pitfalls experienced by low-income families, namely (1) poverty; (2) physically weak; (3) lack of access; (4) vulnerability; and (5) powerlessness [4]. On a macro level, there are two possible causes of poverty. First, the level of GNP is low, the country is poor, and GNP per capita is low. Second, the unequal distribution of income. A person suffers from poverty for several reasons, including being unemployed, disabled, or born into a low-income family [1]. The culture of poverty is not always the cause of poverty but sees the development of these traits as an adaptation to poor conditions [5].

In general, poverty remains a problem that must be resolved, and solutions are sought so that the ability to meet the basic needs of the community can be realized. Governments carry out poverty alleviation in various countries through various programs [6–9], for example, community involvement such as employment programs for the poor and unemployed [10, 11], and the labor of the poor and unemployed is used to participate in improving the development and maintenance of infrastructure [12, 14]. Investigation of the causes of poverty becomes the basis for reducing poverty so that alternative solutions are right on target. Poverty reduction measures, with public works programs and micro-finance being the most established social enterprises, newer poverty reduction models are gaining more attention [2]. The government can intervene in human and economic capital, empowerment, and social organization as a poverty reduction strategy [14]. The social enterprise will become an excellent poverty alleviation movement in the future [2]. Strengthening social capital and networks is also believed to reduce poverty levels [15]. Poverty reduction strategies carried out by the Indonesian government include the provision of social assistance, compensation for reducing fuel subsidies, the family hope program, and access to education services through the Smart Indonesia Program (PIP) [16]. Poverty reduction strategies carried out by various parties, both private and government, are still not fully able to overcome the problem because the mental health effects of poverty alleviation interventions are still not convincing [17].

Poverty is not only caused by low income but can also by the wrong lifestyle due to consumer debt habits or other things. There are still many people with a poor mentality who expect to be given. Rich and poor are just a person's mentality. Many people who are very limited economically can give. On the other hand, rich people are not necessarily easy to give [18].

Poverty can be seen from the psychological side; namely, mental poverty is an attitude that states that he is always in a state of deprivation even though he has sufficient assets [19]. Thus, this condition remains the burden of the government. This poor mentality will affect the attitude to begging, the phenomenon of rich beggars being arrested in front of a bank in a beautiful cottage, which changes money at the bank once a week for IDR 189 million. [18, 20], or an increase in the number of social assistance recipients when the government registers social assistance recipients. A large amount of data on the poor will increase the financial burden on the government. This shows that some people with mental poverty do not feel enough about their assets.

Changing the mindset is not easy, but that does not mean it cannot be done. Changes in people's mindsets, especially accepting behavior, have been transformed into giving habits, which become a challenge for social entrepreneurs (social entrepreneurs). Social business activists encourage people to get used to sharing or giving alms, even though

they are classified as poor. Building a common view of the community on the virtue of alms into a belief that is carried out voluntarily. This belief becomes a solid ideology to move someone to participate in the sharing or charity movement. The ideology is a religious belief and belief in a religion-based organization.

The community-based development approach is one way of alleviating poverty by involving community-centered and community-oriented communities [21]. The community carries out poverty alleviation by distributing and equalizing income [1]. Poverty alleviation carried out by the community can be realized with the support of social organizations that seek to redistribution of community income [22]. Individual characters who are energetic, persistent, confident, and inspiring others to be involved in social endeavors are the characters needed to change a particular community. The process of social entrepreneurship includes various activities carried out to find and take advantage of opportunities to increase social wealth by creating new businesses or managing organizations innovatively. Social entrepreneurs dare to involve in the process of continuous innovation and adaptation, easy to learn, courageous, do not limit themselves to easily accessible resources, and demonstrate a high sense of responsibility. Social entrepreneurs can combine economic and social growth motivated by long-term social goals.

Islam has values that can change the behavior of its adherents, so that religious beliefs and practices will manifest in collective action [23]. Religious practices become a more accessible medium than individual behavior to promote a joint movement, both collective demands and movements built in the name of religion because the mechanism in religion is the capital to organize a movement [24].

The government uses various mainstream strategies to reduce the number of poverities, such as providing social assistance, creating job opportunities, and providing cash assistance, job opportunities, and national funds. [6–8, 25], and giving zakat [1, 10], all of them also do not get optimal results. A non-mainstream effort to change the mindset of Lazisnu MWC NU Kalidawir through the NU Coin movement. Massive community involvement to get involved in the NU Coin movement impacts changing people's mentality. The NU Coin Movement has been able to change society, which was initially challenging to give, then it is now easy to give, resulting in a behavior change. The NU Coin Movement has built a culture of giving, and the habit of giving is an activity that can be categorized as a rich and ethical person. The NU Coin Movement has involved thousands of people who jointly donate coins so that billions of rupiah have been collected and used to help others [26].

This study aims to explain changing the poor paradigm to the rich paradigm through the coin nu movement carried out by the amil zakat and infaq institution Nahdalatul Ulama MWC NU Kalidawir, Tulungagung Regency. This paper used the theory of social change to build social change and social entrepreneurship theory and used a religious values approach in building community behavior change.

2 Research Methods

This qualitative research used a phenomenological approach; the researcher described the experience of human life about a particular phenomenon described by the participants. Therefore, this study seeks to uncover a particular society/community phenomenon. Phenomenology tries to express individual experiences of an event that is experienced directly, reflecting self-awareness of experiences that are interpreted personally but ignoring experience or knowledge outside the event [28]. Data were collected by in-depth interview technique. The information was collected by recording electronic devices. Data collection was carried out by (1) in-depth interviews, (2) observation, and (3) documentation, as described by [29]. Respondents in this study were parties who understood the process of implementing the NU Coin movement, namely the NU Management in Kalidawir District, the NU Coin Movement Manager, and the congregation who were involved in the NU Coin movement.

3 Results and Discussion

3.1 The Success of the NU Coin Movement

Sobary [42] revealed that the largest Islamic organization in Indonesia and even globally, with approximately 60 to 120 million members, is Nahdlatul Ulama (NU). The NU Coin Movement carried out by the Nahdlatul Ulama (Lazisnu) MWC NU Kalidawir zakat infaq and alms organization has been successfully implemented in the last 5 years by involving NU residents in the Kalidawir sub-district. The coin movement is part of the alms movement by giving a very small amount of money worth IDR 500 or 1,000. The NU Coin Movement is also known as the one-day, one thousand alms movement.

Coin stands for infaq box, but in another sense means loose change. The coins are denominations of money with less than IDR 10,000 and in metal. This fundraising movement is called the NU Coin Movement because the people involved are generally NU residents. NU residents carried out the movement of collecting coins in droves and each house was given a coin box to put coins and do charity. Officers will take Coin boxes every month; collecting NU Coins in Kalidawir District, Tulungagung Regency can collect very large funds. Until 2019, coin collection in Kalidawir sub-district reached IDR 2 billion. The success of the NU Coin movement is supported by a large number of members of the NU organization, which shows that the NU organization has a very large social capital. Social capital is an important factor in building social change in a community [30].

Observing the Lazisnu MWC NU Kalidawir organization in implementing its programs cannot be separated from the role of the organization's management in carrying out its social activities. The NU Coin movement, as one of Lazisnu's flagship programs, has been running for more than 4 (four) years which includes people who have the characteristics of (1) high responsibility, (2) preferring medium risk; (3) desire for success; (4) desire for immediate feedback; (5) has high energy; (6) future-oriented; (7) organizational skills; and (8) value achievement higher than money [31]. In addition, the management has a common awareness of organizational and community problems that must be resolved.

Social capital refers to the characteristics of an organization that includes trust, norms, and networks, which can be utilized to increase the effectiveness and efficiency of people's lives by facilitating collaborative work [32] and organizational development and knowledge sharing [33]. Social capital is one of the most important forces for social organizations because social capital is considered a special dimension that cannot be seen but can be felt, such as cognitive abilities and communication intelligence [34]. Human existence is undoubtedly a determinant that affects social capital formation, experience, cognitive abilities, and personal involvement because human capital strongly influences organizational performance [35]. The success of the NU Coin movement in Tulungagung Regency is carried out by people who have a social entrepreneurial spirit.

Individual characters who are energetic, persistent, confident, and inspiring others to get involved in social endeavors are the characters the managers of the NU Coin movement and agents of change in building community character. Social entrepreneurs can find and take advantage of opportunities to increase social wealth by creating new businesses or managing existing organizations innovatively as a strong character for Lazisnu administrators. The coin (fund) collection movement that involves many communities has been able to provide welfare for other community groups.

3.2 The Process of Building Behavior Change

The theory of change as the basis for managing change is very significant. The proposed theory of change [36, 37] posits the three-step change process (thaw → transform → refreeze) as a classic or fundamental approach to managing change. It has proven to be capable of being implemented by social organizations. The process of building social change is first. The process of awareness or disbursement carried out by members of the organization is more on mental awareness or mental unfreezing; at this stage, the organization presents various phenomena that are able to arouse emotionally weak ideology, dysfunctional leadership, disorientation of organizational goals and ideology even to the point of weak *aqidah*. The unfreezing process in cadre education is an effort to develop motivation by first, showing inappropriate data that causes severe discomfort and imbalance; second, data relationships that are not following important goals and ideals, that cause anxiety and/or guilt; and third adequate psychological security, in the sense of being able to see possible solutions to problems and learn something new without losing identity or integrity. In this process, members experience a learning process on new things [38].

Post-cadre education builds awareness among NU administrators and members, which produces a strong spirit to serve the organization. The step taken as a follow-up to the cadre education program is to create a program to build self-reliance. The board prepared various steps to continue to maintain the enthusiasm and emotions of the members in order to stay on the path of a strong commitment to the organization, the process of changing social organizations, changing group values [38], cognitive restructuring, [36] change, with the process of change, takes place along many different pathways reflecting either new learning, through trial and error based on extensive environmental scanning, or imitation model, based on psychological identification with role models. The administrators and members came up with an idea for one program, namely the NU

Coin Movement. Efforts to build a coin movement begin with a learning process carried out to understand the management process. According to [36], organizational members are in a safe condition to carry out experiments, opportunities for training and practice, and support and encouragement from organizational entities to build a coin movement together.

Lazisnu arranges a work team so that the implementation of the NU Coin movement can be carried out properly according to the objectives. The arrangement of the organization/team is adjusted to the operational needs of the movement in the field. The team includes administration, distribution, collection, and public relations. The socialization and publications in collaboration with the da'wah institution (LDNU) and the Bahsul Masail Institute (LBM) were carried out to the branches/community groups. This strengthening program is carried out to maintain the NU Coin movement's consistency and motivate the NU Coin movement to become a good culture for Nahdliyin residents. Da'wah institutions carry out material for strengthening the NU Coin movement by providing reinforcement sourced from Islamic religious values as teachings and beliefs for Nahdliyin citizens. The management builds a commitment that is religious ideology [39]. Religious rituals increase trust and solidarity between human beings so that Islamic religious values support the coin movement as the basis for building a large-scale movement. The function of religious values recommendations for giving alms, paying zakat, and infaq) as outlined in the holy book Al-Quran and Al-Hadith provide more effective inter-group cohesiveness [40].

Changing NU citizens' character to be involved in the NU Coin movement by building relationships between managers/organizations and NU residents approached by providing knowledge and strengthening religious beliefs. Religious values include the benefits of giving alms in return, and threats for people who do not want to issue either zakat, infaq or alms. Religious strengthening is carried out as an embodiment of attention to donors and a form of gratitude to donors [41]. This approach to religious values is the same as the values developed by the NU organization in general as a socio-religious organization. So, the organization in building relationships does not need to provide rewards in the form of material such as gifts to residents/members of the coin movement. However, it is enough to build religious and emotional relationships.

Islam has values that can change the behavior of its adherents, so that religious beliefs and practices will manifest in collective action [23]. Recommendations and prohibitions in Islamic religious law guide the lives of Muslims so that obedience to the law is part of faith in religion. Religious practices become a more accessible medium than individual behavior to promote a joint movement, both collective demands and movements built in the name of religion because the mechanism in religion is social capital to organize a movement [24]. The NU Coin movement continuously carried out by Lazisnu MWC NU Kalidawir will change the behavior of everyone involved in the movement. Religious values become the driving force for individuals to love and be loyal to the organization, as reflected by the obedience of organizational members to the directions of the organizational leaders. Religion has a powerful impact on the nature and intensity of social movements, so religious beliefs can help the success of social movements by providing hope and belief in moral truth [24]. The impact of the consistent and long-running NU

Coin movement will change a person's character to become a culture of giving easily. The habit of giving/charity then becomes a culture for citizens.

4 Conclusion

The NU Coin movement carried out by Lazisnu MWC NU Kalidawir has been able to change the character of the citizens. The culture of giving or charity reflects a culture that can be formed. People are accustomed to doing charity every day and are supported by strong religious beliefs; someone will be easy to do charity. The charitable habits in the NU Coin movement are guided and monitored by the administrators so that the coin movement can run consistently and in the long term. The impact of the NU Coin movement is able to change the nature and character of being difficult to give, which is identified as a poor person, into an attitude and character that is easy to give, which is identified with the nature of the rich.

Acknowledgments. We would like to express our gratitude to the Education Fund Management Institute of the Republic of Indonesia, which has provided funding support. Thanks also to Raden Rahmat Islamic University for giving permission and time allowance.

Authors' Contributions. The authors in this article have their respective roles. The first author built a concept, conducted field research to analyze data and presented it in the form of a research report. The second, third, and fourth authors provide various views from various aspects, provide input and review the results of the data analysis.

References

1. Sadeq, A. M. (1997). Poverty alleviation: An Islamic perspective. *Humanomics*, 13(3), 110–134. <https://doi.org/10.1108/eb018797>
2. Fotheringham, S., & Saunders, C. (2014). Social enterprise as poverty reducing strategy for women. *Social Enterprise Journal*, 10(3), 176–199. <https://doi.org/10.1108/SEJ-06-2013-0028>
3. BPS (2018) 2018 People's welfare indicators. BPS RI Jakarta.
4. Chambers, R. (1984). *Rural development: Putting the last first*. Longman.
5. Lewis, O. (1963). The culture of poverty (p. 3).
6. Abu Hummour, A. M. (2020). A summative evaluation of Jordan's Poverty Reduction Strategy (PRS) 2013–2020: Case in point in Socioeconomic policy. *Poverty Public Policy*, 12(4), 421–443. <https://doi.org/10.1002/pop4.291>
7. Freije, S., & Zhao, F. (2022). *Public expenditures under the 2011–2020 poverty reduction strategy in China*. CEQ Institute at Tulane University (2022).
8. Smith-Carrier, T. A., & David, K. (2022). Life stabilization and resilience for disabled people? A critical discourse analysis of the Ontario poverty reduction strategy. *Disability & Society*, 1–26. <https://doi.org/10.1080/09687599.2022.2042200>
9. Wan, G., Hu, X., & Liu, W. (2021). China's poverty reduction miracle and relative poverty: Focusing on the roles of growth and inequality. *China Economic Review*, 68, 101643. <https://doi.org/10.1016/j.chieco.2021.101643>

10. Shirazi, N. S. (2014). Integrating Zakat and Waqf into the poverty reduction strategy of the IDB member countries. *Islamic Economic Studies*, 22(1), 79–108. <https://doi.org/10.12816/0004131>
11. Sokoto, A. A., & Abdullahi, Y. Z. (2013). Strengthening small and medium enterprises (SMEs) as a strategy for poverty reduction in North Western Nigeria. *American Journal of Humanities and Social Sciences*, 1(3), 189–201. <https://doi.org/10.11634/232907811301388>
12. Gaiha, R., & Imai, K. (2002). Rural public works and poverty alleviation—the case of the employment guarantee scheme in Maharashtra. *International Review of Applied Economics*, 16(2), 131–151. <https://doi.org/10.1080/02692170110118876>
13. Moore, M., & Jadhav, V. (2006). The politics and bureaucratic of rural public works: Maharashtra's employment guaranteed scheme. *The Journal of Development Studies*, 42(8), 1271–1300. <https://doi.org/10.1080/00220380600930598>
14. Shaffer, P. (February 2008). *New thinking on poverty: implications for globalization and poverty reduction strategies* (Working Papers 65). UN Department of Economic and Social Affairs (DESA). <https://doi.org/10.18356/fe71a2ba-en>
15. Islam, Md. S., & Alam, K. (2018). Does social capital reduce poverty? A cross-sectional study of rural households in Bangladesh. *International Journal of Social Economics*, 45(11), 1515–1532. <https://doi.org/10.1108/IJSE-07-2017-0295>
16. National Team for the Acceleration of Poverty Reduction (Indonesia), Ed., (2019). Tackling poverty and reducing inequality through policy and program effectiveness: report on the implementation of the tasks of the 2015–2019 TNP2K Secretariat, First printing. Jakarta: National Team for the Acceleration of Poverty Reduction.
17. Lund, C., et al. (2011). Poverty and mental disorders: Breaking the cycle in low-income and middle-income countries. *The Lancet*, 378(9801), 1502–1514. [https://doi.org/10.1016/S0140-6736\(11\)60754-X](https://doi.org/10.1016/S0140-6736(11)60754-X)
18. Flora, M. (December 2019). *5 stories of rich beggars that had made an upheaval*. <https://www.liputan6.com/>, <https://www.liputan6.com/news/read/4123302/5-saat-pengemis-tajir-yang-sempat-bikin-geger>
19. Kristen, A. B. (2019). Israel's economic system in reducing Israel from the mental poor (study of the book of privacy), p. 13.
20. Aco, H. (December 2019). Rich Beggar Arrested in Front of Bank in Pondok Indah, Security: Once a Week Exchange Money Here. <https://www.tribunnews.com/>, <https://www.tribunnews.com/metropolitan/2019/12/01/pengemis-kaya-dicatkap-Depan-bank-di-pondok-indah-sekuriti-seminggu-sekali-tukar-uang-di-sini?page=4>
21. Ndaguba, E. A., & Hanyane, B. (2019). Stakeholder model for community economic development in alleviating poverty in municipalities in South Africa. *Journal of Public Affairs*, 19(1), e1858. <https://doi.org/10.1002/pa.1858>
22. Suhaimi, F. M., Rahman, A. A., & Marican, S. (2014). The role of share waqf in the socio-economic development of the Muslim community: The Malaysian experience. *Humanomics*, 30(3), 227–254. <https://doi.org/10.1108/H-12-2012-0025>
23. Beyer, P., & Beaman, L. G. (Eds.). (2007). Religion, globalization and culture. Brill.
24. Hoffman, M., & Jamal, A. (2014). Religion in the Arab Spring: Between two competing narratives. *The Journal of Politics*, 76(3), 593–606. <https://doi.org/10.1017/S0022381614000152>
25. Djafar, R., Syam, H., Raharjo, P., Abdussamad, J., & Akib, H. (2019). Reconstruction of poverty reduction strategy model based on community empowerment programs, 25(2), 10.
26. Azwar Anas, M. Y. (November 2018). Social entrepreneur: A 'coin' fundraising model for social organizations. *KnE Social Sciences* (Vol. 3, no. 10). <https://doi.org/10.18502/kss.v3i10.3452>
27. Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approach* (4th ed.). SAGE Publications.

28. Ziakas, V., & Boukas, N. (2014). Contextualizing phenomenology in event management research: Deciphering the meaning of event experiences. *International Journal of Event and Festival Management*, 5(1), 56–73. <https://doi.org/10.1108/IJEFM-08-2012-0023>
29. Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approach* (4th ed.). SAGE.
30. Walker, C. (2002). Philanthropy, social capital or strategic alliance? The involvement of senior UK business executives with the voluntary sector and implications for corporate fundraising. *International Journal of Nonprofit and Voluntary Sector Marketing*, 7(3), 219–228. <https://doi.org/10.1002/nvsm.181>
31. Scarborough, N. M., Wilson, D., Zimmerer, T., & Zimmerer, T. (2011). *Essentials of entrepreneurship and small business management* (6th ed.). Prentice Hall.
32. Aziz, A. (2018). Second Century NU Roadmap. Talibuana Nusantara Foundation.
33. Anklam, P. (2005). Knowledge management: The collaboration thread. *Bulletin of the American Society for Information Science and Technology*, 28(6), 8–11. <https://doi.org/10.1002/bult.254>
34. Widén-Wulff, G., & Ginman, M. (2016). Explaining knowledge sharing in organizations through the dimensions of social capital. *Journal of Information Science*, 30(5), 448–458. <https://doi.org/10.1177/0165551504046997>
35. Augusto Felício, J., Couto, E., & Caiado, J. (2014). Human capital, social capital and organizational performance. *Management Decision*, 52(2), 350–364. <https://doi.org/10.1108/MD-04-2013-0260>
36. Clarke, L. (1994). *The essence of change*. Prentice Hall.
37. Cummings, S., Bridgman, T., & Brown, K. G. (2015). Unfreezing change as three steps: Rethinking Kurt Lewin’s legacy for change management. *Human Relations*, 69(1), 33–60. <https://doi.org/10.1177/0018726715577707>
38. Schein, E. H. (2004). *Organizational culture and leadership* (3rd ed.). Jossey-Bass.
39. Rappaport, R. A. (1971). The sacred in human evolution. *Annual Review of Ecology and Systematics*, 2(1), 23–44. <https://doi.org/10.1146/annurev.es.02.110171.000323>
40. Sausage, R., & Ruffle, B. J. (2004). Ideology, religion, and the evolution of cooperation: Field experiments on Israeli Kibbutzim. In *Research in economic anthropology* (Vol. 23, pp. 89–117). Emerald (MCB UP). [https://doi.org/10.1016/S0190-1281\(04\)2304-9](https://doi.org/10.1016/S0190-1281(04)2304-9)
41. Sargeant, A., & Jay, E. (2004). *Building donor loyalty: The fundraiser’s guide to increasing lifetime value* (1st ed.). Jossey-Bass.
42. Sobary, M. (2010). *NU dan keindonesiaan*. PT Gramedia Pustaka Utama. ISBN: 978-979-22-5627-7.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter’s Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter’s Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

