

9 *Sector Theorists Should Be Inclusive of Muslim and Non-Western Perspectives*

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Nonprofits are a highly visible instrument through which modern society organizes solutions to social problems. In the United States, nonprofit organizations have become an important part of the government's delivery of public goods. In Saudi Arabia, government institutions, such as universities, hospitals, and other public entities, are being intentionally transformed into nonprofit organizations as part of the country's Vision 2030, which seeks to intentionally reorient the country's economic and government structures in hope of a more vibrant future (Khan, 2020). Across the developing world, the nonprofit or nongovernmental organization is the partner of choice for foreign aid (Pallas & Sidel, 2020). While there is a great deal of interest in the management, leadership, capacity building, governance, and funding of nonprofit organizations, and a similar interest in the efficiencies such institutions bring to society, there is less examination of the fuel that drives this sector: the deeply personal and often heterogeneous values that individuals hold dear.

One powerful way of defining the nonprofit sector includes prosocial action by individuals, not just by formally organized corporate entities. This approach comprises prosocial behavior by every unit of society – individuals, loosely organized groups, and even formally recognized groups that have elected not to register as nonprofit organizations with the regulatory bodies of the state (Siddiqui, 2022). The advantage to nonprofit sector scholars of broadly defining the nonprofit sector in this way is that it allows them to examine the sociocultural roots of the sector, digging deeper into the question of why the nonprofit sector – including formally organized nonprofit corporate entities – actually exists. Using a sociocultural lens helps us to see the undercurrents of human behavior that shape the more rigid and institutionalized structures that might otherwise obscure the motivational roots of prosocial action.

Our modern understanding of social action is largely shaped by the actions of very wealthy or large institutions, like government and philanthropic foundations, rather than the day-to-day actions of ordinary people. Scholars have a tendency to define the nonprofit sector in terms of organizations rather than in terms of people and their actions and values. Our theories explain the rationale for legal and economic structures rather than detailing the very personal reasons that a person might, for example, donate money, provide voluntary service, or start a philanthropic organization.

The very macro-level social problems that government or nonprofit action address are actually, at their most fundamental, problems that stem from individual choices and actions. These actions are driven and justified by personal values (Schwartz & Bilsky, 1987). While scholars and practitioners look to organizations, macro-institutions, policies, and collaboratives to solve social problems, they are missing another approach that drives the prosocial engagement of nearly two billion people – about a quarter of the world’s population – one informed by Muslim values and practices. The deeply held tenets of Muslim faith and tradition shape prosocial action in important ways that are rarely, if ever, accounted for in nonprofit sector theory. This gap exists because the history of nonprofit sector theory is largely driven by Western philosophies and perspectives that are – consciously or not – rooted in both Greco-Roman and Judeo-Christian perspectives (Siddiqui, 2022).

Western philosophy is so engrained in nonprofit scholarship that a ubiquitously accepted definition of nonprofit action, such as “voluntary action for the public good” (see, e.g., Payton, 1998; Payton & Moody, 2008) excludes many prosocial acts that Muslims consider to be important charitable deeds that should be included within the boundaries of the nonprofit sector. The Western framing of the nonprofit sector and prosocial behavior, with its Greco-Roman origins and transformation by the Scientific Philanthropy movement (Siddiqui, 2022), tends to prioritize the social-scientific side of prosocial action (McCully, 2012).

To achieve a more global view of prosocial action and incorporate insights from populations outside the West, the core definitions of nonprofit action need to be reframed and adapted to include Muslim perspectives. In the past, scholars who have sought to integrate Muslim philosophy and theology into studies of the nonprofit sector

have used the Western definition of the sector as a lens through which to view Muslim practices, inadvertently limiting their fields of vision to the subset of Muslim practices that fit within the Western definition of nonprofit and voluntary action (Mattson 2010; Singer 2008). The dominance of Western definitions of prosocial voluntary action excludes certain Muslim charitable acts from consideration, thus limiting our view of what the global nonprofit sector includes and why it exists. The challenge to the field of study is not that there are competing “Western” and “Muslim” approaches to prosocial behavior in the nonprofit sector – rather, *all* such practices are informed by local culture and tradition. The problem is the privileging of Western scholarly framing of charitable action that has been heavily informed by scientific approaches, exclusive not only of Muslim viewpoints but of other localized and individual perspectives as well.

Unperturbed by the scholarly debate over the definition of the nonprofit sector, Muslims have engaged in charitable, humanitarian, and prosocial acts for centuries. The Quran (the holy book of Islam), the Sunnah (traditions of the Prophet Muhammad), and local customary practices influence Muslims’ charitable acts. Scholars have focused on the Islamic practices of *waqf* (religious endowments), *Zakat* (obligatory giving), and *Sadaqah* (optional religious giving) as examples of Muslim prosocial activity, as these practices have natural Western correlates. However, an examination of Muslim practice suggests that while academic studies have approached understanding Muslim prosocial action through textual analysis or archival analysis, scholars have not paid enough attention to those customary practices that fall into the gap and thus are often unrecognized in scholarly discussions. Further complicating the study of Muslim prosocial behavior is the fact that many schools of thought within Islamic law permit Muslims to assimilate local social practices into Muslim religious practice, leading to regional variations in Muslim prosocial behavior.

In this chapter, I argue that a Western scholarly understanding of the nonprofit sector limits our understanding of Muslim prosocial behaviors that are less dominant in the academic literature. By examining the tenets and roots of Muslim prosocial action, we see how this specific view of social good has been limited in the broader conversation, which in turn has limited our understanding of the nonprofit sector across the world. I also explore Muslim prosocial action by examining its theological and cultural sources to create a broader conception of

giving behavior within an Islamic context, and I discuss the challenges associated with strict adherence to the Western definition of the nonprofit sector for scholars who want to include Muslim perspectives and charitable acts. Ultimately, I suggest a framework that nonprofit sector scholars can use to move beyond Western-centric definitions of prosocial action to include other cultural and faith perspectives. This approach treats Muslim prosocial action as a practice-oriented religious tradition.

9.1 A Critique of Modern Conceptions of the Nonprofit Sector

The premise of this chapter is that a Muslim nonprofit sector exists and is grounded in faith, tradition, and cultural practice. I argue that faith is rooted in both theology and practice. Because faith exists within human beings, who live in disparate communities and societies at different times, the meaning of faith is constantly evolving. Finally, I argue that Muslim nonprofit action and giving behavior should not be constrained by Western-centric or modern definitions of the sector. In exploring giving behavior by Muslims in Muslim societies and communities, scholars must try and understand these behaviors in their own culturally rooted terms. To do so, they need to understand Muslim cultural practices and conceptions regarding prosocial behavior. I suggest that rather than defining the nonprofit sector in a global manner, scholars should adopt frameworks that allow them to examine localized nonprofit and voluntary action, even as it continues to change and evolve.

The concept of philanthropy is at the heart of the nonprofit sector – particularly when we consider individual giving and prosocial behavior. Philanthropy includes not only financial giving but also nonmonetary giving behavior, and is closely tied to the structure of donative nonprofits, to organizations with significant volunteer components, and to organizations associated with the organizational procurement of funds for prosocial purposes. Thus, both formal and informal philanthropy create the conceptual tie between individual giving behavior and the formal nonprofit sector.

The word “philanthropy” is derived from an ancient Greek noun translated into Latin meaning “love of humanity” (Sulek, 2005). One commonly accepted definition of philanthropy is “voluntary action for

the public good,” which was coined by Robert Payton of the Indiana University Center on Philanthropy in an effort to promote the establishment of an academic disciplinary subject (Hall, 1999). Another popular academic definition was developed by Salamon (1992), who defined philanthropy as “the private giving of time or valuables (money, security, property) for public purposes” (p. 10). Van Til (1990) defined philanthropy as “the voluntary giving and receiving of time and money aimed (however imperfectly) towards the needs of charity and the interests of all in a better quality of life” (p. 34).

All of these definitions tend to privilege money and wealth as a dominant aspect of philanthropy (Sulek, 2010). McCully (2008, 2012) sought to broaden this definition, describing philanthropy as “private initiatives for the public good, focusing on quality of life” (p. 1). However, his synthesis is very US-centric and focuses on formal organizations. David Billis (2010) added community and family to his definition of philanthropy in an attempt to include non-Western traditions and culture.

The search for a definition of philanthropy reaches back to the playwright Aeschylus and his ancient Greek tragedy *Prometheus Bound* (fifth-century BC). Aeschylus described the character as “humanity loving” (*philanthropos tropos*), for having given fire (symbolizing technological civilization) and “blind hope” (optimism) to the earliest proto-humans, who had no culture. This connection of philanthropy to an ancient Greek play has been altered by Western-centric scientific methods and discourse, excluding some cultures’, traditions’, and religions’ notions of philanthropy – including Islam’s.

Embracing this Greek and Roman tradition, philanthropy became part of “civil religion” discourse. Prosocial actions came to be viewed in terms of the honor and dignity of the community. Historian Paul Veyne (1990) used the Greek term *euergetism* to refer to the expectation that the rich would contribute their wealth to help members of their community and in return would receive prestige and honor. Similar to the religious practices of paying tithes, euergetism was an established custom until it was replaced by more formal taxation. Euergetism tended to perpetuate inequalities of wealth and power (Isin & Lefebvre, 2005; Nicholls, 2020).

In the late Middle Ages, during the economic transformation of Europe and the rise of cities, the Western concept of charitable work continued to evolve. The so-called Poor Laws, or the Statute of

Charitable Uses of 1601, are considered a watershed moment – the first time “poverty was addressed in an organized and official way” (Payton & Moody, 2008). Modern charitable law is considered to have been created in this era, an era that arguably signals the beginning of the formal nonprofit sector. This deeply European, highly centralized, state-connected evolution of prosocial activity has continued to evolve into the legal structures and cultural norms that we readily recognize as part of the nonprofit sector today. This perspective leaves out, however, traditions, viewpoints, and practices that do not share the same origin or history.

The formalization of the nonprofit sector – as commonly conceived – continued to evolve in the American colonies, which adopted the English model of governance and organization (Phillips & Jung, 2015). John Winthrop’s 1630 sermon “A Model of Christian Charity,” which analyzed concern for the community on religious grounds; Benjamin Franklin’s support of community institutions through philanthropic contributions; and Tocqueville’s famous description of voluntary associations as a fixture of American civic life further framed the nonprofit sector as a largely Western and uniquely American phenomenon (Hall, 2006).

As the American experiment saw economic success and the wild fortunes and philanthropic empires of the captains of industry were established at the birth of the modern era (Bremmer, 1988), the union of corporatized wealth, formal and tax-advantaged philanthropic giving, and the tax-privileged status of US charities and philanthropic organizations led to a view that the nonprofit sector was, somehow, defined by these American institutions. Missing from this historical exploration and academic development of nonprofit sector theory is the parallel development of prosocial institutions rooted in the religious and cultural traditions of other parts of the world – including Islam.

9.2 What Western Nonprofit Sector Theory Overlooks: An Application

The Western definition of the nonprofit sector excludes the perspectives of many indigenous groups, religions, and traditions from conversations about the nature, content, and boundaries of the nonprofit sector, including the perspectives of Islam and the world’s over 1.8 billion Muslims. A very limited definition of the nonprofit sector

prevents us from acknowledging various prosocial behaviors, such as the many Muslim practices that are foundational to understanding both prosocial behavior and prosocial organizing for many people around the world.

Prosocial behavior in Islam is understood to mean the Muslim's moral obligation to do good for God (McChesney, 1995). For Muslims, this moral obligation has been defined by Islamic law (Fauzia, 2013), of which there are two primary sources: the Quran and the Sunnah. The Quran describes various prosocial behaviors, including *Zakat*, *Sadaqah*, *birr* (righteousness), *amal al-salihah* (good deeds), *khayr* (goodness), and *ihsan* (virtue) (Fauzia, 2013). Philanthropy, as commonly understood in Western traditions and as recognized by scholarship, generally points to three examples to illustrate Islamic philanthropy: Zakat, Sadaqah, and waqf.¹

According to both the Quran and the Sunnah, Zakat is considered one of the five pillars of Islam, requiring Muslims to give 2.5% of their surplus income and assets to eight specific causes: to help the poor (Al-Fuqara), the needy (Al-Masakin), to compensate Zakat administrators, to evangelize Islam, to free those in bondage, to free people from debt, to further the cause of God, and to help travelers. The Quran describes Zakat as a means of purification and growth (Singer, 2008): Giving a fixed proportion of one's surplus purifies the remainder of the wealth, and God promises to multiply the giver's generosity many times over.

Some scholars question whether Zakat is a philanthropic principle. For example, Ingrid Mattson has argued that Zakat is a tax, not a philanthropic obligation, because in the past, the state collected and distributed the funds. Similarly, Robert Payton has asserted that since tithing is obligatory, it does not fall within the voluntary nature of philanthropy.² Singer (2018) has also posited that Zakat is not philanthropy because it is not voluntary or benevolent, but she has conceded that there is little historical evidence that Zakat was paid or apportioned by any premodern polity, thus distinguishing it from a tax levied by the state for the functioning of said state (Singer, 2018).

¹ For examples of scholarship on Muslim philanthropy, see: Singer (2008), McChesney (1995), Ilchman et al. (1998), and Ismail et al. (2013).

² Personal communication with Payton during the Ethics, Philanthropy and Religion doctoral seminar in spring 2006.

While scholars like Singer and Mattson have disputed the notion that Zakat is charity, the consensus among Muslims is that Zakat is a form of charity that has been institutionalized in the Islamic faith (Ba-Yunus & Kone, 2006). Very few Muslim-majority nations have systems in which the state attempts to collect Zakat (Kuran, 2003). Some scholars have argued that states do not collect Zakat largely because they have failed to institutionalize the practice as well as because there is a lack of trust within the state. Kuran (2003) has argued that there has never been a consensus on how Zakat should be paid or collected. While Muslims were held accountable for not paying Zakat in the past, scholars note that today most Muslims do not pay Zakat through the government and in fact use it to further their own personal charitable interests (McChesney, 1995). According to Widaman, Zakat has long been practiced as an individual charitable act and is considered a companion to ritual prayer by Muslims (qtd. in Abraham, 2018). Rashid et al. (2017) have argued that paying Zakat is indeed an individual Muslim obligation and proposed a system to systematically distribute the funds.

Clearly, there is a disconnect between the scholarly understanding of the theology of Zakat and the practice of Zakat by Muslims. This misunderstanding, alluded to by Singer (2018), goes beyond scholarship, as Muslims across the world embrace Zakat as philanthropic behavior. Thus the operational definitions of the words “voluntary” and “involuntary,” so central to many conceptions of the nonprofit sector in the Western world (McCully, 2008; Sulek, 2010; Van Till, 1990), do not help us understand charity as an ethic rooted in Islam. The idea that religious obligations are somehow involuntary discriminates against these obligations uniquely. Social obligations may be similarly involuntary but are not excluded. Religious obligations are seen within this worldview of being devoid of free will. This is the first way that Western notions of the nonprofit sector operate counter to the understanding of prosocial giving behavior – even formally institutionalized giving behavior – in Islam. If a key definitional tenet of the nonprofit sector requires that prosocial behavior be fully voluntary, then Zakat is excluded. However, for Muslims, Zakat is both individual and institutional. While paying Zakat is obligatory, the manner in which it is given and distributed varies. Most importantly, Zakat straddles the line between religious obligation and social transaction because it comprises both: it is a component of worship (*ibadat*) and

it is also a benevolent action. To define the nonprofit sector in a way that excludes Zakat draws arbitrary lines through the center of Islamic faith and tradition, fracturing what is otherwise a cohesive and interlocking set of institutionalized prosocial practices.

The second form of philanthropy in Islam is Sadaqah, which, for Muslims, encompasses all forms of Muslim philanthropy. Sadaqah is voluntary charitable giving as compared to the obligatory Zakat (Singer, 2018). Both in Arabic and Hebrew, the word “Sadaqah” has a strong connection to justice, or *adl*. Sadaqah can be formal (giving to institutions) or informal (giving to individuals, including family members in need). Muslims who fail to give Sadaqah are not considered to be committing a sin. However, they are promised great religious rewards if they engage in this voluntary practice. There are no limitations on Sadaqah. It is within this realm that even a smile, intended to do good and to show devotion to God, is considered to be philanthropy. (When I was a child, family members routinely encouraged me to smile when I was upset about something, saying, “Remember, smiling is Sadaqah [charity].”)

While Sadaqah may seem to more naturally fit with conceptions of the nonprofit sector as articulated in the Western world – both because of its voluntary nature and because of its correlates with volunteering and charitable donations, it is incorrect to assume that Sadaqah is included in existing nonprofit sector theory. While charitable giving and volunteering might be neatly nestled within the paradigm of the nonprofit and voluntary sector, some acts of charity and individual expressions of faith that qualify as Sadaqah would not be acceptable within the realm of Western notions of nonprofit sector activity. Smiling, for example, is not typically considered an action that is part of the nonprofit sector, nor are any number of actions carried out by Muslims in their day-to-day lives that have the dual intention of doing good and glorifying God. These actions (and even inaction to prevent harm or further good) – though deeply personal – are expressions of faith, and they are also institutions in the sense that there is a shared language and tradition for their meaning. This shared language and meaning creates an institutional presence for Sadaqah that could – and arguably should – reorient our views about the boundaries of the nonprofit sector.

The third form of philanthropy is the *waqf*, or endowment (Lev, 2005). The *waqf* originates from a passage in the Quran in

which Umar ibn al-Khattab acquired a property and asked the Prophet whether he should donate it for charity (Garcia, 2007). The Prophet replied, “Encumber the thing itself and devote its fruits to pious purposes” (McChesney, 2004, p. 273). Thus, a waqf, or religious endowment, is a form of charity that is designed to give long after the initial act of donation. Waqfs are another example of how Muslims have transformed and institutionalized prevailing cultural traditions within Islamic law and practice (Cizakca, 2000). Muslims have borrowed from prior traditions and regifted this idea to the modern world in the form of the modern philanthropic endowment and foundation (Adam, 2020).

In Muslim spiritual practice, intention is deeply important. Focusing on intention means that charitable acts are not assessed by their efficacy alone but also by the intention of the giver. An example from the life of the Prophet illustrates this point. A man came to the Prophet asking for a pathway to heaven. The Prophet suggested that he do acts of charity. The first day, the man accidentally gave charity to a man who was a thief. When he found out that he had given charity to a thief, he decided to give charity to another person to earn the blessings of God. This time he accidentally gave charity to a rich and undeserving man. Upon learning of his mistake, he sought to correct it by giving charity to a woman. This time, he accidentally gave charity to a prostitute. When he found out that the woman he gave charity to was a prostitute, he was devastated. In despair, he went to the Prophet, who told him that his charity was still important: the money he gave to the thief may prevent him from stealing, the money he gave to the prostitute may prevent her from selling her body, and the money he gave to the rich man might teach him to give charity himself. From this story, we learn about an important element of Muslim giving: The intention to do good is more important than the eventual efficacy of the charitable act. Unlike the Western utilitarian focus on “voluntary action for the public good,” the purpose of Muslim philanthropy is to demonstrate one’s love of God. This shift reorients the nonprofit sector away from programs, organizations, and outcomes and refocuses it on the transformation of the human heart.

Another lesson can be learned from this story. The Prophet suggested that, regarding the final outcome of his acts of giving, the man must have faith in God. Each of the possible outcomes the Prophet mentioned could be thought of in terms of transformational development

rather than the alleviation of suffering. A thief may stop stealing, a prostitute may stop selling herself, and a miser may become generous. The transformative impact, through a Muslim lens, is in God's hands, not in the hands of the giver.

This reorientation of the nonprofit sector to encompass inward devotional intentions includes concepts like charitable donation and volunteerism. However, it also expands to include other concepts from Islam that might otherwise be excluded. For example, forgiving another for their misdeeds or being kind to another are considered charitable acts in Islam: "But forgive them and overlook their misdeeds: for Allah loveth those who are kind" (Siddiqui, 2010, p. 206).

Additionally, all Muslims can engage in prosocial behavior. The Prophet stated,

Every Muslim has to give for charity. They asked, O Prophet of Allah, how about one who has nothing to give? He said, He should work with his hands and benefit himself and also give in charity. They said: If one cannot do even that? He replied: He should help one who is eager to have help. They said: And if he couldn't do that? He answered: Then he should do good action and abstain from evil, this is a charity for him. (Siddiqui, 2010, p. 206)

Individuals who can afford to do so can give of their wealth; individuals who have nothing can give charity by refraining from doing evil deeds. Therefore, while modern Western conceptions of charitable giving emphasize time and money, Muslim notions of charitable works include voluntary *inaction* for the public good as well. This idea is particularly relevant in a modern age in which inaction by certain entities – such as companies that choose not to engage in environmentally harmful behaviors – is considered by some to "blur the boundaries" between the private and nonprofit sectors.

A recent survey of Muslims in the US showed that their definitions of charitable giving go beyond donating money and volunteering, illustrating that US Muslim definitions of philanthropy include smiling, having good intentions, helping relatives, commanding right (a principle in Islam requiring followers to demand or impose positive values), furthering good, causing no harm, and advocating for the oppressed (Siddiqui et al., 2022). It may be tempting to think that this expansive view of charity might dictate that the boundaries of the nonprofit sector be drawn in one place for people who subscribe

to Western Judeo-Christian notions of charity and in another for Muslims. However, US Muslims are not alone in embracing this broader definition of philanthropy. The survey showed that the general US population, while at lower levels, also embraced a broader definition of philanthropy. This finding suggests that a nonprofit sector that encompasses a broad variety of charitable acts may capture and describe behavior by people in general, not just adherents of Islam.

If we were to reimagine the boundaries of the nonprofit sector in a manner informed by Islam, the focus would not just be on the benefits of charity to society but also on the development of a compassionate, caring, engaged human being. Just as important as the act of giving is the effect that giving has on the donor. Philanthropic acts transform an individual, drawing them closer to God, by transforming others. In this view, the nonprofit sector is filled not only with organizations but with people who are devoted to creating a more peaceful, kind, and giving society. For those formal prosocial organizations that do exist, their impact results not only from the measurable outcomes or investment in social programs but also from the deep commitment of all stakeholders to embody the values of the world they are striving to create together.

Certainly some questions about the inclusion or exclusion of certain acts or behaviors in the boundaries of the nonprofit sector might arise from a study of Muslim charitable beliefs. However, a more fundamental challenge to the field is the secular expectation that charitable acts must be independent of God. Any behavior (e.g., a smile or other kindness, an intention to do good, or the withholding of harmful action) can be secularized in a manner that satisfies the need of our scientific tradition to create boundaries and definitions around the subject about which we are trying to theorize. In this case, we could make arguments for why these acts should or should not be included in the definition of the nonprofit sector or in the rationale for the existence of the sector. However, to do so merely based on externally observable actions or expressed intentions would miss the core difference between the Muslim “nonprofit sector” and the nonprofit sector as viewed in secular Western texts – that is, for Muslims, the most fundamental boundary around charitable activity is in fact *devotion to God*. This is the line that determines whether an action or inaction belongs inside or outside the boundaries of desirable charitable activity.

9.3 Conclusions

Western scholars have sought to define the nonprofit sector in a way that makes it difficult for religious and Eastern traditions to engage in a more comprehensive self-examination of their own charitable or humanitarian acts. Focusing on the Greek and Roman origins of philanthropy creates a framework that at times excludes both religion and non-Western traditions. However, it is critical that we explore these notions to perceive their limitations in understanding the rich and valuable Muslim perspective on the role of charitable acts in society. Table 9.1 provides some examples of ways nonprofit sector theory might be shaped by a deeper consideration of the Muslim perspective.

Having a common definition of the nonprofit sector – such as those already prevalent in the extant body of nonprofit sector studies – may be a useful starting point for scholars and theorists. However, this definition should not inhibit scholars from constantly reevaluating their understanding of charitable behavior when examining norms or traditions that fall outside of the Western tradition. Developing a framework to examine the boundaries of the nonprofit sector in a more comprehensive and interdisciplinary manner will make the field more vibrant.

For centuries, Muslim patterns of giving have extended well beyond the narrow scope of the Western definition of the nonprofit sector. While some scholarly attention has recently been given to Muslim philanthropy, it has used Western definitions of philanthropy as its central frame (Siddiqui, 2022). There is a need to examine Muslim philanthropy in the context of its own cultural framing, without the preexisting definitions and boundaries imposed by Western theorists. Adopting a broader understanding of nonprofit and voluntary activity from a Muslim perspective can open new ways of understanding the nonprofit sector and the various reasons why the nonprofit sector exists at all.

Muslim scholars, practitioners, and policymakers should take the opportunity to explore their own cultural, religious, and historical traditions to develop a more resonant and inclusive definition of the nonprofit sector that can help them address some of the problems inherent in our current, limited sector theory (Smith, 1997).

Table 9.1 *Contributions of the Muslim perspective to nonprofit sector theory*

Current perspective	Muslim perspective	Implications for nonprofit sector theory
The nonprofit sector comprises only voluntary charitable activity.	Charitable activity includes Zakat.	The nonprofit sector includes charitable giving that the giver views as obligatory – including tithes and Zakat offerings.
The nonprofit sector is defined by laws and transactional rules.	The intention of an act is more important than the act itself.	Many actions currently considered to be within the nonprofit sector (such as corporate grantmaking or philanthropic giving) ought not qualify because the intentions are self-serving; conversely, many actions should be included in the nonprofit sector that are not described by the law or formal structures (such as smiling or offering kindness to others).
The nonprofit sector exists at the macro-institutional level.	Individual acts and intentions aggregate to create the charitable sector.	Legalistic and overly formal definitions of nonprofit activity that primarily describe organizations should be reframed to include individual behaviors and intentions. The nonprofit sector exists both in formal institutions and in individual expressions and beliefs.
The key inputs to the structure and function of the nonprofit sector are financial (grants, donations, tax expenditures) and human capital (volunteering, knowledge).	In addition to money and time, kindness and personal purity contribute to the charitable sector.	Morality, kindness, and intention are important inputs that help to define the boundaries of the nonprofit sector and aid in explaining its function and capacity, in addition to financial and human capital.
The nonprofit sector is primarily defined by external structures and actions.	Charity exists primarily in the personal space between a person and God.	The nonprofit sector is bounded by individual and collective devotion to God, rather than by organizations and transactions.

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