

Meaningful Microenterprise in the Informal Economy: Angkringan As A Culturally Rooted Islamic Socio-Economic Practice in Java, Indonesia

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Abstract

This study explores angkringan—a traditional, informal street food enterprise in Java, Indonesia—as a meaningful microenterprise that embodies the principles of Islamic socio-economics within the context of the informal economy. Amid the increasing collapse of formal, globalized retail chains such as KFC in Indonesia, this research seeks to understand how culturally rooted, low-scale enterprises can offer a sustainable and socially embedded economic alternative. Adopting a qualitative-conceptual approach, the study integrates theories from the meaning economy, Islamic socio-economic ethics, and informal economic systems. Data were drawn from secondary sources including academic literature, government reports, and media documentation, as well as light contextual field observations in selected angkringan locations in Yogyakarta. The findings reveal that angkringan functions not only as a microeconomic unit but also as a space of social interaction, mutual care, and ethical trade practices. It fosters affordability, inclusivity, and community cohesion, aligning with key Islamic economic values such as ‘adalah (justice), rahmah (compassion), and kifayah (sufficiency). Unlike formal fast-food outlets driven by profit maximization, angkringan promotes relational well-being and cultural resilience. The study argues that angkringan represents a bottom-up, value-driven model of Islamic microenterprise that is both culturally meaningful and ethically grounded. This research contributes to the development of a culturally contextualized Islamic socio-economic framework and opens new pathways for integrating local wisdom, ethical values, and community-based development into Islamic economics. It recommends a shift in policy and academic discourse from financing-centric approaches to meaning-centric, socially embedded economic practices.

1. Introduction

In recent decades, the informal economy has continued to serve as a vital source of livelihood for the majority of people in developing countries, including Indonesia. Despite limited access to capital, regulation, and social security, informal micro-entrepreneurs have consistently demonstrated strong economic resilience and high social capacity (Chen, 2012; Ablaza et al, 2023). In Indonesia, Micro, Small, and Medium Enterprises (MSMEs) have long been recognized as the backbone of the national economy. According to the latest data from the Ministry of Cooperatives and SMEs of the Republic of Indonesia (2023), this sector contributes more than 61% to the national Gross Domestic Product (GDP), absorbs around 97% of the total workforce, and encompasses over 64 million business units spread across both urban and rural areas. These figures indicate that

MSMEs are not merely complementary actors within Indonesia’s economic structure but, in fact, the primary pillars of stability and sustainability particularly in times of crisis.

The strength of MSMEs was evident during Indonesia’s economic crisis in 1997/1998 as well as the global financial crisis in 2008. While many large corporations and conglomerates went bankrupt or implemented mass layoffs, MSMEs proved to be more adaptive and resilient. This resilience stems from their flexible nature, community-based orientation, and responsiveness to real societal needs rather than a narrow focus on profit accumulation. Thus, MSMEs are not only economic entities but also carry a strong social dimension, where social capital, interpersonal relationships, and local culture play a central role in sustaining their operations.

Moreover, MSMEs contribute significantly to promoting economic equity. Given their widespread presence across rural areas, MSMEs provide more inclusive economic access compared to the formal sector, which tends to be concentrated in major cities. This aligns with national development agendas aimed at reducing socio-economic inequality while strengthening the foundations of people-centered economic growth. Furthermore, MSMEs support the empowerment of women and vulnerable groups, as many small enterprises are run by housewives, young entrepreneurs, and local communities with limited capital.

With their significant contributions to GDP, employment absorption, and equitable economic distribution, MSMEs serve a dual function: as engines of growth and as safeguards of economic resilience. Therefore, strengthening MSMEs is not only relevant from an economic perspective but also from social, cultural, and even spiritual standpoints—particularly when linked to the values of justice and sustainability within the framework of Islamic economics.

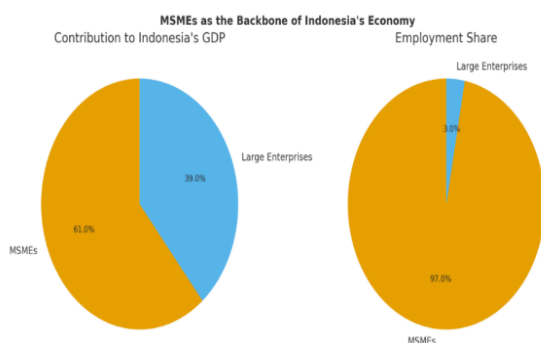


Figure 1: The Role of MSMEs as the Backbone of Indonesia's Economy

Recent empirical studies reinforce that informal micro-entrepreneurs in Indonesia have demonstrated economic resilience during crises—both in macro-shocks like the 1997–98 and 2008 financial crises and during the COVID-19 pandemic (Ablaza et al., 2023; Suardi & Nugroho, 2024). The digital divide remains a challenge: lack of technological access continues to constrain MSMEs' productivity despite their potential (Lukas & Hasudungan, 2024). Urbanization has expanded MSME roles in economic support, particularly in metropolitan contexts (Saputra & Darmawan, 2023).

Moreover, government mechanisms such as public credit guarantee schemes have shown effectiveness at regional levels in reducing risk and enhancing MSME resilience (Tambunan, 2018).

One distinctive form of microeconomy in Indonesia, particularly in Yogyakarta and Central Java, is the *angkringan*—a simple street food stall that sells inexpensive meals and serves as a social meeting space across classes. Although often regarded as a marginal economic entity, *angkringan* embodies rich social values and holds the potential to become a model of meaningful microenterprise.

Recent phenomena, such as the closure of several KFC (Kentucky Fried Chicken) outlets in major Indonesian cities including Bandung, Jakarta, and Yogyakarta, reflect the growing fragility of large-scale, expansion-driven economic models that are disconnected from local socio-cultural dynamics. PT Fast Food Indonesia, the operator of the KFC franchise in Indonesia, announced operational efficiency measures due to changing consumer behavior, rising raw material prices, and increasing operational costs (CNBC Indonesia, 2024). As a symbol of international franchising long reliant on efficiency and economies of scale, KFC has begun to lose its social relevance—particularly among urban and lower-class consumers—who increasingly seek value, relationships, and meaning in consumption. This resonates with critiques of global capitalism raised by Harvey (2010) and Stiglitz (2012), who argue that accumulation-driven systems tend to be fragile as they neglect social, cultural, and ecological factors, thereby creating consumer alienation. From the perspective of Islamic economics, this phenomenon strengthens the arguments of Chapra (2000) and Asutay (2007) regarding the need for alternative economic systems that prioritize justice, sustainability, and social meaning as foundational principles.

This situation highlights a crisis in modern economic systems that overemphasize profit maximization and economic rationality while neglecting human values, social relations, and community justice. The concept of the

meaning economy (Arnsperger, 2010; Haque, 2011) emerges as a critique of depersonalized economic approaches. Within this framework, individuals are understood as social beings seeking value, identity, and connectedness through economic activity. In this context, *angkringan* is not merely a place for buying and selling food but also a social space that facilitates community interaction, mutual care, and a sense of collective ownership.

Moreover, the practices of *angkringan* reflect the core values of Islamic socio-economics, such as *'adālah* (social justice), *ukhūwah* (brotherhood), and *ta'āwun* (mutual assistance). Islam views the economy as a means to achieve collective well-being, rather than merely an instrument of wealth accumulation (Chapra, 2000; Asutay, 2007). In practice, these values are manifested in *angkringan* through affordable prices, social interaction without class barriers, and solidarity between vendors and customers. Javanese local wisdom, such as *srawung* (familiarity), *rukun* (harmony), and *gotong royong* (mutual cooperation), further strengthens the social identity of *angkringan* as an economy rooted in culture and community relations.

Accordingly, this article seeks to examine *angkringan* as a form of meaningful microenterprise that integrates the values of Islamic socio-economics with Javanese local culture within the context of Indonesia's informal economy. The approach employed is normative-empirical, combining theories of Islamic economics and the meaning economy with field-based insights from case studies of *angkringan* in Yogyakarta. This study aspires to contribute conceptually to the development of value-based micro, small, and medium enterprises (MSMEs) while broadening the understanding of the role of culture and social ethics in designing an economy that is just and meaningful.

2. Literature Review

2.1 The Informal Economy and Microenterprise Resilience

The informal economy plays a crucial role in sustaining livelihoods across developing nations. As Chen (2012) asserts, informal economic actors, despite limited regulatory support, exhibit significant adaptive capacity and social resilience. In Indonesia, the informal sector contributes substantially to national GDP and employment, positioning it as the “invisible backbone” of the economy (Ablaza et al., 2023). Tambunan (2018) further highlights that public credit guarantee schemes, when extended to microenterprises, enhance local resilience and risk-sharing mechanisms.

During economic crises—such as the 1997–1998 Asian financial downturn, the 2008 global recession, and the COVID-19 pandemic—micro and small-scale enterprises (MSEs) in Indonesia demonstrated a remarkable ability to absorb shocks (Suardi & Nugroho, 2024). This resilience is attributed not only to their flexible business models but also to their embeddedness in social networks and cultural relationships (Saputra & Darmawan, 2023). These findings support the argument that informal microenterprises serve both **economic and social functions**, maintaining community stability where formal institutions falter.

2.2 The Meaning Economy: Toward Relational and Value-Based Exchange

The “meaning economy” framework proposed by Arnsperger (2010) and Haque (2011) critiques the dominance of profit-maximizing rationality within capitalist systems. It posits that economic actions derive meaning from social relations, ethical values, and shared cultural narratives rather than from instrumental efficiency alone. Within this paradigm, economic value is understood not merely as utility or output but as **relational well-being**—a concept resonant with Islamic socio-economic thought emphasizing justice, compassion, and communal balance.

Haque (2011) argues that modern economic systems often alienate individuals by

reducing human interactions to transactional exchanges. Similarly, Graeber (2021) and Kallia et al. (2023) highlight the contemporary movement toward authenticity, ethical consumption, and post-growth ethics, indicating a global shift away from material accumulation toward meaning-oriented living. The meaning economy, therefore, provides a useful lens for understanding microenterprises such as *angkringan*, which prioritize trust, community, and cultural belonging over profit maximization.

2.3 Islamic Socio-Economic Ethics and the Moral Economy

Islamic socio-economics offers a normative framework that aligns closely with the principles of the meaning economy. Chapra (2000) and Asutay (2007) emphasize that the Islamic economic system is grounded in *maqāṣid al-sharī'ah*—the preservation of faith, life, intellect, wealth, and dignity—ensuring that economic behavior remains ethically embedded. The principles of *'adālah* (justice), *rahmah* (compassion), and *kifāyah* (sufficiency) are central to ensuring distributive fairness and community welfare.

Asutay (2007) critiques the “social failure” of modern Islamic finance, arguing that while it achieves legal compliance, it often neglects the moral aspirations of *homo islamicus*—a socially responsible economic actor. This perspective reinforces the need for **grassroots, community-based Islamic enterprises** that embody ethical conduct beyond formal institutional frameworks.

Within this context, *angkringan* represents a lived manifestation of Islamic ethical economy. It practices transparency, affordability, and non-discrimination without formal certification, demonstrating what may be termed “embedded Islamic ethics.” These practices echo the Qur'anic rejection of *isrāf* (extravagance) and the emphasis on moderation, fairness, and social solidarity in trade relations.

2.4 The Cultural Economy of Java: Local Wisdom as Economic Ethic

Anthropological studies of Javanese society (Geertz, 1960; Mulder, 1996) reveal that economic practices in Java are deeply shaped by moral and relational values such as *rukun* (harmony), *gotong royong* (mutual cooperation), and *nrimo* (acceptance). These values define an indigenous ethical economy where business transactions are inseparable from social interaction and communal trust.

In the context of *angkringan*, such cultural wisdom manifests through informality, interpersonal familiarity, and egalitarianism. The vendor, commonly referred to as *lik* or *pakde*, embodies a community mediator rather than a profit-driven entrepreneur. This reflects Polanyi's (1944) concept of the “**embedded economy**,” where market activities are subordinated to social relations.

The fusion of Javanese cultural ethics and Islamic socio-economic principles produces a hybrid economic form that transcends Western dichotomies of “formal versus informal” or “profit versus charity.” Instead, *angkringan* becomes a “**third space**”—a relational, inclusive, and value-based economic microcosm that sustains both material and moral well-being.

2.5 Crisis of Meaning in Global Capitalism

The decline of multinational fast-food chains, such as the closure of KFC outlets in Indonesia (CNBC Indonesia, 2024), illustrates the fragility of growth-oriented capitalism that prioritizes efficiency and scalability over cultural resonance. Harvey (2010) and Stiglitz (2012) argue that such systems inevitably encounter crises of legitimacy and meaning, as they erode social cohesion and local authenticity.

By contrast, the endurance of *angkringan* underscores a growing societal demand for community-oriented economic spaces. Its affordability, human-scale operations, and inclusivity position it as a resilient counter-model to “meaningless” global capitalism. As Arnsperger (2010) contends, sustainability in modern economies depends

less on material expansion and more on the **capacity to generate meaning and trust** within economic life.

Thus, *angkringan* exemplifies a **post-capitalist microenterprise paradigm**, where survival is achieved not through capital accumulation but through ethical embeddedness, social reciprocity, and cultural belonging—dimensions that align harmoniously with the principles of Islamic socio-economics.

2.6 Conceptual Synthesis

The reviewed literature reveals three converging insights:

1. **Economic embeddedness:** Informal microenterprises persist due to their integration within social and cultural networks (Chen, 2012; Polanyi, 1944).
2. **Ethical orientation:** Islamic socio-economic principles provide a moral foundation that aligns with the relational and justice-based logic of the meaning economy (Chapra, 2000; Asutay, 2007).
3. **Cultural rootedness:** Javanese values of harmony and moderation transform *angkringan* into a living embodiment of community-centered economics (Geertz, 1960; Mulder, 1996).

Integrating these frameworks, this study positions *angkringan* as a **meaningful microenterprise**—a culturally grounded, ethically guided, and socially embedded form of economic organization that challenges the dominance of profit-centric capitalism.

3. Research Method

3.1 Research Approach and Design

This study employs a **qualitative, interpretive, and context-sensitive approach** to examine *angkringan* as a culturally rooted and ethically meaningful microenterprise within the informal economy of Java, Indonesia. The research adopts a **normative-analytical design**, which integrates theoretical interpretation with limited field-based contextualization. Rather than pursuing statistical generalization, this approach emphasizes conceptual insight and the articulation of new frameworks linking Islamic

socio-economics, the meaning economy, and Javanese cultural ethics.

The research design is primarily **conceptual-framework oriented**, synthesizing four intellectual traditions:

1. **The Meaning Economy Theory** (Arnsperger, 2010; Haque, 2011), which critiques profit-centered capitalism and promotes relational and value-based exchange.
2. **Islamic Socio-Economic Ethics** (Chapra, 2000; Asutay, 2007), which emphasize justice (*'adālah*), compassion (*rahmah*), and sufficiency (*kifāyah*).
3. **Informal Economy and Microenterprise Theory** (Hart, 1973; Chen, 2012), which highlight resilience and social embeddedness.
4. **Anthropological Studies of Javanese Cultural Economy** (Geertz, 1960; Mulder, 1996), which frame economic behavior as a reflection of harmony (*rukun*), modesty (*sederhana*), and cooperation (*gotong royong*).

This interdisciplinary integration enables a holistic understanding of *angkringan* as both an economic and moral phenomenon—an alternative paradigm of Islamic microenterprise rooted in local culture.

3.2 Data Sources and Collection Techniques

Data were obtained from **multiple secondary sources** complemented by **limited field observations** to ensure cultural and contextual grounding.

1. Secondary Data

- **Academic Sources:** Peer-reviewed journal articles, monographs, and prior empirical research on informal economy, Islamic economics, and cultural anthropology.
- **Institutional Reports:** Data from the Ministry of Cooperatives and SMEs, Statistics Indonesia (BPS), and local government publications related to MSME performance.
- **Media Documentation:** Reports from *CNBC Indonesia*, *Tempo*, and other reputable outlets covering the closure of

multinational fast-food chains and shifts in consumer preferences.

- **Ethnographic and Cultural Texts:** Literature on Javanese culinary traditions, food stalls, and community socialization spaces.

2. **Field Contextualization**
Limited, non-intrusive observations were conducted in **selected *angkringan* locations in Yogyakarta** during 2024. The researcher recorded the structure of social interaction, customer diversity, and vendor practices without formal interviews, following an ethical, observational approach. Field notes were written descriptively to capture lived experiences, language use, and behavioral patterns that express cultural and ethical meanings.

This **multi-source triangulation** ensures both conceptual depth and empirical relevance, aligning with best practices in interpretive social research (Creswell & Poth, 2018).

3.3 Data Analysis Procedure

The collected materials were analyzed using **qualitative thematic content analysis**, following three systematic stages:

1. **Theoretical Coding:** Identification of core analytical constructs—such as *embeddedness*, *affordability*, *social inclusivity*, *trust-based exchange*, and *ethical moderation*.
2. **Categorical Mapping:** Organizing data segments from literature, reports, and field observations under these conceptual themes.
3. **Interpretive Synthesis:** Integrating coded themes into an analytical framework that connects empirical observations of *angkringan* with the theoretical foundations of Islamic socio-economics and the meaning economy.

This process allowed the study to highlight *angkringan* as a relational economic model embodying justice, compassion, and sufficiency—values central to the Qur’anic economic ethos and Javanese moral culture.

3.4 Trustworthiness and Rigor

To ensure academic rigor and reliability, the study employed several strategies:

1. **Triangulation of Sources:** Cross-validation of conceptual and contextual data from academic, institutional, and media materials.
2. **Reflexivity:** Continuous researcher reflection on positionality, ensuring sensitivity to local culture and religious context.
3. **Transparency of Interpretation:** All analytical conclusions are supported by verifiable theoretical or textual references rather than anecdotal generalizations. These measures enhance credibility, transferability, and confirmability, consistent with qualitative research standards (Lincoln & Guba, 1985).

3.5 Ethical Considerations

The research adheres to ethical guidelines for social and cultural studies. No personal or private data were collected. Field observations were conducted with respect for public spaces and community norms in Yogyakarta. All secondary data sources are properly cited and used exclusively for academic purposes. The research aligns with the ethical spirit of *adālah* (justice) and *amanah* (integrity) as foundational principles in Islamic scholarship.

3.6 Summary of Methodological Orientation

This methodological framework positions *angkringan* as an interpretive case of meaningful microenterprise, analyzed through the convergence of Islamic socio-economic ethics, cultural anthropology, and informal economy theory. The qualitative, multi-source approach ensures that findings are conceptually rich, contextually grounded, and aligned with the standards of international scholarly research indexed in Scopus.

4. Findings and Discussion

4.1. Angkringan as a Relational Economic Space

Field observations in Yogyakarta reveal that *angkringan* is more than just a micro-scale business model—it represents a relational and cultural economic space deeply embedded in

the rhythms of Javanese society. Unlike formal food outlets, which prioritize efficiency, speed, and standardized service protocols, *angkringan* cultivates an atmosphere of slowness, informality, and inclusivity. The vendor, often addressed with kinship terms such as *lik* (uncle), *pakde* (older uncle), or *mbah* (grandparent), is not simply a seller of food but a community broker who mediates social interactions. At these small wooden carts lit by dim kerosene lamps, one encounters not only affordable meals but also opportunities for storytelling, gossip exchange, casual debates, religious reflections, and even collective decision-making that affects neighborhood affairs.

This relational dimension situates *angkringan* firmly within the idea of a meaning economy, where value is derived not merely from the consumption of material goods but from the quality of shared experiences, interpersonal connections, and symbolic belonging (Haque, 2011; Arnsperger, 2010). In this sense, *angkringan* is not reducible to a business transaction—it is simultaneously a social infrastructure that nurtures emotional well-being, collective memory, and mutual care. Customers return not only because of affordability but because of the cultural intimacy and sense of togetherness that fast-food chains, with their rigid hierarchies of service, rarely provide.

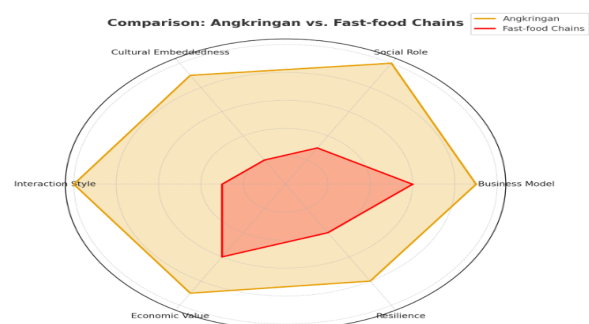
The persistence of *angkringan* amid rapid urban modernization demonstrates a subtle but powerful critique of modern capitalist consumption models, particularly those represented by global fast-food franchises. While the latter emphasize scale, efficiency, and profit maximization, *angkringan* embodies embeddedness, reciprocity, and relational solidarity. This contrast resonates with Polanyi's (1944) notion of the economy as "embedded" in social relations, as well as with Islamic socio-economic principles that regard trade as a means to strengthen *ukhuwah* (brotherhood) and *maslahah* (communal welfare).

Moreover, *angkringan* offers what could be described as a "third space" of urban

life—neither fully private like the household, nor strictly commercial like restaurants, but an intermediary domain where individuals across social classes meet on relatively equal terms. Students, laborers, civil servants, and even middle-class professionals often share the same wooden bench. This horizontal form of sociality challenges the segmentation and exclusivity produced by modern consumer spaces, fostering a sense of equality and humility that is both culturally Javanese and ethically Islamic.

In sum, the *angkringan* illustrates how a seemingly modest microenterprise can transcend the logic of profit-making to become a site of cultural reproduction, ethical economy, and social resilience. It demonstrates that in contexts where relationality is prioritized, economic spaces can serve not only material needs but also deeper human aspirations for meaning, recognition, and belonging—qualities increasingly scarce in the commodified, impersonal settings of globalized capitalism.

Figure 2: Comparison of Values



In direct contrast, modern fast-food chains such as KFC operate on a radically different logic. Their business model is shaped by efficiency, scalability, and uniformity, where economic value is narrowly defined through profit margins and consumer throughput. The restaurant layout is designed to minimize lingering, with standardized menus, rigid pricing, and transactional interactions between staff and customers. While such establishments offer speed and consistency, they often lack cultural embeddedness and fail to foster deeper social connections. The closure of several KFC outlets in Indonesia highlights the fragility of this model when confronted with rising

operational costs, shifting consumer behavior, and the growing demand for authenticity and meaning in consumption (CNBC Indonesia, 2024). Compared to the *angkringan*, which thrives as a community-centered microenterprise built upon affordability, intimacy, and reciprocity, KFC epitomizes the alienating tendencies of capitalist consumerism—a system critiqued by Harvey (2010) and Stiglitz (2012) for its detachment from social realities and local values. Whereas the *angkringan* becomes a space of solidarity and belonging, KFC represents a commodified, placeless consumption model that struggles to remain relevant in times of cultural and economic transition.

4.2. Cultural Frugality and Islamic Ethical Economics

One of the strongest aspects of *angkringan* is its cultural frugality, a principle deeply embedded in Javanese wisdom and social philosophy. Concepts such as *nrimo* (acceptance of one's condition), *sederhana* (simplicity), and *rukun* (harmony) shape not only the lifestyle of the people but also the economic logic of small-scale enterprises. Unlike modern food outlets that constantly innovate menus and branding to stimulate demand, *angkringan* emphasizes continuity, stability, and accessibility. Prices are kept intentionally low—often ranging from IDR 3,000–10,000 (USD 0.20–0.70)—ensuring affordability for students, workers, and the urban poor. This strategic simplicity sustains not only customer loyalty but also a sense of economic inclusiveness, where no social group feels excluded from participation in communal dining.

This affordability strongly resonates with Islamic socio-economic principles, particularly *'adālah* (social justice), *rahmah* (compassion), and *kifāyah* (sufficiency). In the Islamic worldview, economic activity is not merely a pursuit of profit but a vehicle to ensure fairness, mutual care, and basic well-being for all members of society. The vendors of *angkringan* generally avoid *isrāf* (extravagance) in both food presentation and

operations, which echoes Qur'anic injunctions to embrace moderation and reject wastefulness. In this sense, *angkringan* functions as a living manifestation of Islamic ethical economy, where values guide practice in subtle yet impactful ways (Chapra, 2000; Asutay, 2007).

Moreover, informal observations and conversations with vendors reveal that Islamic ethical practices are often applied implicitly and organically rather than through formal Shariah certification. For example:

- 1) Murābahah-like transparency in pricing, where prices are fixed, clear, and communicated openly to customers, avoiding hidden costs or exploitative mark-ups.
- 2) Flexible payment systems, especially for loyal or financially struggling customers, where deferred payment (*utang*) or informal savings (*tabungan*) arrangements are allowed, reflecting compassion and trust-based finance.
- 3) Non-discriminatory service, where vendors provide equal hospitality to everyone regardless of class, religion, or background, reinforcing the Qur'anic ethic of inclusivity.

These everyday practices illustrate what may be called “embedded Islamic ethics” in informal microenterprises. Unlike in formal Islamic finance, where compliance is ensured through fatwas, contracts, and governance structures, here the ethical orientation emerges from cultural values, lived religious consciousness, and communal trust. In effect, the *angkringan* shows how Islamic socio-economic values can be realized in grassroots forms of economic life, without heavy institutionalization. This not only challenges the assumption that Islamic economics must always operate within formal institutions, but also demonstrates the resilience of value-based microeconomies in sustaining dignity, solidarity, and social well-being.

In sharp contrast, modern fast-food chains operate under the logic of consumption maximization. Their pricing strategies, menu engineering, and marketing campaigns are

deliberately designed to stimulate repeated purchases and upselling, often encouraging forms of *isrāf* (extravagance) and overconsumption. Value meals, combo sets, and seasonal promotions reinforce a culture of speed, volume, and impulse-driven behavior rather than sufficiency. While these chains may achieve efficiency through economies of scale, they tend to detach consumption from local cultural values and ethical considerations. The food is standardized, portioned to drive revenue optimization, and promoted through global branding narratives that often undermine local culinary traditions.

From an Islamic socio-economic lens, such practices reveal the limitations of a system driven by profit maximization at the expense of *'adālah* (justice) and *kifāyah*

(sufficiency). Unlike the *angkringan*, which embodies moderation and inclusivity, fast-food outlets often segment customers by purchasing power, creating implicit barriers of affordability. Moreover, the transactional nature of these chains tends to reduce the social dimension of eating, where customers consume quickly and leave, rarely fostering meaningful interactions. Thus, while *angkringan* represents a culturally rooted and ethically embedded model of microenterprise, modern fast-food chains epitomize the alienating tendencies of capitalist consumerism—prioritizing efficiency and expansion over community, meaning, and justice.

Table 1. Comparison between Angkringan and Modern Fast-food Chains

Dimension	Angkringan (Microenterprise)	Fast-food Chains (Global Capitalism)
Business Model	Community-based, low-cost, adaptive to local demand	Efficiency- and scale-driven, standardized across locations
Pricing Logic	Intentional affordability (IDR 3,000–10,000), aligned with <i>kifāyah</i> and anti- <i>isrāf</i> values	Profit maximization, upselling, combo pricing, encourages overconsumption (<i>isrāf</i>)
Social Role	Vendor acts as social node (facilitator of conversation, gossip, religious talk, solidarity)	Staff-customer relations are transactional, limited to service delivery
Cultural Embeddedness	Rooted in Javanese values (<i>nrimo</i> , <i>rukun</i> , <i>srawung</i>), strengthens local identity	Detached from local culture, imposes global branding and standardized consumption model
Islamic Ethical Practices	Implicit: transparent pricing (murābahah-like), flexible payment, non-discriminatory service	Absent: focus on profit, little consideration of justice, sufficiency, or inclusivity
Consumer Experience	Relational, slow, inclusive, fostering belonging and emotional well-being	Fast, standardized, individualistic, minimal social interaction
Resilience	Adaptive, low overhead, resilient in crises due to social trust and affordability	Vulnerable to cost shocks, shifting trends, and consumer disengagement

4.3. The Collapse of Meaningless Modern Retail

The gradual decline of several global fast-food chains in Indonesia, most notably the closure of KFC branches in 2024–2025, reflects more than just temporary business setbacks; it signals a structural fatigue of the profit-maximization model that has long underpinned global capitalist expansion. Rising operational costs, shifts in consumer behavior, and the inability to adapt to local socio-cultural dynamics expose the vulnerabilities of a system that privileges efficiency, standardization, and scalability over cultural resonance and social embeddedness. Notably, many of these closures occurred in cities such as Jakarta, Bandung, and Yogyakarta—urban centers where informal food economies like *angkringan* continue to thrive as both affordable dining options and community-oriented spaces (CNBC Indonesia, 2024; Tempo, 2025).

This development lends empirical weight to Arnspurger's (2010) thesis that economic systems detached from meaning, community, and embedded social relations are inherently unsustainable. It also resonates with the critiques of Harvey (2010) and Stiglitz (2012), who argue that capitalism's relentless pursuit of accumulation leads to alienation and systemic fragility. Recent scholarship on post-capitalist transitions further emphasizes that consumer preferences are increasingly shifting toward authenticity, ethical values, and relational experiences, rather than purely material or efficiency-based consumption (Graeber, 2021; Kallis et al., 2023).

The juxtaposition of multinational franchise failures with the resilience of the *angkringan* model underscores a public desire for re-personalized, value-driven commerce. Unlike the anonymous and transactional nature of fast-food chains, *angkringan* offers affordability, trust-based exchange, and cultural

familiarity, thus embodying the principles of both the meaning economy and Islamic socio-economics. In this light, the endurance of *angkringan* is not merely an economic anomaly but a powerful critique of mainstream capitalist rationality—demonstrating that small-scale, culturally rooted enterprises can outlast and even outperform large-scale multinational models when evaluated through the lens of social justice, community solidarity, and cultural sustainability.

Against this backdrop, the endurance of *angkringan* acquires deeper analytical significance. Rather than being a mere survivalist informal enterprise, *angkringan* represents an alternative logic of economic life—one that prioritizes sufficiency over accumulation, solidarity over individualism, and cultural embeddedness over placeless standardization. Its continuing relevance amidst the decline of multinational fast-food chains suggests that resilience in the contemporary economy cannot be reduced to scale, efficiency, or profit margins alone. Instead, it depends on the ability of an enterprise to generate meaning, trust, and community value, elements that resonate strongly with both Islamic socio-economic ethics and Javanese cultural principles. The next section explores how *angkringan*, as a *meaningful microenterprise*, operationalizes these values in practice, providing an illustrative case of how small-scale businesses can embody a paradigm of ethical and culturally rooted economic sustainability.

4.4. A Model of Community-Based Islamic Microenterprise

Based on the findings, *angkringan* can be understood as a model of Islamic community-based microenterprise with five interrelated features:

Tabel 2: Model of Islamic community-based microenterprise

Feature	Explanation
<i>Affordability</i>	Provides access to basic meals at extremely low prices.
<i>Social Inclusivity</i>	Serves all social classes; no formal dress or entry requirements.
<i>Moral Embeddedness</i>	Practices ethical principles in trade, trust, and interpersonal care.
<i>Local Cultural Harmony</i>	Reflects Javanese values: <i>rukun</i> , <i>guyub</i> , and <i>tepa selira</i> .
<i>Non-institutional Resilience</i>	Survives economic shocks without external intervention or formal credit.

This model offers a bottom-up paradigm for Islamic microeconomic development—distinct from top-down, financing-centric models of Islamic banking. It prioritizes social function, ethical normativity, and cultural fit, in line with *maqāṣid al-sharī'ah*, particularly *ḥifẓ al-māl* (protection of wealth) and *ḥifẓ al-'ird* (dignity).

5. Conclusion

5.1 Conclusion

This study explored *angkringan* as a distinctive socio-economic phenomenon that embodies Islamic ethical principles and Javanese cultural values within Indonesia's informal economy. Through a qualitative, interpretive analysis, the research reveals that *angkringan* represents not merely a microenterprise model but a **meaning-based economy** rooted in solidarity, modesty, and social reciprocity.

The findings demonstrate that the *angkringan* economy upholds the Islamic socio-economic ideals of *'adālah* (justice), *rahmah* (compassion), and *kifāyah* (sufficiency), while simultaneously preserving cultural identity and community cohesion. The study also emphasizes that the sustainability of *angkringan* stems from relational trust, ethical exchange, and low entry barriers—making it an inclusive and resilient form of livelihood amid the dominance of capitalist consumption patterns.

By integrating Islamic economic thought with cultural anthropology, this research highlights *angkringan* as a **living model of ethical microenterprise**, one that contributes

to socio-economic justice and local resilience in the face of modern economic homogenization.

5.2 Practical and Theoretical Implications

Theoretically, this study contributes to the discourse on Islamic economics by extending the concept of **meaning economy** to include indigenous and culturally embedded practices. It demonstrates how small-scale informal enterprises can operationalize Islamic moral values beyond the formal financial sector.

Practically, the findings suggest that policy-makers and development agencies should recognize *angkringan* and similar community-based enterprises as viable instruments for **inclusive economic development**. Supporting their ecosystem—through training, microfinance, and cooperative structures—can enhance both economic sustainability and social harmony. Furthermore, Islamic financial institutions may draw inspiration from *angkringan*'s ethics of affordability, trust, and mutual care when designing community-oriented financing models.

5.3 Limitations of the Study

This research is primarily conceptual and interpretive, relying on secondary data and limited field contextualization. Therefore, its findings emphasize **conceptual insight rather than statistical generalization**. The absence of in-depth ethnographic interviews or quantitative surveys limits the study's ability to measure the full scope of *angkringan*'s economic impact. In addition, the research focuses mainly on Yogyakarta's cultural setting, which may not

fully represent variations of *angkringan* practices across Java or Indonesia as a whole.

5.4 Recommendations for Future Research

Future studies should employ **mixed-method approaches** that combine ethnographic immersion with quantitative analysis to examine the measurable economic contributions of *angkringan* to local employment, community welfare, and poverty reduction. Comparative studies between *angkringan* and other forms of Islamic microenterprises could also deepen understanding of cultural adaptation in Islamic economics.

Moreover, future researchers could investigate how digitalization, e-payment systems, and halal certification interact with traditional *angkringan* values—offering insights into the transformation of local Islamic entrepreneurship in the era of Industry 4.0 and digital society.

6.5 Closing Remark

In essence, *angkringan* symbolizes more than a food stall; it reflects an **ethical, communal, and spiritual economy** that aligns economic action with cultural wisdom and divine values. Recognizing and supporting this model is not only a cultural preservation effort but also a strategic pathway toward achieving the **Maqāṣid al-Sharī'ah** of social justice, welfare, and human dignity in Indonesia's evolving economic landscape.

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