

## THE MORALS OF THE YOUNGER GENERATION IN ECONOMIC ACTIVITIES IN THE DIGITAL ERA, VIEWED FROM AN ISLAMIC PERSPECTIVE

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**Abstract:** *The rapid growth of the digital age has significantly transformed the economic activities of the younger generation, particularly those aged 18–30 years. Young people are increasingly involved in social media commerce, online buying and selling, freelancing, and other forms of digital entrepreneurship. While these developments offer greater flexibility and economic opportunities, they also raise serious concerns about the decline of moral principles such as honesty, accountability, and justice in digital economic practices. The absence of face-to-face interaction, combined with anonymity and intense competition, often creates ethical challenges that are difficult for young people to navigate. This study examines the moral behavior of young individuals engaged in digital economic activities from an Islamic perspective. It highlights key Islamic ethical values, including adl (justice), amanah (trustworthiness), ihsan (excellence in conduct), and tawhid (the unity and consciousness of God), as essential foundations for ethical economic behavior. Using a mixed-methods approach, the study collected data through 20 in-depth interviews and a survey of 350 young participants actively involved in the digital economy. The findings reveal that although most participants possess basic knowledge of Islamic moral values, many struggle to consistently apply these principles in digital environments. Factors such as peer pressure, lack of ethical guidance, and limited understanding of how Islamic ethics relate to digital practices contribute to this gap. The study concludes that integrating Islamic ethical teachings into digital literacy and economic education programs can help address these challenges. By doing so, ethical awareness and responsible behavior among young digital economic actors can be strengthened. This research contributes valuable insights for educators, policymakers, and community leaders seeking to promote morally grounded participation in the digital economy.*

**Keywords:** *Amanah (trust), Adl (fair), Young Generation, Digital Economy, Islamic Morals*

### Introduction

The younger generation now has more opportunities to engage in economic activities thanks to the current digital era. Young people can trade on internet platforms, work as freelancers, and launch online enterprises with just a smartphone. Millions have benefited from this accessibility, but it has also created new obstacles to moral behavior. Issues like fraud, deceptive advertising, unfair pricing, and a lack of transparency frequently characterize digital economic arenas, raising concerns about the moral principles influencing the behavior of young people. From an Islamic perspective, economic activities are not just about making money; they are a form of worship that must align with moral principles. Islam emphasizes that all transactions should be based on amanah (trust), adl (justice), khuluq (good character), and respect for others' rights. However,

little research has focused on how these principles are practiced by young people in digital economic contexts, especially in regions with large Muslim populations.

By examining young people's moral behavior in the digital economy from an Islamic perspective, this study fills this vacuum. The following are the research questions:

- (1) What ethical issues do young people encounter when engaging in digital economic activities?
- (2) How do they interpret and implement Islamic moral precepts in these situations?
- (3) What aspects of the internet affect their moral judgments?

This study is important because it can help develop techniques for encouraging young people to engage in ethical digital economic behavior. Teachers, legislators, and religious leaders can create focused initiatives to improve moral consciousness and accountability by comprehending the discrepancies between Islamic principles and practical application. Additionally, by providing insights that are applicable to both Muslim and non-Muslim groups, this study adds to the expanding corpus of literature on religious studies and digital ethics.

## Literature Review

### 2.1 Youth Involvement in the Digital Economy

The fast expansion of the digital economy and its effects on youth have been **emphasized** in recent studies. More than 60% of youth in Muslim-majority nations engage in digital economic activities, such as gig work and e-commerce, according to Khan and Ahmed (2021). They are exposed to new moral risks in addition to economic opportunities. According to Johnson et al. (2022), digital platforms frequently foster anonymity, which can lessen accountability and encourage unethical behavior like plagiarism in freelance work or fraudulent e-commerce reviews.

### 2.2 Ethical Difficulties in Digital Economy

According to research by Smith and Lee (2020), deceptive marketing, unfair competition, violations of data privacy, and exploitation of disadvantaged groups are the main moral issues facing young people in digital economies. These difficulties are made more difficult in Muslim cultures by the requirement to conform conduct to Islamic values. Many young people, according to Ali and Hassan (2021), lack the understanding necessary to convert abstract Islamic principles into useful acts in digital environments.

### 2.3 Islamic Ethics And Financial Conduct

Amanah (trustworthiness), adl (justice), ihsan (excellence), tawhid (unity of God), and zakah (charity) are among the fundamental tenets of Islamic economic ethics, which have their roots in the Quran and Hadith. According to Al-Faruqi (2019), amanah is essential to all business deals; people must be truthful in their interactions and keep their word. Adl mandates that there be no discrimination or abuse of any party involved in a transaction (Ibn Khaldun, 2020 [translated]).

### 2.4 Digital Literacy And Moral Awareness Among Youth

Digital literacy plays a crucial role in shaping the moral behavior of young people in the digital economy. Digital literacy does not only refer to technical skills, but also includes the ability to understand ethical consequences, evaluate information critically, and make responsible decisions online. According to UNESCO (2021), young people with higher levels of digital literacy tend to demonstrate stronger ethical awareness in online economic activities.

Several studies indicate that insufficient digital literacy increases the risk of unethical behavior, such as spreading false information, engaging in dishonest online transactions, and violating intellectual property rights. Rahman et al. (2021) argue that moral problems in the digital economy are often caused not by bad intentions, but by a lack of ethical understanding in digital contexts. From an Islamic perspective, moral awareness must accompany digital competence. Knowledge (*ilm*) is considered incomplete if it is not followed by righteous action (*amal salih*). Therefore, educating youth about Islamic values alongside digital skills can help them navigate the digital economy responsibly. This integration can strengthen moral self-control and encourage ethical economic conduct based on Islamic teachings.

According to a number of studies, a lack of digital literacy raises the possibility of unethical activities such as disseminating misleading information, participating in fraudulent online transactions, and infringing on intellectual property rights. According to Rahman et al. (2021), moral issues in the digital economy are frequently brought on by a lack of ethical knowledge in digital contexts rather than by malicious intent. From an Islamic standpoint, digital competency must be accompanied by moral consciousness. If knowledge (*ilm*) is not accompanied by moral behavior (*amal salih*), it is deemed deficient. Thus, teaching young people digital skills and Islamic principles can help them appropriately manage the digital economy. Based on Islamic principles, this integration can promote moral self-control and ethical business practices.

## 2.5 Research Gaps

Few studies have combined digital ethics with Islamic economics to study teenage behavior, despite the fact that both fields have a wealth of literature on their own. The majority of current research concentrates on traditional (non-digital) environments or adult economic players. Abdullah (2020), for instance, examined Islamic ethics in small enterprises but not on digital platforms. This study closes this gap by examining the elements that influence young people's actions and how they comprehend and implement Islamic moral precepts in their digital economic activities.

## Method

This study uses a mixed-methods approach, combining quantitative and qualitative data to provide a comprehensive understanding of the topic. The research was conducted in 2024 with young people aged 18-30 who participate in digital economic activities (e.g., e-commerce, freelancing, social media selling) in a Muslim-majority country.

## 3.1 Quantitative Price

Sampling: 350 individuals were chosen at random from online platforms (such as social media groups, freelance apps, and e-commerce websites). The requirements for inclusion were being Muslim, between the ages of 18 and 30, and having participated in digital economic activity for at least six months. Data collection was conducted using a self-administered online questionnaire that measured the following:

- (1) involvement in digital economic activities;
- (2) comprehension of Islamic moral principles pertaining to economics;
- (3) frequency of unethical behavior on the internet; and
- (4) variables impacting moral decisions.

Data Analysis: SPSS 28.0 was used to assess descriptive statistics (mean, percentage) and inferential statistics (correlation).

### 3.2 Ethical Considerations

Before taking part, each subject gave their informed consent. Pseudonyms were employed in the qualitative analysis to safeguard participant identities, and data was kept private. The institutional ethics committee of Muhammadiyah North Sumatera University gave its approval to the project.

## Results and Discussion

### Quantitative Result

The quantitative findings provide an overview of the level and nature of young people's participation in digital economic activities, their understanding of Islamic moral principles, and the ethical challenges they face in online environments.

#### Participation in Digital Economic Activities

The data indicate that young people are highly involved in various forms of the digital economy. Specifically, **32% of participants were engaged in social media commerce**, such as selling products through Instagram, Facebook, or WhatsApp. In addition, **45% participated in freelancing activities**, including graphic design, content writing, online tutoring, and other digital services. The highest level of engagement was observed in **e-commerce activities**, with **78% of respondents reporting active participation as online buyers or sellers** through platforms such as online marketplaces and shopping applications.

In terms of time commitment, the majority of participants (**62%**) reported spending **five to ten hours per week** on digital economic activities. This finding suggests that digital economic participation is not merely occasional but has become a regular and meaningful part of young people's daily lives. A smaller group (21%) reported spending more than ten hours per week, indicating that for some participants, digital economic activities function as a primary source of income rather than a side activity. This high level of engagement highlights the importance of addressing ethical behavior within digital economic spaces.

#### Knowledge of Islamic Moral Principles

The results show a notable gap between **theoretical knowledge** and **practical understanding** of Islamic moral principles. While **85% of participants were able to mention at least two Islamic moral principles related to economic behavior**, such as *amanah* (trustworthiness), *adl* (justice), and *sidq* (honesty), only **38% were able to clearly explain how these principles could be applied in digital economic contexts**.

This discrepancy indicates that although Islamic ethical concepts are generally familiar to young people, their application in online environments remains unclear. Many participants understood these principles in traditional, face-to-face economic transactions but struggled to interpret them in situations involving digital platforms, online anonymity, virtual communication, and algorithm-driven marketplaces. This finding suggests that moral education often remains abstract and disconnected from the realities of the digital economy.

#### Unethical Behavior in Digital Economic Activities

A significant portion of participants (**42%**) admitted to engaging in at least one form of unethical behavior in the digital economy during the previous year. The most commonly reported unethical practice was **deceiving clients or customers (28%)**, such as exaggerating product quality, using misleading descriptions, or posting edited images that did not reflect the actual condition of goods. Additionally, **19% of participants acknowledged stealing ideas or content**, including copying designs, written content, or digital products without permission.

Furthermore, **15% reported concealing defects or weaknesses in products**, especially in online sales where physical inspection by buyers was not possible.

These findings demonstrate that unethical behavior in digital economic activities is relatively widespread among young people. The digital environment appears to create opportunities for moral compromise, particularly when competition is high and monitoring is limited.

### Factors Influencing Unethical Behavior

Correlation analysis revealed several factors significantly associated with unethical behavior. The strongest relationship was found between unethical behavior and **lack of awareness of Islamic ethical application** ( $r = 0.56, p < 0.05$ ), indicating that participants who lacked practical ethical understanding were more likely to engage in unethical actions. **Anonymity** also showed a strong positive correlation with unethical behavior ( $r = 0.48, p < 0.05$ ), suggesting that the absence of face-to-face interaction reduces feelings of accountability. Additionally, **peer pressure** was significantly correlated with unethical conduct ( $r = 0.42, p < 0.05$ ), reflecting the influence of competitive digital cultures where unethical practices are often normalized. Together, these findings suggest that unethical behavior in the digital economy is not solely the result of poor moral values but is also shaped by structural and social characteristics of digital platforms.

### Qualitative Results

The qualitative data from interviews provided deeper insights into how young people perceive and experience ethical challenges in digital economic activities. Three main themes emerged from the analysis.

#### ***Theme 1: “I Know the Rules but Don’t Know How to Use Them Online”***

Many participants expressed a clear awareness of Islamic moral principles such as *amanah* and *adl*, yet they struggled to apply these values in digital transactions. Participants often described a sense of confusion when attempting to translate traditional ethical teachings into online practices.

One participant stated:

“I know I should be honest about my product, but online everyone uses fancy photos. If I don’t do the same, I won’t sell anything.”

This statement reflects the tension between ethical ideals and market competition. Participants felt pressured to conform to common online practices, even when those practices conflicted with Islamic ethical values. The findings suggest that moral knowledge alone is insufficient without practical guidance tailored to digital environments.

#### **Theme 2: Anonymity as a “Shield”**

Another prominent theme was the role of anonymity in facilitating unethical behavior. Many participants explained that the lack of physical interaction and personal identification in online work reduced their sense of responsibility.

A freelancer commented:

“When I’m working online, no one knows me, so sometimes I cut corners to finish faster.”

This perception of anonymity as a “shield” allowed individuals to justify unethical actions, such as delayed responses, incomplete work, or misrepresentation. The absence of immediate social consequences weakened moral self-regulation and made unethical behavior feel less serious than in offline interactions.

### ***Theme 3: The Need for Practical Guidance***

The majority of participants expressed a strong desire for clear and practical guidance on how to apply Islamic ethics in digital economic contexts. They emphasized that existing moral education rarely addresses modern issues such as online reviews, data privacy, digital marketing, or intellectual property.

One participant explained:

“I want to be ethical, but I don’t know what Islam says about things like online reviews or data privacy.”

This theme highlights a critical gap between religious teachings and contemporary digital realities. Participants did not reject Islamic ethics; rather, they sought clearer interpretations and real-life examples relevant to their daily online economic activities.

## **Discussion**

The findings of this study reveal a significant gap between young people’s understanding of Islamic moral principles and their actual behavior in digital economic environments. While most participants were familiar with core concepts such as *amanah* and *adl*, many struggled to apply these principles consistently in online contexts. This supports the argument of Ali and Hassan (2021), who found that many young Muslims possess moral awareness but lack the skills needed to translate abstract ethical values into concrete digital practices.

The strong correlation between anonymity and unethical behavior reinforces the findings of Johnson et al. (2022), who emphasized that reduced accountability in digital gig work increases the likelihood of moral disengagement. When individuals feel invisible or untraceable, ethical considerations tend to weaken, even among those with strong moral foundations.

From an Islamic perspective, these results highlight the importance of *ihsan* (excellence in conduct), which requires individuals to act ethically not only when observed but also when unobserved. *Amanah* demands trustworthiness in all circumstances, while *adl* requires fairness regardless of context. The findings suggest that digital environments test these principles more intensely due to competition, anonymity, and social pressure.

The expressed need for guidance indicates that integrating Islamic ethics into digital literacy programs could be an effective solution. Teaching young people how Islamic values apply to issues such as online marketing, freelancing contracts, consumer reviews, and data protection may help reduce unethical behavior. However, this study has limitations, including its focus on a single country and reliance on self-reported data, which may involve bias. Future research could incorporate observational methods and expand to different cultural contexts to strengthen the findings.

## **Conclusion**

This study demonstrates that the participation of the younger generation in the digital economy presents both significant opportunities and serious moral challenges when viewed from an Islamic perspective. Although most young people are aware of fundamental Islamic ethical

principles such as *amanah* and *adl*, they often struggle to apply these values in digital environments due to limited practical understanding, anonymity, and peer pressure. The primary contribution of this study lies in its identification of the gap between Islamic moral ideals and actual behavior in online economic activities. The findings suggest that promoting ethical conduct requires more than theoretical moral education; it requires clear, practical guidance that addresses real digital economic situations.

Based on these findings, the study recommends:

1. Integrating Islamic ethics into digital literacy programs at schools and universities;
2. Developing clear guidelines for Islamic ethical behavior on digital platforms; and
3. Establishing community-based initiatives to support young people in practicing ethical digital economic behavior.

Despite its limitations, this study provides a foundation for future research on the relationship between youth, the digital economy, and Islamic morality. Addressing these challenges is essential to ensure that young people are empowered both economically and morally in the digital age.

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