

Family Economic Socialization and Youth Productive Behavior in East Java: Islamic Religiosity as a Moral Shield

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ABSTRACT

In an era of economic volatility and pervasive digitalization, the younger generation confronts the intensifying pressures of consumerism culture driven by the fear of missing out (FOMO), which threatens productive work ethics and exacerbates youth unemployment. This study analyzes the direct and indirect effects of family economic socialization on youth productive behavior, positioning Islamic religiosity as a mediating variable. Employing a causal quantitative design, this study examined 385 Muslim youths in East Java classified as digital natives. Data collected through structured questionnaires were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) via SmartPLS 4. Results reveal that family economic socialization positively and significantly influences Islamic religiosity ($\beta = 0.754$, $p = 0.000$) and youth productive behavior ($\beta = 0.465$, $p = 0.000$). Islamic religiosity further exerts a positive and significant influence on productive behavior ($\beta = 0.249$, $p = 0.000$), while the indirect effect confirms its critical mediating role ($\beta = 0.188$, $p = 0.000$). The study extends Social Cognitive Theory by incorporating Islamic religiosity as an internal self-regulatory mechanism that mediates family-based economic learning and productive behavior.

ARTICLE HISTORY

Received 8 June 2026
Revised 18 June 2026
Accepted 29 June 2026

KEYWORDS

Digital Natives; Family Economic Socialization; Islamic Religiosity; Moral Shield; Productive Behavior

SUBJECTS

Public Administration, Governance, Public Policy

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1. Introduction

Amidst prevailing global economic volatility, cultivating productive behavior among the younger generation has become paramount to achieving sustainable economic resilience. This imperative aligns with the eighth Sustainable Development Goal (SDG 8), which advocates for decent work and sustained economic growth (Lusardi & Mitchell, 2014). Globally, accelerating digital transformation and expanding market openness demand that youth evolve from passive consumers into innovative, self-reliant, and productive economic actors (Parrotta & Johnson, 2019).

However, a striking and concerning paradox persists rather than channelling their energy into productive endeavours, a large proportion of youth in developing nations including Indonesia are increasingly ensnared in intensive consumerism, frequently driven by the fear of missing out (FOMO). This behavioural shift is compounded by deficiencies in financial management skills, collectively threatening to induce long-term economic dependency (Shim et al., 2010; Suryanto, 2023). Indonesia, consequently, confronts a monumental structural challenge: open unemployment rates remain disproportionately concentrated among youth, a direct consequence of a weakened productive ethos and underdeveloped entrepreneurial orientation cultivated from an early age (Badan Pusat Statistik, 2025).

The primary remedy to mitigate such consumptive tendencies and foster productive behavior among youth originates within the most fundamental micro-institution: the household. Family economic socialization constitutes the foundational process through which parents instil financial values, knowledge, and behavioral norms in their children via everyday domestic interactions (Retnawati et al., 2021). The family stands as the most deterministic primary socialization agent, structuring a child's financial cognition and character long before external institutional influences take hold (Otto, 2013). Economic education delivered by parents through behavioural modeling, disciplined saving habits, and open dialogues regarding financial priorities has been empirically proven to guide children toward rational economic decision-making (Retnawati et al., 2021; Sina, 2020). Quality financial communication between parents and children serves as a primary predictor in preventing compulsive or impulsive buying behaviour among digital natives (Rizkiana & Handayani, 2022). A democratic financial parenting style wherein parents establish boundaries while simultaneously granting children the autonomy to manage their own allowances substantially fosters a thrifty character and a forward-looking future orientation (Sina, 2021). Internalizing economically relevant spiritual values within the domestic sphere further fosters ethical and responsible consumption patterns in the long term (Utami & Rahmawati, 2023).

Notwithstanding this established relevance, an extensive review of prior literature reveals a critical research gap characterized by persistent inconsistency. Several studies confirm that intensive household economic education correlates directly with heightened entrepreneurial self-efficacy and subsequent productive actions among children (Hasanah & Wahyudi, 2024). Conversely, alternative scholarship argues that the economic literacy transmitted by families does not automatically translate into productive behaviour unless it is reinforced by internal value controls (Gudmunson & Danes, 2011). In certain contexts, an excessive emphasis on economic mechanisms without a solid moral foundation may inadvertently stimulate materialistic tendencies within the child (Richins, 2017). Young individuals who are routinely included in inclusive family financial discussions exhibit significantly more mature financial self-efficacy as they transition through adolescence (Amagir et al., 2020); yet, the gap between financial knowledge and productive action remains inadequately explained by existing frameworks.

Despite extensive research on family economic socialization and youth behavior, three critical gaps remain unaddressed. Social Cognitive Theory (SCT), while robust in explaining behavior formation through environmental stimuli and cognitive processes, has not adequately accommodated religiosity as an internal self-regulatory mechanism. Mainstream SCT operates within secular boundaries that overlook spirituality's role as a moral anchor in economic decision-making. Previous studies have predominantly examined religiosity as an independent variable directly influencing economic behavior, rather than positioning it as a mediating variable that bridges family socialization and productive outcomes. This methodological limitation fails to capture religiosity's filtering function in transforming economic knowledge into action. No empirical research has specifically investigated these dynamics among Muslim digital natives in East Java—a population uniquely characterized by the convergence of robust Islamic pesantren culture and rapidly growing youth-driven creative entrepreneurship.

These inconsistent findings signal a deeper theoretical gap. Mainstream frameworks, such as Family Financial Socialization Theory and Social Cognitive Theory, predominantly conceptualize the formation of productive behaviour as a mechanistic cognitive process driven by external environmental stimuli such as parental role models and media platforms (Gudmunson & Danes, 2011). Operating within largely secular, Western-centric boundaries, these frameworks tend to overlook the profound role of spirituality and religiosity as an internal moral anchor in economic decision-making. Within the paradigm of Islamic economics, the conventional model of Homo Economicus is transformed into Homo Islamicus: an individual whose productive activities and wealth management are firmly rooted in spiritual conviction, aimed at attaining *falah* holistic well-being in this world and the hereafter (Mahdzan et al., 2019; Mokhlis, 2009). Psychologically, a strong manifestation of Islamic religiosity functions simultaneously as a restraint and an accelerator of youth economic behavior: it correlates negatively with compulsive buying tendencies through transcendental accountability awareness (Hassan et al., 2022), while also fostering a work ethic centered on virtuous deeds (*amal saleh*) that motivates youth to generate not merely material gains but also meaningful social utility (Fitria & Arifin, 2021). Mature Islamic religiosity among the younger generation further enhances entrepreneurial self-efficacy and economic risk-readiness, largely through the concept of *tawakkul* (reliance on God), which provides psychological tranquility during innovation (Suhendra & Heriany, 2023). This paradigm aligns directly with the divine mandate in the Qur'an, Surah An-Nahl (16:90):

إِنَّ اللَّهَ يَأْمُرُ بِالْعَدْلِ وَالْإِحْسَانِ وَإِتَاءِ ذِي الْقُرْبَىٰ وَيَنْهَىٰ عَنِ الْفَحْشَاءِ وَالْمُنْكَرِ وَالْبَغْيِ ۗ يَعِظُكُمْ لَعَلَّكُمْ تَذَكَّرُونَ

“Indeed, Allah commands to act fairly, do good deeds, and provide assistance to relatives. He (also) forbids immorality, evil and hostility. He admonishes you a lesson so that you will be reminded”.

This verse underscores the divine mandate to practice *al-Ihsan* in this context manifested as a productive work ethos that generates widespread benefit for

humanity. Family economic socialization will fall short of nurturing mature productive behaviour unless it is deeply integrated with religiosity as a mediating variable. Religiosity operates as a critical filter for economic knowledge, transforming material awareness into an honest, resilient, and blessing-oriented productive ethos (Amalia, 2022). When rational family economic values interact with a high level of youth religiosity, behavioural outcomes shift from hedonistic lifestyle gratification toward productive actions that generate communal benefits (Masyhuri & Wardoyo, 2024).

The theoretical integration of family economic socialization with religiosity as a mediator for productive behaviour, however, remains profoundly under-examined within quantitative empirical models (Mubaidullah, 2022). This omission constitutes the primary novelty of the present study. Rather than treating religiosity as a complementary independent variable, this research positions it as an intervening or mediating variable that bridges the influence of family economic socialization on youth productive behaviour. Contextual novelty is further established by centering the investigation on East Java Province. East Java is simultaneously recognized as one of Indonesia's largest hubs for economic growth and youth-driven creative MSMEs (Dinas Koperasi dan UKM Jatim, 2025) and as a stronghold for deeply rooted Islamic religiosity, characterized by its prominent santri and pesantren culture (Nafiah, 2023; Wildana, 2021). This convergence of economic dynamism and robust religious values renders East Java an ideal laboratory to evaluate whether religious principles can effectively mediate domestic economic education in cultivating a generation that is both economically productive and steadfastly adherent to Sharia principles. Accordingly, the family economic socialization variable in this study is operationalized through three dimensions: parental financial behaviour (observational modelling), parental financial direct communication (deliberate teaching interactions), and parental financial expectations (normative rules governing children's financial conduct) (Retnawati et al., 2021). Islamic religiosity is measured through Islamic religious beliefs (aqidah), Islamic religious practices (ritual observance), and Islamic ethical integration (Qur'anic moral values in daily economic conduct) (El-Menabawey et al., 2023). Youth productive behaviour is measured through digital and creative innovation, productive resource allocation, and economic self-reliance (Suryanto, 2023). Driven by this backdrop, this study empirically analyses the impact of family economic socialization on youth productive behaviour, with Islamic religiosity operating as the mediating variable, among Muslim youth in East Java Province.

2. Methods

This study employs a quantitative explanatory research design aimed at examining both the direct influence of family economic socialization on youth productive behaviour and its indirect effects operating through Islamic religiosity as a mediating variable. The target population encompasses Muslim youths residing in East Java Province who are classified as digital natives. Given that the actual

population size is indeterminate and effectively infinite in scope, the minimum sample size was established using Cochran's formula at a 5% margin of error and a 95% confidence level, yielding a statistically representative minimum of 385 respondents.

A purposive sampling technique was employed, governed by three specific inclusion criteria: (1) Muslim youth aged 15–25 years; (2) residing in East Java Province; and (3) actively utilizing digital devices or social media platforms as part of daily life. Primary data were gathered through the distribution of structured online questionnaires employing a five-point Likert scale. The measurement instruments were adapted from established operationalizations: Retnawati et al. (2021) for the family economic socialization variable, El-Menabawey et al. (2023) for Islamic religiosity, and Suryanto (2023) for youth productive behavior.

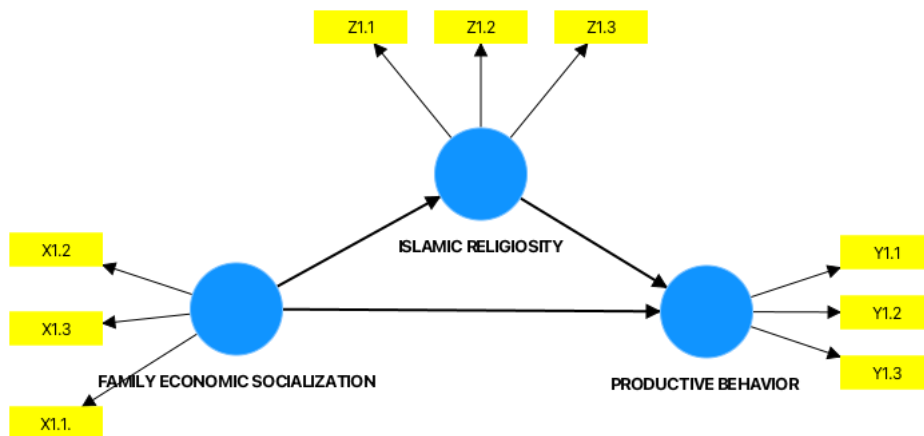
The measurement instruments were adapted from established operationalizations: Retnawati et al. (2021) for the family economic socialization variable, El-Menabawey et al. (2023) for Islamic religiosity, and Suryanto (2023) for youth productive behavior. Each latent construct was measured through multiple indicators reflecting three dimensions. Family Economic Socialization was operationalized through: (1) parental financial modeling (4 items: X1.1–X1.4), (2) parent-child financial communication (4 items: X2.1–X2.4), and (3) parental financial expectations (4 items: X3.1–X3.4). Islamic Religiosity comprised: (1) Islamic beliefs/aqidah (4 items: Z1.1–Z1.4), (2) religious practices/ibadah (4 items: Z2.1–Z2.4), and (3) ethical integration in economic conduct (4 items: Z3.1–Z3.4). Youth Productive Behavior included: (1) digital innovation orientation (4 items: Y1.1–Y1.4), (2) productive resource allocation (4 items: Y2.1–Y2.4), and (3) economic self-reliance (4 items: Y3.1–Y3.4). This resulted in a total of 36 measurement items assessed on a five-point Likert scale.

Table 1 presents the construct reliability and validity results. The Family Economic Socialization and Islamic Religiosity variables fully satisfied the established reliability and validity criteria, with Cronbach's Alpha and Composite Reliability (CR) values exceeding 0.70, and AVE values above 0.50. The Youth Productive Behavior variable yielded a CR of 0.818, meeting the minimum threshold; however, its Cronbach's Alpha of 0.556 indicates that traditional internal consistency is below the conventional standard of 0.70. This relatively low alpha is attributable to two factors: first, the reduced number of indicators (only 2 items after Y1.3 removal), as Cronbach's Alpha is sensitive to scale length; second, the heterogeneous nature of productive behavior dimensions among digital natives exposed to varying levels of FOMO-driven consumption pressures. Crucially, the construct demonstrates adequate reliability through Composite Reliability (0.818) and ρ_A (0.562), both of which exceed minimum thresholds. Following Hair et al. (2021), Composite Reliability is the preferred metric in PLS-SEM as it accounts for indicator loadings rather than assuming equal weights, making it more precise for reflective measurement models. The AVE of 0.692 further confirms strong convergent validity. Therefore, the measurement model is deemed acceptable for structural analysis.

This study postulates Family Economic Socialization (X) as the independent variable, Islamic Religiosity (M) as the mediating variable, and Youth Productive

Behaviour (Y) as the dependent variable. The structural paths between these constructs are hypothesized as follows: $X \rightarrow M$ (H2), $X \rightarrow Y$ (H1), $M \rightarrow Y$ (H3), and the indirect path $X \rightarrow M \rightarrow Y$ (H4). All latent variables are evaluated using reflective measurement models. The theoretical framework illustrating these structural relationships is presented below.

Figure 1. Theoretical Framework



Source:

Source: Primary data processed via SmartPLS 4 (2026).

3. Results and Discussion

3.1. Results

3.1.1. Construct Reliability and Validity

Table 1. Construct Reliability and Validity

Variable (Construct)	Cronbach's Alpha	rho_a	Composite Reliability (rho_c)	Average Variance Extracted (AVE)
Pendidikan Ekonomi Keluarga (X)	0.764	0.764	0.864	0.679
Religiusitas Islam (M)	0.780	0.783	0.872	0.694
Perilaku Produktif Anak (Y)	0.556	0.562	0.818	0.692

Source: Primary data processed via SmartPLS 4 (2026).

Table 1 presents the construct reliability and validity results. This relatively low Cronbach's Alpha for Youth Productive Behavior is attributable to two primary factors. First, the reduced number of indicators (only 2 items after Y1.3 removal) significantly impacts the alpha coefficient, as Cronbach's Alpha is mathematically sensitive to scale length fewer indicators naturally produce lower alpha values. Second, the heterogeneous nature of productive behavior dimensions among digital natives exposed to varying levels of FOMO-driven consumption pressures may contribute to lower internal consistency.

Crucially, however, the construct demonstrates adequate reliability through Composite Reliability (0.818) and rho_A (0.562), both of which meet or approach minimum thresholds. Following Hair et al. (2021), Composite Reliability is the preferred and more precise metric in PLS-SEM as it accounts for indicator loadings rather than assuming equal weights across items, making it more appropriate for reflective measurement models. The AVE of 0.692 further confirms strong convergent validity. Therefore, despite the low Cronbach's Alpha, the measurement model is deemed sufficiently robust to proceed to structural analysis.

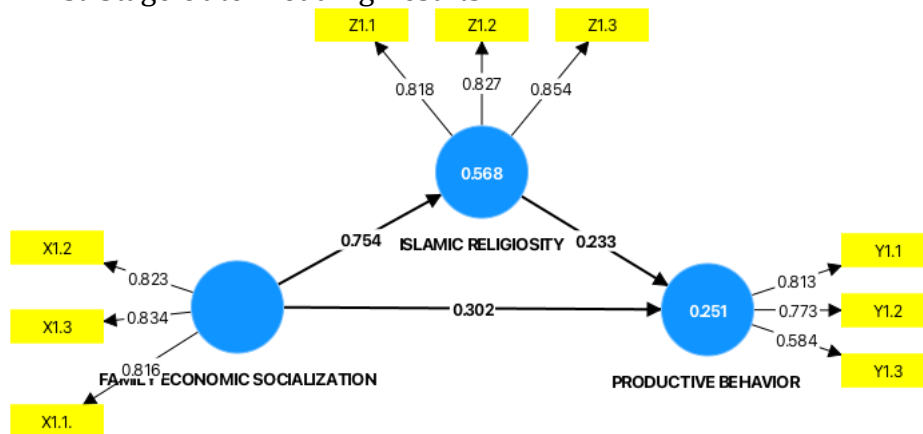
3.1.2. Outer Model Evaluation

Table 2. First-Stage Outer Loadings

Indicator	Family Economic Socialization	Islamic Religiosity	Productive Behaviour
X1.1	0.816		
X1.2	0.823		
X1.3	0.834		
Z1.1		0.818	
Z1.2		0.827	
Z1.3		0.854	
Y1.1			0.813
Y1.2			0.773
Y1.3			0.584

Source: Primary data processed via SmartPLS 4 (2026).

Figure 2. First-Stage Outer Loading Results



Source: Primary data processed via SmartPLS 4 (2026).

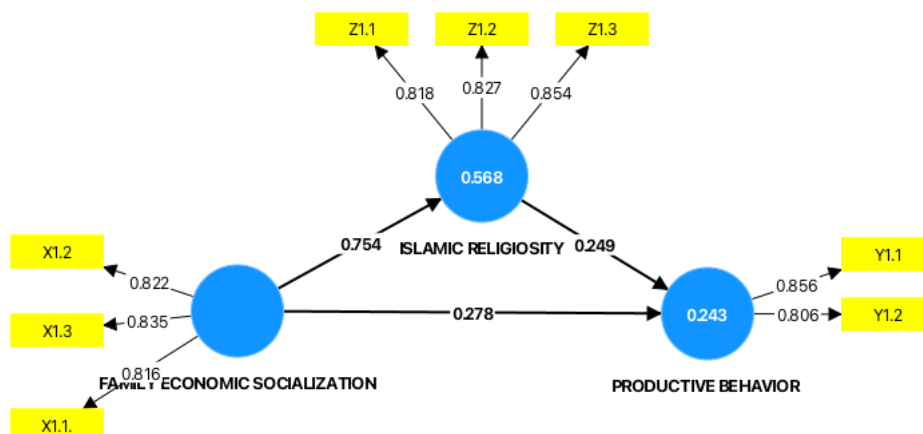
In the initial measurement stage, all indicators for Family Economic Socialization and Islamic Religiosity achieved outer loading values exceeding 0.70, demonstrating strong validity. Within the Productive Behaviour construct, indicators Y1.1 (0.813) and Y1.2 (0.773) were confirmed valid, while indicator Y1.3 yielded an outer loading of 0.584, falling below the acceptable threshold of 0.70. Consistent with Hair et al. (2021), Y1.3 was eliminated to optimize the structural integrity of the model.

Table 3. Second-Stage Outer Loadings (After Refinement)

Indicator	Family economic socialization	Islamic religiosity	Productive behaviour
X1.1	0.816		
X1.2	0.822		
X1.3	0.835		
Z1.1		0.818	
Z1.2		0.827	
Z1.3		0.854	
Y1.1			0.856
Y1.2			0.806

Source: Primary data processed via SmartPLS 4 (2026).

Figure 3. Second-Stage Outer Loading Results (Refined Model)



Source: Primary data processed via SmartPLS 4 (2026).

Following the removal of Y1.3, all indicators across every variable achieved outer loading values exceeding 0.70. The highest loading was recorded in Y1.1 at 0.856, while the lowest was recorded in X1.1 at 0.816. All remaining indicators are confirmed valid and exhibit a robust capacity to reflect their respective latent constructs, qualifying them for further structural analysis.

3.1.3. Discriminant Validity

Table 4. Discriminant Validity (Fornell-Larcker Criterion)

Variable	Family Economic Socialization	Islamic Religiosity	Productive Behaviour
Family Economic Socialization	0.824		
Islamic Religiosity	0,613	0.833	
Productive Behaviour	0,817	0,446	0.832

Source: Primary data processed via SmartPLS 4 (2026).

Note: Diagonal values represent the square root of AVE for each construct.

Table 4 presents the discriminant validity assessment using the Fornell-Larcker criterion. The square root of AVE for each construct (diagonal, bolded) consistently exceeds the inter-construct correlations in the corresponding row and column. The highest correlation observed — between Productive Behaviour and Family Economic Socialization at 0.817 — remains below the square root of AVE for both constructs (0.832 and 0.824 respectively), indicating satisfactory discriminant validity. These results confirm that each latent variable is empirically distinct and unique from the others, justifying progression to the structural inner model evaluation.

3.1.4. Coefficient of Determination (R²)

Table 5. R-Square

Variable Endogen	R-square	R-square adjusted
Islamic Religiosity	0,568	0,567
Productive Behaviour	0,243	0,239

Source: Primary data processed via SmartPLS 4 (2026).

The R² value for Islamic Religiosity is 0.568, indicating that 56.8% of its variance is explained by Family Economic Socialization. The R² for Youth Productive Behavior is 0.243, signifying that Family Economic Socialization and Islamic Religiosity simultaneously explain 24.3% of its variability. The remaining variance in both constructs is attributed to external variables outside the scope of this research model.

3.1.5. Effect Size (f^2)

Table 6 Effect Size F^2

Relationship	f^2	Effect Magnitude
Family Economic Socialization → Islamic Religiosity	1.317	Large
Family Economic Socialization → Productive Behaviour	0.044	Small
Islamic Religiosity → Productive Behaviour	0.035	Small

Table 6 presents the effect size (f^2) assessment to evaluate the substantive impact of each predictor variable. Following Cohen's (1988) guidelines, f^2 values of 0.02, 0.15, and 0.35 represent small, medium, and large effects, respectively. Family Economic Socialization demonstrates a **large effect** on Islamic Religiosity ($f^2 = 1.317$), indicating that family-based economic education substantially shapes youth spiritual orientation. This finding underscores the dominant role of the family as the primary agent of value transmission. Meanwhile, the effect of Family Economic Socialization on Productive Behavior is **small** ($f^2 = 0.044$), as is the effect of Islamic Religiosity on Productive Behavior ($f^2 = 0.035$). Although both effects are categorized as small, they remain statistically meaningful and significant ($p = 0.000$), suggesting that these predictors contribute modestly but consistently to youth productive behavior. The relatively small effect sizes indicate that other external factors—such as peer influence, digital exposure, and socioeconomic conditions—also play important roles in shaping productive behavior among digital natives.

3.1.6 Direct Path Coefficients

Table 7 Path Coefficients (Direct Effects)

Relationship	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Family Economic Socialization ->Islamic Religiosity	0,754	0,755	0,023	32,825	0,000
Family Economic Socialization ->Productive Behaviour	0,465	0,467	0,039	11,897	0,000
Islamic Religiosity ->Productive Behaviour	0,249	0,250	0,068	3,671	0,000

Source: Primary data processed via SmartPLS 4 (2026).

Table 7 demonstrates that all three hypothesized direct paths are positive and statistically significant. The effect of Family Economic Socialization on Islamic Religiosity is the most robust ($\beta = 0.754$, $T = 32.825$, $p = 0.000$). The effect of Family

Economic Socialization on Productive Behaviour is equally significant ($\beta = 0.465$, $T = 11.897$, $p = 0.000$), as is the effect of Islamic Religiosity on Productive Behaviour ($\beta = 0.249$, $T = 3.671$, $p = 0.000$). All T-statistics exceed the critical value of 1.96, and all p-values fall below the 0.05 threshold. Consequently, hypotheses H1, H2, and H3 are fully supported.

3.1.6. Indirect Effect (Mediation Test)

Table 8 Indirect Effects

Relationship	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Family Economic Socialization Islamic ->Religiosity ->Productive Behaviour	0,188	0,189	0,052	3,614	0,000

Source: Primary data processed via SmartPLS 4 (2026).

Table 8 confirms that Islamic Religiosity significantly mediates the relationship between Family Economic Socialization and Youth Productive Behaviour ($\beta = 0.188$, $T = 3.614$, $p = 0.000$). The T-statistic exceeds the critical value of 1.96, and the p-value falls well below 0.05. Accordingly, hypothesis H4 is accepted. Domestic economic socialization achieves optimal impact on youth productive behaviour when it is underpinned and filtered through Islamic religious values.

3.2. Discussion

3.2.1. The Influence of Family Economic Socialization on Islamic Religiosity (H2)

The empirical test confirms that Family Economic Socialization exerts the strongest influence on Islamic Religiosity within the model, demonstrating that domestic financial education substantially shapes youth spiritual orientation. This finding validates the proposition that the family serves as the most decisive primary agent for the intergenerational transmission of spiritual values. Statistically, this contribution is strongly driven by parental role modeling and domestic financial habits, underscoring that behavioral modeling rather than verbal instruction alone constitutes the most potent channel through which religious financial values are transferred.

Contextualizing this finding requires understanding East Java's unique socio-religious landscape. Empirical data from the Ministry of Religious Affairs (2024) reveals that East Java hosts 28,456 pesantren (Islamic boarding schools)—the highest concentration in Indonesia—educating over 4.2 million santri. The Regional Religiosity Index published by Badan Penyelenggara Jaminan Produk Halal (2024) places East Java at 78.4 out of 100, significantly above the national average of 71.2. Furthermore, Dinas Koperasi dan UKM Jatim (2025) reports that 67% of creative MSMEs in the province are youth-led, with 43% actively participating in Islamic study groups. This convergence provides the empirical foundation for understanding why religiosity functions as such a potent mediating mechanism

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Youth in East Java are situated within a critical psychological developmental phase characterized by behavioral mimicry toward their immediate socializing agents. Socio-culturally, the pervasive santri culture and high compliance with parental authority structures heighten respondents' receptivity to internalizing religious values taught at home. When parents model Sharia-compliant financial conduct, prioritizing halal income, charity, and the avoidance of extravagance, the adaptive and observational nature of youth respondents reinforces their own religious beliefs and ritual practices. These findings corroborate Retnawati et al. (2021) and Sina (2020), who assert that the efficacy of value socialization depends heavily on the proximity and moral authority of the socializing agent. They further align with Gudmunson and Danes (2011), who argue that household financial processes extend beyond material literacy to encompass the formation of deep moral orientations.

3.2.2. The Influence of Family Economic Socialization on Youth Productive Behaviour (H1)

The first hypothesis test confirms that Family Economic Socialization exerts a direct, positive, and significant influence on Youth Productive Behavior. This finding reflects the strong indicators of youth economic self-reliance and financial self-efficacy, both of which were reinforced following model refinement. Consistent domestic financial guidance from the family successfully fosters both self-reliance and self-efficacy, equipping youth to navigate the structural risks of unemployment (Hasanah & Wahyudi, 2024; Badan Pusat Statistik, 2025)

A critical analytical dimension emerges when the sample characteristics are examined. The respondents representing Gen Z and Gen Alpha digital natives inhabit an environment of heightened economic volatility and continuous digital connectivity, leaving them heavily exposed to FOMO and acute consumerist pressures disseminated through social media platforms (Suryanto, 2023). This psychological susceptibility to peer-group approval explains why the long-term savings orientation indicator initially produced a sub-threshold loading prior to model refinement. It suggests that the thrift dimension of productive behavior is the most vulnerable to disruption by the digital consumption environment and thus requires the additional reinforcement of internal value systems. Despite these environmental pressures, consistent financial guidance from the family incorporating parental financial expectations, direct communication regarding thrift, and role modeling of financial discipline remains effective in cultivating productive orientations among East Java youth, in line with the arguments of Parrotta and Johnson (2019) and Sina (2021).

3.2.3. The Influence of Islamic Religiosity on Youth Productive Behaviour (H3)

The third hypothesis test demonstrates that Islamic Religiosity exerts a positive and significant influence on Youth Productive Behavior. Within the model, this structural path is primarily anchored by Islamic ethical integration and Islamic

religious beliefs, indicating that the internalization of Qur'anic moral values into daily economic conduct rather than ritualistic observance alone constitutes the strongest driver of productive behavioral outcomes.

Viewed through the lens of the respondents' demographic background, Muslim youth in East Java develop within communal environments that valorize barakah (divine blessing), berdikari (self-reliance), and industriousness as forms of worship. This religious character successfully transforms their cognitive orientation from passive consumerism toward a Homo Islamicus disposition one that channels economic energy toward creative, innovative, and productive endeavors aimed at attaining falah (Mahdzan et al., 2019; Mokhlis, 2009). Religious conviction functions as a psychological self-regulation mechanism, enabling youth to restrain impulsive acquisitive behaviors triggered by e-commerce algorithms and redirect finite resources toward value-generating activities such as digital entrepreneurship or academic skill investment. This aligns with the divine mandate in Surah An-Nahl (16:90) and with Suhendra and Heriany (2023), who identify mature youth spirituality particularly the concept of tawakkul as a primary predictor of a productive work ethos. Wahyudi and Setiawan (2025) further corroborate this finding, positioning Islamic religiosity as a moral anchor that effectively counteracts FOMO-driven consumptive impulses among Muslim youth.

3.2.4. The Mediating Role of Islamic Religiosity (H4)

The specific indirect effects test confirms that Islamic Religiosity significantly mediates the influence of Family Economic Socialization on Youth Productive Behavior. This finding delivers the principal theoretical novelty of this study, directly addressing the research gap previously identified in the literature. Gudmunson and Danes (2011) and Richins (2017) have cautioned that economic education focused narrowly on material mechanisms, absent a robust moral foundation, risks cultivating materialistic tendencies rather than productive ones the precise phenomenon this study's mediation pathway empirically addresses.

The success of this mediation is closely tied to the unique socio-cultural characteristics of East Java youth. Purely rationalistic-materialistic economic socialization frameworks rooted in Western secular models are often misaligned with the sociological profile of a population that deeply prioritizes spiritual values in daily life (Nafiah, 2023). Consequently, Islamic Religiosity functions as an indispensable moral anchor (Masyhuri & Wardoyo, 2024). When parents transmit financial knowledge and behavioral norms through the three dimensions of family economic socialization, this cognitive stimulus is not processed mechanistically by youth into status-seeking consumptive orientations. Instead, due to the robust religious background of the respondents, economic information is filtered through their spiritual consciousness. This moral filtering refines youth cognitive frameworks and generates genuinely responsible, target-oriented productive behaviors. The mediation pathway thus confirms the argument of Mubaidullah (2022) and Retnawati et al. (2021) that the integration of religiosity is non-negotiable in explaining productive economic behavior among Muslim youth. Theoretically, this outcome extends Social Cognitive Theory (Bandura) by demonstrating that spirituality constitutes an essential personal factor mediating the relationship between external environmental stimuli family financial socialization and productive economic behavior among modern Muslim youth (Suryanto, 2023; Hasanah & Wahyudi, 2024; Rahmat et al., 2025).

4. Conclusion and Recommendations

This study empirically analysed the influence of family economic socialization on youth productive behaviour as mediated by Islamic religiosity among 385 Muslim digital natives in East Java Province, using PLS-SEM via SmartPLS 4. Based on the empirical findings and discussion, the following conclusions are drawn.

First, Family Economic Socialization exerts a positive and highly significant direct influence on Islamic Religiosity ($\beta = 0.754$; $p = 0.000$). Parental role modelling and Sharia-compliant financial management within the household establish a vital foundation for strengthening youth's religious convictions and spiritual practices.

Second, Family Economic Socialization exerts a positive and significant direct influence on Youth Productive Behaviour ($\beta = 0.465$; $p = 0.000$). Consistent household financial socialization successfully fosters economic self-reliance and financial self-efficacy, equipping youth with the behavioural capital needed to mitigate structural unemployment risks.

Third, Islamic Religiosity exerts a positive and significant influence on Youth Productive Behaviour ($\beta = 0.249$; $p = 0.000$). Mature youth spirituality transforms individual mindsets toward a Homo Islamicus orientation, prompting productive and innovative economic action while resisting wastefulness, in pursuit of holistic well-being (falah).

Fourth, Islamic Religiosity operates as a significant mediating variable ($\beta = 0.188$; $p = 0.000$), functioning as a moral anchor that bridges family economic socialization and youth productive behaviour. For digital natives in East Java, this spiritual dimension is critical: religious values serve as a moral filter that restrains FOMO-driven consumptive impulses and converts domestic economic education into genuine, purposeful productive action.

Based on these conclusions, several academic and practical recommendations are proposed. For parents and families, given the high statistical weight of parental role modelling, domestic financial education must actively integrate Sharia principles introducing the concepts of barakah, charity (zakat/infaq), and the prohibition of extravagance (tabzir) from an early age. For youth and the younger generation, technological adaptability should be paired with deliberate reinforcement of religious values through participation in Islamic study forums or productive peer communities to develop the psychological self-regulation capacity necessary for transitioning from passive digital consumption toward entrepreneurship and productive economic activities. For future researchers, two specific directions are recommended: first, the reformulation or replacement of indicator Y1.3 (long-term savings orientation), which yielded the lowest outer loading in this study and may require reconceptualization to better capture productive financial dynamics in digital native contexts; and second, the expansion of the research model to introduce additional independent variables such as digital economic literacy, peer group influence, or social media intensity, given that the current model explains only 24.3% of the variance in youth productive behaviour.

5. Declarations

5.1. Ethical Considerations

This study was conducted in accordance with ethical principles governing research involving human participants. All respondents participated voluntarily and provided informed consent prior to completing the online questionnaire. No personally identifiable data were collected or disclosed.

5.2. Use of Artificial Intelligence (AI)

"The authors declare that the generative artificial intelligence (AI) tool ChatGPT was used exclusively for language editing and/or grammatical improvement. The use of AI did not influence the scientific content, study design, data analysis, data interpretation, results, or conclusions of the manuscript. Full responsibility for the content remains with the authors."

5.3. Conflict of Interest

The authors declare no conflicts of interest.

5.4. Funding

This research did not receive any financial support.

5.5. Data Availability Statement

The data that support the findings of this study are available from the corresponding author upon reasonable request.

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