

Zakat

AND
ITS POVERTY ALLEVIATION GOAL



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CHAPTER ONE

ISSUES ON ZAKAT AND ITS POVERTY ALLEVIATION GOAL

*Naziruddin Abdullah
Mohd Mahyudi Mohd Yusop*

*“Muslims are doing well in medicine, but they are not doing so well in anything that has to do with social sciences, with education, with women, with economy, with philosophy and politics”
(Tariq Ramadan)*

*“This is quite important, but it has to do with a shift in the center of gravity of authority in Islam..... to advocate in that we cannot rely on scholars of the text. We need to bring on board scholars of the context if we want to be serious about contemporary challenges. Why? Because what we (the Muslims) are used to is the Islamic answer only coming from scholars of the text”
(Tariq Ramadan)*

INTRODUCTION

When the moon set in the morning of January 1, 2000 to signify the beginning of the 21st century, Muslim countries all over the globe had been facing two contrasting phenomena. While only few of the countries' economies have achieved remarkable economic growth and improved their economic well-being, many others have to exert themselves, but in futile, to even register a positive economic growth; let alone a better economic well-being. As a result, the latter countries were not in the position to combat effectively the problem of poverty suffered by its poor and marginalized population.

Meanwhile, on another spectrum, all countries, including the poor Muslim countries, have in 2000 committed to eradicate poverty and hunger by half by 2015 when they approved the United Nations' Millennium Development Goals (MDGs). Given the explicitly specified goal set by the UN, the Muslim countries had no choice but to devise a tool which can be used to combat poverty. Fortunately, the Islamic system, within which economic system is a subset, provides a built-in solution to this problem. In this case, the role of *zakat* as one of the instruments embedded within the traditional Islamic economic institution framework in tackling poverty related problem was seen to be very relevant and important. Since then, *zakat* has undergone a substantive scrutiny from all standpoints where the issues being perused ranges from *shari'ah* to management of *zakat* funds.