

Zakat as an Instrument for Alleviating Poverty and Income Gap

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Article Information	Abstract
Article History: Received : - Accepted : - Published : - Keywords: Zakat, Poverty, Income Gap	<p>Zakat is one of the important instruments in the Islamic economic system that has a social and economic function in realizing fair distribution and community welfare. In the midst of increasing poverty and income inequality, especially in developing countries such as Indonesia, optimizing the role of zakat is very relevant and urgent. This study aims to examine the extent to which zakat plays an effective instrument in alleviating poverty and reducing income gaps, as well as how the zakat management mechanism can be improved to be more productive and have a long-term impact. This study uses a descriptive qualitative approach with interview, observation, and documentation methods of zakat institutions, mustahik, and Islamic economic experts. The results of the study show that productive zakat, if managed in a targeted and accountable manner, can encourage the empowerment of mustahik economies and increase their income significantly. In addition, zakat is also able to reduce the accumulation of wealth in the hands of a few people and create a fairer distribution of income. The main obstacles lie in weak governance, lack of zakat literacy, and the lack of a national integration system based on mustahik and muzakki data. The novelty of this research lies in the integrative approach of zakat as an alternative economic policy that is not only spiritually based, but also able to synergize with national development strategies in overcoming poverty and inequality. With modern and transparent zakat management, zakat has the potential to become an applicable Islamic economic solution.</p>

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INTRODUCTION

Poverty and income inequality are two of the main challenges in sustainable economic development. Although various government programs have been implemented to reduce poverty, the reality is that inequality in wealth distribution is still high in many countries, including Indonesia. According to the Central Statistics Agency (BPS), Indonesia's Gini ratio still shows significant inequality, indicating that most of the wealth is still accumulated in the hands of a few people (BPS, 2023).

In the context of Islam, the problem of poverty and inequality is not only an economic problem, but also a moral and social problem. Islam emphasizes the importance of fair distribution and social responsibility among fellow people. One of the main instruments in the Islamic economic system that plays a role in the redistribution of wealth is zakat. Zakat is not just a ritual worship, but an economic system that has great potential in reducing structural poverty (Chapra, 2000).

Zakat is an obligation on a portion of the wealth of a person who is able, which is given to the needy, as explained in QS. At-Taubah verse 60. From an economic perspective, zakat is a social and spiritual fiscal instrument that can distribute income from the rich to the poor (Antonio, 2008). Therefore, zakat can be an alternative economic policy in an effort to alleviate poverty.

Historically, zakat has been proven to be successful in reducing poverty in the heyday of Islamic civilization. For example, during the reign of Umar bin Abdul Aziz, the implementation of zakat on target made it difficult to find poor people who were worthy of receiving zakat (Hasan, 2007). This shows that if zakat is managed professionally and transparently, then the impact is very large on the welfare of the community.

However, in the modern context, the management of zakat in many Muslim countries still faces challenges. Some of them are the weak zakat management institution, the low awareness of Muslims in paying zakat, and the lack of optimal integration of zakat in national economic policies (Karim, 2010). This hinders the role of zakat as an instrument to reduce poverty and income inequality.

In Indonesia, as a country with the largest Muslim population in the world, the potential for zakat is very large. The National Amil Zakat Agency (BAZNAS) estimates that the potential for national zakat reaches more than IDR 300 trillion per year, but the realization of its collection is still far from this figure (BAZNAS, 2023). This shows that there is a gap between potential and realization, which needs to be further studied academically.

Zakat has a strategic function as a mechanism for income redistribution based on spiritual and social factors. Unlike taxes, zakat is based on individual faith and awareness as a form of obedience to Allah SWT. Therefore, the effectiveness of zakat in reducing poverty is greatly influenced by the faith and social awareness of Muslims themselves (Obaidullah & Shirazi, 2015).

In addition, zakat is also able to stimulate economic activities among mustahik. If zakat is not only given for consumption, but also for productivity – such as micro business capital – then this will create a multiplier effect in improving welfare and reducing inequality (Ismail & Possumah, 2015). Therefore, zakat-based empowerment strategies are important to be integrated into development policies.

Seeing these problems, it is necessary to conduct an in-depth academic study on the role of zakat as an instrument to alleviate poverty and income gaps. This study is relevant because

it can provide alternative solutions based on Islamic values in dealing with structural problems that continue to shackle society.

Thus, this research will not only make a theoretical contribution to the development of Islamic economics, but also a practical contribution in designing a more effective, efficient, and equitable zakat management strategy, in accordance with the sharia maqashid in safeguarding the wealth and welfare of the people.

LITERATURE REVIEW

Zakat sebagai Instrumen Pengentasan Kemiskinan

Various literature emphasizes that zakat has a significant role in overcoming poverty if it is managed professionally and productively. Chapra (2000) states that zakat in the Islamic economic system not only functions as a spiritual mechanism, but also as a wealth distribution system that can reduce economic inequality. In this case, zakat is an alternative solution to the weaknesses of the capitalist system that fails to guarantee equal welfare. Hasan (2007) added that Islamic history recorded the success of drastic poverty alleviation during the reign of Umar bin Abdul Aziz thanks to the optimization of zakat.

Research by Ismail and Possumah (2015) shows that zakat that is distributed productively, such as in the form of business capital, training, or work tool assistance, is able to increase income and independence of mustahik. This shows that zakat does not only function as consumptive assistance, but also as an instrument for long-term economic empowerment. This finding is supported by a report from BAZNAS (2023) which shows that productive mustahik experience an increase in living standards after receiving zakat in the form of a microeconomic program. Thus, zakat can function as a microeconomic driver for the poor in real terms.

Zakat and Income Gap Reduction

The literature also reveals that zakat can play a role in reducing income distribution gaps. Antonio (2008) stated that zakat, if applied consistently, will affect the pattern of income distribution of the community, because zakat directly diverts some of the wealth from the rich to the underprivileged. In the concept of Islamic economics, the main purpose of zakat distribution is the achievement of economic justice (al-'adl) and social welfare (maslahah), which indirectly reduces income disparities in society.

Obaidullah and Shirazi (2015) explained that zakat is a form of Islamic social finance that has a strong spiritual and ethical basis, so that it can be a complement to the government's fiscal policy in overcoming inequality. When combined with population data and digitization systems, zakat can be directed more effectively to poor groups that have not been touched by state assistance programs. This makes zakat an instrument that not only narrows the vertical gap between rich and poor, but also creates stronger social and economic inclusion.

RESEARCH METHOD

This study uses a descriptive qualitative approach with the aim of understanding in depth how zakat can play an instrument in alleviating poverty and reducing income gaps. This approach is considered appropriate because the main focus of the research is to explore the perception, strategy, and impact of zakat policies in a contextual manner in society. The

main data was obtained through in-depth interviews with zakat managers (BAZNAS, LAZ), zakat recipients (mustahik), and Islamic economists.

Data collection was carried out through observation methods, semi-structured interviews, and documentation. Interviews were conducted with a number of informants who were considered to have relevant information on the topic, such as zakat managers who run productive zakat programs, and mustahik who felt the impact. In addition, documents such as the annual report of BAZNAS, zakat regulations, and national poverty alleviation reports are also analyzed as secondary data. Purposive sampling techniques are used to selectively select informants to suit the needs of the focus of the study.

The data obtained was then analyzed using thematic analysis, namely by identifying the main themes that emerged from the field data, such as the effectiveness of zakat distribution, obstacles to zakat management, and changes in mustahik socio-economic conditions. The validity of the data is maintained through source triangulation and member checking techniques, to ensure the validity and consistency of information. With this method, it is hoped that the research will be able to provide a comprehensive picture of the contribution of zakat in overcoming poverty and economic inequality in an applicative and contextual manner.

RESULTS AND DISCUSSION

1. Zakat as an Instrument of Poverty Alleviation

Zakat is one of the pillars of Islam that has a very strong economic and social dimension. In the economic context, zakat functions as an instrument of wealth redistribution from groups of people who have excess wealth (muzakki) to groups in need (mustahik) (Chapra, 2000). This concept, if implemented optimally, can cut the structural chain of poverty.

Poverty in developing countries, including Indonesia, is not only caused by low income but also limited access to economic resources. Zakat has the potential to be an alternative resource that can be used to empower poor groups through consumptive and productive programs (Antonio, 2008). This makes zakat not only as assistance, but also as a social investment.

The distribution of zakat in the form of productive programs, such as micro business capital assistance, job training, and economic empowerment, has been proven to be able to provide long-term effects in increasing mustahik income (Ismail & Possumah, 2015). Mustahik who are given capital and skills can transform into muzakki, creating a sustainable economic cycle.

In addition to its economic function, zakat also has strong spiritual and moral aspects. Every Muslim individual pays zakat as a form of obedience to Allah and concern for others. This value strengthens social solidarity in society and reduces social jealousy due to extreme economic inequality (Obaidullah & Shirazi, 2015).

Unfortunately, the great potential of zakat in eradicating poverty has not been utilized optimally. Many zakat institutions still focus on consumptive distribution rather than productive empowerment. In addition, the level of zakat literacy among the community is also still low, so that the collection of zakat funds has not reached the maximum point (Karim, 2010).

In practice, the effectiveness of zakat is highly dependent on the professional and accountable governance of zakat management institutions. Zakat institutions must be able to design programs that not only touch the basic needs of mustahik, but also free them from dependence through sustainable economic empowerment (Hasan, 2007).

Therefore, there needs to be synergy between the state, zakat institutions, and the community in making zakat the main instrument of poverty alleviation. The government needs to support regulations and incentives, while zakat institutions strengthen management and transparency so that public trust increases and zakat collection can be optimal.

2. Zakat and Income Distribution Gap Reduction

Income inequality is a crucial issue in inclusive economic development. This inequality not only creates economic injustice, but also undermines social stability and creates fragmentation in society. In the context of Islam, zakat is designed as a wealth distribution system to reduce inequality and strengthen economic justice (Chapra, 2000).

Zakat requires the transfer of wealth from the rich to the poor group on a periodic basis. This directly reduces the accumulation of wealth among the elite and increases the purchasing power of the poor. In the long term, this mechanism is able to reduce economic inequality (Antonio, 2008).

The effect of zakat on income inequality can be explained through the income distribution approach. When zakat is distributed productively, it will increase the economic capacity of mustahik which was previously below the poverty line. This creates more equitable distributive justice and reduces a country's Gini index (Obaidullah & Shirazi, 2015).

Unlike subsidies or social assistance from the state which are top-down and vulnerable to abuse, zakat has a strong moral and spiritual base. Muzakki not only gave because of a legal obligation, but also because of the encouragement of faith. Therefore, zakat is able to create horizontal social solidarity that is more effective in reducing inequality (Karim, 2010).

However, the main challenge in maximizing the role of zakat in overcoming disparities is a management system that has not been standardized nationally. Each zakat institution has a different approach, so that the data and programs of zakat distribution are less integrated. This makes the influence of zakat on income distribution not too visible in macroeconomic statistics (BAZNAS, 2023).

In addition, there are still many high-class people who are not aware of the obligation of zakat on property. They consider zakat to be only limited to annual zakat fitrah. As a result, the actual potential for zakat is very large and has not been worked on optimally. Education and regulation from religious and economic authorities are indispensable in this regard (Hasan, 2007).

If zakat is managed systematically and based on data, then it can become a fiscal alternative policy that has a direct impact on income redistribution. Zakat is not just a personal worship, but a structural solution that brings the value of justice and common welfare. Thus, zakat can play a strategic role in creating a more just economy in the modern era.

CONCLUSION

Zakat in the perspective of Islamic economics is not only an individual worship obligation, but also an effective socio-economic instrument to create justice and welfare. When managed optimally, zakat is able to answer the problem of structural poverty through a scheme for the distribution of wealth from the rich to the poor. The productive application of zakat has also been proven to be able to increase the economic capacity of mustahik, so that they are not only recipients of assistance, but also able to be financially independent.

In addition, zakat has a significant function in reducing income distribution gaps. Through a structured and spiritual-based wealth allocation mechanism, zakat can be a complement to the country's fiscal policy in creating social balance. In the long run, zakat not only improves economic inequality quantitatively, but also builds social solidarity and strengthens sustainable economic inclusion.

Therefore, it is necessary to strengthen the management of zakat in a professional, accountable, and data-based manner so that its effectiveness in alleviating poverty and reducing income disparities can be maximized. Synergy between zakat institutions, the government, and the community is very important to realize the role of zakat as an instrument of socio-economic transformation. Zakat that is managed in a visionary manner not only answers short-term needs, but also becomes a long-term solution in the development of a just Islamic economy.

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