Zakat and Sustainable Development Goals: Overlap or Highly Compatible?

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Abstract: The paper explores the compatibility of zakat towards Sustainable Development Goals (SDGs). The study applies library research that benefited from various relevant articles. The data were gathered from many reputable journals and other appropriate resources. The result show that zakat as one of Islamic obligations is highly compatible with SDGs instrument as well as most of the content of the SDGs reflects Islamic principles, in the case of Maqasid al Sharia. Zakat (alms) have a beneficial effect on poverty, hunger, outstanding education, economic justice, and good health, whether directly or indirectly. The particular SDGs objectives are consistent with Islamic zakat values such as SDG 1, 2, 3, 4, 5, 6, 7, 10, 11, 14, and 16. Both zakat and SDGs have the same objectives accomplished in order to attain national and ummah well-being. A humble recommendation for the relevant stakeholders in coordination with other players, including the government, commercial sector, charitable, and civil society organizations will be critical as with other SDG collaborations. In order deeply to understand the relationship between zakat and SDGs evolved, further research should engage the empirical data from several proper respondents such as UNDP officers and zakat regulators as well as practitioners.

Keywords: Zakat, SDGs, compatibility, Maqasid al Sharia

1. Introduction

Zakat plays a crucial role in tackling the normally greater levels of poverty and hunger seen in nations with substantial Muslim populations, which are mostly found in Africa and Asia (Stirk, 2015). Zakat as an important institution in an Islamic economic framework has a significant role for poverty aversion and economic well-being. The majority of OIC member nations have a higher poverty rate (Shaikh, 2017). Food instability and hunger are also significant issues in Muslim majority countries. The Muslim community is experiencing increased poverty as a result of a lack of a reliable source of consistent income. State organizations have been created in various Muslim-majority nations to collect, channel, and spend zakat payments.

The primary goal of Zakat is to preserve economic equilibrium in society so that wealth flows from affluent to poor and never remains in one hand. In this way, we may rid our society of poverty and other social ills. The current most pressing problems that the Sustainable Development Goals (SDGs) seek to address. Donations from many religions make an essential contribution to those goals. Zakat, as a required contribution for all Muslims earning more than a certain amount, is one of the world's major means of wealth transfer to the poor and needy. It is also one of the most disregarded by development organizations, despite its enormous potential to help accomplish the SDGs.

As per the good deed of zakat, in terms of sustainability economics and development for ummah, zakat benefitted the nations for its people. However, the numerous similarities between the goals of zakat and the goals of the SDGs have resulted in the assumption that zakat is considered to overlap with the SDGs. Thus, this article aims to provide a proves that zakat is precisely highly compatible with the SDGs.
2. Literature Review

Concept of Zakat and Maqasid-al-Shariah

2.1.1 Zakat

Zakat is an Islamic mandated gift and one of Islam's five pillars, along with witness of faith (shahada), prayer (salah), fasting (saum), and pilgrimage (hajj). It is an Islamic responsibility for all Muslims who are qualified to pay it to contribute at least 2.5 percent of their acquired wealth or income to the poor, needy, and other mustahik recipients (Duasa & Zainal, 2020).

Zakat is a religious requirement in Islam to contribute a portion of surplus money to chosen people each year. According to Islamic beliefs, Muslims must pay a percentage above mentioned of their money subject to zakat to the 8 defined categories of recipients (asnafs) namely al fuqara, al masakin, Al Amiliyn ‘Aliha, Al Mu'allafatu Qulubuhum, Fir Riqab, Al Gharimin, Fi Sabillillah, and Ibnu Al-Sabil (Ahmad et al, 2015). It is a fundamental criterion in distributing zakat to especially the asnaf in the category of poor and needy (Saniff et al, 2020). Zakat is intended to give services, and benefits, and increase the well-being of people who calls as mustahik (Zainuddin & Khalid, 2020).

The process of cleansing and growth via giving is understood as zakat, which means purity in Arabic. In practice, the emphasis is more on the act of giving than on the development impact of zakat monies or the rights of receivers to those funds. It has been stated that a paradigm shift is required so that zakat is viewed as a program that requires professional administration rather than charity.

It is also maintained that in Islam, wealth should not be viewed as the giver's property but as the right of the poor and needy to redistribute it. Zakat is a targeted wealth transfer from a non-poor individual with money in excess of the minimal amount that a Muslim must pay.

Zakat, on the other hand, is often donated from person to person. Many Muslims donate zakat to individuals for example, to a friend in need because the impact is tangible and immediate. They prefer individual donating over making contributions through a major organization because they are unsure that monies sent through an organization would reach individuals in need. As a result, informal giving dwarfs contributions given through recognized Islamic organizations. A quarter of all zakat contributions are believed to be routed through formally certified organizations.

2.2.2 Maqasid-al-Shariah

There are five fundamental aims, commonly known as "Maqasid-al-Shariah". They include religion/faith (bifidh-ul-iman), life (bifidh-ul-nafs), progeny (bifidh-ul-nasl), knowledge/intellect (bifidh-ul-aqal), and wealth (bifidh-ul-maal). In one of his supplications, the Prophet Muhammad (pbuh) asked protection from both unbelief and poverty. Poverty and deprivation can make a person's religion susceptible and provide the impression that his route out of poverty is dependent on others (Rusydiana et al, 2022).

A person in poverty may have less opportunities to exercise free will in determining the best way to meet basic requirements. Hence, reducing poverty in order to lift people out of the vulnerable position of Imn is an important aspect of Maqasid-e-Shariah. The basic premise in the examination of maqasid al-sharia is a benefit, or what is generally known as maslahah-mursalah, a circumstance in which there is neither religious law authorizing nor banning or invalidating a certain conduct (Syaikhu et al, 2021).

Sustainable Development Goals (SDGs)

The SDGs were established in 2015 with the intention of developing a set of universal objectives to address a wide range of environmental, political, and economic difficulties, as well as other critical global challenges (UNDP, 2016).
There are 17 core objectives promulgated in the SDGs, namely No Poverty, Zero Hunger, Good Health and Well-being, Quality Education, Gender Equality, Clean Water and Sanitation, Affordable and Clean Energy, Decent Work and Economic Growth, Industry, Innovation and Infrastructure, Reduced Inequality, Sustainable Cities and Communities, Responsible Consumption and Production, Climate Action, Life Below Water, Life on Land, Peace and Justice, Strong Institutions and Partnerships to achieve the Goal (Bakr et al, 2021).

The Sustainable Development Goals (SDGs), which were developed to take the place of the Millennium Development Goals (MDGs), seek to make the world a better and more sustainable environment. The SDGs are a set of 17 linked objectives that must be accomplished by 2030, according to the Department of Global Affairs of the United Nations (2020). SDGs have been many emerging countries' top priority in order to maintain their current rate of economic development. A country's income can be significantly improved by sustained economic development, which can also raise the employment rate and raise living conditions for the populace (UNDP, 2017).

Previous Studies

Several studies have been conducted on zakat and SDGs, particularly for zakat's role in order to achieve SDGs objectives, including (Khalifah et al, 2017) who prioritizes the 17 Sustainable Development Objectives and the 7 Grand Projects of BAZNAS. This study employs the Analytical Network Process (ANP) technique, which measures the connection between the components by performing pairwise comparisons and supermatrix computations. According to observations made using the Analytical Network Process (ANP) and figures, some of the most important findings are: Partnership for All Development Objectives (W=0.00486), Zakat Community Development (W=0.07367), and Pillars of Environmental Development (W=0.47783).

Meanwhile, (Shaikh & Ismail, 2017) examines the institution of Zakat's ability to address development issues, particularly in the Muslim world. They talked about the connections between the Maqasid-al-Shari'ah and the Zakt organization. By reviewing theory and empirical works, they also talk about the economic possibilities and consequences of Zakt. Additionally, according to their research, Zakt can be a key player in achieving objectives for sustainable development such as eradicating poverty and hunger, improving global health and wellbeing, promoting quality education and decent employment opportunities, and reducing income disparity.

Furthermore, (Mohammed et al, 2021) examined the function of Zakat and its components in connection to the components and goals of the SDGs. While SDGS only have three variables, Zakat has six. The scope and goals of zakat cover all the significant areas and requirements of human existence, including religious, spiritual, moral, social, economic, and natural requirements. Only societal, economic, and environmental requirements are covered by the SDGs. Future research could broaden the scope of the study by improving the model and defining specific factors, goals, and markers for thorough analysis. The results of such studies may offer advice to UNDP on how to formulate future objectives for Islamic social finance while taking into account the extra four aspects of zakat.

3. Method

The study applied library research based on the zakat research regarding to its role in SDG achievement. This study benefited from various articles on the methods for performing the research on the literature review. The data of this qualitative research were gathered from reputable journals and other relevant resources.

4. Result and Discussion

There are some distinctions between zakat and the SDGs, the most important of which is that zakat is primarily Islamic in nature, but the SDGs have no religious basis. There is significant contability and desire among zakat organizations in pursuing the SDGs further. Regarding to SDGs, zakat has three most relevant asnafs for the achievement of SDGs’ objectives namely Al Fuqara: the poor, those living without means of livelihood; Al Masakin: the needy, those who cannot meet their basic needs; and Fi Sabilil lah: Asnaf fi sabilillah can also be linked to the supply of fundamental necessities like health, clean water, and sanitation programs. In the path of Allah refers to anyone fighting for a just cause, including spending towards the propagation of Islam and for all charitable purposes.
Compatibility Between Zakat and SDGs

The SDGs and zakat have some remarkable similarities. Most of the content of the SDGs reflects Islamic principles. The SDGs aim to alleviate poverty and hunger while also lowering inequality through economic redistribution. These objectives are consistent with Islamic zakat values.

Table 1. Five Foundational Goals of Zakat and SDGs

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Source: (Noor_NZB, 2017)

There are four core aims of the Islamic faith, known as Maqasid al Sharia. They include religion, life, progeny, and intellect protection.

4.2.1 Faith (hideth-ul-iman)

In a supplication, the Prophet Muhammad requested protection from both disbelief and poverty. Poverty and deprivation can make a person's religion susceptible and provide the impression that his or her route out of poverty is dependent on others. Poverty may limit a person's ability to exercise free will. People's faith can be strengthened through reducing their vulnerability.

This is consistent with Goals 1, 2, 3, 6, and 10, which address poverty, health, water, hunger, and inequality. The SDGs are basically about eliminating vulnerability and giving people with the necessary abilities and resources, as well as holding institutions accountable for providing services to which people are entitled, so that people are empowered to make decisions in their best interests.

4.2.2 Life (hideth-ul-nafs)

Poverty can lead to death due to a lack of vital nourishment, clean water and sanitation, life-saving medication, and illness. Zakat can help save lives if it enables a person to purchase vital meals and life-saving medications, as well as get access to clean water and health care.

This corresponds to Objectives 2, 3, 6, 8, and 11. Maintaining healthy lifestyles and encouraging well-being are critical to long-term development. Target 2 focuses on eliminating hunger and food insecurity, as well as building sustainable agricultural systems. Target 3 aims to completely eradicate a wide range of illnesses as well as resolve a variety of chronic and emergent health challenges. SDG 6 aims to preserve impoverished people's lives and livelihoods by addressing water scarcity, poor water quality, and insufficient sanitation. SDG 8 promotes decent work and economic development for all, especially the poor, whereas SDG 11 focuses on making cities safe and sustainable, as well as improving slum settlements.

4.2.3 Progeny (hideth-ul-nasl)

War and conflict, climate change, natural catastrophes, and infectious illnesses can all result in epidemics or large-scale deaths, threatening the existence of entire populations and other species infected by their environment. Similarly, dread of poverty may lead to despair and a downward spiral into poverty, affecting future generations and harming the environment. Zakat that aids individuals in escaping poverty, promotes peace, and protects the environment is in line with human progeny.

This corresponds to SDGs 3, 5, 7, 11, 12, 13, 14, 15, and 16. Humans are destroying the ecosystem, exploiting natural resources, and irreparably altering the climate for future generations. Conflicts inside and across civilizations, as well as economic and financial crises, endanger communities. The SDGs encourage sustainable
production and consumption, as well as environmental conservation, while also seeking methods to foster peace and stability via inclusive and transparent government.

4.2.4 Intellect (hiḍḍh-ul-aqal)

Stunting, poor schooling, and intellectual ability can all be harmed by poverty, bad health, and food insecurity. Zakat may help people have access to nutritious food and adequate education, as well as making them more productive in the future.

This is consistent with SDGs 1, 2, and 9. Children must have access to education and adequate meals in order to develop their human capital. Individuals can be helped by improving their skills and capabilities in order to raise their earning potential and productivity. People’s economic activity and local economic growth can be supported by economic and financial organizations.

4.2.5 Wealth (hiḍḍh-ul-maal)

When a person fulfills the responsibility to give zakat, his or her wealth is purified. While it may appear that paying zakat reduces wealth, on a societal level it promotes wealth circulation, which benefits everyone by providing economic activity and a social safety net.

This corresponds to Objectives 1, 3, 8, and 10. Zakat incorporates wealth transfer, which is mirrored in SDG Goal 10 on eliminating inequality. It focuses on persisting disparities in access to health, education, and other assets within society. Objective 8 focuses on developing job opportunities and appropriate working conditions that promote economic growth and are environmentally friendly.

Challenges of Zakat and SDGs towards the main goals of Islam: Maslaha wa Mursala and Falah

One critical challenge is ensuring a two-way flow between zakat and development organizations. Zakat organizations have a lot to learn about the SDGs, but development organizations, including the UN, have a lot to learn about Islamic financial principles as well. Zakat should not be viewed only as an extra source of funding towards the SDGs. Islamic organizations contribute a wealth of expertise, networks, and knowledge.

Islamic finance’s principles indicate a concern for financial stability, financial inclusion, shared wealth, and safeguards against excessive risk-taking. At a time when Islam is under attack in some places owing to its link with violent extremism (which the great majority of Muslims do not condone), it is critical to consider what the Islamic faith means to believers and how it contributes to a better society. Islamic organizations are key development partners, particularly at the grassroots level.

A difficulty is the misconception that zakat receivers must be Muslims. In truth, many zakat organizations do not discriminate based on faith as long as they are impoverished and in need. Others guarantee that if zakat monies are distributed to Muslims, alternative amounts be distributed to non-Muslims who are similarly impoverished or in need. Other problem is the need for zakat organizations to better comprehend the SDGs. A collaboration on the SDGs requires the support of clerics and Islamic organizations. This requires substantial consultation and education. Further study on the compatibility between the institution of zakat and the SDGs is required to give the essential proof for zakat organizations to go forward with SDG implementation.
Figure 1: Zakat and SDGs for main final goals: Maslaha wa Mursala and Falah
Source: Author’s own

The basic premise in the maqasid al-sharia is a benefit, or what is generally known as maslaha wa mursala. The SDGs program as a whole can fulfill the qathiyyat requirements required by Imam al Ghazali (Muharromah & Mustofa, 2021). Thus, the benefit can be tangible and enjoyed by the wider community. In general that program contained in the SDGs has fulfilled the objectives of the maqasid al Sharia. Maslahawa mursala is something that is in accordance with the demands of the Shar’ia and its intent religion, but there is no religious argument that states its existence is recognized or not.

Maslaha wa mursala by zakat and SDGs compatibleness can be used as a guide in realizing the falah (glory). Therefore SDGs programs that explicitly do not yet have a textual legal basis, can be based on the concept of maslaha wa mursala (Maksum et al., 2017). Figure 1 demonstrates that the scope of zakat extends beyond its goals, not only to meet the spiritual and moral requirements of society. However, zakat can go above and beyond achieving the SDGs. Thus, the innovative aspect of this paper is the paradigm it offers for examining how zakat fits into the context of the SDGs as the above figure and its description.

5. Conclusion and Policy Recommendation

The paper explores the compatibility of zakat towards Sustainable Development Goals (SDGs). Zakat as one of Islamic obligations is highly compatible with SDGs instrument as well as most of the content of the SDGs reflects Islamic principles, in the case of Maqasid al Sharia. Zakat (alms) have a beneficial effect on poverty, hunger, outstanding education, economic justice, and good health, whether directly or indirectly. The particular SDGs objectives are consistent with Islamic zakat values such as SDG 1, 2, 3, 4, 5, 6, 7, 10, 11, 14, and 16. Both zakat and SDGs have the same objectives accomplished in order to attain national and ummah well-being. A humble recommendation for the relevant stakeholders in coordination with other players, including the government, commercial sector, charitable, and civil society organizations will be critical as with other SDG collaborations. In order deeply to understand the relationship between zakat and SDGs evolved, further research should engage the empirical data from several proper respondents such as UNDP officers and zakat regulators as well as practitioners.

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