

The Role of Zakat in Increasing Social Welfare during Pandemic: a Literature Study from Southeast Asia Countries

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ABSTRACT

The covid-19 outbreak came at the beginning of 2020, which decreased global economics. Many people lost their work, some students dropped out because of no cost, and micro, small, and medium enterprise (MSME) struggled during this outbreak. Some countries have their own to face the pandemic, such as in Muslim countries which have some ways to assist economic problems during pandemic because they have islamic finance product such as zakat. Zakat is an obligatory thing for all muslim that must be paid to welfare and eridicate poverty. This is an essential thing that can increase social welfare, especially during this pandemic. However, this study is non-empirical research using literature review from Southeast Asia countries starting from 2020 – 2021 to show Southeast Asia's countries act in facing pandemic by using zakat. The result showed that zakat could assist the main aspects of social welfare; healthcare, education, income during this pandemic. Thus, Southeast Asia countries have almost the same action in facing pandemic.

Keywords : Zakat, Social Welfare, Southeast Asia, COVID-19

INTRODUCTION

At the beginning of 2020, Coronavirus, usually known as COVID-19, comes from China, Wuhan. Most countries are affected by this disease. Not only for the health issues, but this outbreak also affects many fields such as commerce, trade, tourism, and others. It must be considered that the economic impact of this pandemic will be far-reaching in many countries (Ayithey, 2020).

However, some countries, such muslim countries, have some ways to assist economic problems during pandemic because they have islamice finance products such as zakat. Zakat is one of Islamic finance products that can assist people who need it based on Al-Qur'an's criteria. Every muslim is obligated to pay zakat (Direktorat Pemberdayaan Zakat, 2008). The role of zakat is not only for

assisting people that need it. Moreover, zakat has a role to increase welfare for a country. According to Sharofiddin (2019) the aspects to determine social welfare are healthcare, income, and education. Zakat can be distributed for healthcare purposes. In addition, zakat distribution used as an economics tool in impacting positively the income of zakat beneficiaries. Thus, zakat can be used to assist education. Another expert explained the benefits of zakat in social welfare; zakat has power to be alternative human welfare. Zakat can include essential issues for the world such as eradicating extrem poverty, ensuring healthy life, securing education quality, and reducing inequalities to increase social welfare. In addition, zakat has a role in increasing mustahik's Human Development Index (Akmal et al., 2021). However, in this pandemic, zakat has an important role. It can deal with economics, which distributing zakat for mustahik that

affected by pandemic. Zakat also has a role in education, social, and humanitarian. In addition, zakat can also support medical health (Hambari et al., 2020).

Regarding to the role of zakat that has many benefits, it can be concluded that zakat can be used not only for helping poverty people but also to increase country social welfare. Such as helping poverty, for educational purposes, etc. However, this paper showed the role of zakat during pandemics from Muslim and non-muslim countries based on the literature reviews provided in 2020 – 2021. This can be

reflected for Indonesia to natural disaster by using zakat.

METHOD

This research is non-empirical research. The research used some literature reviews from 2020 – 2021 provided in Southeast Asia countries that wrote about the role of zakat during pandemic to show zakat's role for increasing social welfare during this outbreak through zakat institution. However, there are some literature reviews that researchers found.

Table 1. Benefits of Zakat in Southeast Asia

Author	Country	Description	Zakat Development	Role of Zakat
Riyanto et al., (2021)	Singapore	Non-Muslim country	The development of zakat is good, proven by there are zakat programs and zakat specific purposes	<ul style="list-style-type: none"> • Help people in natural disaster (include COVID-19) • In pandemic, there is an emergency aid for the return ticket purchase for Singaporean students who were affected in abroad • Assist funeral cost
Basir & Besar, (2021)	Brunei Darussalam	Muslim country	The development of zakat is good, proven by there are zakat programs, zakat agencies, and council that assist zakat distribution	<ul style="list-style-type: none"> • During COVID-19, zakat extended to the other micro-business, self-employed individual, and other business that affected by the business operations closing due to the pandemic
Ascarya, (2021); Mursal et al., (2021)	Indonesia	Muslim country	The development of zakat is good, proven by zakat institution and zakat program that assist zakat distribution	<ul style="list-style-type: none"> • Give scholarship for poor students • Help the orphanage • Distribute mask • Provided medical needs and services
Masruki (2020)	Malaysia	Muslim country	The development of zakat is good, proven by zakat institution and zakat program that assist zakat distribution	<ul style="list-style-type: none"> • Distribute food, ingredients, and cash for those who need it • Give cash to surau or mosque for cleaning purposes • Provide daily food aid for frontline staff and medical equipment for hospital • Give cash and provide flight ticket for students to return back home

FINDING

These are the literature reviews that researchers got. The literature review above showed that many countries have different ways of increasing social welfare during

COVID-19 pandemic by using zakat. For the example, Singapore is a secular country that does not want to combine religion and ministry purposes, but Singapore still has a zakat institution in distributing it during pandemic. It has a new rule during

pandemic that gives return ticket for students abroad to keep students healthcare. Moreover, zakat fund has increased every year.

Besides, the role of zakat during pandemic in Brunei Darussalam is extended. Brunei Darussalam assists micro, small, and medium enterprises (MSME), micro business, self-employed or other businesses affected by pandemic to help the economics welfare of its citizens during this outbreak.

Another example from Indonesia that fights for pandemic is that many zakat institutions compete to distribute zakat for medical purposes that provide medical needs and services such as mask, hand sanitizer, etc. In addition, zakat has a role in increasing social welfare like giving scholarships for students so they do not stop their education. Thus, zakat institution also distribute zakat for helping the orphanage

Malaysia divided four zakat distribution during this pandemic. For food, ingredients, and case for those who need it, daily food aid for frontline worker and medical equipment for hospital, food for affected resident through mosque and cash for cleaning purposes in surau such as for sanitizing, and the last is for students, which they are given cash and food also flight ticket to return home.

However, some countries uses zakat in same action, especially for social welfare purposes in this pandemic. Same as Sharofiddin (2019) stated that the main essential things to determine social welfare are healthcare, education, and income which zakat can provided those things especially during this pandemic.

DICUSSION

It can be concluded that these literatures must reflect other muslim or non-muslim countries to increase social welfare during this outbreak through parts related to the

main aspects of welfare; healthcare, education, and income. Same as what Malaysia did, this country divided the role of zakat into four parts: food, ingredients, and cash for those who need it, education purpose, hospital, and surau. In addition, we must not forget about micro, small, and medium enterprise (MSME) and shop close temporary that need help during this pandemic. However, this is an essential sector for increasing economics welfare. Brunei Darussalam gives zakat extended for it. Thus, education is also essential thing in social welfare. Some countries use zakat to give students cash and food to survive during this pandemic and give them flight tickets to return home.

This also must be a reflection for Indonesia in increasing social welfare through zakat. Indonesia's demographic factor is the majority of Muslims, zakat instruments must show up in for this country. To increase social welfare, empower, and emancipate in alleviating poverty, zakat will enable to get out of adversity which is the goal of Islamic finance enable them and get them out of their slump. So, the balance social welfare in communities will be realized.

CONCLUSION

Southeast Asia is home to a sizable Muslim-majority population of about 230 million from 11 countries, Malaysia, Brunei and Indonesia have Muslim-majority populations and Singapore and Thailand are Muslim-friendly countries since the early 21st century. The booming growth in the practice of Islamic charities is broadening its expression. Islamic financial instruments there, especially Indonesia, Malaysia and Singapore have encouraged the movement both from the government side, non-government, but also individual philanthropists such as research bodies/universities, and international funding institutions. That way it will increase piety, maintain ukhuwah

Islamiyah, alleviate poverty and support charitable activities based on Islamic principles such as ZISWAF and humanitarian assistance, all of which have created inter-regional networks such as Southeast Asia and the Middle East region as a form of concern and representation for fundraising or distribution assistance especially in this pandemic era in order increasing social welfare (Asutay & Yilmaz, 2020)

SUGGESTION

However, researches only got some literature reviews from muslim country (Malaysia, Brunei Darussalam, and Indonesia). Meanwhile, based on the literature found only Singapore, a non-muslim country has article that discuss the role of zakat during pandemic. This might be because some Southeast Asian countries such as Thailand and Philippines still developing zakat distribution system (Dorloh, 2018; Gamon & Tagoranao, 2018). It would be interesting for the next research to explore more about the role of zakat during outbreak in non-muslim country especially in Southeast Asia countries.

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