

# A Masjid Based Zakat Management Model in Alleviating Poverty: Bangladesh Perspective

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## Abstract

*Since ancient time people have been fighting against poverty and it has now become a crying issue. It creates a lot of mismanagement in the society. People from different corners of the world are trying now to address this challenge to eliminate poverty from the society. There are many people in our Bangladesh who live below the poverty line. Everybody is now concerned about this issue. Government and some Islamic institutions have taken many planning and programs to alleviate poverty from the society but the result is not satisfactory. Centre for Zakat Management, the pioneer institution in this area, have been working for a long time in this sector but did not get much of expected and visible success in alleviating poverty. Hence an initiative has been taken in this paper to propose a new model to alleviate poverty from the society. Thus, the study is an attempt to put forward a Masjid based zakat management model to eliminate poverty. It is also suggested that the effectiveness of Masjid based zakat management model may improve by some integrated approach.*

**Keywords:** Poverty, Zakat, Masjid based model, Bangladesh

## 1. Introduction

Poverty has been the serious problem and a great challenge especially for developing countries. It is becoming a great threat for the mankind. It is also a curse for the whole society

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in around the world and it hampers the progress of social development as well as economic development. It has become now a great issue in the 21<sup>st</sup> century where many nations have been struggling against poverty. Especially the rate of poverty is too high in Muslim societies and they suffer different types of problems for this. Though Islam has provided solution for this but we are not practicing and we should keep in mind that *Tawheed* is the basis of Islamic faith. *Tawheed* can be defined as “unity or oneness to God”(Baydoun, Mamman, & Mohmand, 1999). It is related to the belief that this universe and its contents are created by God, and human beings as *khalifah*(vice-regent) are responsible to manage the world’s resources and the *ummah*(community of believers) properly (Abdul-Rahman & Goddard, 1998; Sulaiman, 2003).Based on this concept, it is obvious that one needs to adhere to the Islamic requirements in every aspect of his or her life including religious, political, social, and economic activities in order to maintain a good relationship with God. In general, Muslims believe that they are responsible for their actions and all actions are accountable to God on the Day of Judgment. As God created the universe, God is the ultimate owner of everything and human beings are only responsible to steward the God’s possessions. Thus, human beings need to manage their property according to the God’s way. This main concept constitutes the unique characteristics of the Islamic economic system as opposed to the conventional economy. One of the uniqueness of the Islamic economic system is the requirement to pay *zakat*.

Different policies and strategies have been adopted in different countries in the past to reduce the poverty from the society, but the fact remains that poverty continues especially in the member countries. The Muslims were especially encouraged to pay *zakat* to make a balance in the society and the Muslim countries inherited very strong institutions of *Zakāt*, *ṣadaqāt* and *waqf* for fighting against poverty. In the past, these institutions were used very successfully for the rehabilitation and interests of the poor. Unfortunately the Muslims countries have neglected these types of pioneer institutions and consequently housing many poor in their countries. Few IDB member countries (Yemen, Saudi Arabia, Malaysia, Libya, Pakistan and Sudan) have introduced the system of *Zakāt*, which, however, is different in terms of coverage of *zakatable* items and assets. Other countries have not introduced yet this system and it is considered as a private affair and muslim nations suffer a lot for this. This is known fact that Muslims are paying their *Zakāt* on their own to the poor and to different charitable institutions. There are no systematic rules and regulations maintained by them. However, all these transaction are not passing through proper channels, are not recorded, without any planning and not a part of any strategy. Therefore, one cannot assess the effectiveness of *Zakāt* in poverty alleviation.. These institutions need to be revived and organized with proper planning, which will provide additional source of income to the

governments for the social welfare of the society. These institutions need to be integrated in the overall poverty reduction strategy of the IDB member countries for the tangible results. This paper is written for the said purpose. Islam is a religion where people will get all types of solutions here. In case of alleviating poverty, zakat is the only way which can solve the problems from the society. If zakat management systems and proper distributions are ensured, poverty will be reduced from the general public. In this case a masjid based zakat management model will be able to play an important role to alleviate poverty through proper management and effective distribution system. Now the muslim societies should practice Islamic values and if they study from the holy Quran and hadith, they will be able to know about the importance of zakat and it must pay to the poor people otherwise they will be punished from the Allah (swt).

## **2. Rationale of the Study**

Like other developing Muslim countries, Bangladesh is facing the same problems of scatter and wrong distribution methods resulting no real impact in the poverty alleviation. At the same time the existing zakat management institutions are not contributing as expected level. Considering such reality, this study attempts to initiate a decentralized institutional zakat management approach. Hence, proposing a masjid based zakat management model for poverty elimination is the main purpose of this paper.

## **3. Literature Review**

Zakat is defined as “that portion of a man’s wealth is designated for the poor” (Azeez, 2003). In addition, it is also defined as, “*a compulsory levy imposed on Muslim so as to take surplus money or wealth from the comparatively well-to-do members of the Muslim Society and give it to the destitute and needy*” (Zaim, 1989). Moreover, based on the study being done by Ahmad (2008), zakat in theory will result in economic prosperity as Zakat is paid from those who have surplus, to the poor. So that, this will improve and enhance the poor’s purchasing power which may lead to a higher demand on goods. The word zakat means growth, cleanness and purity in Arabic (Wan Mohd and Mahadi Mohammad, 2013). The Qur’an mentions the word zakat 30 times and at three places it appears as being commanded by God (Allah s.w.t). The importance of zakat as an obligation on Muslims is also emphasized in many sayings of the Prophet Muhammad (pbuh). The importance of the institution may be established from a saying of the Prophet (pbuh) in which he (pbuh) indicates that refusing to pay it represents a rebellion against the Islamic State (Yusuf Qaradhawi, 2006). Hence, zakat can be considered as an essential form of worship and spiritual purification.

Zakat has several meanings according to literary term; it means blessing, growth, development, purity, and neatness. The scholars of Islam (ulama) define Zakat as the part of

property with certain requirement that Allah SWT requires to the owner to give to the proper person to have it with certain requirement (Hassan, 2007). According to Qardhawi (1999), which refer to *Lisan al Arab*, the term Zakat is pure, grow, and laudable, this term is used in Al Qur'an and Hadist. On the other hand, according to Mahmud et.al (2008), Zakat has literary meaning as purification (*thaharah*), growth (*mana'*), blessing (*barokah*), and praise (*madh*), in fact Zakat is a Moslem's financial obligation to pay their some net property or agricultural produces, if those properties exceed the nishab limit to certain degree which, it is paid as the part of religion obligation.

The fact that the main objective of zakat is the achievement of socio economic justice is not disputed according to Yusoff (2011), the zakat disbursement has the ability to increase consumption since the marginal propensity to consume of the zakat payer is lower than the zakat recipient, so that increasing the purchasing power parity of the poor. Consequently, in Islam transfer payment, from the wealthy to the poor for the purpose of redistribution of wealth and income in the society has been taking a central principle in building the Ummah (Semerdjian, E. 2010). Furthermore, redistribution concept is also established that the Quran and the Prophet act (Sunnah) do have overwhelming evidences which indicate that Islamic system do not recognize and like any form of concentration of wealth or income in a few hands (Nurlaelawati, E. 2010).

Zakat distribution in the form of income generation programs has been introduced alongside the other established distributions of living allowance, medical aid, shelter aid and the like (Patmawati, 2008). The introduction of the program which is considered as a gradual shift from consumptive to productive distribution of zakat is mainly due to Muslims' awareness of the need to transform zakat from merely personal piety to an Islamic socio economic system (Iqbal Munawar, 2003). As such, zakat is hoped to play a more significant role in improving the socio economic condition of Muslim communities. The institutions of zakat are among several instruments instituted by Islam to combat and enhance welfare in the society. Zakat helps to generate a flow of funds and recruit the necessary manpower. Zakat also play its role as a fiscal mechanism, zakat performs some of the major functions of modern public finance, which deals with social security entitlements, social assistance grants for childcare, food subsidy, education, health care, housing, and public transportation in a welfare state (Yusoff et.al 2012). It separates public welfare expenditures from other budgetary items and puts the burden of meeting the economic welfare needs of the society where it belongs. Unlike tax levied by the government for the services provided to tax payers on a quid pro quo basis, the Qur'an and Sunnah, irrespective of the economic conditions of the society, determine zakat and its heads of expenditure (Nasim Shah Shirazi & Md. Fouad Bin Amin, 2009).

Besides that, zakat creates a balanced growth cycle. When a certain percentage of one's wealth is spent annually over the foregoing eight categories as prescribed in the Qur'an, zakat has a significant economic impact on society (Tarar et.al, 2012). Income support provided to the poor and needy would result in a measured increase of the money supply in the economy causing upward shift in demand for goods and services. To support this upward shift in the demand for basic necessities of life such as food, clothing and shelter, the production facilities would gradually expand and begin to absorb the idle capital. In order to support the increased production, the economy would generate more jobs and new employment opportunities. This added employment in turn would generate more demand for goods and services, more room for additional investments, and finally, the growth cycle based on balance consumption would contribute to a balance economic growth (Muhammad Ridhwan Ab. Aziz, 2012).

Commercial banks in the developing countries fail to cater the credit needs of the poor because of perceived high risk and high transaction costs associated with the small loans and saving deposits (Coleman, 2006). As a tool of poverty alleviation, microcredit system was evolved in Bangladesh which needed no collateral. One of the major objectives of microcredit program is that the program must reach the poor and the loan must bring net benefits to them and uplift their socioeconomic condition. In fact, microcredit programs have failed to eradicate poverty completely among the rural poor in Bangladesh. Hassan and Khan (2007) mentioned that microfinance program failed to meet the social needs and could not stop social inequalities. Evidence from Bangladesh showed that microfinance program had a positive role in poverty alleviation but the magnitude of the microcredit impact on the living standard (in terms of income) of the poor households was small (Mahmud, 2010; Mahmud et al., 2007). Zakat system as a way of Islamic financing can be used as one of the strong weapons to combat poverty which was ignored by the western and Muslim thinkers (Hassan and Khan, 2007). As per Islamic Philosophy, to obtain zakat is a right of the poor on the rich of the society. This zakat system has mounted on highly ethical aspects. The main purpose of giving zakat is to attain the mercy of Almighty Allah. Therefore, it can be assumed that the risk of misusing the zakat money is much lesser than any other financing system. Every year a huge amount of money is collected as "zakat" which can be used for poverty alleviation programs. PRSP had increased external debt burdens and dependency on the donor countries while zakat funds can increase the potential of taxation of the government though improvement of productivity, employment and output (Hassan and Khan, 2007).

#### **4. Objective of the study**

The broad objective of this paper is to provide a conceptual study on the roles of *zakat* in alleviating poverty by examining both theory and practical aspects. The specific objectives of this paper would be.

- i. To review a zakat-based Islamic approach for poverty alleviation in Bangladesh
- ii. To develop a masjid based zakat management model in alleviating poverty.

### **5. Methodology of the study:**

This study is basically descriptive in nature and based on secondary information like survey of literature, online references, research and survey works, newspapers, magazines as well as organizations visits, holding discussions and workshops with development thinkers and practitioners and so on.

### **6. Importance of Zakat Management in Islamic Perspective:**

*Zakat* is declared as the third of five “pillars” of Islam, and it is payable on the assets such as gold, livestock, agricultural products, and funds. Consistent with the brotherhood concept in Islam, the requirement to pay *zakat* is also closely related with the idea of equality and justice that lies under the Islamic principles. The main purpose of *zakat* is to support the less fortunate group in the society such as the poor, the needy, the wayfarer, or the heavily indebted with the hope that this group of people will at least have the basic requirement to lead a normal life, thus eliminating poverty. It is generally believed that *zakat* plays an important role in term of economy, moral and social of a society.

The importance of zakat in Islam can be gauged firstly by the number of times it is mentioned in the Holy Quran and making it clear that without zakat, salat is not established. The Prophet Mohammad (SAW) further emphasized its importance by referring to it as one of the five pillars of Islam. If we analyze all the Quranic verses relating to zakat, some basic points emerge clearly:

- It is a religious obligation of the rich to give and a right of the poor to receive. It is not a voluntary act of charity.
- Reward for giving is manifold and the punishment for not giving severe: and the both the reward and the punishment are to be expected in this world as well as the hereafter.
- The eligible categories of zakat receiving people are eight, but the poor and the destitute are top priorities.
- The Quran enjoins everybody to be generous, but also assures that religion is not meant to be a burden.
- The Sunnah and Hadith make it clear that zakat is both a wealth tax (eg 2.5 percent on gold and silver) as well as an income tax (eg 5 percent on agricultural produce with irrigated water and 10 percent when rain fed). For resources underground, the Hadith is not clear and tend to imply 20 percent for hidden treasures and 5 percent in case of extracted minerals.

The most important lesson from Prophet Mohammad (SAW)'s practices is that he preferred to give productive assets as *zakat* rather than cash or items of immediate consumption. History proves that with proper management, *zakat* is capable to eliminate poverty. During the reign of Umar bin Al-Khattab and Umar bin Abdul Aziz, it was reported that there was so much prosperity that often it was hard to find an eligible recipient of *zakat*. However, with the fall of Islamic Empire and the increasing European influence during the colonialism period, *Zakat* Institutions have lost their glory.

Muslims are obligated to pay *zakat*, one of the five “pillars” of Islam. It is payable on business revenues and assets, gold and silver, and savings at the basic rate of 2.5% (Gambling & Karim, 1986; Hamid et al., 1993; Mohamed, 2007; Mohamed Ibrahim, 2001; Lewis, 2001; White, 2004). Mohamed (2007) claims that Islam requires its followers to pay *zakat* so that the money collected can be of help for the poor to have basic requirements in life. Unlike conventional tax, *zakat* is viewed by Muslims as a means of ‘purifications’ and not just an obligation (Gambling & Karim, 1986). Furthermore, Sulaiman (2003) states that *zakat* plays an important role not only in the economy, but also in the moral and social well-being of a society. Morally, *zakat* promotes sharing of wealth and eliminates greediness, whilst socially; it helps to reduce poverty within the community (Gambling & Karim, 1986; Sulaiman, 2003). As a result, wealth is widely distributed to all sections of the society and this, undoubtedly, encourages healthier economic environment. As stated in Nasir and Zainol (2007), the seven categories of people that are eligible to receive *zakat* include “the poor, the needy, the wayfarer, the heavily indebted, freedom of slaves, new converts to Islam, and the cause of Allah.” (p. 262).

The Qura’n says, “..... And there are those who hoard gold and silver and spend it not in the way of God; announce unto them a grievous penalty. On the Day when heat will be produced out of that (wealth) in the fire of Hell, and with it will be branded their foreheads, their flanks and their backs [and it will be said to them], “This is what you hoarded for yourselves; taste ye, then, what you hoarded”. (IX: 34-35) and also “whoever saved a life, it would be as if he saved the life of the whole humanity” (V: 32).

The Prophet (peace be upon Him) is reported to have said: If a single person were to sleep hungry [Muslim or non-Muslim] in a town, God’s protection is lifted from such a town (Masnud Imam Ahmed).

*zakat* has been practiced since the early Muslim community in Mecca with the main objective is to help the poor and the needy (Qaradawi, 1999). Consistent with the brotherhood concept in Islam, Muslims were strongly encouraged to look after the poor in their community. As stated in *Surah Al-Muddahthir*, verse 38-45, one of the reasons those people are sent to Hell is

because of the failure to feed the poor and the needy. Although *zakat* has been practiced earlier in Mecca, it was only made compulsory after *hijra* to Medina. In general, there are two types of *zakat*, i) *zakat al-fitr* or *zakat* on oneself, and ii) *zakat al-mal* or *zakat* on wealth. *Zakat al-fitr* was made compulsory for all Muslims in 2 AH (after *Hijra*). It is a small amount that all Muslims are obliged to pay during the fasting month (*Ramadhan*). On the other hand, Muslims also have been required to pay *zakat al-mal* since 9 AH and it is payable at any time of the year if a person's annual income (*haul*) exceeded the exemption limit (*nisab*).

### 6. 1 Definition of Poverty

Generally, poverty is measured in monetary terms, based on the income levels or consumption per capita or per household. In 2008, the World Bank has redefined the international poverty line at \$1.25 a day instead of \$1 a day, based on the purchasing power parities (World Bank, 2008). Based on this new figure, it was suggested that those who earned less than \$1.25 a day are categorized under absolute poverty. Furthermore, according to a UN declaration, poverty is defined as: *“denial of choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to; not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation”*.

(UN Statement, June 1998)

On the other hand, Islam defines poverty based on an individual failure to fulfill any of the five basic human requirements of life that is based on *Maqasid Syariah* : i) religion, ii) physical self, iii) knowledge, iv) dignity, and v) wealth (Hassan, 2010). Islam, being a religion of balance, views poverty as social and ideological problems. It is considered as social problem because the effects are felt in the society as a whole. Moreover, it is also an ideological problem as it affects the performance of one's socio-religious obligation towards the community and Islam, and may even lead to *kufur*<sup>2</sup>. Furthermore, a *hadith*<sup>3</sup> reported that Prophet Muhammad (pbuh) has sought Allah's refuge from poverty.

*"O Allah! I seek refuge with You from laziness and geriatric old age, from all kinds of sins and from being in debt; from the affliction of the Fire and from the punishment of the Fire and from the evil of the affliction of wealth; and I seek refuge with You from the affliction of poverty, and I seek refuge with You from the affliction of Al-Mesiah Ad-Dajjal. O Allah! Wash away my sins with the water of snow and hail, and cleanse my heart from all the sins as a*



*white garment is cleansed from the filth, and let there be a long distance between me and my sins, as You made East and West far from each other."*

At the UN's World Summit on Social Development, the 'Copenhagen Declaration' described poverty as "...a condition characterized by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information. Poverty defined by World Bank sums up as low income and inability to acquire the basic goods and services with following specifications: (i) low levels of health and education, (ii) poor access to clean water and sanitation, (iii) inadequate physical security, (iv) lack of voice, and (v) insufficient capacity and opportunity to better one's life.<sup>6</sup>

Recent scholars have put three distinct concepts of poverty: absolutely gauged, relatively designated or subjectively viewed by the poor themselves. The absolute notion of poverty identifies the poor without reference to the situation of others in their society, and it refers to the "inability to attain a minimal standard of living". Relative poverty has much to do with the issue of inequality (income and wealth distribution) and it identifies the poor relative to other segments of the society, i.e. relative to a comparator group. Subjective poverty, on the other hand, is a self-defined concept and it reflects the attitude and perception of a person towards what is regarded as minimum to meet basic needs, i.e. it compares "actual income against the earner's expectations and perceptions".

## **6.2 Concept of Poverty in Islam**

In Islam, poverty in broad sense entails lack of fulfillment of physical, intellectual, psychological spiritual needs to an optimum level. From economic point of view, Islam divides people only in two categories such as: First, those who have surplus income/asset etc to certain amounts/quantities after meeting all his/her annual expenses; and, second, those who fall short of their bare necessities. According the holy Prophet of Islam (PBUH), the real rich are those who are rich in mind. Famous religious scholar Imam Sathibi categorized human needs in the following way: (a) Survival requirements (food, clothing, shelter, health care etc); (b) Developmental requirements (transport, education, fan, light, fridge etc); and (c) Aesthetic needs/beautification (art and design crafts, flower vase, gardening, showcase/piece and so on).

## **6.3 Causes of Poverty**

The socialist thinkers observe that poverty is not created in a vacuum. They understand that poverty is caused by the natural workings of a capitalist marketplace that has always excluded a significant part of the population from decent life for themselves and their children. Socialists also recognize that poverty under capitalism is largely maintained by a skewed

distribution of wealth and services, not by lack of a work ethic. One scholar says 'deepening poverty has multiple causes, but the capitalist economic system is major among them.

Islamic thinkers opine that justice can be ensured if the well-being (*falah*) of all vicegerents of God (human being) is materialized through the efficient and equitable utilization of resources that God has provided to mankind as a trust. Umar Chapra opines that elimination of poverty, and fulfillment of at least the basic needs of all individuals in society is not possible without spiritual upliftment. Poverty is, thus, in clear conflict with the imperatives of brotherhood, justice and the well-being of all. This is because it leads to incapacity and misery of the poor and tends to exacerbate helplessness, crime, and a feeling of ill will against society. It may even, according to the Prophet (pbuh), drive a person close to disbelief.

There is no single cause of poverty and the plight of some poor of Bangladesh. It is therefore very important to identify the extent of the situation to which each of these factors contributes to poverty. A comprehensive study undertaken by Mahbub Hossain and Binayak Sen attempted to identify the determinant of incomes of poor and non-poor households in rural Bangladesh where about 80% population live. Sen and Hossain argued that an important part of poverty alleviation strategy should be to identify and emphasize elements of growth policy, which are likely to have the strongest and most immediate favorable impact on rural poverty

## **7. Need for an alternative Zakat Management model**

Different development models and approaches have been operative in Bangladesh for over quite a few decades for alleviation of poverty. The country's national development plans and strategies historically put emphasize national growth including poverty alleviation programs. These plans driven by open market policy assumed that economic growth would trickle-down to all groups. However, they failed to realize that these programs may not equally benefit all categories of the poor. The development analysts opined that most five-year plans have been 'overly ambitious', and 'pursuing a wealth of objectives'. Social welfare, the only initiative addressing the extreme poor, received little attention in these plans. In addition, weak institutions and the lack of implementation guidelines hampered policy implementation. The strategies, therefore, hardly reflected Bangladesh's real development needs.

Some scholars identified different limitations of Microcredit Programs operated mostly by NGOs in Bangladesh. Some studies report that Micro-finance Institutions have been able to reach among half of the poor of the country, but they have failed to reach the hard core poor in particular. The issue of sustainability has become a burning issue to all stakeholders of microfinance due to (a) higher dependence of microfinance on donor funds; (b) high interest

rate and operational cost; (c) interest of transforming microfinance programs into financially viable ones to attract commercial funds for scaling up programs. A few studies reveal that in some cases, microfinance has created debt cycles to pay the installments of loan by making fresh loan from moneylenders.

The development thinkers also identified the limitations of the small asset transfer programs of different donor agencies. Prior to receiving assets, the ultra poor would require social protection, more than the minimal asset they received from these programs. The asset transfer programs do not put greater emphasis on sustenance. Donors were concerned about program sustainability. Many stakeholders lacked knowledge regarding the experience of these initiatives.

### **8. Role of Masjid in zakat management system**

A mosque is a sacred place of worship for Muslims. The word mosque is a conversion of the Arabic word ‘masjid’ (in plural - *masajid*). The word masjid is derived from the Arabic root ‘sajada’ which means to prostrate. As prostration is the most honorable act in prayer and because of the proximity of the worshiper to his Lord, it has been chosen to indicate the act of prayer itself. Therefore the mosque is literally the location of prostration (*sujud*). From Islamic literature, The Prophet Muhammad (peace be upon him) is recorded in a hadith of Imam Bukhari to have stated that “The whole earth is made as a place of worship” Thus within the Islamic legal framework, a muslim can pray almost anywhere. However the main purpose of masjid building is to facilitate collective ritual worship in the form of the daily congregational prayers. Without worship activities, mosque is become general building Mosque is an Islamic organization which is classified as non-profit organization. During the golden age of the Prophet Muhammad (peace be upon him), mosque was seen as the nucleus for community development in various aspects. Mosque is multi-faceted which are not only serving as a sacred and clean space for prayer, but also providing counseling, education and other services associated with the life of a community (Mokhtar, 1997; Rasdi, 1998; 1999). The role of mosque is without doubt central and crucial to the well-being of the Muslim community (Mokhtar, 1997; Rasdi, 1998).

Mosque is recognised as sacred building. It is purposely developed to facilitate the Muslims to devote themselves to Allah (The Al-Mighty). From Islamic studies, mosque is a unique and extraordinary building that requires high attention from all parties. The mosque building is most related to the blessing of Allah (The Al-Mighty) to fully function. Although the mosque is classified as non-profit organisation, that is, not intended to generate income (non-monetary base), Allah (The Al-Mighty) has promised to give the reward that is declared as intangible.

Its profit is based on reward given by Allah S.W.T. Because of that reason, mosque building becomes the greatest place to be concerned. As narrated Uthman ibn Affan:

*“I heard the Messenger of Allah (SAW) say: “Whoever builds a masjid (mosque) for the sake of Allah, Allah will build something similar for him in Paradise.”(Sahih Muslim, No. 1189)*

In the context of this research, sustainable is referring to the Arabic word called ‘*Imarah*’. *Imarah* means prospering (Rasdi, 2004). *Imarah* is also defined as the things that lead to the development, progress, improvement, etc. (Mohammad et al., 2011). The meaning of *imarah* has been derived in Al-Quran as below:

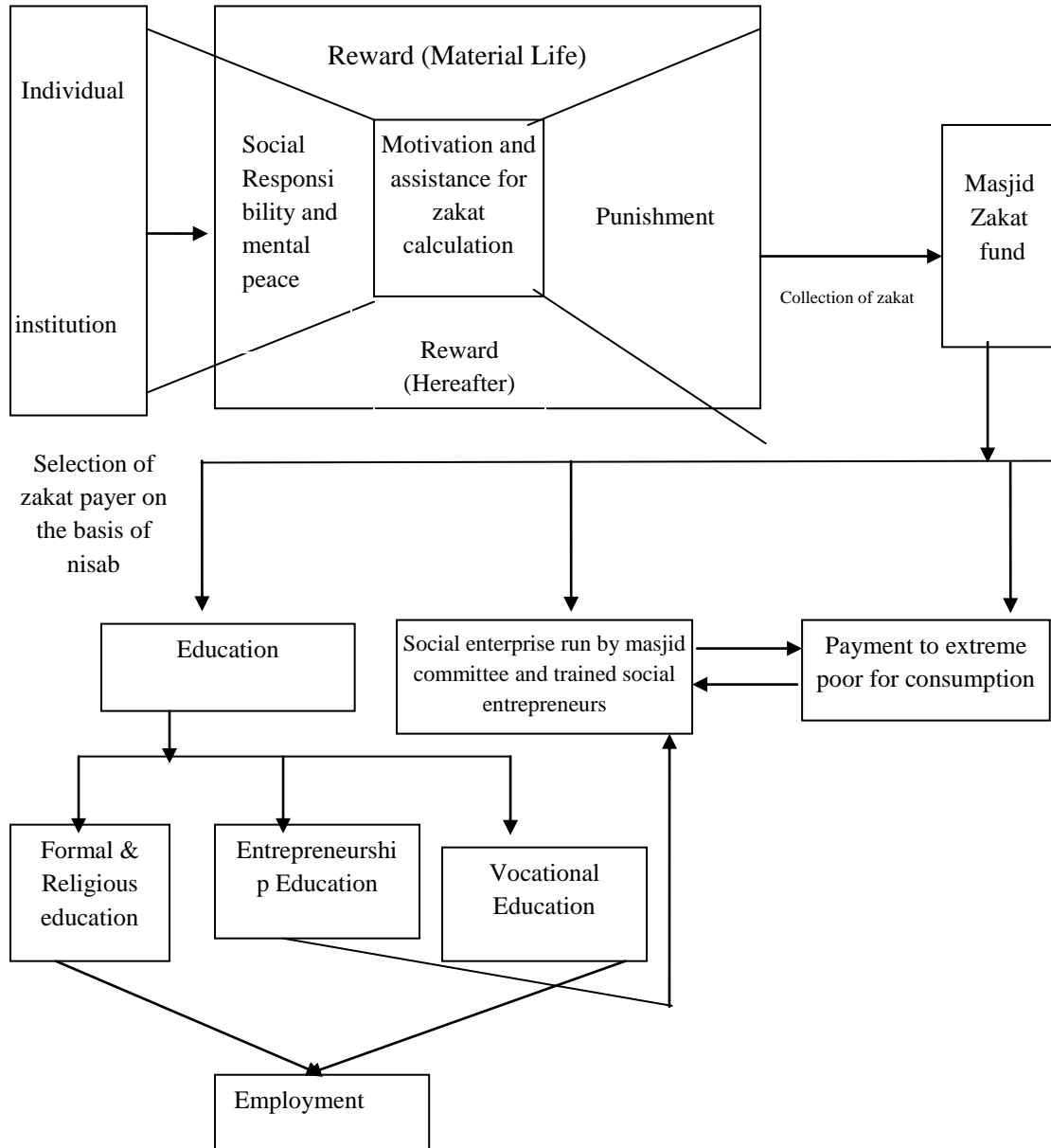
*“The mosques of Allah shall be visited and maintained by such as believe in Allah and the Last Day, establish regular prayers, and practise regular charity, and fear none (at all) except Allah. It is they who are expected to be on true guidance.”(Surah At-Taubah: 18)*

Based on the definition above, sustainable mosque, therefore, can be summarise as the importance of mosque to be prospered throughout the time and sustained to be functional through various religious activities. While currently the Western world’s has been focusing on how to embark on sustainable buildings by taking care of economics, social and environment aspects, as Muslims, there is a concern on how to come out with sustainable mosque. From Islamic studies, sustainable mosque interrelates with three aspects which are the relationship between human and the Creator (*habluminallah*), relationship between human and human (*habluminannas*) and relationship between human and environment (*habluminal’alam*). Hence, these aspects should be considered in prospering the mosque.

For that reason, FM is seen as the potential approach to be adopted in management of mosque in order to comprehend with core business of mosque in the delivery of the religious services. According to Islamic Religious Council of Singapore (2005), critical factors that contribute in prospering the mosque is human factors. They stated that two groups of people who will determine whether a mosque will prosper or not are the mosque’s managers and workers, and the *jamaah* (the mosque’s congregation). This has shown that human factors play a vital role to ensure the mosque is sustained for long term. From business perspective, those two groups of people can be considered as the most important customers of mosque. According to Sapri *et. al.* (2009), it is important to provide services that fulfil customers’ needs and expectations. For mosque to emerge with the inspiration to uplift and sustain the function of mosque as the community centre, the service that meets community needs and expectation should be taking into account. According to Balachandran (2004), for business to be well-performed and be sustained in the competitive world, the customer’s needs and

expectation should not be avoided. When services offered by organization to meet the needs and expectation of their customer, then it will facilitate value creation to the customers (Barnes, 2001; Chan, 2005; Lowenstein, 1995). Balachandran (2004) argues that quality of service delivered to the customers is of utmost importance in order to gain customer satisfaction and retention. Quality refers to continuously anticipating and exceeding the requirements and expectations of customers (Lowenstein, 1995). Measuring performance is also essential to the business of the organisation to ensure success (Sapri, 2008; Sapri *et al.*, 2005), especially service organisation like mosque. In addition, religious place are some physical settings correlated to religious or sacred events that could cultivate fundamental human values and enrich human soul (Stokols, 1990). In this regard, religious place represent the physical space in which human attempts to bring themselves closer to the divine (Mazumdar and Mazumdar, 1993; 2004). Thus, with respect to religious places within Islamic culture, mosque is considered as the house of Allah, so it is recognised as the most important building that needs to be given attention from various aspects (Najafi and Mustafa, 2012).

**9. Proposed Masjid Based Zakat Management Model:**



**Figure: A Masjid based zakat management model in alleviating poverty.**

## 9.1 Discussion of the Model

In the model, there will be a masjid committee and they will implement the zakat management system. The committee will be formed under a thana or a upazilla. It will be formed including masjid imam, Islamic scholar, Renowned religious person from the society. The members of the committee will be trained up so that they can manage and motivate the people to collect zakat fund and distribute it to the poor Muslims effectively and efficiently. Government officials will monitor their activities. The model is discussed below:

**Zakat Collection:** The first step in our model is collection of zakat. It will come from two sources one is individual and the other is institution. Zakat will be collected in different specific zone under a central masjid or it may be under thana or upazilla based masjid. The masjid committee will collect the zakat who are capable financially. They may be doctors, engineers, lawyers, businessmen and money will also be collected from the different institutions in that locality. Firstly creating awareness is very important to collect zakat among all Muslims who are capable financially. Masjid committee can play an important role to develop awareness among the Muslims. They can arrange some programme to create awareness among the people. So the masjid committee will select those persons who are capable and collect money from the payers on the basis of nisab.

## 9.2 Motivation and Assistance for zakat calculation:

Generally people do not want to pay zakat and many of them do not have much idea about zakat and how to calculate zakat. Hence masjid committee must come forward to assist them properly. In this stage, we have tried to discuss some points here.

**Reward (Material life):** In this stage, the committee will try to motivate them by discussing the benefit of zakat in Islamic view point. If the Muslims pay zakat, Allah will reward them in their material life. We must motivate them by teaching them in the light of Quran and hadith. Allah says: (Take alms (charity) from their wealth [O Prophet!] in order to purify them with it.) [Quran 9:103]

Zakat literally means purification. Technically, it means a contribution of property for the use of the poor and the needy as a sanctification of the remainder of the property. An important principle of Islam is that everything belongs to God, and that wealth is therefore held by human beings in trust. The word zakah means both "purification" and "growth." Our possessions are purified by setting aside a proportion for those in need and for the society in general. Like the pruning of plants, this cutting back balances and encourages new growth. Zakat keeps money in circulation; Zakat discourages hoarding; Helps the poor; Helps and supports Islam; Purifies the heart of love for money and wealth, purifies the money itself; Protects the Muslims from many other vices; love of wealth is the root of many immoral actions.

**Punishment:** Allah says in Quran "And those who hoard up gold and silver [Al-Kanz: the money, the Zakat of which has not been paid], and spend it not in the Way of Allah, - announce unto them a painful torment." [9:34] Prophet Muhammad (Sal-allahu- aleihi-wassallam ) said," Whoever is made wealthy by Allah and does not pay the Zakat of his wealth, then on the Day of Resurrection his wealth will be made like a baldheaded poisonous male snake with two black spots over the eyes. The snake will encircle his neck and bite his cheeks and say, 'I am your wealth, I am your treasure.' "Then the Prophet recited the holy verses:"And let not those who covetously withhold of that which Allah has bestowed on them of His Bounty (Wealth) think that it is good for them (and so they do not pay the obligatory Zakat). Nay, it will be worse for them; the things which they covetously withheld shall be tied to their necks like a collar on the Day of Resurrection. And to Allah belongs the heritage of the heavens and the earth; and Allah is Well Acquainted with all that you do." (3:180) [Hadith Vol 2: # 486 of Sahih Bukhari]

**Benefits of Zakat in the Hereafter:** Allah says in Quran "If you lend to Allah a goodly loan (i.e. spend in Allah's Cause) He will double it for you, and will forgive you. And Allah is Most Ready to appreciate and to reward, Most Forbearing." [64:17] "Who is he that will lend to Allah a goodly loan, then (Allah) will increase it manifold to his credit (in repaying), and he will have (besides) a good reward (i.e. Paradise)." [57:11]

"Surely, those who give Sadaqat (i.e. Zakat and alms, etc.), men and women, and lend to Allah a goodly loan, it shall be increased manifold (to their credit), and theirs shall be an honourable good reward (i.e. Paradise)." [57:18]

**Social responsibility and mental peace:** The committee must make them understand, if you pay the amount of zakat, you will get mental peace and the society will be benefitted. Prophet Muhammad (Sal-allahu- aleihi-wasallam) said: Allah has made zakat obligatory simply to purify your remaining property, and He made inheritances obligatory that they might come to those who survive you. [Vol 1:#1689 of Mishkat Al-Masabih, transmitted by Sunan Abu Dawud].

Masjid zakat fund: After motivating and assisting them, they will be interested in paying zakat and the committee will collect the money from them. The prime tasks of masjid committee is to select the prospective muslim poor persons (Male and Female). This money will be distributed in three different categories.

**A. Payment to extreme poor for consumption:** Firstly they will select those needy persons who are extreme poor and the committee will distribute those foods and clothes which will fulfill their basic needs. In this category, the extreme poor Muslims will try to solve their problem and the masjid committee will mark them properly.



**B. Distribution to education sector:** Islam emphasized mostly on education but it is a matter of sorrow that most of the people of muslim countries are illiterate specially in our country. Without educating the people no muslim nations will stand properly. In the model we emphasized on education. So the proportion of money will be distributed in the sector of education in different way.

i. **Formal and Religious education:** Educating the muslim people is very important today to compete the global world. In this case, primarily formal and religious education is very needed for the muslim societies. The committee will take the responsibility to make them educated by arranging education institutions and religious institutions. Receiving formal education as well as religious education will make them broadened and competitive. It will also help them to maintain the Islamic rules and regulations. Moreover they will be able to realize the importance of Islamic values. After receiving formal and religious education, they can teach other person and play a vital role to remove illiteracy from the society.

ii. **Entrepreneurship education:** There is no other substitute of entrepreneurship education in alleviating poverty. The masjid committee will provide them entrepreneurs related learning for their skill development from the zakat fund. After getting education from here they can become skilled manpower and can serve in different organizations.

iii. **Vocational education:** The masjid committee will provide them technical education for improving their technical skill. No nations can develop without proper technical education. Vocational education will provide them these bundle opportunities to the poor people in the society.

**C. Social enterprise run by masjid committee:** The masjid committee will run the social enterprise. They can recruit those types of person here who have finished their entrepreneurship education authorized by masjid committee. The extreme poor can purchase from here to fulfill their basic needs.

**10. Conclusion and Policy Implication:** *Zakat* is declared as the third of five “pillars” of Islam, and it is payable on the assets such as gold, livestock, agricultural products, and funds. Consistent with the brotherhood concept in Islam, the requirement to pay *zakat* is also closely related with the idea of equality and justice that lies under the Islamic principles. The main purpose of *zakat* is to support the less fortunate group in the society such as the poor, the needy, the wayfarer, or the heavily indebted with the hope that this group of people will at least have the basic requirement to lead a normal life, thus eliminating poverty. It is generally believed that *zakat* plays an important role in term of economy, moral and social of a society.

History proves that with proper management, *zakat* is capable to eliminate poverty. During the reign of Umar bin Al-Khattab and Umar bin Abdul Aziz, it was reported that there was so much prosperity that often it was hard to find an eligible recipient of *zakat*. However, with the

fall of Islamic Empire and the increasing European influence during the colonialism period, *Zakat* Institutions have lost their glory. If we practice again for paying zakat, the poverty will be reduced. In this case, the model will be very helpful for the policy makers to alleviate poverty from the society. The zakat management institutions and competent policy makers may think of decentralization of zakat management and masjid based zakat management could be a good example to such decentralized management.

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