

Role of Zakat as a Tool of Poverty Alleviation and Sustainable Development: The Case of Bangladesh

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Abstract: Despite different programs taken by various stakeholders in attempt to alleviate poverty, poverty is still one of the major concerns in policy level and a burning issue for the societies in Bangladesh. Whereas Islam sets down different policies and mechanisms to tackle this problem, Zakat is one of such foremost institutions. It has been declared as one of the five pillars of Islam, in the sense that it is a deed violation of which falls short of fulfilling the basic obligations prescribed by the religion. Zakat is a transfer of ownership of individual's property to a person or group of persons under some specific conditions. So, the paper explores the developments and challenges to fulfill the potentials of Zakat in the context of Bangladesh. Theoretical and empirical studies have been reviewed to the economic potential and the impact of Zakat in this study. Finally an analysis is shed light on some Zakat based socio-economic projects implemented by different institutions in Bangladesh. The current study tries to establish Zakat as an indispensable ingredient of sustainable development plan along with poverty alleviation in the country.

Keywords: Economic Development, Islamic Economy, Poverty, Sustainable Development, Zakat.

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Introduction

The main strategy of modern economic development and poverty alleviation is sustainable development. But, sustainable development cannot ensure justice, wealth distribution and good governance without freeing poverty from the country. For this reason Allah says, “A society where there is no justice will ultimately lead towards decline and destruction” (Qur’ān, 57:25). The holy Quran emphatically announces that Almighty Allah does not stand by injustice, oppression and misrule, and Allah will destroy the society which is indulged in such practices. According to World Happiness Index, several factors are connected to ensure happiness such as good governance, justice, freedom and absence of corruption and these carry the basis of just and sustainable development. The Holy Quran had emphasized on these same factors to maintain a just and sustainable development. Anyone who strives for such distributional justice is said to be able to enjoy a happy worldly life and purity of his soul for hereafter. In contrast, absence of justice and equality is referred to in the holy Quran as *Fitnah* (mischief), *Fasad* (disorders) and *Julm* (oppression) (Zafor, 2017).

Islamic economy is an all-encompassing system that combines justice, rule of law and equality in order to have inclusive economic prosperity. Allah says “Don’t utilize the wealth in such a way that it circulates among the wealthy of the society only” [Qur’ān, 59:7]. “And in their wealth there is a due share for the beggar and the deprived” [Qur’ān, 51: 19]. There is famous Hadith that says “None is considered a true Muslim if he/she eats full stomach leaving the neighbors hungry”¹. Thus it is evident that concentration of wealth into a few hands is strictly prohibited in Islam rather the poor are given a share in the wealth of the rich.

Not only Islam does address the spiritual issues of a human being but also it addresses economic, social, political problems. Every aspects of economic development through trade, commerce, industry, agriculture is adequately dealt with Islamic rules and regulations. It is a complete religious code that is capable of providing a proper and fully-fledged guideline for all social evils and illness. Conventional methodologies of poverty reduction through major international development agencies in secular world have failed to remark satisfactory progress. On the other hand, Zakat is a divine and a very potential tool of poverty alleviation that has been historically proved itself both in Islamic worlds and conventional one.

¹ al-Sunan al-Kubrā in Baihaki, Hadith No. 19049

Zakat is an Arabic word which is originated from the word ‘tazkiyah’ that means ‘something which purifies’. In various ways and words, Allah commanded Muslims to pay Zakat. Several verses² of holy Quran declare Zakat as one of the topmost Ibadah that stands high in the eyes of Allah. From economic point of view; it is a levy imposed on rich persons who retain a certain level of wealth called Nisab³. Once an individual belonging to well-off people attains a minimum level of wealth, he has to transfer a definitely calculated share of his property to someone who belongs to worse-off people. In this aspect, Zakat denotes to be a very promising solution for poverty alleviation, especially in the Muslim countries.

Today’s world is dominated by the self-oriented capitalism while 10% population (767 million) lives on less than \$ 1.90 a day (Hunger Project). Numerous strategic steps had been undertaken by several governments, international organizations, NGOs and individuals through various programs namely social credit, trust, ethical fund foundation, charity and alike aiming at poverty eradication to meet people’s fundamental needs like food, education, housing, health and nutritious services, etc. It is observed that, in reality, the true objective of poverty eradication in creating an atmosphere by making one with economic self-reliant has not been achieved yet. But this is not obligatory and all countries of the world don’t accept these systems equally to follow and this cannot be said even as a tool of sustainable development.

The Quranic system of Zakat is a very effective financial mechanism to ensure fair distribution of wealth among people. It does not serve only as a tool for poverty alleviation but also acts as a lubricant for keeping the wheel of economy running. Zakat assists economic agents to resume their normal activities after removing the temporary financial obstacles. Poor can be transformed into a productive entity if they are helped by Zakat to engage into productive economic activities. Likewise, if a businessman faces difficulties in completing his mission outside his own area of abode while travelling, he may be assisted from the Zakat Fund so that he can come back and resume his business transactions. In the same manner, persons with a burden of loan can be freed by the Zakat Fund and made productive again. So this is the case for other recipients of Zakat (Zafor, 2017).

² Qur’ān, 2:43, 83, 110, 177 and 277. Qur’ān, 4:77 and 162. Qur’ān, 5:12 and 55. Qur’ān, 7:156. Qur’ān, 9:5, 11, 18, 71. Qur’ān, 30:39.

³ Nisab is the certain minimum amount of assets or wealth of any one possession for enabling the payment of Zakat that covers 87.48 grams of gold or 612.36 grams of silver or any amount equivalent in cash. This amount is given as a Zakat if anyone possesses for 12 month period and become eligible to pay Zakat.

Zakat is a divine obligatory tax imposed on the wealthier aiming at poverty eradication and helping hand for those who are poor, helpless and underprivileged ones (Shad, 1989) . Thus, it acts in its capacity as a platform in upgrading the economic status of needy. It had been observed that, the most Zakat payers, its managers and recipients are with a traditional mind-set that, Zakat is an obligatory payment to be given away to those of beggars, poor, destitute and helpless ones without thinking for or aiming at any long-term plan in meeting the divine objective of poverty eradication. It is thus closely observed that today the result oriented poverty eradication with a sustainable socio-economic concern under both the modern humanitarian scheme and the poor focused (Billah, 2018).

Since the early stage of Islam, Zakat had been primarily managed and administered by state organs. But after the Ottoman Empire⁴ fell down the concept of Zakat started to lose its relevance in state-level in many Muslim-dominated countries. Instead, Zakat became a purely personal obligation. However, Malaysia, Sudan, and Yemen are continuing this practice from 1951 whereas Pakistan and Saudi Arabia started officially administering Zakat only after 1981.

Islam prescribes Zakat as an obligatory giving where eight types [Qur'ān, 9:60] of people are eligible to receive Zakat. Among these eight categories the poor, the needy, the slaves, the debtors and the travelers in need have direct relation to impact on alleviating poverty. Despite a long list of Zakat beneficiaries mentioned in the Quran, priority is preserved for those who are victim of vicious cycle of poverty and alleviation of poverty is possible through assistance to the poor and the needy (Hassan, 2010). Through Zakat, poor individuals or families are expected to participate in economic activities whereby they can, in long run, generate income for themselves.

Objective of the Study

This study wants to establish that Zakat is not only a charity (to fulfill short-term needs of society) but also a very potential tool of sustainable development for the country.

⁴ The Ottoman Empire (1301-1922) was the one of the largest and longest lasting Empires in history inspired and sustained by Islam, and Islamic institutions. The Empire began to decline after being defeated at the Battle of Lepanto (1571) and losing almost its entire navy. It declined further during the next centuries, and was effectively finished off by the First World War and the Balkan Wars.

How Zakat is a Tool of Sustainable Development

The universal call of the Sustainable Development Goals (SDGs) is to end poverty, to enjoy peace as well as prosperity by all people and to protect the globe by all means (UNDP)⁵. These goals are crucial for ensuring long-term stability and it may be viable and achievable through the integration and acknowledgement of environment, economic, and social phenomenon across the whole planning process of the economy and environment. (Emas, 2015).

Zakat is indeed a form of philanthropy, yet Zakat is distinguished from other similar forms that work as divine nature. More importantly, the payers and recipients for Zakat are categorically enumerated in the holy Quran (Mannan, 1970). However, what is unfortunate regarding the understanding of Zakat is that this is often misunderstood. People look at it's just as a mere means of charity from the rich to the poor whose short-term needs are thereby satisfied. But, Zakat has certainly a greater aspect and that is its long-term benefit in eradication of poverty through financial protection to those who are in need. This list of needy people is never exhausted yet it may be said to include destitute, unemployed, disabled, widows and economically marginalized people. To press upon the right for the above mentioned people of need, Allah (SwT) says in Quran:

“And in their wealth and possession, the right of (needy), him who asked and him who (for some reason) was deprived” [Qur’ān, 51: 19].

What comes as second and most ignorant misconception around Zakat is that it is being purely a religious provision, entitlement for Zakat is confined to the Muslim only, and therefore, non-Muslim are ousted from the enjoyment of Zakat (Ibn Qudamah). But, looking at the verse above mentioned, it is nowhere found that only Muslims are entitled to Zakat. The term needy has neither bias nor does it have any prejudices against any follower of a particular religion. Many scholars too, therefore, have endorsed an opposite view of this conception. In fact, they believe that the system of Zakat rather benefits both Muslims and non-Muslims. Abu Ja’far Mohd. B. Jarir al-Tabari is one of such prominent Islamic thinkers who strongly supports this greater contribution of Zakat (al-Tabari, 1999). So it can be safely said that Zakat is a practical solution to the contemporary society irrespective the religious identity of its members. According to

⁵ <https://www.undp.org/content/undp/en/home/sustainable-development-goals.html>

Qur'ān, 9:60⁶ the recipients of Zakat need not to be Muslims. As Zakat recipients are not necessary to become Muslims, M. A. Mannan illustrates the rigorous views that Zakat works as a unique tool for abolishing poverty from all strata of the societies provided by Islam through making the rich live with social responsibilities they have. Zakat hinders the peaky collection of wealth within a few people and to defuse it before it reaches denunciatory proportions that possesses it, since it covers as a compulsory contribution by Muslims for state exchequer. (Mannan, 1970).

Qur'anic injunctions are supported by own rationale and objectives. Allah (SwT), for example, enjoined Zakat to provide social security for the poor and needy in order to develop a balanced growth of the economy (Al-Harran, 1993) apart from its purely spiritual aspect of purifying one's own soul, Zakat is a vehicle for inclusive and long lasting development as well.

Hence Zakat must not be considered as a strategy with a short-term objective, but its long-term impact shall be taken into serious consideration. A systematic management of Zakat fund will certainly lead to the accomplishment of sustainable goals where the true objective lays on the objective of Zakat. By natural right, mankind is entitled to be assured of, firstly, economic stability; secondly, education; thirdly, health care; fourthly, shelter and fifthly, being free from debt. Once these five aspects of a man are satisfied, the success which is achieved in a state is called social security. Therefore, the Zakat fund shows a significant prospect for poverty eradication by a planned and strategically long-term management of it. Five basic Objective to be achieved through satisfactions for the poor and needy that is impliedly included in the aim of ensuring social security for all and in the attempt of eradication of poverty.

The Poverty Situation and Poverty Alleviation Strategies in Bangladesh

Bangladesh is developing country that can cross the threshold of middle income country by 2024. About 18 core people are living in this country emerged as an independent state in 1971 and per capita income is USD 1909 in the first quarter of 2019. About 60 percent people are estimated to live under the poverty line although poverty has been declined remarkably due to the acceleration of economic growth since 2000. World Bank, 2018 represents that poverty rate reduced from 82% in 1972 to 18.5% in 2010 and it reached below 9% in 2018 as measured by the percentage of people under

⁶ The alms are only for the poor and the needy, and those who collect them, and those whose hearts are to be reconciled, and to free the captives and the debtors, and for the cause of Allah, and (for) the wayfarers; a duty imposed by Allah. Allah is knower, Wise. "(Qur'ān, 9:60).

the extreme poverty line internationally. Bangladesh is one of the most densely populated countries in the world. About 18 core people are living in this country emerged as an independent state in 1971 with a per capita income of only USD 140, and over 70 percent of the population was estimated to be living below the poverty line (Hossain, 2005). Poverty has declined remarkably since the early 2000s, as results decades of accelerated economic growth (World Bank, 2017). According to the World Bank, Bangladesh's poverty rate fell from 82% in 1972 to 18.5% in 2010 and below 9% in 2018 as measured by the percentage of people living below the international extreme poverty line (World Bank, 2018). Household Income and Expenditure Survey-2016 revealed the present poverty rate is 24.3 (Almost 1 in 4 Bangladeshis live in poverty) percent whereas it was 56.7 percent in 1991. 12.9% of population lives in extreme poverty (World Bank, 2017). According to the 'Millennium Development Goals: End-period Stocktaking and Final Evaluations Report' the incidence of poverty has declined 1.74 % on an average in Bangladesh during 2000-2010 against the MDGs target of 1.20 %. The government has set up a target to reduce the poverty to 18.6 percent at the end of the 7th Five Year Plan (2016-2020) (Bangladesh Economic Review, 2018). Ultimately poverty alleviation highlighted an important agenda for development in Bangladesh. Poverty reduction efforts are taken by the different corner in Bangladesh in different times. Government is giving emphasis on water resource, irrigation system development for rural development and agricultural growth. Family planning program, Food-for-Work, Vulnerable Group Feeding program are also observed by the government for controlling the poverty in Bangladesh. Different NGOs and specialized banks like BRAC, ASA, Proshika, Grameen Bank etc. are providing microcredit in different areas for poor people to increase their income generating capacity. Academically government and non-government institutions have made various strategies to reduce poverty in short and long term basis. Bangladesh Planning Commission is making 5th year plan where poverty alleviation are getting first priority.

In the 1980s, the privatization and ready-made garment industries generated a large scale employment for low income families. Private sectors began to operate more vigorously in the 1990s decade. There was a Millennium Summit of the United Nations (UN) held in September 2000 where eight development goals⁷ were fixed to be

⁷ MDGs are: Eradicate extreme poverty and hunger, Achieve universal primary education, Promote gender equality and empower women , Reduce child mortality, Improve maternal health , Combat HIV/AIDS, malaria and other diseases , Develop a Global Partnership for Development.

achieved by 2015 known as Millennium Development Goals (MDGs) and Bangladesh complied with MDGs and abled to reduced head count poverty from the estimated 50% in 2000 to 25% in 2015.

In spite of having all these positive alterations in poverty alleviation, one-fourth of the people are still living under the poverty line. It may not be possible to acquire the potential level of socioeconomic development without freeing this huge portion of population from the darkness of poverty. In this connection, it is a great concern till today not only for the government but for everyone to reduce poverty and take it as a major development issue of the country.

Zakat Distribution Scenario in Bangladesh

Bangladesh maintains twofold system for Zakat management where there is no sign of compulsion. In Bangladesh, collection of Zakat by government is not implemented by mandatorily as per Islamic religion obligation and paying Zakat is considered as voluntary that may be collected by Zakat Board of Islamic Foundation, Ministry of religious affairs as a government agent or some other private institutions like Center for Zakat Management (CZM), Islami Bank Bangladesh Limited or even private individuals. All matters related to Zakat are executed by Zakat Fund Ordinance 1982. Economists, policy makers and regulators are yet to use widely Zakat as a poverty alleviation instrument. There is no structured process of Bangladesh government's Zakat board to administer, collect and distribute for Zakat. The general people of Bangladesh think that zakat board management does not follow a true Shariah compliant method of Zakat management due to the lack of proper distribution web. Moreover, the people who lived remote areas do not get adequate share of Zakat fund. Rich people in Bangladesh usually choose their poor relatives or neighbors as the Zakat taker (The Economics of Zakat). They used to buy cloth (Sarees, lungis), mosquito nets, food items (Semai, sugar, dates etc.) and other charitable items with their Zakat money and distribute these among poor people or orphan individually. A few also buy rickshaws, carts or fishing net to help poor people in rural Bangladesh. Some others are using their Zakat for extension, refurbishment or repair of mosque or orphanage and other religious establishment (The Economics of Zakat). Sometimes it is also seen that Zakat is used for building rural schools, libraries or helping poor students through scholarship. The rich people use their Zakat money by the above mention ways without following any structure. They engage their relative, local government representatives, mosque imams, chief of the local madrasha or orphanage to buy and distribute the charitable items. It has also been observed when political leaders, particularly in

election years, spend money through Zakat (Obaidullah, 2014 and The Economics of Zakat).

Although there are some Muslim countries where paying zakat is compulsory, due to socio political situation in the country government do not collect zakat compulsorily. In this connection, big industrial business group and the rich individuals of private sector can come forward to collect zakat. The subsidiary branch Islami Bank Bangladesh Limited is working to collect zakat from individuals. This foundation is utilizing these collected funds in philanthropic and poverty alleviation schemes through establishing hospitals for providing health services with low cost, maintaining training institute and destitute rehabilitation center for women, facilitating in poverty reduction schemes for self-employment and providing monetary facilities to the poor students. All other financial institute, especially Islamic Banks directly and conventional Banks indirectly with opening Islamic branches and windows, can take the initiatives and implement poverty reduction strategies and schemes based on zakat along with maintain corporate social responsibilities (Obaidullah, 2014).

According to Bureau of Islamic Economics, Zakat collection in 2010 was about Tk. 110 billion or 1.4 billion USD, which was equivalent to 1.4 percent of GDP. Only Tk. 11.53 crore has been collected by government controlled Zakat Board within last 31 years till 2014 while private organizations collected Tk. 5 crore within a single year 2013. According to Islamic Research and Training Institute (IRTI) in 2010 about Tk. 110 billion has been collected (Alam ,2014).

A Note on Islamic Foundation and Center for Zakat Management

According to Zakat Fund ordinance, from 1982, about 50% money has been distributed directly through district Zakat committee to the Zakat recipients collected from the rich people in 64 districts. The people who apply to the main office of Zakat board from various districts for getting financial assistance, they get the assistance if they become eligible to get zakat directly sending from office of zakat board and distribute the money to the recipients through district zakat committee. Various activities such as Toungy Zakat board Shisu Hospital, 23 sewing training center in different districts, distribution of sewing machine who are poor and completed sewing training, self-employment program for newly converted Muslim, tree plantation program as an initiative of sustainable development are conducted by Zakat fund. Besides, some poverty reduction strategies are conducted by Zakat fund such as providing financial assistantship to the students, Zakat allowance, non-workable person's rehabilitation etc. Islamic Foundation directly distributed BDT 10,510,582 to BDT 31,943 among the

poor people in 2014-15 fiscal year. Since inception to 2012-13 fiscal year 17735 people took sewing training it took BDT 1 core 77 lac and 18 thousand and in this period sewing machines were given to 921 persons across the country by expending BDT 51 lac 69 thousand and 5 hundred. About 1 crore 49 lac 98 thousand and 20 BDT was given to the 7302 poor along with widow to rehabilitate and rear livestock. To rehabilitate ultra-poor and helpless person approximately BDT 25 lac and 20 thousand expended to 1984 persons. Thus if these activities are continued and expended by Islamic Foundation, there will be huge contribution on poverty reduction and development on socio-economic condition of poor people. Only 1 crore taka has been collected in 2013-14 compared to 84 lac in 2012-13 by government Zakat Board (Bangladesh Islamic Foundation, 2015).

The Center for Zakat Management (CZM) in Bangladesh is offering some sustainable programs like Jeebika, Mudareeb, Ferdousi, Gulbagicha, Genius Scholarship program etc. They have been formally collecting and distributing Zakat since 2008 (CZM,2016). The main goal of Jeebika program is to ensure sustainable community development with the help of Zakat fund. This project provides services for the poor and needy people to improve their living condition, to develop economic access to basic needs for targeted people through strengthening livelihood, marketing access (Osmani & Masud, 2014). The operation of this project initially began in the year 2005 in a village of Manikganj district with 150 families pilot basis. After observing the success CZM has been implementing this program in different locations of the country and covering more than 850 extreme poor households during 2010 to 2012 [Osmani & Masud , 2014 and CZM , 2016]. As of 2016, the program was highly successful and 23 projects are taken in this program covering 8000 families where about 38000 peoples are included. In the year 2017, this program could have included more than 5000 families under the program. As a result 1 lac peoples of 20 thousand families are benefited from this program since its inception. For women and child welfare, CZM has been implementing Ferdousi Program. The objectives of this program are to give primary health care support along with pre-primary education of their children and vocational training of disadvantaged women. More than 70000(Seventy thousand) people have got touch with this program by 2016 (CZM , 2016). Recently three Ferdousi primary healthcare centers in Tangai, Faridpur and Jessor have been inaugurated. A total of fifteen hundred poor and distressed families are being provided this service. As a parallel effort Gulbagicha has been provided child education and nutritional support in the sum area of Dhaka city initially. As on 2016 in Dhaka 63 centers are established for this purpose which are providing support about 1500 children. This program is

spreading over the country. Notably for developing future generation, CZM has supported the first Year University and medical college students by providing monthly stipend. About 1800 undergrad unheeded students have been awarded with Genius Scholarship in 2017 from all public universities along with medical colleges of Bangladesh giving a stipend of BDT 2500 to BDT 300 per month for and this will be continued for the next consecutive two years. The poor who are living below the poverty line that have talent and skill to become entrepreneurs, CZM introduce Mudareeb program as a micro-enterprise development program. Moreover CZM is going to operate some programs regarded *Awaqf*.⁸

Different private Islamic Banks are providing Zakat based welfare activities in Bangladesh. Remarkably Islamic Bank Foundation is an associate organization of Islami Bank Bangladesh Limited that have been conducting huge activities to provide various humanitarian services aiming at the welfare of poverty-stricken people by reforming and developing society for more than three decade. The most substantial and effective activities are financial supports for poor and bright students, health and treatment services for poor people, coordinational and sincere support for ultra-poor by providing reliefs and rehabilitations etc. Zakat, donations and grants are the fundamental sources for implementing these philanthropic tasks. Islamic Bank Foundation disbursed about 83 lac 87 thousand and 3 hundred fifteen taka among the poor people in the above purpose (Zakat Letter, Islami Bank Foundation, 2017).

Conclusion and Policy Recommendation

In the different verses of the Holy Quran Surah Qasas, 4-6⁹ (Qur'ān, 28:4-6) and Surah Hajj, 45¹⁰ (Qur'ān, 22:45) Allah (swt) narrates the importance of rule of law and good governance for ensuring equal treatment to all section of the society and the consequences of misdeeds, suppression to the weaker section.

Zakat holds position after salat from the fundamental pillars of Islam. Salat is physical prayer while Zakat is the financial prayer. A large part of a human life is related with

⁸ *Awaqf* means to hold some specific property and to preserve it for the checked boon of certain noble-minded motives.

⁹ “Truly Pharaoh elated himself in the land and divided its people into sections, depressing a group among them, their sons he slew and kept their females alive. For he was indeed an evil-doer, and we wished to be gracious to those who were depressed in the land, to make them leaders (in faith) and make them heirs; To establish a firm place for them in the land, And to show Pharaoh, Human and their soldiers, what they were dreading from them” (Qur'ān, 28:4-6) .

¹⁰ “How many a city did We destroy as they were involved in mischief and injustice (Julm), And they tumbled down on their thrones, And (how many) a lofty palaces” (Qur'ān, 22:45).

economics on economic way of life. And economics fastens the people from the very beginning of the civilization. So there is a clear indication in the holy Quran that Zakat based system prevailed from the starting of the civilization. It can be recalled from the holy Quran that Zakat system existed in all prophetic time. There are a lot of Ayats in the holy Quran about Zakat dictated by Allah on the Ummah of Hazarat Ibrahim (PBUH) to Hazarta Esha (PBUH) even on Israilee community that reminds us the continuation of Zakat-based economic system guided by Allah existed in human society. So Zakat system on followers of Prophet (Swt) is the successive continuation given by Allah. Zakat system has been discussed 32 times in the Holy Quran and 27 times with Salat and in Suratul Muminun it has been discussed after single ayat. Eight ayats about Zakat is in Makki Sura and rest of the ayats is in Madani Surah.

At the time of rightly guided four pious Khaliah (10-39H) and Umar- Bin-Abdul Aziz (99-101H) ruling period there was abundance in Zakat collection and it reached peak and no poor person even found to receive Zakat by the Zakat payers. It shows the gravity how Zakat makes strong, vibrant and sustainable economy. However following recommendations have proposed to establish Zakat as a tool of sustainable development in Bangladesh:

1. An integrated system can be formed by Zakat and other poverty reduction tools (e.g. microcredit).
2. Quard-e-Hasan¹¹ can be launched and expanded for the hardcore poor or ultra poor so that they can be self-reliant. There will not be any profit motive of this Quard-e-Hasan system and administrative cost will be executed from the Zakat fund.
3. Income generating projects can be taken for the poor people from the obtained income of Zakat fund and it can be cared intensively. Besides, training stimulation and capacity building program can be taken for the well-being of the poor people.
4. Some Muslim countries such as Malaysia, Kuwait, and Maldives are using Zakat in a sustainable way and Bangladesh can adopt the experience with action plans in this regard.
5. Most of the Muslim country gives tax rebate to the tax payer to encourage the people to pay Zakat and this can be followed by Bangladesh.
6. Zakat collection by the government can be expanded. The successful projects that have been taken by Islamic foundation by using Zakat can be dispersed throughout the country so that the people can be well informed. Government can use all

¹¹ Loan without interest.

categories of media like Imams of the Mosques, the teachers of all schools, colleges, universities to draw the attention of the rich people to pay Zakat and can show the gravity and obligatory of paying Zakat in the sense of religious perspective. In this connection Islamic Foundation can establish Zakat center at every Upzila along with district center.

7. Government can take necessary steps to collect Zakat by government institution or government approved private institution without collecting unplanned way or separately or individually.
8. Incumbent government can focus on ensuring efficient Zakat management system to collect Zakat fund from eligible people. Government should also monitor and evaluate all Zakat related institutions in the country.

Since Zakat is an obligatory ritual in Islam and about 90 percent people of Bangladesh are Muslim, poverty situation of the poorer section of the society can be minimized by encouraging the richer section of society to pay obligatory amount of Zakat. As there is no religious obligation of other except Zakat and it cannot be possible to implement these elements without having institutional structure, Zakat can be an effective tool to accelerate the socio-economic development of the poor people by collecting Zakat from the individuals through institutions. Zakat is a compulsory pillar of Islam and it is a continuous process to collect and disbursed for the wellbeing of the society. Thus it can be a crucial element of sustainable development tool.

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