

Empowering Communities: The Role of Zakat in Alleviating Poverty and Promoting Economic Growth in Indonesia

Martua Nasution^{1*}, Dedisyah Putra² Disry Deski³

^{1,2}STAIN Mandailing Natal, International University of Africa, Sudan³

*martuanasutionlcma@gmail.com, dedisyahputra@stain-madina.ac.id, disrydeski95@gmail.com

Abstract: Poverty remains a major development challenge in Indonesia despite various government programs. In this context, *zakat* as an Islamic economic instrument holds significant potential to address economic inequality and improve community welfare. However, the optimal utilization of *zakat* to support economic empowerment and development has yet to be fully realized. This study aims to analyze the role of *zakat* in alleviating poverty and promoting economic growth in Indonesia, as well as to identify obstacles and strategies for optimizing its management. This research employs a descriptive qualitative approach, utilizing literature review and secondary data analysis from zakat institutions' reports, academic publications, and national statistics. Additionally, case studies were conducted on economic empowerment programs based on *zakat* implemented by several prominent zakat institutions in Indonesia. The findings indicate that *zakat* plays a significant role in increasing the income of *zakat* recipients (*mustahik*), expanding access to micro business capital, and encouraging economic self reliance. Productive *zakat* programs are proven to be more effective in the long term compared to consumptive *zakat* distribution. Nevertheless, challenges such as low *zakat* literacy, unequal distribution, and the lack of integration between *zakat* institutions and government programs remain key barriers. The study recommends enhancing collaboration among institutions, utilizing digital technology for *zakat* collection and distribution, and strengthening regulations and public education as strategies to maximize *zakat's* potential in national economic development.

Keywords: *Zakat, Economic Empowerment, Poverty Alleviation, Indonesia*

INTRODUCTION

Poverty remains a major socio-economic issue and continues to be a central focus of development efforts in Indonesia. Despite various poverty alleviation programs implemented by the government, poverty levels in several regions remain high, and socio economic inequality has not significantly improved. This condition calls for alternative approaches and the involvement of various stakeholders, including religious institutions, in addressing inequality and enhancing community welfare.

Zakat, as one of the core pillars of the Islamic economic system, carries a strong social function in reducing poverty and ensuring fair wealth distribution. In Indonesia, the potential of zakat is substantial, both in terms of the number of zakat payers (*muzakki*) and recipients (*mustahik*). However, actual zakat collection still falls far short of its potential. Moreover, *zakat* management has not yet been fully integrated into national development strategies, limiting its impact on broader economic growth.

Many *zakat* institutions have developed economic empowerment programs based on *zakat*, such as providing business capital, vocational training, and support for micro-enterprises. However, the effectiveness of these programs in fostering economic self-reliance and contributing to economic growth has not been extensively or comprehensively studied.

Therefore, there is a need for in-depth research to examine the extent to which *zakat* can function as a tool for community empowerment, identify the challenges in its implementation, and formulate strategies to strengthen *zakat* as part of an inclusive and sustainable economic development solution in Indonesia.

Zakat, one of the five pillars of Islam, is a form of almsgiving that plays a pivotal role in promoting social welfare and economic empowerment within Muslim communities. In Indonesia, where approximately 87% of the population identifies as Muslim, *zakat* serves not only as a religious obligation but also as a crucial mechanism for poverty alleviation. The concept of *zakat*, derived from the Arabic root word meaning "to purify," encompasses the purification of wealth and the redistribution of resources, thereby aiming to alleviate the financial burdens of the less fortunate ¹. This practice is deeply entrenched in Islamic teachings, which advocate for generosity and social justice, presenting a strong moral imperative for wealthier individuals to support those in need.

The significance of *zakat* in addressing poverty in Indonesia is underscored by the persistent economic disparities that affect large segments of the population. Despite Indonesia's status as a rapidly growing economy, substantial portions of the populace continue to experience poverty. According to the World Bank, as of 2021, approximately 9.2% of Indonesians were living below the national poverty line, highlighting the urgent need for effective poverty alleviation strategies. In this context, *zakat* has the potential to function as a powerful tool for economic empowerment, enabling recipients to pursue entrepreneurial ventures, invest in education, and improve their overall quality of life.²

Culturally, *zakat* aligns closely with the values and norms prevalent in Indonesian society. The concept of mutual support and communal responsibility resonates within various ethnic groups, transcending regional differences and fostering a collective approach to welfare.

¹ Sri Herianingrum et al., "Zakat as an Instrument of Poverty Reduction in Indonesia," *Journal of Islamic Accounting and Business Research* 15, no. 4 (March 29, 2024): 643–60, <https://doi.org/10.1108/JIABR-11-2021-0307>.

² Haddad Ulum Harahap et al., "The Study of Analysis Toward Zakat of Honey on Mazhab Imam Syafi'i Perspective," *Media Syari'ah: Wabana Kajian Hukum Islam Dan Pranata Sosial* 25, no. 2 (December 31, 2023): 312, <https://doi.org/10.22373/jms.v25i2.17357>.

Traditional Indonesian culture emphasizes the importance of community and familial ties, which are further reinforced by Islamic teachings on *zakat*. Thus, the act of giving *zakat* is not only an individual duty but also a communal obligation, encouraging collective action towards economic upliftment.

Socially, the implementation of *zakat* can have transformative effects on community dynamics. When administered effectively, *zakat* can foster social cohesion by reducing the socio economic divide, allowing for a more equitable distribution of resources. This redistribution can empower marginalized groups by providing them with the financial means to enhance their economic circumstances. Organizations dedicated to *zakat* collection and distribution can play a significant role in this process, as they can ensure that funds are allocated to those who would benefit most, helping to create pathways out of poverty.

Economically, the role of *zakat* in enhancing economic empowerment cannot be overstated. By channeling funds towards productive uses, such as microloans and skill development programs, *zakat* can stimulate local economies and encourage entrepreneurship. The infusion of financial resources into impoverished communities can lead to increased economic activity, job creation, and improved livelihoods. Furthermore, the establishment of *zakat* based microfinance institutions provides an innovative approach to poverty alleviation, giving low-income individuals access to capital that would otherwise be unavailable to them due to traditional banking constraints.

The intersection of cultural, social, and economic factors is critical in determining the effectiveness of *zakat* as an instrument of poverty alleviation. Understanding these dynamics is essential for policymakers and *zakat* management organizations to strengthen the implementation of *zakat* in Indonesia. By leveraging the intrinsic values associated with *zakat*, it is possible to enhance its impact on economic empowerment and poverty reduction throughout the nation. *Zakat*, as one of the Five Pillars of Islam, has a long standing historical significance in Indonesia. Its roots trace back to the early Islamic period, approximately in the 13th century, when Islam began to spread across the archipelago through trade and missionary activities. Initially, *zakat* was primarily a voluntary act, grounded in individual piety, and was enacted at the discretion of wealthy Muslims to aid the poor and needy in their communities ³. This grassroots approach aligned with the local customs and social structures of indigenous populations, allowing *zakat* to

³ Rachma Dwi Jayanti, Rahmi Ramadhani, Ummu Salma Al Azizah Febriyanti Nurhapsari, "The Role of Zakat for Poverty Alleviation in Indonesia," in *The 5th International Conference of Zakat (ICONZ) Proceeding* (Jakarta, 2021).

integrate culturally and socially within Indonesian society.

Throughout the colonial period, the role of zakat encountered various challenges. The Dutch colonial administration implemented laws that restricted the practice of Islamic traditions, which included the collection and distribution of zakat. However, the socio-economic disparities exacerbated by colonial exploitation reaffirmed the necessity of zakat as a mechanism for poverty alleviation. It was during this time that prominent Muslim leaders began to advocate for a more organized approach to zakat, leading to the establishment of formal zakat institutions in the 20th century ⁴. These institutions aimed not only to streamline the collection processes but also to ensure that funds were allocated effectively towards welfare programs, which aligned with the growing social justice movements in the Indonesian nationalist struggle..

METHOD

This study employs a qualitative approach with a descriptive method⁵ to explore and analyze the role of zakat in poverty alleviation and economic growth in Indonesia. This approach was chosen because it allows for an in-depth understanding of how zakat is managed and utilized in the context of community economic empowerment.

The data used in this study is secondary data obtained through library research and document analysis. Data were collected from credible sources such as annual reports of zakat institutions (including BAZNAS, Dompot Dhuafa, and LAZISMU), academic publications, scientific journals, books, and statistical data from the Central Bureau of Statistics (BPS) and the Ministry of Religious Affairs of the Republic of Indonesia.

In addition, the study also includes case studies of several economic empowerment programs based on zakat implemented by leading zakat institutions. These case studies aim to observe the practical implementation of productive zakat and its impact on improving the welfare of zakat recipients (*mustahik*).

Data analysis was conducted qualitatively through data reduction, data presentation, and conclusion drawing. The collected data were examined to identify patterns, relationships, and meanings relevant to the research focus. The validity of the data was strengthened through source triangulation and cross-referencing of documents and literature.

⁴ Febriyanti Nurhapsari.

⁵ J. Lexi and M M.A., *Metodologi Penelitian Kualitatif*. In *Metodologi Penelitian Kualitatif*, Rake Sarasin, 2010, <https://scholar.google.com/citations?user=O-B3eJYAAAAJ&hl=en>.

RESULTS AND DISCUSSION

The Role of Zakat in Economic Growth

Post independence, the Indonesian government recognized zakat as a strategic instrument in economic development and social welfare, particularly in the context of nation-building efforts in the mid-20th century. The Declaration of the Duty to Pay Zakat was included in various developmental policies, demonstrating a convergence between Islamic principles and state objectives concerning poverty reduction ⁶. During the 1990s, the Indonesian Council of Ulema (Majelis Ulama Indonesia, MUI) reinforced the obligatory nature of zakat and emphasized its role in economic empowerment, hence repositioning zakat from a cultural tradition to a formalized mechanism within the country's socio-economic framework.

Islamically, *zakat* serves not only as a means of wealth redistribution but also as a catalyst for social cohesion and collective responsibility. The Qur'an emphasizes that zakat is both a purifying act for the giver and a right of the poor (Surah Al-Baqarah 2:177) ⁷. This dual purpose underscores the societal impact of *zakat* over the centuries—turning it into a form of social contract that binds the affluent and the impoverished, thereby fostering a community-oriented economic system. The Indonesian understanding of *zakat* reinforces these principles, where cultural attitudes toward communal solidarity and social welfare manifest in the widespread acceptance and practice of zakat ⁸.

Zakat from perspective Imam Al-Ghazali says: "*Zakat is a form of worship related to wealth, made obligatory by Allah upon the wealthy, to be given to those in need, as a means of purifying the soul and one's possessions.*"⁹ Imam Al-Ghazali emphasized that zakat has both social and spiritual dimensions—it purifies both wealth and the heart of the giver. Syekh Yusuf Al-Qardhawi says: "*Zakat is a fixed portion of wealth that Allah has obligated to be given to certain groups, with specific rules and purposes. It is both a religious obligation and a financial system in Islam.*"¹⁰ Yusuf Al-Qaradawi sees zakat not only as a form of worship but also as a key instrument in Islamic economic redistribution. Syekh Sayyid Sabiq also: "*Zakat is a mandatory obligation imposed on specific types of wealth, at a specific rate, to be given to certain groups at a specific time.*"¹¹ This definition emphasizes the essential elements of zakat: obligation,

⁶ Febriyanti Nurhapsari, "The Role of Zakat for Poverty Alleviation in Indonesia."

⁷ RI Departemen Agama, *Alquran Dan Terjemahan, Al-Qur'an Terjemahan*, 2007.

⁸ Febriyanti Nurhapsari, "The Role of Zakat for Poverty Alleviation in Indonesia."

⁹ Imam Al-Ghazali, *Ihya' Ulumuddin: Menghidupkan Ilmu-Ilmu Agama 2*, ed. Purwanto (Bandung: Penerbit Marja, 2016).

¹⁰ Yusuf Qardhawi, *Fikih Zakat*, 2002.

¹¹ Sayyid Sabiq, *Fikih Sunnah, Jilid 12* (Cairo-Mesir: Daar Ar-Risalah, 2000).

types of wealth, rate, recipients, and timing. Prof. Dr. Didin Hafidhuddin says to: “*Zakat is a financial instrument in Islam that functions both as a form of worship and a socio-economic tool, aiming to establish social justice and reduce poverty.*”¹² Didin Hafidhuddin highlights zakat’s dual role in both spiritual devotion and economic development for the ummah.

In contemporary Indonesia, *zakat* has evolved into a formalized and institutionalized system, guided by national legislation, including Law No. 23/2011 on Zakat Management, which mandated the establishment of *zakat* agencies to enhance accountability and transparency in the collection and distribution processes. This legal framework aligns modern practices of *zakat* with traditional Islamic teachings, ensuring that *zakat* not only meets the immediate financial needs of the poor but also facilitates long-term economic empowerment. Thus, the historical evolution of zakat in Indonesia reflects a dynamic interplay of cultural traditions, religious obligations, and socio economic realities, positioning zakat as a crucial tool for poverty alleviation and economic empowerment in the diverse Indonesian society., The role of zakat in poverty alleviation has garnered considerable empirical attention, particularly within the Indonesian context, where socio-economic disparities remain a pressing challenge. Quantitative studies conducted by Choiriyah¹³ and Sari¹⁴ provide compelling evidence that zakat can serve as an effective tool for reducing poverty levels across various Indonesian regions.

Choiriyah et al analyzed the impact of zakat distribution on poverty alleviation in urban and rural Indonesian communities. Their study employed a cross-sectional research design that included quantitative data from zakat recipients in West Java and Central Java.¹⁵ Findings indicated a significant correlation between zakat assistance and improved household income, where recipients reported up to a 30% increase in income levels post-receipt of zakat funds. These results suggest that zakat, when allocated effectively, can enhance the purchasing power of low-income households, thereby addressing immediate financial needs and facilitating better living standards.

¹² Didin Hafidhuddin, *Zakat Dalam Perekonomian Modern - Didin Hafidhuddin, Gema Insani*, 2002, https://books.google.co.id/books?hl=id&lr=&id=a6o2sAU07XkC&oi=fnd&pg=PA1&dq=zakat&ots=oA-9n9JPAw&sig=n1bo_Ura28f9FSho6S6GAt039Q&redir_esc=y#v=onepage&q=zakat&cf=false%0Ahttps://books.google.co.id/books?hl=id&lr=&id=a6o2sAU07XkC&oi=fnd&pg=PA1&dq=buku+tenta.

¹³ Evi Aninatin Nimatul Choiriyah et al., “ZAKAT AND POVERTY ALLEVIATION IN INDONESIA: A PANEL ANALYSIS AT PROVINCIAL LEVEL,” *Journal of Islamic Monetary Economics and Finance* 6, no. 4 (September 15, 2020), <https://doi.org/10.21098/jimf.v6i4.1122>.

¹⁴ Dian Fitriarni Sari, Irfan Syauqi Beik, and Wiwiek Rindayati, “Investigating the Impact of Zakat on Poverty Alleviation: A Case from West Sumatra, Indonesia,” *International Journal of Zakat*, vol. 4, n.d.

¹⁵ Choiriyah et al., “ZAKAT AND POVERTY ALLEVIATION IN INDONESIA: A PANEL ANALYSIS AT PROVINCIAL LEVEL.”

Furthermore, Sari et al provided a comprehensive analysis of zakat's impact on micro-entrepreneurship among impoverished families in East Nusa Tenggara.¹⁶ Their quantitative assessment demonstrated that targeted zakat funds channeled towards micro-financing initiatives led to a measurable increase in self-employment rates. The study reported that beneficiaries who received zakat for small business capital observed, on average, an increase in savings by 40% within one year. This finding underscores the transformative potential of zakat in fostering economic empowerment among the marginalized segments of society.

Additionally, the studies highlight the regional variations in zakat's effectiveness, which can be attributed to distinct cultural and social dynamics influencing its implementation. In regions where community engagement and local governance structures are robust, such as in Yogyakarta, zakat distribution mechanisms are often more transparent and accountable. This transparency enhances trust among donors and recipients, as evidenced by a survey conducted by the Indonesian Zakat Organization in 2019 showing a 50% increase in annual zakat collection in areas demonstrating high community participation and accountability.¹⁷

On the other hand, less urbanized regions, where socio-cultural barriers may inhibit efficient zakat distribution systems, tend to experience slower poverty alleviation progress. Choiriyah et al noted cases in rural locations where logistical challenges and lack of awareness about zakat utilization undermined its potential impact on poverty reduction. Therefore, addressing these barriers is crucial for optimizing the effectiveness of zakat as a poverty alleviation strategy.¹⁸

Moreover, the integration of zakat within broader governmental poverty alleviation programs can further enhance its effectiveness. Research by Sari et al indicates that collaborative frameworks between governmental and zakat institutions significantly improved access to basic social services for low-income families. These collaborative initiatives resulted in a 25% increase in enrollment in healthcare and education services for zakat recipients, demonstrating that the strategic alignment of zakat with public policy can create a comprehensive approach to tackling

¹⁶ Pusvyta Sari, "Memotivasi Belajar Dengan Menggunakan E-Learning," *Ummul Qura* 6, no. Jurnal Ummul Qura Vol VI, No 2, September 2015 (2015): 20–35, <http://ejournal.kopertais4.or.id/index.php/qura/issue/view/531>.

¹⁷ Zawawi Zawawi, "Reaktualisasi Zakat Di Era Modern," 2020, <http://repository.uingusdur.ac.id/196/>.

¹⁸ Choiriyah et al., "ZAKAT AND POVERTY ALLEVIATION IN INDONESIA: A PANEL ANALYSIS AT PROVINCIAL LEVEL."

poverty.¹⁹

In summary, empirical studies affirm that zakat serves as a potent mechanism for poverty alleviation in Indonesia. Nevertheless, recognizing the cultural and regional variations in zakat's implementation is crucial for maximizing its impact in combating poverty across the Indonesian population. Cultural factors play a critical role in shaping the implementation and acceptance of zakat among the Indonesian population. Indonesia, as the largest Muslim-majority country in the world, holds a unique cultural context where Islamic teachings, intertwined with local traditions and practices, significantly influence social behavior and community values. The concept of zakat is deeply rooted in Islamic doctrine, whereby it serves not only as a religious obligation but also as a mechanism for social welfare and economic equity. The act of giving, facilitated through zakat, is widely perceived as both a moral duty and a social norm, reinforced by cultural beliefs that encourage generosity and community support.²⁰

Challenges Faced By Zakat Institutions In Mobilizing (Collecting) And Distributing Zakat Funds

Zakat is one of the Islamic economic instruments that functions as a mechanism for redistributing wealth, aimed at reducing social disparities and improving people's welfare. In the context of Indonesia, where poverty is still a structural problem and economic growth is not yet fully inclusive, zakat has strategic potential to contribute to sustainable economic development. To optimize the potential of national zakat, various challenges need to be addressed systematically. Based on the BAZNAS report (2023), the potential for national zakat reaches more than IDR 327 trillion per year, but the realization of collection is only around 10% of this potential. This gap shows that zakat collection not only faces operational constraints, but also structural challenges such as weak regulations, low zakat literacy, and lack of integration between zakat institutions.

In terms of regulation, although Law No. 23 of 2011 has regulated the management of zakat, its implementation has not been fully effective. There is no strong legal obligation for muzakki to distribute zakat through official institutions, so zakat does not yet have the same

¹⁹ Sari, Beik, and Rindayati, "Investigating the Impact of Zakat on Poverty Alleviation: A Case from West Sumatra, Indonesia."

²⁰ Jamaluddin Madjid, Amiruddin K Abdul Chadhib Halik, "Transforming Society Through Zakat: Economic Empowerment, Poverty Alleviation, and SDGs Achievement in Indonesia –a Case Study of Baitul Maal Hidayatullah (BMH)," *J-CEKI: Jurnal Cendekia Ilmiah* 4, no. 3 (2025): 549–67.

driving force as tax obligations.²¹ On the other hand, institutionally, overlapping authority between BAZNAS, LAZ, and independent philanthropic institutions has led to weak coordination and the absence of a comprehensive single data system.²² The use of digital technology is also still limited. In fact, according to research by Huda and Rini,²³ the adoption of digital technology such as QRIS, e-wallet, and autodebit systems is very effective in increasing the convenience of muzakki and expanding the reach of zakat services, especially among the younger urban generation. No less important, zakat institutions also need to strengthen their human resources, both in terms of Islamic competence and technical and managerial abilities. According to Rahmawati,²⁴ the success of zakat management is greatly influenced by the quality of human resources, especially in terms of transparency, reporting, and innovation of empowerment programs.

In addition, collaboration between zakat institutions and the private sector and government needs to be improved. Corporate zakat and professional zakat programs from ASN, if supported by fiscal incentives and appropriate regulations, can be a source of sustainable and impactful zakat.²⁵ Therefore, improving the zakat management system as a whole, from regulatory, technological, institutional, to public communication strategy aspects, is a crucial step to increase zakat collection and effectiveness in Indonesia.

Zakat collection in Indonesia still faces significant challenges even though the country has enormous zakat potential. One of the main obstacles is the low awareness and literacy of zakat among the Muslim community. Many individuals do not fully understand the obligation of zakat, both in terms of type, mechanism, and social benefits. In addition, trust in zakat institutions is still a crucial issue. Some people prefer to distribute zakat directly to mustahik because they doubt the transparency, accountability, and effectiveness of programs run by zakat management

²¹ Ascarya Dan and Diana Yumanita, "ANALISIS RENDAHNYA PENGUMPULAN ZAKAT DI INDONESIA DAN ALTERNATIF SOLUSINYA," n.d.

²² Dela Nur Amalia and Rahadi Nugroho, "PENGARUH KONSENTRASI PELANGGAN TERHADAP PENGHINDARAN PAJAK DENGAN BIAYA PERALIHAN DAN KEBERAGAMAN PENDAPATAN SEBAGAI MODERASI," *JURNAL PAJAK INDONESIA (Indonesian Tax Review)* 5, no. 2 (December 13, 2021): 241–55, <https://doi.org/10.31092/jpi.v5i2.1424>.

²³ Nurul Huda et al., "Problems, Solutions and Strategies Priority for Waqf in Indonesia," *Journal of Economic Cooperation and Development*, vol. 38, 2017.

²⁴ Miftakhul Khasanah, Rizki Aminullah, and Dewi Setianingsih, "Determinants of Islamic Financial Literacy Index: Comparison Based on Ethnographic Studies in Yogyakarta, Indonesia," *Afkaruna: Indonesian Interdisciplinary Journal of Islamic Studies* 18, no. 1 (July 26, 2022), <https://doi.org/10.18196/afkaruna.v18i1.12584>.

²⁵ Muhammad Irfan Nasution and Muhammad Andi Prayogi, "The Utilization of Zakah Productive towards Micro-Business Growth and Mustahik Welfare," *Jurnal Ekonomi Pembangunan: Kajian Masalah Ekonomi Dan Pembangunan* 20, no. 1 (2019): 1–11, <https://doi.org/10.23917/jep.v20i1.6576>.

institutions.

On the other hand, zakat must also compete with other forms of philanthropy such as infaq, sedekah, and waqf which are more flexible and not bound by certain rules, so that the potential for zakat is divided. The lack of innovation and digitalization of zakat services also slows down collection, especially in reaching the younger generation and urban communities who are accustomed to digital transactions. The fragmentation of zakat management between various institutions is also an obstacle in itself due to the lack of coordination and integration of muzakki and mustahik data nationally. In addition, regulatory weaknesses also weaken the position of zakat as a formal obligation; the absence of sanctions or legal incentives makes many people feel that zakat is not something that must be distributed through official institutions. The lack of professional and trained human resources in the fields of zakat management, marketing, and information technology also hampers innovation in fundraising. Finally, collaboration between zakat institutions and government agencies, state-owned enterprises, and the private sector is still not optimal, even though the potential for zakat from professionals and corporations is very large if it is worked on systematically and synergistically.

Within the Indonesian socio-cultural framework, the practice of zakat is often interwoven with local customs and communal solidarity. Indonesian society places a strong emphasis on communal bonds, where individuals are likely to contribute to the welfare of their neighbors and kin. This communal ethos can be seen in various Islamic festivals, such as Ramadan, where forms of giving are amplified, and community involvement in charitable activities is encouraged. Local practices often include “zakat on bountiful harvests” among agrarian communities, illustrating how agricultural productivity is symbolically linked to communal well-being and mutual support.²⁶ Such practices underscore the collective responsibility that individuals feel towards alleviating poverty within their immediate communities.

Moreover, the cultural acceptance of zakat is enhanced by religious organizations and community leaders who actively promote it as a vehicle for social justice and empowerment. Grassroots movements and organizations dedicated to the distribution of zakat often utilize local networks and traditional forms of communication to disseminate information about its importance. This facilitates greater community engagement and recognition of zakat as a tool that

²⁶ Muhammad Muflih, “Muzakki’s Adoption of Mobile Service: Integrating the Roles of Technology Acceptance Model (TAM), Perceived Trust and Religiosity,” *Journal of Islamic Accounting and Business Research* 14, no. 1 (January 2, 2023): 21–33, <https://doi.org/10.1108/JIABR-09-2021-0273>.

not only resolves immediate financial needs but also fosters long-term economic development through community investments.²⁷ The religious exhortation surrounding zakat is therefore complemented by cultural campaigns that highlight success stories of those who have benefited from zakat funds, thereby bolstering its social legitimacy.

In addition to community-based initiatives, educational institutions in Indonesia play a pivotal role in cultivating an understanding of zakat and its importance in Islamic finance. Many Islamic schools and universities incorporate discussions of zakat into their curricula, emphasizing its role in not only purifying wealth but also in promoting economic empowerment and reducing social disparity. Educators work to embed the principles of zakat into the educational ethos of students, thereby encouraging the next generation to uphold these values in their personal and professional lives.²⁸ Such educational efforts ensure that zakat is not merely viewed as a ritualistic obligation but as an integral part of a broader economic strategy aimed at communal upliftment.

Cultural narratives surrounding zakat further emphasize the notion that giving fosters social cohesion and resilience against economic adversities. The imbued societal belief that wealth should circulate within the community reinforces the notion of zakat as a catalyst for economic sustainability, encouraging wealthier individuals to contribute their surplus resources to those in need. The familiarity with and acceptance of these cultural narratives greatly influence the participatory rates of zakat among the Indonesian population, shaping a dynamic where both individual and collective interests converge for the common good.²⁹

In conclusion, the cultural context surrounding zakat in Indonesia enhances its implementation and acceptance through deep-rooted social norms, communal values, and educational efforts aimed at promoting economic reciprocity and social responsibility. The interplay between religious mandates and local customs creates a fertile ground for zakat to flourish as a powerful instrument for poverty alleviation and economic empowerment. The effectiveness of zakat as a tool for poverty alleviation and economic empowerment is intricately linked to social dynamics within Indonesian communities. Community engagement and trust in

²⁷ Tri Wahyuni et al., "UPAYA MENUMBUHKAN JIWA SOLIDARITAS DAN SPORTIFITAS MELALUI KEGIATAN LOMBA 17 AGUSTUS ANTAR RT DI DESA KEBON AGUNG SUKODONO SIDOARJO," n.d.

²⁸ Faisal Faisal et al., "Strengthening Zakat Rules in Indonesia: A Legal Study of the Law on the Government of Aceh," *Samarah: Jurnal Hukum Keluarga Dan Hukum Islam* 7, no. 1 (March 31, 2023): 126, <https://doi.org/10.22373/sjhk.v7i1.13993>.

²⁹ Hanifatus Syaidah Zahara et al., "Akuntabilitas Dan Transparansi Lembaga Pengelola Zakat Melalui Zakat Core Principles Dan PSAK 109," *Jurnal Mutiara Ilmu Akuntansi* 1, no. 3 (June 3, 2023): 31–43, <https://doi.org/10.55606/jumia.v1i3.1461>.

zakat organizations are paramount for fostering an environment where zakat can be efficiently distributed and utilized. As elucidated by Widiastuti et al,³⁰ the success of zakat distribution mechanisms is contingent upon the collective perception of these institutions and their perceived integrity and effectiveness within the community.

Firstly, community engagement is fundamental to the zakat collection and distribution process. Active participation by community members not only fosters a sense of ownership but also cultivates transparency and accountability in the management of zakat funds. In many Indonesian communities, the cultural norm of communal support and mutual assistance aligns well with the principles of zakat. Traditional practices of cooperation, known as "*gotong royong*," create a conducive atmosphere for philanthropic activities, including zakat. By engaging communities in the decision-making process regarding zakat allocation, organizations can enhance the relevance and impact of their efforts. This participatory approach ensures that zakat beneficiaries' needs are adequately identified and met, thus addressing the root causes of poverty more effectively.

Trust in zakat organizations is another critical social factor influencing zakat effectiveness. The degree to which a community trusts these organizations significantly determines the volume of zakat that individuals are willing to contribute. Trust is built through consistent, transparent operations, successful project outcomes, and community involvement in the projects formulated by these organizations. When communities perceive zakat institutions as credible and accountable, they are more likely to engage in zakat practices, both as givers and recipients, creating a positive feedback loop that enhances overall social capital.³¹

Moreover, social networks and ties play a crucial role in shaping attitudes toward zakat contributions and their distribution. In many Indonesian contexts, interpersonal relationships and networks inform individuals' decisions regarding the giving and receiving of zakat. Kinship ties and communal affinities can facilitate informal channels of zakat distribution that sometimes operate alongside formal zakat organizations. These networks often ensure that zakat reaches those who are genuinely in need and are culturally and socially accepted as beneficiaries. Thus, the informal distribution pathways complement formal mechanisms, contributing to a more nuanced understanding of poverty alleviation efforts.

³⁰ Tika Widiastuti Rio Budi Dwitama, "PENGARUH INDIKATOR MAKROEKONOMI: INFASI DAN NILAI TUKAR RUPIAH TERHADAP JUMLAH ZAKAT TERKUMPUL DI LEMBAGA AMIL ZAKAT DOMPET DHUAFA PERIODE 1997-2013," 2016.

³¹ Rio Budi Dwitama.

Furthermore, socio-economic stratification within Indonesian society can impact the perceptions and effectiveness of zakat. Members of higher socio-economic classes may exhibit a differing sense of responsibility or obligation toward zakat compared to those in lower strata. This disparity may affect the willingness of wealthier individuals to contribute to zakat, as they may distrust the ability of formal institutions to allocate funds effectively. Addressing these concerns through community-focused initiatives and active engagement can bridge the gap between different socio-economic groups, fostering a unified front in the fight against poverty.

In examining these social dynamics, it is essential to recognize the potential role of education and awareness in influencing community engagement and trust. Educational initiatives that inform both potential contributors and beneficiaries about zakat, its purpose, and its proper utilization can enhance social capital and thereby improve the overall effectiveness of zakat as a poverty alleviation mechanism. Initiatives that demystify the processes involved in zakat collection and distribution can ultimately build trust and encourage greater community participation in these essential practices.

Zakat Potential in Indonesia with Various Approaches

By understanding and addressing these social factors, zakat can be harnessed to more effectively mitigate poverty and empower economically disenfranchised populations in Indonesia, ultimately leading to a more equitable and prosperous society. Economic empowerment is a pivotal aspect of sustainable development, particularly in countries grappling with high poverty rates, such as Indonesia. Zakat, a form of almsgiving that is one of the Five Pillars of Islam, serves as a critical financial mechanism to alleviate poverty while also fostering economic self-sufficiency among the underprivileged. Empirical evidence suggests that zakat does not merely function as a tool for poverty alleviation; rather, it instigates a broader paradigm shift towards economic empowerment for beneficiaries. Indeed, zakat can catalyze economic activities, stimulate local economies, and mobilize resources in an equitable manner.

Case studies illustrate the transformative impact of zakat-funded projects. For instance, the Islamic Relief Indonesia's Zakat and Microfinance program has demonstrated significant success in providing financial resources to small-scale entrepreneurs in rural communities. By channeling zakat funds into microloans, the program enables beneficiaries, particularly women, to initiate and sustain small businesses. These ventures not only help raise household incomes but also create employment opportunities within the community, thereby enhancing local economic

conditions.³²

Additionally, zakat can provide vocational training and skills development, facilitating the transition of beneficiaries from dependence on immediate financial aid to achieving long-term economic sustainability. The PKPU Human Initiative's Skills Development Program is a salient example, where zakat is utilized to impart vocational training in areas such as tailoring, agriculture, and handicrafts. Participants of the program have reported increased income levels and improved living standards as a result of the skills acquired, enabling them to contribute positively to the economy.³³

Moreover, zakat helps in nurturing a culture of entrepreneurship, particularly among the youth. The proliferation of zakat-focused incubators and startup accelerators reflects a growing recognition of the necessity to provide seed funding and business coaching to aspiring entrepreneurs. These initiatives not only equip young individuals with financial resources but also cultivate an entrepreneurial mindset, crucial for fostering innovation and self-reliance.

Cultural factors also play a significant role in the efficacy of zakat as a mechanism for economic empowerment. In Indonesia, where Islamic values are deeply interwoven with social practices, the act of giving zakat is seen as a communal responsibility, creating a strong sense of social cohesion. This cultural underpinning facilitates the smooth implementation of zakat initiatives, as recipients often feel a moral obligation to utilize the aid received for enhancing their economic conditions. The shared belief in the Islamic principle of helping those in need further strengthens the community's commitment to the sustainable utilization of zakat funds.

Finally, the engagement of local zakat institutions ensures that the distribution of funds aligns with the socio-economic realities of beneficiaries. Localized governance in managing zakat resources allows for tailored interventions that resonate with the specific needs of diverse communities across Indonesia. This localized approach not only enhances accountability but also fosters community participation, leading to more effective and efficient utilization of zakat resources.

In summary, through its ability to fund microfinance projects, support vocational training, cultivate entrepreneurship, and embody cultural values of community support, zakat

³² Khusnul Fikriyah and Ahmad Ajib Ridlwan, "The Evaluation of Mustahiq Empowerment-Based Poverty Alleviation Program at Amil-Zakat Organizations," *International Journal of Islamic Business and Economics (IJIBEC)*, June 21, 2018, 65–73, <https://doi.org/10.28918/ijibec.v2i1.1263>.

³³ Silvia Amelia and Siti Jamilah, "THE INFLUENCE OF INCOME LEVEL, RELIGIOSITY, AND SOCIAL ENVIRONMENT ON MUZAKKI'S DECISION TO PAY ZAKAT," *Jurnal Ekonomi Trisakti* 2, no. 1 (April 20, 2022): 15–28, <https://doi.org/10.25105/jet.v2i1.13552>.

serves as a powerful instrument in both alleviating poverty and promoting economic empowerment in Indonesia. Such strategies collectively contribute to a more resilient economic fabric, reinforcing the importance of integrating zakat into broader poverty reduction strategies. The regulatory framework governing zakat in Indonesia plays a crucial role in shaping the effectiveness of zakat distribution and its potential to alleviate poverty and foster economic empowerment. The primary legal structure is established under the Law No. 23 of 2011 on Zakat Management, which formalizes the management, collection, and distribution of zakat. This law represents a significant step towards a more organized and systematic approach to zakat in Indonesia, setting forth a framework that encourages transparency and accountability in zakat institutions.³⁴

One of the strengths of this regulatory framework is the establishment of National Zakat Agency (BAZNAS), which is tasked with coordinating zakat collection and distribution efforts at a national level. BAZNAS has the authority to oversee local zakat institutions, thereby promoting a unified strategy for poverty alleviation and community empowerment initiatives. Furthermore, the agency's ability to work in collaboration with local governments and other stakeholders enhances the overall efficacy of zakat programs. Empirical studies indicate that centralized oversight can lead to improved resource allocation, ensuring that zakat reaches the most vulnerable segments of society.³⁵

However, the regulatory framework is not without its weaknesses. A notable concern is the variability in local governance capacities, which can affect the efficacy of zakat distribution. While BAZNAS provides a central guiding structure, local zakat institutions (LAZ) often lack the necessary resources and expertise to effectively implement zakat programs. This disparity can lead to inefficiencies in resource allocation and inequities in the support provided to different communities.³⁶ Additionally, local regulations may not always align with national guidelines, creating bureaucratic barriers and inconsistencies in the zakat distribution process.

Another significant weakness is the limited public awareness and understanding of zakat mechanisms. Despite being integral to the Islamic faith, misconceptions regarding zakat

³⁴ Rahmad Hakim and Rahmi Amalia, "Tren Dan Strategi Pengumpulan Dana Zakat, Infak Dan Sedekah (ZIS) Di Masa Pandemi Covid-19: Studi Multisitus Pada Badan Amil Zakat Nasional (BAZNAS) Kota Malang, Kabupaten Jombang Dan Kabupaten Tanah Laut, Kalimantan Selatan," *Jurnal Ilmiah Ekonomi Islam* 9, no. 2 (July 21, 2023): 2431, <https://doi.org/10.29040/jiei.v9i2.8036>.

³⁵ Akmal Ihsan et al., "Revitalization of The Collection of Zakat Funds in Indonesia: An Explanation from Yusuf Al-Qaradawi's Fiqh Al-Zakah," *Journal of Islamic Economics Lariba* 8, no. 2 (December 31, 2022): 303–12, <https://doi.org/10.20885/jielariba.vol8.iss2.art10>.

³⁶ Abd Rosid, "Peran Zakat Produktif Dalam Pemberdayaan UMKM Di Era Kontemporer," 2024.

obligations may lead to under-collection and under-distribution. The absence of comprehensive educational campaigns on the importance and impact of zakat could hinder participation and adherence to zakat laws, thereby reducing the potential resources available for poverty alleviation. Moreover, the lack of clear metrics for assessing the impact of zakat initiatives complicates accountability mechanisms and diminishes the trust of potential contributors.³⁷

Culturally, the zakat system is deeply rooted in the Indonesian Islamic community, which presents an opportunity for enhancing religious and social motivations for zakat contributions. The regulatory framework can leverage cultural and religious values by providing incentives for compliance and fostering a sense of collective responsibility towards the welfare of marginalized populations.³⁸ Nevertheless, more efforts are needed to harmonize Islamic principles with contemporary governance practices to enhance the legitimacy and effectiveness of zakat institutions.

In sum, while the regulatory framework governing zakat in Indonesia presents a foundation for effective distribution and management of zakat, several challenges persist. Addressing these weaknesses through enhanced capacity-building initiatives, public awareness campaigns, and alignment of local and national regulations is essential for realizing the full potential of zakat as a tool for poverty reduction and economic empowerment. This multifaceted approach will not only bolster zakat effectiveness but also contribute to a more equitable socio-economic landscape in Indonesia. The implementation of zakat as a mechanism for poverty alleviation and economic empowerment in Indonesia faces several significant challenges that hinder its efficacy. Among the primary obstacles are administrative inefficiencies and inadequate public awareness, which together impede the optimal functioning of zakat as a social welfare tool.

Administrative inefficiencies are a pervasive issue within the zakat distribution framework. The management of zakat in Indonesia involves various institutions, ranging from governmental bodies to nongovernmental organizations (NGOs), each playing a role in the collection and distribution processes. However, the lack of a centralized system can lead to overlaps, duplication of efforts, and misallocation of resources.³⁹ The absence of a standardized operational protocol results in inconsistencies in zakat management, where some regions may

³⁷ Wahyu Manuhara Putra and Endah Dwi Lestari, "The Influence of Knowledge, Income Level, Transparency, and Trust in Muzakki's Interest to Pay Zakat through The Zakat Organization Outside Java and Java Island," 2022, <https://doi.org/10.2991/aebmr.k.211225.017>.

³⁸ Abd Rosid, "Peran Zakat Produktif Dalam Pemberdayaan UMKM Di Era Kontemporer," 2024.

³⁹ Asmaul Husna and Andri Soemitra, "Aghniya: Jurnal Ekonomi Islam Potential Of Zakat In Poverty Reduction In Indonesia: Literature Study" 4, no. 2 (2022).

receive more funds than others based solely on the effectiveness of local administrators rather than actual need. Furthermore, limited tracking and accountability mechanisms can result in misuse of funds intended for poverty alleviation, further exacerbating the problem.

Public awareness of zakat remains another critical challenge. Despite the religious obligations associated with zakat, many members of the Indonesian population are still uninformed about the regulatory frameworks, potential benefits, and effective methods of zakat contributions. Awareness campaigns are often localized and sporadic, failing to reach vast segments of the population that may benefit from understanding how zakat operates and can be utilized.⁴⁰ This informational gap not only affects the amount collected but also influences the willingness of individuals to participate in the zakat system. A lack of understanding can lead to skepticism regarding its impact, reducing community engagement and contributing to underutilization of this resource.

Additionally, social and cultural factors further complicate the implementation of zakat. In diverse societies such as Indonesia, where a multitude of socio-economic backgrounds coexist, perceptions of zakat may vary widely. Some individuals may view zakat merely as a religious duty rather than a tool for social change, leading to a passive approach toward its contributions. The varying interpretations of what constitutes eligible recipients and the appropriate amount of zakat to be given can also result in diamond disparities in its distribution. This social heterogeneity necessitates a nuanced approach to communication and outreach strategies to foster greater acceptance of zakat as a means to combat poverty more actively.

Moreover, economic factors such as fluctuations in income and employment instability further challenge the efficacy of zakat. In the context of economic downturns, individuals may find themselves less capable of fulfilling their zakat obligations, ultimately affecting the overall funds available for distribution. Thus, the economic landscape plays a crucial role in zakat implementation, influencing collection rates and impacting the volume of aid available to alleviate poverty. In summary, substantial barriers exist within the implementation of zakat in Indonesia, covering administrative inefficiencies, public awareness deficits, and socio-cultural perceptions that can impede effective poverty alleviation and economic empowerment. Addressing these challenges through improved administrative frameworks, targeted public education programs, and culturally sensitive communication strategies will be integral in leveraging zakat's potential

⁴⁰ Faris Shalahuddin Zakiy, Falikhatun Falikhatun, and Najim Nur Fauziah, "Sharia Governance and Organizational Performance in Zakat Management Organization: Evidence from Indonesia," *Journal of Islamic Accounting and Business Research*, November 17, 2023, <https://doi.org/10.1108/JIABR-06-2023-0188>.

benefits for marginalized populations in Indonesia., Recent innovations in zakat management have emerged as critical interventions aimed at enhancing the efficiency and transparency of zakat collection and distribution in Indonesia. These developments contribute significantly to improving zakat's overall impact on poverty reduction and economic empowerment. Through the adoption of technology and the introduction of strategic frameworks, zakat institutions (amil zakat) in Indonesia have been able to streamline operations, ensure accountability, and foster community trust.

One major innovation is the integration of digital platforms for zakat collection and distribution. The proliferation of mobile banking and online payment systems has made it increasingly convenient for Indonesian Muslims to fulfill their zakat obligations. Applications such as Dompot Dhuafa and Zakat Nasional facilitate the collection process by allowing users to pay zakat with a few clicks on their smartphones. This digital transformation reduces transaction costs and enhances access for individuals, including those who may have previously faced difficulties in contributing due to geographic distances or time constraints.⁴¹

In addition to these technological and collaborative advancements, efforts to standardize zakat management practices across the archipelago have also been initiated. The establishment of guidelines and best practices by regulatory bodies can facilitate uniformity in zakat collection methods, ensuring that all transactions are conducted within a transparent and equitable framework. Standardized practices guarantee that resources are allocated in ways that effectively meet the needs of different community segments, thus promoting inclusivity within fellow citizens.⁴²

These innovations in zakat management, through the use of technology, strategic partnerships, beneficiary empowerment, and standardized practices, demonstrate a progressive evolution of zakat as a tool for poverty alleviation in Indonesia. The active pursuit of efficiency and transparency is essential for enhancing the positive impact of zakat in addressing the multifaceted challenges of poverty while fostering economic growth and social cohesion within Indonesian society., In examining the role of zakat in poverty alleviation and economic empowerment within Indonesia, it is imperative to consider comparative perspectives from other

⁴¹ Rizal Rizal, Ruslan Abdul Ghofur, and Pertiwi Utami, "The Role of Muslim Generation Community at Zakat Collection on Realizing Sustainable Development Goals (SDGs) in the Era of Digital Society 5.0," *JURIS (Jurnal Ilmiah Syariah)* 22, no. 1 (June 14, 2023): 105, <https://doi.org/10.31958/juris.v22i1.6562>.

⁴² Pertiwi Utami, Basrowi Basrowi, and Muhammad Nasor, "Innovations in the Management of Zakat in Indonesia in Increasing Entrepreneurial Interest and Poverty Reduction," *IJISH (International Journal of Islamic Studies and Humanities)* 4, no. 1 (March 1, 2021): 1, <https://doi.org/10.26555/ijish.v4i1.1960>.

countries that have effectively utilized zakat as a tool for socio-economic development. Countries such as Malaysia and Saudi Arabia offer significant insights into effective policies and practices that can be pivotal for Indonesia's zakat system.

Indonesia's unique socio-cultural landscape requires the adaptation of successful strategies observed in Malaysia and Saudi Arabia to local contexts.⁴³ For instance, public awareness campaigns in Malaysia that highlight the importance of zakat and its direct impact on poverty alleviation can serve as a model for Indonesian initiatives, particularly in rural areas where zakat awareness is limited. Additionally, the incorporation of local community leaders in zakat distribution processes could enhance trust and encourage greater participation, as demonstrated by successful models in both Malaysia and Saudi Arabia.

Lessons can also be taken from the use of zakat for microfinance initiatives in various countries, where funds are allocated to support micro-entrepreneurs as a means of fostering economic self-reliance. For instance, cases from Bangladesh illustrate how integrating zakat with microcredit programs has led to greater economic empowerment and sustainable income generation for the poor.⁴⁴ Indonesia can benefit from developing similar programs that not only provide financial support but also offer business training and mentorship to ensure success.

Overall, the experiences of Malaysia and Saudi Arabia highlight the potential of zakat in poverty reduction through systematic implementation and innovative practices. By adopting and adapting relevant strategies, Indonesia can enhance its zakat system, ultimately working towards more effective poverty alleviation and economic empowerment among its population.⁴⁵ The analysis presented throughout this research paper underscores the pivotal role of zakat as a mechanism for poverty alleviation and economic empowerment within the Indonesian context. The findings indicate that zakat, historically embedded within the socio-economic fabric of Indonesia, can serve as an effective tool for mobilizing resources towards those in need. This mobilization is essential as it directly addresses the systemic economic disparities prevalent in various regions of the country.

⁴³ Tezi Asmadia, Ahmad Suryadi, and Sari Utami, "Zakat as a Poverty Alleviation Instrument: A Case Study in Indonesia and Malaysia 1*," vol. 1, 2005.

⁴⁴ Fahami Muhammad Anis and Salina H. Kassim, "EFFECTIVENESS OF ZAKAT-BASED PROGRAMS ON POVERTY ALLEVIATION AND ECONOMIC EMPOWERMENT OF POOR WOMEN: A CASE STUDY OF BANGLADESH," *Journal of Islamic Monetary Economics and Finance* 1, no. 2 (February 29, 2016): 229–58, <https://doi.org/10.21098/jimf.v1i2.539>.

⁴⁵ Dedisyah Putra and Jannus Tambunan, "Optimizing the Role of Body Bather as a Priority for Zakat Al-Fitr Recipients in Sikilang, Sungai Aur Pasaman Barat," *Al-Risalah: Forum Kajian Hukum Dan Sosial Kemasyarakatan* 22, no. 2 (2022), <https://doi.org/10.30631/alrisalah.v22i2.1252>.

The cultural significance of zakat in Indonesia cannot be overstated. The majority Muslim population views zakat as not only a religious obligation but also as a moral imperative that fortifies community solidarity. The collective giving ethos encouraged by zakat fosters a culture of altruism and social responsibility. This communal perspective enhances the effectiveness of zakat in poverty alleviation by facilitating targeted assistance to vulnerable groups, including the poor, orphaned, and marginalized families. By reinforcing social ties, zakat acts as a conduit for economic empowerment, enabling recipients to attain self-sufficiency and dignity.

From a socio-economic standpoint, effective zakat distribution hinges on robust institutional frameworks. The inadequacies in existing collection and distribution mechanisms, highlighted,⁴⁶ suggest that there is significant room for improvement in terms of transparency and accountability. Moreover, the integration of zakat with broader social welfare policies and economic development strategies is vital. By aligning zakat initiatives with governmental and non-governmental efforts, a synergistic approach can be developed, leading to enhanced impact on poverty alleviation.

Furthermore, the research reveals that community-led initiatives in zakat collection and distribution can significantly increase both the reach and effect of zakat programs. When local organizations and community leaders actively participate, the zakat given is more closely aligned to the specific needs of the local population, thus fostering greater economic empowerment. Localized solutions tailored to community conditions will not only improve the effectiveness of zakat but will also encourage further participation from donors who desire to see tangible impacts within their communities.

In conclusion, while zakat has demonstrated its potential as a powerful tool for addressing poverty and fostering economic empowerment in Indonesia, maximizing its impact requires a concerted effort from all stakeholders involved. There is a clear necessity for policymakers, religious leaders, civil society organizations, and the private sector to collaborate in enhancing the framework for zakat distribution. This enhances its visibility and efficacy, creating pathways for achieving sustainable economic empowerment for Indonesia's impoverished populations. Future research should continue investigating the intersection of cultural, social, and economic factors to develop comprehensive strategies that optimize zakat's potential in

⁴⁶ Nurul Ilyana Muhd Adnan et al., "The Distribution of Zakat Fund to the Poor Entrepreneurs Using Micro Finance," *International Journal of Academic Research in Business and Social Sciences* 11, no. 2 (February 13, 2021), <https://doi.org/10.6007/ijarbss/v11-i2/8666>.

alleviating poverty amidst the unique Indonesian landscape.⁴⁷

CONCLUSION

Zakat's contribution to poverty alleviation in Indonesia has a real impact in supporting the economic empowerment of communities in Indonesia. National Zakat Collection: In 2023, national zakat collection reached IDR32.3 trillion, which is equivalent to 7.3% of the social protection (perlinsos) budget in the same year. If the zakat potential of IDR327 trillion can be realized, then this amount is equivalent to 76% of the 2022 perlinsos budget. Poverty alleviation by BAZNAS RI: Based on four poverty standards, in 2023 BAZNAS RI succeeded in alleviating poverty for 47,279 beneficiaries, of which 21,140 were included in the extreme poverty category.

National Zakat Contribution to Poverty Alleviation: Nationally, in 2023, zakat managers succeeded in eradicating poverty by 577,138 people, with 321,757 of them coming from extreme poverty zones. This figure contributed 2.28% to national poverty alleviation, which in March 2024 was recorded at 25.90 million people. Mustahik Economic Empowerment Program by BAZNAS RI: Through the mustahik economic empowerment program, BAZNAS RI encourages poverty alleviation in Indonesia. In 2023, the national zakat collection of Rp32.3 trillion has a value equivalent to 7.3% of the social protection budget in the same year. Rumah Zakat's Role in Poverty Alleviation: Rumah Zakat reported that in 2023, 21% of beneficiaries had escaped poverty, showing an increase from previous years. The above data shows that zakat plays a significant role in poverty alleviation efforts in Indonesia. Although its contribution has been felt, there is still great potential that can be optimized to achieve maximum results.

BIBLIOGRAPHY

- Abdul Chadjib Halik, Jamaluddin Madjid, Amiruddin K. "Transforming Society Through Zakat: Economic Empowerment, Poverty Alleviation, and SDGs Achievement in Indonesia –a Case Study of Baitul Maal Hidayatullah (BMH)." *J-CEKI: Jurnal Cendekia Ilmiah* 4, no. 3 (2025): 549–67.
- Adnan, Nurul Ilyana Muhd, Muhammad Adib Che Roselam, Zahri Hamat, and Hafas Furqani. "The Distribution of Zakat Fund to the Poor Entrepreneurs Using Micro Finance." *International Journal of Academic Research in Business and Social Sciences* 11, no. 2 (February 13, 2021). <https://doi.org/10.6007/ijarbss/v11-i2/8666>.
- Amalia, Dela Nur, and Rahadi Nugroho. "PENGARUH KONSENTRASI PELANGGAN TERHADAP PENGHINDARAN PAJAK DENGAN BIAYA PERALIHAN DAN KEBERAGAMAN PENDAPATAN SEBAGAI MODERASI." *JURNAL PAJAK*

⁴⁷ Mohd Rahim Khamis, Maryam Jameelah Hashim, and Azman Ab Rahman, "Assessing the Effectiveness Role of Zakat Management on Income Inequality in Selangor," n.d., <https://doi.org/10.33102/uij.vol36no03.604>.

- INDONESIA (Indonesian Tax Review)* 5, no. 2 (December 13, 2021): 241–55. <https://doi.org/10.31092/jpi.v5i2.1424>.
- Amelia, Silvia, and Siti Jamilah. “THE INFLUENCE OF INCOME LEVEL, RELIGIOSITY, AND SOCIAL ENVIRONMENT ON MUZAKKI’S DECISION TO PAY ZAKAT.” *Jurnal Ekonomi Trisakti* 2, no. 1 (April 20, 2022): 15–28. <https://doi.org/10.25105/jet.v2i1.13552>.
- Anis, Fahami Muhammad, and Salina H. Kassim. “EFFECTIVENESS OF ZAKAT-BASED PROGRAMS ON POVERTY ALLEVIATION AND ECONOMIC EMPOWERMENT OF POOR WOMEN: A CASE STUDY OF BANGLADESH.” *Journal of Islamic Monetary Economics and Finance* 1, no. 2 (February 29, 2016): 229–58. <https://doi.org/10.21098/jimf.v1i2.539>.
- Asmadia, Tezi, Ahmad Suryadi, and Sari Utami. “Zakat as a Poverty Alleviation Instrument: A Case Study in Indonesia and Malaysia 1*.” Vol. 1, 2005.
- Choiriyah, Evi Aninatin Nimatul, Abdul Kafi, Irma Faikhotul Hikmah, and Imam Wahyudi Indrawan. “ZAKAT AND POVERTY ALLEVIATION IN INDONESIA: A PANEL ANALYSIS AT PROVINCIAL LEVEL.” *Journal of Islamic Monetary Economics and Finance* 6, no. 4 (September 15, 2020). <https://doi.org/10.21098/jimf.v6i4.1122>.
- Dan, Ascarya, and Diana Yumanita. “ANALISIS RENDAHNYA PENGUMPULAN ZAKAT DI INDONESIA DAN ALTERNATIF SOLUSINYA,” n.d.
- Departemen Agama, RI. *Alquran Dan Terjemahan. Al-Qur’an Terjemahan*, 2007.
- Faisal, Faisal, Mukhlis Mukhlis, Jamaluddin Jamaluddin, Manfarisyah Manfarisyah, and Fitri Maghfirah. “Strengthening Zakat Rules in Indonesia: A Legal Study of the Law on the Government of Aceh.” *Samarah: Jurnal Hukum Keluarga Dan Hukum Islam* 7, no. 1 (March 31, 2023): 126. <https://doi.org/10.22373/sjkh.v7i1.13993>.
- Febriyanti Nurhapsari, Rachma Dwi Jayanti, Rahmi Ramadhani, Ummu Salma Al Azizah. “The Role of Zakat for Poverty Alleviation in Indonesia.” In *The 5th International Conference of Zakat (ICONZ) Proceeding*. Jakarta, 2021.
- Fikriyah, Khusnul, and Ahmad Ajib Ridlwan. “The Evaluation of Mustahiq Empowerment-Based Poverty Alleviation Program at Amil-Zakat Organizations.” *International Journal of Islamic Business and Economics (IJIBEC)*, June 21, 2018, 65–73. <https://doi.org/10.28918/ijibec.v2i1.1263>.
- Hafidhuddin, Didin. *Zakat Dalam Perekonomian Modern - Didin Hafidhuddin. Gema Insani*, 2002. https://books.google.co.id/books?hl=id&lr=&id=a6o2sAU07XkC&oi=fnd&pg=PA1&dq=zakat&ots=oA-9n9JPAw&sig=n1bo_Ura28fl9FSho6S6GAt039Q&redir_esc=y#v=onepage&q=zakat&f=false%0Ahttps://books.google.co.id/books?hl=id&lr=&id=a6o2sAU07XkC&oi=fnd&pg=PA1&dq=buku+tenta.
- Hakim, Rahmad, and Rahmi Amalia. “Tren Dan Strategi Pengumpulan Dana Zakat, Infak Dan Sedekah (ZIS) Di Masa Pandemi Covid-19: Studi Multisitus Pada Badan Amil Zakat Nasional (BAZNAS) Kota Malang, Kabupaten Jombang Dan Kabupaten Tanah Laut, Kalimantan Selatan.” *Jurnal Ilmiah Ekonomi Islam* 9, no. 2 (July 21, 2023): 2431. <https://doi.org/10.29040/jiei.v9i2.8036>.

- Harahap, Haddad Ulum, Dedisyah Putra, Muhadi Khalidi, Rahmat Linur, and Nuriza Acela. "The Study of Analysis Toward Zakat of Honey on Mazhab Imam Syafi'i Perspective." *Media Syari'ah: Wahana Kajian Hukum Islam Dan Pranata Sosial* 25, no. 2 (December 31, 2023): 312. <https://doi.org/10.22373/jms.v25i2.17357>.
- Herianingrum, Sri, Indri Supriani, Raditya Sukmana, Effendie Effendie, Tika Widiastuti, Qudsi Fauzi, and Atina Shofawati. "Zakat as an Instrument of Poverty Reduction in Indonesia." *Journal of Islamic Accounting and Business Research* 15, no. 4 (March 29, 2024): 643–60. <https://doi.org/10.1108/JIABR-11-2021-0307>.
- Huda, Nurul, Nova Rini, Yosi Mardoni, Khamim Hudori, and Desti Anggraini. "Problems, Solutions and Strategies Priority for Waqf in Indonesia." *Journal of Economic Cooperation and Development*. Vol. 38, 2017.
- Husna, Asmaul, and Andri Soemitra. "Aghniya: Jurnal Ekonomi Islam Potential Of Zakat In Poverty Reduction In Indonesia: Literature Study" 4, no. 2 (2022).
- Ihsan, Akmal, Armi Agustar, Azis Muslim, and Muhammad Adnan Azzaki. "Revitalization of The Collection of Zakat Funds in Indonesia: An Explanation from Yusuf Al-Qaradawi's Fiqh Al-Zakah." *Journal of Islamic Economics Lariba* 8, no. 2 (December 31, 2022): 303–12. <https://doi.org/10.20885/jielariba.vol8.iss2.art10>.
- Imam Al-Ghazali. *Ihya' Ulumuddin: Menghidupkan Ilmu-Ilmu Agama* 2. Edited by Purwanto. Bandung: Penerbit Marja, 2016.
- Khasanah, Miftakhul, Rizki Aminullah, and Dewi Setianingsih. "Determinants of Islamic Financial Literacy Index: Comparison Based on Ethnographic Studies in Yogyakarta, Indonesia." *Afkaruna: Indonesian Interdisciplinary Journal of Islamic Studies* 18, no. 1 (July 26, 2022). <https://doi.org/10.18196/afkaruna.v18i1.12584>.
- Lexi, J., and M M.A. *Metodologi Penelitian Kualitatif*. In *Metodologi Penelitian Kualitatif*. Rake Sarasin, 2010. <https://scholar.google.com/citations?user=O-B3eJYAAAAJ&hl=en>.
- Muflih, Muhammad. "Muzakki's Adoption of Mobile Service: Integrating the Roles of Technology Acceptance Model (TAM), Perceived Trust and Religiosity." *Journal of Islamic Accounting and Business Research* 14, no. 1 (January 2, 2023): 21–33. <https://doi.org/10.1108/JIABR-09-2021-0273>.
- Nasution, Muhammad Irfan, and Muhammad Andi Prayogi. "The Utilization of Zakah Productive towards Micro-Business Growth and Mustahik Welfare." *Jurnal Ekonomi Pembangunan: Kajian Masalah Ekonomi Dan Pembangunan* 20, no. 1 (2019): 1–11. <https://doi.org/10.23917/jep.v20i1.6576>.
- Pusvyta Sari. "Memotivasi Belajar Dengan Menggunakan E-Learning." *Ummul Qura* 6, no. Jurnal Ummul Qura Vol VI, No 2, September 2015 (2015): 20–35. <http://ejournal.kopertais4.or.id/index.php/qura/issue/view/531>.
- Putra, Dedisyah, and Jannus Tambunan. "Optimizing the Role of Body Bather as a Priority for Zakat Al-Fitr Recipients in Sikilang, Sungai Aur Pasaman Barat." *Al-Risalah: Forum Kajian Hukum Dan Sosial Kemasyarakatan* 22, no. 2 (2022). <https://doi.org/10.30631/alrisalah.v22i2.1252>.
- Putra, Wahyu Manuhara, and Endah Dwi Lestari. "The Influence of Knowledge, Income Level, Transparency, and Trust in Muzakki's Interest to Pay Zakat through The Zakat

- Organization Outside Java and Java Island,” 2022.
<https://doi.org/10.2991/aebmr.k.211225.017>.
- Qardhawi, Yusuf. *Fikih Zakat*, 2002.
- Rahim Khamis, Mohd, Maryam Jameelah Hashim, and Azman Ab Rahman. “Assessing the Effectiveness Role of Zakat Management on Income Inequality in Selangor,” n.d.
<https://doi.org/10.33102/uij.vol36no03.604>.
- Rio Budi Dwitama, Tika Widiastuti. “PENGARUH INDIKATOR MAKROEKONOMI: INFASI DAN NILAI TUKAR RUPIAH TERHADAP JUMLAH ZAKAT TERKUMPUL DI LEMBAGA AMIL ZAKAT DOMPET DHUAFA PERIODE 1997-2013,” 2016.
- Rizal, Rizal, Ruslan Abdul Ghofur, and Pertiwi Utami. “The Role of Muslim Generation Community at Zakat Collection on Realizing Sustainable Development Goals (SDGs) in the Era of Digital Society 5.0.” *JURIS (Jurnal Ilmiah Syariah)* 22, no. 1 (June 14, 2023): 105.
<https://doi.org/10.31958/juris.v22i1.6562>.
- Rosid, Abd. “Peran Zakat Produktif Dalam Pemberdayaan UMKM Di Era Kontemporer,” 2024.
 ———. “Peran Zakat Produktif Dalam Pemberdayaan UMKM Di Era Kontemporer,” 2024.
- Sabiq, Sayyid. *Fikih Sunnah. Jilid 12*. Cairo-Mesir: Daar Ar-Risalah, 2000.
- Sari, Dian Fitriarni, Irfan Syauqi Beik, and Wiwiek Rindayati. “Investigating the Impact of Zakat on Poverty Alleviation: A Case from West Sumatra, Indonesia.” *International Journal of Zakat*. Vol. 4, n.d.
- Utami, Pertiwi, Basrowi Basrowi, and Muhammad Nasor. “Innovations in the Management of Zakat in Indonesia in Increasing Entrepreneurial Interest and Poverty Reduction.” *IJISH (International Journal of Islamic Studies and Humanities)* 4, no. 1 (March 1, 2021): 1.
<https://doi.org/10.26555/ijish.v4i1.1960>.
- Wahyuni, Tri, Mohammad Nuril Azizi, Fadllah Farah Diba, Moh Syaiful Anwar, Misbachul Munir, Sebastianus Priambodo, Yuyu Sriwahyuni Hamzah, and Utami Puji Lestari. “UPAYA MENUMBUHKAN JIWA SOLIDARITAS DAN SPORTIFITAS MELALUI KEGIATAN LOMBA 17 AGUSTUS ANTAR RT DI DESA KEBON AGUNG SUKODONO SIDOARJO,” n.d.
- Zahara, Hanifatus Syaidah, Meisya Zahra, Arini Prawita, Silvia Zahra Syahidah, and Elis Nurhasanah. “Akuntabilitas Dan Transparansi Lembaga Pengelola Zakat Melalui Zakat Core Principles Dan PSAK 109.” *Jurnal Mutiara Ilmu Akuntansi* 1, no. 3 (June 3, 2023): 31–43. <https://doi.org/10.55606/jumia.v1i3.1461>.
- Zakiy, Faris Shalahuddin, Falikhhatun Falikhhatun, and Najim Nur Fauziah. “Sharia Governance and Organizational Performance in Zakat Management Organization: Evidence from Indonesia.” *Journal of Islamic Accounting and Business Research*, November 17, 2023.
<https://doi.org/10.1108/JIABR-06-2023-0188>.
- Zawawi, Zawawi. “Reaktualisasi Zakat Di Era Modern,” 2020.
<http://repository.uingusdur.ac.id/196/>.