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# ZAKAT EXPENDITURE ON FOOD SECURITY FOR SUSTAINABLE DEVELOPMENT

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#### Abstract

Previous literature shows zakat as a potent fiscal policy instrument in an Islamic state. As zakat has the ability to act as a countercyclical policy for stabilizing the Islamic macroeconomics, it can also be seen as one of the instruments to protect food security, hence establishing a sustainable development for the *ummah*. However, how zakat can be used as an instrument to protect food security? How zakat funds were used for this purpose? This paper intends to explore the allocation of zakat fund for the purpose of safeguarding food security. Documented evidence based on the annual reports of zakat and official homepage of zakat institutions in Malaysia shows that food security has yet to be one of the main goals for zakat despite its critical necessity. However, practice of certain zakat institutions in providing food for the needy can be exemplar for the other states in Malaysia. As an exploratory study, this paper hopes to become a stepping stone to realise the current practice of allocating zakat fund specifically to resolve food security issues especially for the *asnaf* which are also the vulnerable group that may impacted most during food related crisis.

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#### 1. Introduction

Food is one of the most important necessities in order to ensure the sustainability of human kind. It is an important element for human well—being and has huge impact not only on the physiological aspect but also on mental and spiritual development. Beyond the concept of necessity, food is also a right of every human as stated in the *hadith* by the Prophet SAW:

Uthman ibn Affan reported: The Prophet, peace and blessings be upon him, said, "There is no right for the son of Adam except in these things: a house in which he lives, a garment to cover his nakedness, a piece of bread and water."

(Sunan al-Tirmidhī: 2341)

Based on the *hadith*, food that is portrayed by "a piece of bread and water" is not only a basic need but more importantly, food is the right of every human being, making food security a very crucial issue for human well-being. However, Global Report on Food Crises 2017 shows that the security of food supply globally is yet at the satisfactory level. According to Food Security Information Network, European Union, Food and Agriculture Organization of the United Nations and World Food Programme (2017), this phenomenon is driven by three main drivers namely: conflict, natural disaster and price. Muslim countries located in the African Sub Saharan region are among the countries that are prone to these problems. Based on the report, they are also at risk of famine (Food Security Information Network, European Union, Food and Agriculture Organization of the United Nations & World Food Programme, 2017). The alarming situation of food security in these countries who are member states of Organisation of Islamic Cooperation (OIC) can be seen from their rank in the Global Food Security Index (GFSI).

**Table 01.** Food Security Rank for OIC Countries in GFSI (2018) (Source: The Economist Intelligent Unit, 2018)

Country	Rank	Country	Rank
Kuwait	28	Senegal	87
United Arab Emirates	31	Uganda	89
Saudi Arabia	32	Benin	90
Malaysia	40	Tajikistan	91
Azerbaijan	56	Togo	93
Kazakhstan	57	Nigeria	96
Jordan	60	Burkina Faso	97
Egypt	61	Sudan	99
Morocco	64	Mozambique	101
Indonesia	65	Guinea	102
Pakistan	77	Syria	103
Uzbekistan	80	Niger	104
Bangladesh	83	Chad	108
Cameroon	84	Sierra Leone	109
Mali	86	Yemen	110

Table 1 shows the food security rank of the OIC member countries for 2018 in GFSI. There is a huge gap between the rank of the highest – Kuwait (rank 28th) and the lowest – Yemen (rank 110th). One of the instruments suggested to improve and to empower food security is through zakat (Ishak & Othman, 2005). Zakat is suggested as a potent fiscal policy instrument for Muslim countries (Yusoff, 2010). For that reason, this paper aims to explore the expenditure of zakat fund for the purpose of safeguarding food security by referring to one of the higher rank Muslim countries in GFSI, Malaysia. In order to do this, data from annual reports of zakat and official homepage of zakat institutions in Malaysia is collected and analysed qualitatively.

## **Problem Statement**

Many issues were arisen that give challenges for food security stability likes food price crises, climate change and nation conflict. These problems intruded the poor people to have limited access, availability and utilization of food. According to GFSI 2018 ranking, African Sub Saharan and Middle East regions are amongst countries facing with food insecurity. According to Morrissey, Oellerich, Meade, Simms, and Stock (2016), poor people struggle to meet their basic need as food due to poverty. Hence, zakat is one of the instruments that enables the disadvantaged group to overcome this issue. The role of zakat and its importance has been discussed extensively by Islamic scholars. Zakat has been said as a tool for social-economic development of Muslims. It is also being viewed as an instrument to alleviate poverty. Yusoff (2010) stated that zakat plays its role in macroeconomics by stabilizing the nondiscretionary and discretionary fiscal policy as it allows wealth distribution to occur.

### 3. Research Questions

The following research questions has been built to achieve aim of this paper:

- What are the distribution mechanism of zakat related to food security in Malaysia?
- What are the programme and assistance related to food security in zakat institution in Malaysia?
- 3. How these programme and assistance in zakat institution can strengthen food security and sustainable development?

# 4. Purpose of the Study

The main focus of the research involves allocation of zakat funds and mechanisms used by zakat institutions in Malaysia for the purpose of safeguarding food security in order to achieve sustainable development.

#### **Research Methods**

This exploratory study is conducted to obtain an overview of zakat assistance related to food security using secondary data based on the annual reports of zakat and official homepage of zakat institutions in Malaysia. A qualitative analysis on the data involves analyzation of the distribution mechanism by the zakat institutions focusing on any element related to food security.

# 6. Findings

Universally, sustainable development involves the incorporation of economic, social and environmental factors. Sustainable development in Islam is a development that comprises physical and non-physical aspects of human life. It encompasses the relationship between human with God (hablumminallah) as well as among human and other creatures (hablumminannas) (Al-Jayyousi, 2012). Both of these relationships have been established in the zakat obligations. Zakat has the ability to safe guard the socio-economic justice in a nation. Since the early age of Islam, zakat has been used as an instrument to enable wealth distribution from the wealthy to the needy. However, it is compulsory to only be distributed to the eight asnaf as stated in the al-Quran.

Zakah expenditures are only for the poor and for the needy and for those employed to collect [zakah] and for bringing hearts together [for Islam] and for freeing captives [or slaves] and for those in debt and for the cause of Allah and for the [stranded] traveler - an obligation [imposed] by Allah. And Allah is Knowing and Wise.

(at-Taubah, 9:60).

Despite the eight compulsory *asnaf* categories as the recipients of zakat, there is no specific types of zakat distribution recorded. In Malaysia, there are several types of zakat distribution being practiced by zakat institutions. Overall, the types of distribution can be grouped into four namely: financial assistance, capital assistance, educational scholarship and food assistance. Some of the assistance is given to the *asnaf* consistently while the other as a one-time programme. Current administration and management of zakat collection and distribution is conducted by the statutory body of Islamic religious council in each state of Malaysia. However, nearly half of the zakat institutions have been corporatized – either only for collecting zakat, or complete corporatization. Since this paper intends to analyse the distribution mechanism of zakat related to food security, study on the official homepage of zakat institutions focuses only on the institutions that are involved in zakat distribution, without referring to the homepage of zakat collection institutions as shown in Table 02.

Table 02. Food security related programme and assistance in zakat institution in Malaysia

State	Zakat distribution institution	Programme and assistance	
Johor	Majlis Agama Islam Johor	Monthly subsistence assistance	
	Wajiis Agama Islam Johoi	Source: www.maij.gov.my	
Kedah		Monthly financial subsistence	
	Lembaga Zakat Negeri Kedah	Monthly food assistance	
		One-time subsistence assistance	
		Source: www.zakatkedah.com.my	
Kelantan	Majlis Agama Islam dan Adat Istiadat Melayu Kelantan	Subsistence assistance	
		Natural disaster assistance	
		Source: www.e-maik.my	
Melaka	Pusat Zakat Melaka	Ramadhan assistance	
		Food box for asnaf	
Negeri	Pusat Zakat Negeri Sembilan	Food assistance	
Sembilan	i usat zakat ivegeri Schionari	Ramadhan assistance	
		Source: www.zakatns.com.my	
Pahang	Majlis Ugama Islam dan Adat Resam	Data not available	
	Melayu Pahang		
Perak	Majlis Agama Islam dan Adat Melayu	Ramadhan & Eid assistance	
	Perak	Monthly financial assistance	

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		Source: www.maiamp.gov.my	
Perlis	Majlis Agama Islam dan Adat Istiadat Melayu Perlis	Data not available	
Pulau Pinang	Pulau Pinang	<ul> <li>Monthly subsistence assistance</li> <li>Monthly food assistance</li> <li>Ramadhan &amp; Eid assistance</li> <li>Source: www.zakatpenang.com</li> </ul>	
Sabah	Pusat Zakat Sabah	<ul><li>Ramadhan &amp; Eid assistance</li><li>Monthly subsistence assistance</li><li>Source: www.zakat.sabah.gov.my</li></ul>	
Sarawak	Tabung Baitulmal Majlis Islam Sarawak	<ul><li>Monthly subsistence assistance</li><li>Emergency assistance</li><li>Source: www.tbs.org.my</li></ul>	
Selangor	Lembaga Zakat Selangor	<ul> <li>Monthly subsistence assistance</li> <li>Monthly food assistance</li> <li>Ramadhan &amp; Eid assistance</li> <li>Source: www.zakatselangor.com.my</li> </ul>	
Terengganu	Majlis Agama Islam dan Adat Melayu Terengganu	Monthly subsistence assistance Source: www.maidam.gov.my	
Wilayah Persekutuan	Baitulmal Majlis Agama Islam Wilayah Persekutuan	Monthly subsistence assistance     Agriculture assistance     Free food distribution all year-round at the main office of Baitulmal MAIWP, zakat distribution centre (PAZA) and selected location around Wilayah Persekutuan     Rural entrepreneur carnival Source: Zakat report 2016, 2015 PPZ-MAIWP Report	

Table 2 shows zakat distribution mechanism directly related to food security by zakat institutions in Malaysia. Observation on the official homepage of zakat institutions shows that majority of the states in Malaysia allocate portion from the zakat collection for food security related purposes, either directly or indirectly. Assistance for subsistence purposes are common practice among these zakat institutions. There are some states that clearly declare their food security related programme such as Kedah, Negeri Sembilan, Pulau Pinang, Selangor and Wilayah Persekutuan. These states have specific food related programme aside with other financial assistance programme that is commonly practiced by most zakat institutions. Apart from this, Ramadhan and Eid assistance can also be categorized as an assistance programme related to food security. However, these programmes are conducted as a one-time programme, hence lacking sustainability impact towards the recipient. It is important for the food assistance programme to be held continuously to ensure the availability and accessibility of the target group to the food. Through this, not only their food security can be assured but also strengthen the social development of the ummah. Based on this finding, it is suggested for consistency to improve food security of the asnaf, without demeaning other types of assistance.

There is also monthly food assistance given by zakat institutions in Kedah, Negeri Sembilan, Pulau Pinang, Selangor and Wilayah Persekutuan to help the needy. Through this assistance could help them by giving the basic food including likes rice, sugar, flour, and cooking oil in order to ensure their accessibility to food. The people effected most in crucial times during the food crisis in 2007-2008 and still going until today because of high prices in food. This situation caused them to reduce provision of

income to get better quality of food leading to affect food security. The household with lower income the most impacted in having food insecurity (Prosekov & Ivanova, 2018).

Aside of the directly food-related assistance as shown in Table 02, observation on the homepage and reports shows that zakat institutions in Malaysia provide various types of assistance to improve the economic level of asnaf, particularly through initial capital for business and training. Since food security consists of four main factors namely food availability, access, utilization and stability (Stringer, 2016), zakat distribution by zakat institution can help the disadvantage groups to improve their food security by increasing their capability to have access to food. These assistances enable asnaf to improve their economic condition hence results in improvement of their food security. While ensuring food security is a complex process subjected to multidimensional factors, thus zakat allocation as a single factor might not be able to safe guard the food security for the asnaf. However, food security can be said as a "domino effect" of the economic capability. Based on this, zakat can be said as a driver for food security as it has its own roles to eradicate (or manage) poverty. This eventually results in the development sustainability of the asnaf (Hassan & Noor, 2015). Some of the zakat institutions successfully demonstrated their commitment towards promoting food security. This is especially shown by the Baitulmal Majlis Agama Islam Wilayah Persekutuan from their initiative to provide agricultural assistance and organizing rural entrepreneurship carnival. To promote larger impact, zakat institutions is encouraged to be more food security friendly by inducing more programmes in various methods of distribution. Zakat institutions can encourage asnaf to involve in agricultural sector as well as manufacturing and distributing food product. In addition, government suggest sustainable agriculture involving local farmers or asnaf to be implement. Through sustainable agriculture three component which are environmentally protective, economically sound and socially acceptable (Shobri, Sakip & Omar, 2016). By this, asnaf will be directly involved in ensuring the sustainability of food security. To fulfill this ambition, it is undeniable that high commitment and proactive steps of a particular zakat institution is very much needed. For zakat institutions in other states that has yet to make the effort, assistance in the form of food, skills-based program and job opportunity is an effective effort for asnaf. Even though it is not given on monthly basis, skills-based program and job opportunity give more benefits to asnaf in the long run.

As a whole, sustainable development requires the integration of all the economic, social, environmental and political components. Through zakat, sustainable development of the ummah in economic and social contexts are proven clearly with the assistances given and programmes executed. The sharing and distribution of wealth among Muslim societies between the rich and the poor is beneficial to both parties. As recorded in the al-Qur'an,

"So fear Allah as much as you are able and listen and obey and spend [in the way of Allah]; it is better for your selves. And whoever is protected from the stinginess of his soul - it is those who will be the successful".

(At-Taghabun, 64: 16)

Household income is expected to increase with zakat assistance. However, zakat aid in cash might not really helps *asnaf* in ensuring their food security since the money can be used to satisfy their other desire. Hence, it is important for zakat institution to allocate the zakat fund by using specific mechanism

directly related to food in order to ensure food security amongst the *asnaf*. As Stavropoulou, Holmes and Jones (2017) studied previously on the ability of informal institutions in strengthening social protection for the poor, this paper belived that zakat institutions have the same capability if not better.

#### 7. Conclusion

Zakat plays crucial roles in safe guarding food security especially for the vulnerable group of asnaf. It has the ability to act as an instrument to tackle the issue of food security. Allocation of zakat collection for food security will enable the much-needed protection of the asnaf's basic needs. Food security mechanism practiced by some of zakat institutions in Malaysia can be an exemplar for other zakat institutions. The importance of securing food for the asnaf should be recognized as one of the focus by zakat institutions while planning distribution mechanism for zakat collection. Hence, assistance programmes related to food security should be conducted continuously. Zakat institutions can also create food bank which consists of basic food materials that can be easily accessed by the asnaf group. Planning for zakat distribution should consider the importance of food security. Therefore, an in-depth study on the implementation of food security related programmes and its effectiveness is highly needed. This small and basic step is hoped to have a domino effect and results to the sustainable development of the ummah.

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