

Empowering Futures: Unveiling Zakat's Vital Role in Malaysia's Economic Development Within the Legal Framework

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ABSTRACT

Poverty is a social phenomenon that exists in most places around the world. The Malaysian government has implemented various initiatives and social assistance programs to alleviate poverty such as direct financial aid, skills training, and infrastructure development. One of the instruments that can be offered for redistributing wealth and ensuring social justice within community is Zakat. Zakat is a fundamental concept in Islam, emphasizing the importance of social responsibility, wealth distribution, and caring for those less fortunate in the community. The objective of this study is to examine and analyze the role of Zakat in contributing to economic development within the legal framework of Malaysia. The study aims to explore the legal provisions, mechanisms, and institutional structures governing Zakat in Malaysia and assess their effectiveness in promoting economic development. The legal framework related to Zakat in Malaysia will be comprehensively reviewed, including relevant statutes, regulations, and policies, and the data will be analyzed through content analysis. The findings of this study aim to provide a comprehensive understanding of how Zakat operates within the legal framework in Malaysia and its impact on economic development. This includes insights into the legal mechanisms ensuring compliance, the efficiency of Zakat distribution, and its contribution to poverty alleviation, social welfare, and overall economic growth. These efforts align with the Sustainable Development Goals (SDGs), which aim to address global challenges and build a more inclusive, equitable, and sustainable world by the year 2030, especially in the areas of no poverty, zero hunger, and good health and well-being.

Keywords: Zakat, Economic Development, Legal Framework, Malaysia, Sustainable Development, Empowering futures, Poverty Alleviation.