

# The Financial Resources in Islam and their Role in Achieving Economic Security: Zakat Obligation as a Model

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## Abstract

One of the matters endorsed by Islam is that whoever possesses power also possesses influence, and whoever holds power, his word carries weight and his internal and external strength is enhanced. The aim of this research is to study economic resources from the perspective of the desired outcome, namely achieving economic security for all people. Additionally, it addresses the contemporary need of the nation for such studies to benefit from them in practical and scientific life, indicating the depth and penetration of Islam into all aspects of life. Likewise, the statement that the obligation of Zakat has its positive role in achieving economic security, and the problem of the research lies in the fact that the obligation of Zakat, as one of the financial resources of the state, is not sufficient to meet the needs of the poor. Therefore, Islam is incapable of achieving economic security in the world. This is a problem in the understanding of some regarding the obligation of Zakat, and this is what will be addressed in the context of the research pages. The research methodology relies on analytical deduction, involving the derivation and analysis of the Zakat obligation and how it contributes to economic security. The research plan is based on two sections: the Quranic and Sunnah teachings regarding the obligation of Zakat, and how to achieve economic security through the resource of Zakat. The study will contribute to elucidating how to invest Zakat funds to meet the needs of the poor and needy while achieving economic security for the entire world. Previous studies have been conducted, including doctoral and master's

theses, practical research, and books on the obligation of Zakat and how to achieve economic security through it, and the library is full of them.

The research concludes that Zakat plays a vital role in economic development and societal construction in countries, redistributing income among its individuals and eliminating class distinctions among the nation's people. Furthermore, Zakat is an Islamic obligation and a pillar upon which the foundations of Islam are established. It is incumbent upon Muslim leaders to collect Zakat from the wealthy to give to the poor, in accordance with the regulations set by Islamic Sharia.

**Keywords:** Financial Resources, Islam, Security, Economy, Zakat.

**Introduction:** In this section, we provide definitions for some terms, including:

**Al Mawarid (Resources):** The plural of Mawrid "resource" is Mawarid "resources," and a resource is the place from which something comes or the act of coming to something. The resources of a state refer to its income and sources (Al-Manawi, 1989; Al-Zabidi, n.d.).

**Al Maliyah (Finance):** This term is feminine form of the word Al Mal "money," and its origin is: "(Mawal) money is known as everything that one possesses of all things... and the plural is 'Amwal.'" Ibn Al-Athir said: "Originally, Al Mal (money) refers to what is owned of gold and silver, then it is applied to everything that is acquired and owned of possessions, and most commonly, money is used among the Arabs to refer to camels because they were their most valuable possessions" (Ibn Manzur, n.d.). Based on this, financial resources in the contemporary sense refer to "all cash flows, stocks, deposits, and cash balances in treasuries and banks, whether owned by governments or individuals"

(<http://www.bayt.com/ar/specialties/q/109054>).

**Islam** is defined by two definitions, one is linguistic and the other is terminological:

Linguistically, it means submission, obedience, acknowledgment, and compliance with the command of Allah Almighty.

Terminologically or jurisprudentially, it has two conditions:

The first condition: It is used in isolation without mentioning faith, in which case it refers to the entire religion, its principles and branches, including beliefs, sayings, and actions, as indicated by the Quranic verse: "Indeed, the religion in the sight of Allah is Islam" (Al Imran:19) and "And whoever desires other than Islam as religion - never will it be accepted from him, and he, in the Hereafter, will be among the losers" (Al Imran:85).

The second condition: It is used in conjunction with belief, in which case it refers to apparent actions and sayings, as indicated by the Quranic verse: "The bedouins say, 'We have believed.' Say, 'You have not [yet] believed; but say [instead], 'We have submitted,' for faith has not yet entered your hearts. And if you obey Allah and His Messenger, He will not deprive you from your deeds of anything. Indeed, Allah is Forgiving and Merciful'" (Alhujurat: 14) (Abi Asim, 1997). This definition sets the context for our discussion about resources in the state.

**Economic Security:** The term Al Amnu "security" in the language is derived from "amen," which means protection from fear. It is said in various forms such as "amnan," "amanan," "amanatan," "imna," and "amntan." When one is not afraid, they are considered "secure." "Security" and "safety" are interchangeable. It is said to someone, "You are secure," meaning they have been trusted. When referring to a place, it means its inhabitants feel secure. As for the term Iqtisad "economy," it comes from the verb Qasad "to intend" and signifies justice and moderation. It is said, "qasad fil amri qasdan," meaning he aimed for balance. In the terminology of Islamic economists, it refers to a set of general economic principles derived from the Quran, the Sunnah, and the economic structure built upon those principles, tailored

to each environment and era. As for the term *Amnu Iqtisadi* "economic security" as a compound term, it means "having the financial means that enable one to live a stable and fulfilling life." For many, economic security means having enough money to meet their psychological needs, which include food, decent shelter, basic healthcare, and education (Al-Fayoumi, n.d, Ar-Razi, 1995; Hasan, 2007).

**Namudhaj "Model":** "With the opening of the 'noon' letter, and it is said with its 'damma', and the 'dhaal' letter is pronounced clearly, al-Sughani said: Namudhaj "The model" is the example of the thing that is worked upon." (Al-Fayoumi, n.d).

After this brief introduction, we delve into the obligation of Zakat as a significant economic resource, which is a fundamental factor in achieving economic security for every nation. This will be detailed through the following two demands:

### **The first Section: The Quranic and Prophetic teachings regarding the obligation of Zakat.**

Zakat is a vital and fundamental resource through which the interests of both the country and its people are achieved. Allah Almighty has made it one of the pillars of Islam, illuminating the path for its followers. Through Zakat, the wealthy secure their wealth from the resentment and envy of the poor among their communities. The Quran mentions Zakat extensively in numerous verses. Through research, we find that the term "zaka" and its derivatives are mentioned in fifty-eight places in the Quran. Among these, it appears as a verb in twenty instances and as a noun in thirty-eight instances. Allah has often mentioned Zakat alongside prayer in many places in His noble book, correlating them together in twenty-six verses. They are mentioned together within the same context in Surah Al-Mu'minun:

"Successful indeed are the believers. **(1)** Those who offer their *Ṣalāt* (prayers) with all solemnity and full submissiveness. **(2)** And those who turn away from *Al-Laghw* (dirty, false, evil vain talk, falsehood, and all that Allāh has forbidden). **(3)** And those who pay the *Zakāt*. **(4)** " [Surah Al-Mu'minun: 1-4]

Additionally, Zakat is mentioned independently from prayer in five places in the Quran. (Abdul Baqi, n.d).

This is found in the Quran, and as for the Prophetic tradition, we find in all the collections of hadith a complete book titled "Az-Zakat." In Sahih Bukhari, there is a book on Zakat, and likewise in Sahih Muslim, there is a book on Zakat, and in Sunan At-Tirmidhi also there is a book on Zakat... and so on in other authentic collections of hadith. For example, in Sahih Bukhari, it is narrated from Abu Huraira that a Bedouin came to the Prophet (peace be upon him) and said, "Guide me to such an act that by doing it, I may enter Paradise." The Prophet replied, "Worship Allah and do not associate anything with Him, establish the obligatory prayers, pay the obligatory Zakat, and fast during Ramadan." The Bedouin said, "By Him in Whose Hand my life is, I will not increase upon this." When he left, the Prophet said, "Whoever wants to see a man from the people of Paradise, then let him look at this man." (Sahih Bukhari, 2001). So, Zakat in the Quran and Sunnah is an authentic principle with no dispute whatsoever, except for the one who deviates from the teachings of Islam.

"And Zakat is one of the obligatory acts of Islam, and its ruling is known necessarily from the religion. Denying its obligation and the obligation of paying it by those upon whom it is obligatory among the Muslims is considered apostasy by consensus, and the ruling of apostasy is applied to them according to Islamic law. This is because the ruling of Zakat is established in the Quran, Sunnah, and consensus, and its obligation is known necessarily from the religion. Zakat is named as such because the wealth of the person who pays it grows and increases through the blessings of paying Zakat from it and the prayers of the recipient for it,

and for those deserving from among the legitimate recipients according to the Shariah. Alternatively, it is named Zakat because it purifies the payer from sin, greed, and stinginess, and testifies to the soundness of their faith" (Wasil, 2008).

Considering the vital role that Zakat plays in humanitarian, social, economic, political, cultural, and other aspects of society, we believe that those deserving of Zakat disbursement are individuals with excuses, such as the poor, the needy, those unable to work, and others. Zakat is an obligation intended by its legislation to address deficiencies and neglect in various aspects of human society in general, and Muslim society in particular. By distributing Zakat to its rightful recipients, a significant door of evil is closed, which could otherwise wreak havoc on the community overnight. If these individuals do not find the economic support to sustain themselves, undoubtedly, they will become instruments of societal destruction. The destruction does not differentiate between the rich and the poor; sometimes the harm to the wealthy can be greater than that to the poor. For this reason, the Prophet Muhammad ﷺ clarified that Zakat is an obligation on the wealth of the rich, not as a favor or preference over the poor, but as an implementation of the command of Allah Almighty to His Messenger, as stated in the Quran: "Take, [O, Muhammad], from their wealth a charity by which you purify them and cause them increase, and invoke [Allah's blessings] upon them. Indeed, your invocations are reassurance for them. And Allah is Hearing and Knowing" (surah At- Tawbah: 103). The command to the Messenger is a command to his nation unless there is evidence to the contrary in his specialization of the command. It is confirmed from Sayyidina Ali ibn Abi Talib that he said: "Indeed, Allah has enjoined upon the rich a due to be taken from their wealth corresponding to the sufficiency of their poor. So if they starve or suffer, it is by the withholding of the rich. And it is Allah's right to hold them accountable on the Day of Resurrection" (Ibn Hazm,n.d).

Dr. Shoukry Al-Fanjari speaks about Islam and the components of societal security, mentioning several areas of societal security, including: faith-based security, military security, political security, and social security. In the realm of economic security, he mentions the following: "The foundation of economic security in Islam is to ensure sufficiency for every individual, meaning a decent standard of living, not merely subsistence. In Islam, possession of wealth is not ownership; rather, it is a trust and responsibility, as stated by Allah: 'And spend [in the way of Allah] from what He has made you successors over' (Surat Al Hadeed:7)." Then he quotes Imam Al-Mawardi, saying: "It is distributed to both the poor and the needy when Zakat expands to cover those whose poverty and destitution extend to the lowest levels of wealth. This is considered according to their circumstances. Some may become wealthy with just one dinar if they are traders earning enough to suffice, so they should not be given more. Others may only be self-sufficient with a hundred dinars, so it is permissible to give them more. And some may earn a livelihood with their skills to suffice, so they should not be given anything, even if they do not possess a single dirham" (Al-Mawardi,n.d, Al-Fanjari, 2008). This is a brief overview of Zakat and the teachings of the Quran and the authentic Sunnah regarding it, considering it as a significant economic resource in the state.

### **The Second Section: Achieving Economic Security through Zakat Resources:**

Islam has adopted several methods to achieve economic security through the resource of Zakat, including

**Firstly:** Not allowing wealth and affluence except after ensuring the sufficiency not merely subsistence for every individual of the nation, as well as not allowing the hoarding of wealth entirely or withholding it from circulation, or spending it extravagantly or beyond reasonable

limits. It is considered a sin for both the guardian and the ruler if there are hungry or needy individuals in society.

**Secondly:** Not permitting a minority to monopolize the resources of society, as this leads to injustice, oppression, domination, and tyranny of the minority. It also fosters hatred and envy in the hearts of the hardworking majority, creating class division and conflict, thus undermining harmony among members of society at the local level and between nations at the global level.

**Thirdly:** Redistribution in case of imbalance, where it becomes necessary for the ruler to intervene from time to time to restore balance between the layers of society when it is lacking. An example of this is what the Prophet ﷺ did when he limited the distribution of the spoils of war to the immigrants while some of the Ansar were poor. They possessed the same wisdom that prompted the allocation of these spoils to the immigrants, which is the redistribution of wealth to restore balance between the layers of society (Al-Fanjari, 2008).

**Fourthly:** The tangible role of Zakat in achieving economic security is evident in its function as security and safety for both the individual and the society, manifested in the following ways:

1- Security and safety for the individual in achieving economic security occur when they take from Zakat what they need and then rely on themselves, working diligently and striving. Such an individual will contribute positively to the society they live in, considering that the primary aid to them is the state they reside in. This was exemplified by Abu Bakr when he would give from (Baitu Al Mal) the treasury and leave nothing behind. An evident proof of this was seen after his death when Umar gathered the companions to open the treasury but found nothing in it.

2- Security and safety for the society in achieving economic security occur when individuals faithfully pay their Zakat. This Zakat will benefit the society with goodness and abundant growth, strengthening it as a whole. Why? Because there are no needy individuals left; those in need take what they require and gradually become self-sufficient, contributing as productive members of the Muslim society. Therefore, Zakat plays a significant role in building the economy of the state if distributed as commanded by Allah.

**Fifthly:** To achieve economic security through the resource of Zakat, we see its impact on investment and on work itself. Investment is affected by:

1- The collection of Zakat encourages people to invest their money to avoid it being consumed by Zakat. Here, Zakat appears as a deterrent from hoarding money and not investing it, as not investing Zakat resources leads to economic stagnation.

2- Zakat recipients will spend what they receive on their consumption needs in the form of goods or services, leading to supporting consumption, which in turn leads to investment, resulting in increased production (Sirri, n.d.).

Regarding work:

1- Disbursing Zakat to its recipients leads to the creation of small capital in the hands of the needy, enabling them to engage in trade, industry, agriculture, and other fields.

2- The proceeds of Zakat lead to increased consumption, which in turn leads to an increase in demand for consumer goods. This promotes consumer industries and the productive industries used in the production of consumer goods, thereby increasing production, enhancing job opportunities, and reducing unemployment (Sirri, n.d).

**Sixthly:** It is a means among the security measures encouraging the provision of a suitable environment for economic recovery, as poverty is one of the causes of crime. In the book "An-



Nidham AL Iqtisady fi AL Islam," we see the most important economic effects achieved for economic security through the resource of Zakat, where it:

- 1- Acts as a means of income and wealth redistribution in society, leading to the alleviation of poverty. It is a tool of justice through which economic security is achieved.
- 2- Acts as one of the motivations towards investment. The payment of Zakat does not encourage the wealthy to hoard cash balances and hinder them because hoarding them and paying Zakat from them leads to their erosion.
- 3- Acts as a means to improve the conditions of the poor in society, contributing to improving their living, health, educational, and economic standards.
- 4- Contributes to providing resources that finance social solidarity in society, thus alleviating the burden on the state budget.

For these reasons and others, Zakat was imposed on the wealth of the wealthy. Moreover, it is the right of the ruler to impose on the wealthy in their wealth if the Muslim treasury needs money and the imposed Zakat is not sufficient to meet the needs. All of this is to achieve economic security among the layers of society, and achieving economic security is one of the reasons behind the legislation of the Zakat resource, for which Allah Almighty has ordained the obligation of Zakat.

## **Conclusion**

### **Key Findings**

**Firstly**, Zakat resources play a vital role in economic development and in maintaining social balance, redistributing income among its members. Zakat works to eliminate class distinctions among the nation's citizens. Zakat is like a person with two hands, one filled and the other insufficient; the filled hand gives part of its contents to the insufficient hand, symbolizing the act of the wealthy giving to the needy, which strongly indicates social solidarity and the achievement of economic security for society as a whole.

**Secondly**, Zakat resources are not merely acts of charity or benevolence from the rich to the poor; rather, they are Islamic obligations and pillars upon which the foundations of Islam are built. It is incumbent upon Muslim leaders to take Zakat from the wealthy to give to the poor in accordance with the guidelines set by Islamic law.

**Thirdly**, linking financial resources, represented by the obligation of Zakat in the state, with religious issues underscores the inseparability of finance from religion. Regardless of how far one strays, they must inevitably confront themselves. Here, the true meaning of religion and its impact on the human psyche become apparent.

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