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Islamiat

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a) Describe the system of zakat and Sadkat in Islam.

Describing its social, moral and spiritual impacts, explain how it can help address the issues of poverty and ensure prosperity.

Ans) **Introduction to zakat**

Zakat is the third pillar of Islam. Its linguistic meaning is ~~to purify~~ "that which purifies". This means that zakat is a way for muslims to purify their wealth and income. Similar to Saum (^{sawm} ~~prayer~~) and other pillars, Zakat has been made obligatory on every adult man or women who meet the Nisaab.

Spending in way of Allah

Zakat is term used to refer to specified amount of money paid to poor, in order to spend in the way of Allah and gain His grace. Zakat ensures that the wealthy give money to the poor and help improve their lives. As the Quran say=

"It is not righteousness that ye ---" (Surah Baqara: verse 177)

This means that the act of zakat is loved by Allah.

Payment of zakat

The system has been clearly defined by the Quran and Sunnah. From the criteria for give, to the percentage to be paid, to who is capable of receiving

zakat, everything is defined.

→ Criteria for Payer of zakat

The first criteria is that the person should be a Muslim. Secondly, the person should be an adult (Baligh) and sane. Third, is that the person should be free, meaning he/she is not a slave (not applicable today). Lastly, they should be financially capable, meaning all of the needs are fulfilled, or they are not under debt. If a person meets these criteria is obligated to pay zakat.

→ Beneficiaries of zakat

"The alms are meant only for the poor and the needy and those who are in charge thereof, those whose hearts are to be reconciled, and to free those in bondage, and help those burdened with debt, and for expenditure in the way of Allah and for wayfarer. This is an obligation from Allah. Allah is All-knowing, All-wise". (Surah Taubah : Verse 60)

→ Rate of Zakat

Nature	Rate	Time	Threshold
Wealth and Precious Metals	2.5%	Annual	Equivalent of 52.5 tola Silver
Agri-Production	10% of Aird 5% of self-irrigated	On every yield	No minimum threshold
Live Stock	Goats 1/40 Camels 1/50 Cows 1/30	Annual	40 Goats 5 Camels 30 Cows
Trade-in-Stock	2.5%	Annual	52,000 Rs +
Minerals or buried wealth	20%	On every yield	No minimum threshold

Zakat vs Sadkat

Zakat is an obligation on all haligh muslims, while sadkat is not obligatory. Similarly, the rate and beneficiaries of zakat have been clearly defined, while their is no criteria for payer or beneficiaries or any fixed rate/amount. Sadkat is a charity, that is not voluntary, done for the sake of pleasing Allah.

Moral Impacts

→ Generosity

When a muslims pay zakat, this inspires muslims to become generous. They tend to spend more in the way of Allah and help other fellow muslims to meet the basic/financial needs.

→ Character building

By paying zakat muslims purified of the love of wealth and ~~extrag~~ extravagant spending. They become humble and spend less on unnecessary items.

→ Moral development/Empathy

When zakat payer and beneficiary meet, they begin to understand each other. Zakat payer comes to understand the hardships faced by poor and needy people and that compels the zakat payer to view the world differently and thus they try to improve the world for the poor.

Spiritual Impact

→ Purification of wealth

Zakat purifies the wealth of the zakat payer and this brings the muslim spiritual enlightenment, as they are freed from the ~~shab~~ shackles of worldly wealth and greed.

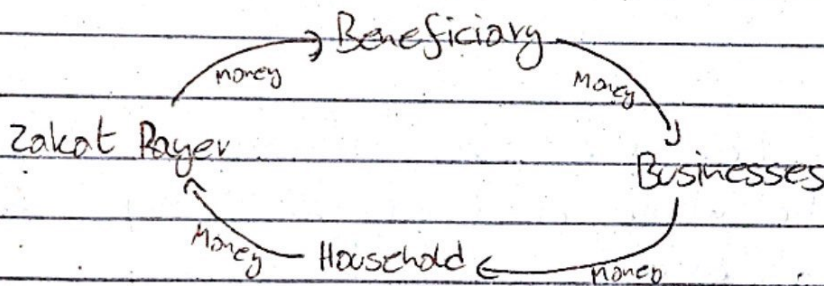
→ Closeness to Allah

By fulfilling the 3rd pillar of Islam, muslims come closer to Allah and come under Allah's good graces and earn a place for themselves in Jannah.

Social Impact

→ Circulation of wealth

Ideal wealth (that ~~is~~ ^{has} not ^{been} ~~being~~ used for over 1 year) is payed out in the form of zakat, this prevents money from being stuck in one place.



→ Reduce Poverty

When zakat is paid by the muslim to another person this amount is added to their overall wealth that they used to meet their needs and invest it into ~~the~~ improving their lives.

→ Economic Prosperity

When ideal wealth is given to the poor and needy, this initiates economic activity as poor and needy spend it to fulfill their needs. When business receive ^{this} ~~their~~ amount ~~the~~ their demands increases and thus production increases to meet demand, and in order to increase production more employes

thus increasing employment rate and purchasing power of the whole country.

→ Reduce Economic Disparity

When employment increase more people can earn a living allowing upward vertical movement in the class system. Though the income gap will take time to reduce but over time it will be reduced. The prime example is of Hazrat Umar^{RA}, where after sometime there was no one left to receive zakat, as people were no longer poor, needy, a slave or in debt.

Conclusion

Zakat is a system that has far reaching affect that help improve the whole community/society/economy. Also, It comprehensive enough that it also works on all levels of society i.e individual, societal, country, regional and international level.