



Original Article

## Fostering Sustainable Development: Empowering Communities through Education, Zakat Innovation, and Social Assistance Strategies

Suriani Suriani <sup>a\*</sup>, Sartiyah Sartiyah <sup>a</sup>, Khairil Umuri <sup>b</sup>, Eka Nurlina <sup>b</sup>, Susanna Susanna <sup>c</sup>, Cut Syazalisma <sup>a</sup>, Aka Mulyadi <sup>a</sup>, Kurniawati Kurnia <sup>a</sup>, Hersa Kesuma <sup>a</sup> and Nur Annizah Ishak <sup>d</sup>

<sup>a</sup> Department of Economics, Faculty of Economics and Business, Universitas Syiah Kuala, 23111 Syiah Kuala, Banda Aceh, Indonesia. [sartysabang@usk.ac.id](mailto:sartysabang@usk.ac.id) (S.Y.); [cut.syazalisma@gmail.com](mailto:cut.syazalisma@gmail.com) (C.S.); [aka@mhs.usk.ac.id](mailto:aka@mhs.usk.ac.id) (A.M.); [kurniawati.akur@gmail.com](mailto:kurniawati.akur@gmail.com) (K.K.); [kesumahersa@gmail.com](mailto:kesumahersa@gmail.com) (H.K.)

<sup>b</sup> Department of Islamic Economics, Faculty of Economics and Business, Universitas Syiah Kuala, 23111 Syiah Kuala, Banda Aceh, Indonesia. [khairilumuri@usk.ac.id](mailto:khairilumuri@usk.ac.id) (K.U.); [eka.nurlina@usk.ac.id](mailto:eka.nurlina@usk.ac.id) (E.N.)

<sup>c</sup> Department of Pant Protection, Faculty of Agriculture, Universitas Syiah Kuala, 23111 Syiah Kuala, Banda Aceh, Indonesia. [susanna@usk.ac.id](mailto:susanna@usk.ac.id) (S.N.)

<sup>d</sup> Department of Political Science, Public Administration and Development Studies, Faculty of Business and Economics, Universiti Malaya, 50603 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia; [annizahum@edu.my](mailto:annizahum@edu.my) (N.A.I.)

\* Correspondence: [suriani@usk.ac.id](mailto:suriani@usk.ac.id) (S.S.)

**Citations:** Suriani, S., Sartiyah, S., Umuri, K., Nurlina, E., Susanna, S., Syazalisma, C., Mulyadi, A., Kurnia, K., Kesuma, H. & Ishak, N.A. (2024). Fostering Sustainable Development: Empowering Communities through Education, Zakat Innovation, and Social Assistance Strategies. *Journal of Madani Society*, 3(2), 52-57.

Received: 6 April 2024

Revised: 21 July 2024

Accepted: 2 August 2024

Published: 31 August 2024

**Abstract:** The rapid pace of global development necessitates sustainable strategies to achieve equitable benefits. Governments implement programs to address poverty and improve welfare, with social assistance as a key intervention to provide immediate relief and mitigate economic hardship. Although their long-term effectiveness in significantly reducing poverty is uncertain, they are crucial to the short-term survival of impoverished communities. Zakat, an Islamic philanthropic mechanism, rooted in social justice and economic redistribution, mandates wealth redistribution among eligible Muslims to support marginalized groups. Effective management of zakat resources can empower beneficiaries and improve their socioeconomic conditions. Both zakat and social assistance aim to enhance the welfare of impoverished populations and synergistically contribute to poverty reduction. The empirical findings suggest that integrating social assistance, zakat, and technological innovations offers a sustainable poverty alleviation framework. Emerging technologies enhance efficiency, transparency, and accountability in resource allocation, improving program reach and effectiveness. Leveraging digital platforms and data-driven innovations aligns social assistance and zakat with development goals, creating a more substantial impact. The convergence of social assistance and zakat, supported by technological advancements, presents a comprehensive poverty alleviation strategy that promotes sustainable development, and long-term social and economic equity.

**Keywords:** Zakat; Social assistance; Sustainable development; Innovative strategies



Copyright: © 2024 by the authors. Submitted for possible open-access publication under the terms and conditions of the Creative Commons Attribution (CC BY 4.0) license (<https://creativecommons.org/licenses/by/4.0/>).

## 1. Introduction

The complexity of macroeconomic problems is of particular concern to every country. One of the achievements of sustainable development in a country is characterised by a decrease in the poverty rate in that country. Poverty is a classic problem but requires modern solutions with appropriate and sustainable strategies (Gilder, 2012; Roxas & Ungson, 2011; Salih, 2009; Yapa, 1996). Various government assistance programs are actively involved in poverty alleviation. Similarly, people's funds, namely zakat as Islamic economic philanthropy in a Muslim-majority country, play a vital role in poverty reduction (Shaikh & Ismail, 2017; Suriani et al., 2021). This research is essential because the government has made various efforts to reduce poverty, but the poverty rate has not been reduced as expected. Efforts to alleviate poverty cannot be separated from the problems of income disparity and human development (Adekoya, 2018; Moyo et al., 2022). Human capital is shown by the low quality of education and health that has not been evenly felt by the community, as well as the low purchasing power of the community (Ansari et al., 2012; Brian, 2007; Graff Zivin & Neidell, 2013; Saegert et al., 2002). Similarly, the relationship between poverty and food security is essential for a country because it is the government's responsibility to fulfil the basic needs of its population (Suriani & Sartiyah, 2020). Population growth every year will affect food sufficiency. Population growth can lead to non-linear food needs because the population is dominated by people of productive age who have higher consumption needs. Therefore, the government seeks to improve food security with various programs and assistance to the community.

One food assistance is rice for poor households (Raskin) or Rastra (rice for prosperous households). This research is a development of the results of previous research (Suriani Suriani et al., 2018), which considers the food needs of the Acehnese people on the basic food needs, namely rice, which pays attention to the food needs of the people of Aceh for the staple food, namely rice. The government launched the rice program for low-income people (Raskin) in 1990 but changed its name to Rastra (Beras sejahtera) in 2017. This activity aims to help alleviate poverty with cash and non-cash assistance for rice. Poverty is often measured and analysed based on income or expenditure flows. However, Measuring how many people are below the poverty line does not indicate who is poor, why, or whether their material or asset conditions have changed. Information on the stock of assets that underlie and generate income and expenditure flows can be used to answer these questions. Descriptive level and asset information can provide a complete picture of "who" people experiencing poverty are. In Indonesia alone, many Indonesians are vulnerable to poverty. Almost 42 per cent of all Indonesians live between the US\$1 and US\$2 per day poverty line (World Bank, 2006). Vulnerability to poverty is based on probability; the more likely an individual falls below a certain threshold (the poverty line) due to a shock or stress event, the more vulnerable that individual is. Shocks are unexpected events such as death, illness, or accidents; stressful events refer to events that are anticipated to require significant expenditures, such as a wedding, payment of school fees, or purchasing a house. Indonesia is one of the countries with a low well-being index, besides Cambodia and the Philippines (Deutsch et al., 2020).

The government continues to prioritize efforts to improve the welfare of its population through public policies aimed at optimizing natural resource management. One key public policy grounded in Islamic economics is zakat, a form of Islamic philanthropy. This makes it crucial to study the role of food security, the resilience of social assistance programs, and the implementation of zakat in poverty alleviation, all essential for supporting sustainable development. Individuals living in poverty who benefit from these assistance programs are referred to as beneficiary target households (RTS-PM), now known as KPM (beneficiary families). These households are recorded based on updated data from the BPS (Central Statistics Agency) in 2017. This study focuses on the dynamics of rice consumption needs through food assistance, with particular attention to the welfare of farmers and food security in Aceh Province. The service activity aims to present the results of evaluating the importance of sustaining development through government programs, including social assistance and zakat institutions in Indonesia. This analysis is especially urgent in the context of evaluating national programs for development sustainability during times of crisis and pandemic.

## 2. Materials and Methods

On 20 June 2023, an online seminar and community engagement activity were conducted under the Faculty of Business and Economics auspices at the University of Malaya. The event focused on the "Development Economics" theme, featuring discussions on poverty alleviation and sustainable development led by lecturers from Malaysia and Indonesia. Concurrently, students from both countries participated in discussions on entrepreneurship issues in Malaysia and Indonesia, presenting the findings of their respective research studies. This article specifically examines the study presented by the Indonesian team, represented by Suriani, a lecturer at the Faculty of Economics and Business, Syiah Kuala University, Indonesia, and Nur Annizah Ishak, a lecturer at the Faculty of Business and Economics, University of Malaya, Malaysia. Their study explored strategies for poverty alleviation through community empowerment, particularly emphasizing the roles of zakat and social assistance as mechanisms for achieving sustainable development. The seminar provided an interactive platform for knowledge exchange, with participation from both lecturers and students from the two countries. Feedback on the presentation was obtained through questions and discussions, which facilitated a more comprehensive understanding of the intersection between zakat, social

assistance, and sustainable development. This collaborative dialogue enriched the discourse and underscored the potential of integrating zakat and social assistance as effective poverty alleviation strategies within the broader framework of sustainable development goals.

### 3. Results

The role of zakat and social assistance in sustainable development lies in their potential to address socio-economic challenges while fostering long-term prosperity and stability—Zakat as a redistribution mechanism (Ayuniyyah et al., 2018, Suriani et al., 2020, and Azzahra et al., 2023). As a fundamental pillar of Islamic economics, Zakat serves as a mechanism for redistributing wealth from those who have more to those in need. By ensuring that wealth is circulated within society, zakat can help mitigate poverty and inequality, thus contributing to social stability and cohesion. Social assistant for vulnerable communities. Social assistance programs are vital in supporting vulnerable communities, including the poor, elderly, and disabled. When designed effectively, these programs can enhance the resilience of individuals and communities against economic shocks and hardships, promoting sustainable development, food security and poverty alleviation. Addressing food insecurity is essential for sustainable development, as it directly impacts individuals' and communities' health, productivity, and well-being. By integrating zakat and social assistance into initiatives to improve food security, governments can effectively alleviate poverty and promote sustainable livelihoods. Enhancing resilience and empowerment: Zakat and social assistance programs provide immediate relief and contribute to building resilience and empowerment among recipients. By investing in education, skills training, and entrepreneurship development, these programs can help individuals break the cycle of poverty and become active contributors to their communities' development. Supporting sustainable development goals (SDGs); Zakat and social assistance align with various Sustainable Development Goals (SDGs), including poverty eradication, zero hunger, and reducing inequalities. By incorporating these principles into national development strategies, governments can accelerate progress towards achieving the SDGs and building a more inclusive and sustainable future for all.

Discussion on whether zakat and social assistance do not make people spoiled. They do not want to be independent because of the distribution of zakat and social assistance. In order to answer this question, the study will explore the form of zakat and social assistance provided. Zakat that is distributed can be in the form of cash and non-cash form in the form of working capital. Similarly, many forms of distribution are provided for social assistance, such as direct assistance in cash and non-cash forms in food, which is a basic need. Also, in health and education assistance, the zakat recipients and social benefits data will be evaluated annually. Households already established in the sense of moving out of the poor group will no longer receive zakat and social assistance. Although it is feared that the provision of zakat and social assistance can make recipients spoiled and lazy to be independent, this can be prevented by various requirements and characteristics imposed on the community. Community empowerment through providing zakat and consumptive zakat is achieved through productive zakat to manage capital. Mustahik is trained in specific skills so that the capital owned is proper. In addition, Baitul maal assists dhu'afa houses for mustahik and provides educational scholarships (e.g., in Aceh Province).



**Figure 1.** Discussing the Community Services Program

For social assistance, the government provides direct cash assistance for food risk mitigation, known as "BLT". The benefits can help people experiencing poverty to fulfil their monthly food needs. Other social assistance programs for beneficiary families are the 10 Kg rice assistance every month, the Family Hope Program (PKH) and Non-cash Food Assistance (BPNT). Every poor household that is officially recorded will receive one social assistance program. This means the state has carried out its duty to reduce the burden on low-income people to meet basic needs, education, and health. Furthermore, it is accompanied by activities to improve residents' skills in their villages.

Zakat and social assistance are very useful when Indonesia is experiencing COVID-19. Zakat and social assistance are very important for the population; they can still fulfil their basic food needs even though they cannot work because they have lost their jobs. Some people also do not receive daily income because they cannot work usually due to the lockdown. People with low incomes will always exist, causing the natural unemployment rate to exist. However, this condition must not cause development to stop or be disrupted. Therefore, various social activity programs that support the population's welfare can continue to realise the welfare of a just and prosperous society.

The results and discussion led to several key recommendations for improving the distribution of zakat and social assistance programs. First, a targeted approach is essential, focusing on identifying and prioritizing vulnerable groups such as people living in poverty, widows, orphans, individuals with disabilities, and marginalized communities. The distribution mechanisms should be tailored to ensure that assistance reaches those most in need. Additionally, transparent and accountable processes must be established, with clear criteria for determining eligibility and distributing funds. Mechanisms for accountability and oversight should be implemented to prevent misuse or misallocation of resources, ensuring the integrity of the programs. Regular needs assessments are also crucial to understand beneficiaries' evolving circumstances and adapt programs accordingly. Utilizing data-driven decision-making will help ensure that resources are allocated effectively, directing assistance where needed. Moreover, community participation is vital to the success of these programs. Involving local communities, religious leaders, and civil society organizations in designing, implementing, and monitoring zakat and social assistance programs will foster ownership and enhance the programs' effectiveness and sustainability.

Beyond financial support, it is important to offer holistic services, including access to healthcare, education, vocational training, and livelihood opportunities, empowering beneficiaries to improve their socio-economic status and break the cycle of poverty. Investing in capacity-building initiatives is also key to enhancing the skills of beneficiaries, enabling them to become self-reliant and productive members of society. Finally, zakat and social assistance programs should align with broader development goals, including national poverty reduction strategies and the Sustainable Development Goals (SDGs), ensuring synergy with other development interventions for maximum impact. These recommendations aim to improve the efficiency, effectiveness, and sustainability of zakat and social assistance programs, contributing to long-term poverty alleviation and sustainable development. World developments in technology also need to be considered (9). Technology and innovation (Triyowati et al., 2019; Wahyudi et al., 2024): Explore innovative approaches, including using technology such as mobile banking and digital platforms, to improve the efficiency, transparency, and accessibility of zakat and social assistance distribution. Leverage technology to reach remote and underserved populations more effectively; (10). Monitoring and evaluation (Kabonga, 2019): Establish robust monitoring and evaluation mechanisms to assess the effectiveness and impact of zakat and social assistance programs. Regularly review performance indicators, collect feedback from beneficiaries, and make necessary adjustments to improve program outcomes; and (11). Collaboration and coordination (Reeves et al., 2018): Foster collaboration and coordination among government agencies, non-governmental organisations (NGOs), religious institutions, and other stakeholders involved in zakat and social assistance delivery. Enhance coordination to avoid duplication of efforts and maximise resources for a more significant collective impact.

#### 4. Conclusions

Poverty alleviation is an ongoing process critical to ensuring populations' welfare and prosperity. To effectively address poverty, it is essential to implement consistent and sustainable strategies. Social assistance programs offered by governments and the distribution of zakat among Muslims are key mechanisms in reducing poverty levels year after year. These efforts, however, must be executed continuously, with a clear focus on measurable outcomes and well-defined priority targets. Without such an approach, there is a risk of inefficiency, misallocation of resources, and failure to reach the most vulnerable populations. They must be carefully monitored and evaluated to minimize these risks and maximize the effectiveness of poverty alleviation programs. Regular assessment of both zakat distribution and government social assistance programs is necessary to ensure that resources are allocated appropriately and reach those most need them. Transparency in reporting the progress and impact of these initiatives is crucial to building trust among stakeholders and guiding future decisions regarding the direction of these programs. Monitoring and evaluation provide the necessary feedback to adjust strategies, ensuring these efforts continue serving their intended purpose.

Furthermore, addressing poverty is about immediate relief and empowering individuals and communities to break free from the cycle of poverty. The ultimate goal of poverty reduction is to create opportunities for self-sufficiency, enabling beneficiaries to become independent and capable of improving their own lives. One of the most effective ways to achieve this is through equitable income distribution, ensuring that resources are shared more fairly across society. Zakat, as a form of wealth redistribution, plays a significant role in this process, as it allows for a direct transfer of resources from wealthier Muslims to those in need. Similarly, government social assistance programs help provide the necessary safety net for marginalized groups, fostering greater economic equality. The long-term success of poverty alleviation efforts depends on a comprehensive approach combining financial support with initiatives to build sustainable livelihoods. It is not enough to provide short-term financial aid; there must also be an emphasis on capacity-building

and skills development to enable individuals to lift themselves out of poverty. Educational programs, vocational training, and access to healthcare and other social services are integral to helping people experiencing poverty overcome their challenges. Poverty alleviation programs can create lasting change and break the generational cycle of poverty by empowering people with the tools and knowledge they need to succeed.

Thus, poverty alleviation is a complex but necessary task that requires ongoing attention, strategic planning, and collaboration between governments, institutions, and communities. When implemented effectively, social assistance programs and zakat distribution can significantly reduce poverty and improve welfare outcomes. However, these efforts must be continuously assessed and refined to ensure they are both efficient and effective. With a focus on transparency, targeted distribution, and long-term empowerment, poverty reduction strategies can create a more equitable society and help individuals escape the cycle of poverty, ultimately contributing to broader social and economic development.

**Author Contributions:** Conceptualization, S.S. and S.Y.; methodology, S.S.; software, S.S.; validation, K.U., E.N., S.N., C.S., A.M., K.K., H.K. and N.A.I.; formal analysis, S.S.; investigation, S.S., S.Y., K.U. and E.N.; resources, C.S., A.M., K.K. and H.K.; data curation, C.S., A.M., K.K., H.K. and N.A.I.; writing—original draft preparation, S.S. and S.Y.; writing—review and editing, S.S., S.Y., K.U., E.N., S.N., C.S., A.M., K.K., H.K. and N.A.I.; visualization, C.S.; project administration, S.S.; funding acquisition, S.S. All authors have read and agreed to the published version of the manuscript.

**Funding:** This research received no external funding.

**Institutional Review Board Statement:** Not applicable.

**Informed Consent Statement:** Informed consent was obtained from all subjects involved in the study.

**Data Availability Statement:** Not applicable.

**Acknowledgments:** The authors would like to thank Universitas Syiah Kuala, Indonesia and Universiti Malaya, Malaysia for supporting this research and publication. The authors would also like to thank the reviewers for their constructive comments and suggestions.

**Conflicts of Interest:** The authors declare no conflict of interest.

## References

- Adekoya, O. D. (2018). Impact of Human Capital Development on Poverty Alleviation in Nigeria. *International Journal of Economics & Management Sciences*, 7(4), 904–915. <https://doi.org/10.4172/2162-6359.1000544>
- Ansari, S., Munir, K., & Gregg, T. (2012). Impact at the 'bottom of the pyramid': The role of social capital in capability development and community empowerment. *Journal of Management Studies*, 49(4), 813–842.
- Ayuniyyah, Q., Pramanik, A. H., Saad, N. M., & Ariffin, M. I. (2018). Zakat for Poverty Alleviation and Income Inequality Reduction. *Journal of Islamic Monetary Economics and Finance*, 4(1), 85–100. <https://doi.org/10.21098/jimf.v4i1.767>
- Azzahra, F., Majid, M. S. A., & Suriani. (2023). Do zakat and price stability matter for poverty reduction in Indonesia? 2023 *International Conference on Decision Aid Sciences and Applications (DASA)*, 630–634.
- Brian, K. (2007). *OECD Insights Human Capital How what you know shapes your life: How what you know shapes your life*. OECD publishing.
- Gilder, G. (2012). *Wealth and poverty: A new edition for the twenty-first century*. Simon and Schuster.
- Graff Zivin, J., & Neidell, M. (2013). Environment, health, and human capital. *Journal of Economic Literature*, 51(3), 689–730.
- Kabonga, I. (2019). Principles and Practice of Monitoring and Evaluation : A Paraphernalia for Effective Development. *Africanus: Journal of Development Studies*, 48(2), 1–21. <https://doi.org/10.25159/0304-615x/3086>
- Moyo, C., Mishi, S., & Ncwadi, R. (2022). Human capital development, poverty and income inequality in the Eastern Cape province. *Development Studies Research*, 9(1), 36–47. <https://doi.org/10.1080/21665095.2022.2032236>
- Reeves, S., Xyrichis, A., Zwarenstein, M., Reeves, S., & Xyrichis, A. (2018). Teamwork , collaboration , coordination , and networking : Why we need to distinguish between different types of interprofessional practice distinguish between different types of interprofessional practice. *Journal of Interprofessional Care*, 32(1), 1–3. <https://doi.org/10.1080/13561820.2017.1400150>
- Roxas, S. K., & Ungson, G. R. (2011). From Alleviation to Eradication: A Reassessment of Modernization, Market-Based, and Communitarian Solutions to Global Poverty. *Poverty & Public Policy*, 3(2), 1–25.
- Saegert, S., Thompson, J. P., & Warren, M. R. (2002). *Social capital and poor communities*. Russell Sage Foundation.
- Salih, M. A. R. M. (2009). *Climate change and sustainable development: New challenges for poverty reduction*. Edward Elgar Publishing.

- Shaikh, S. A., & Ismail, A. G. (2017). Role of Zakat in Sustainable Development Goals. *International Journal of Zakat*, 2(February), 1–9.
- Suriani, Nurdin, R., & Riyaldi, M. H. (2020). Optimizing the role of Zakat institutions for sustainable development goals ( A study on Baitul Mal Aceh ). *4th International Conference of Zakat Proceedings*, 339–354.
- Suriani, S., Riyaldi, M. H., Nurdin, R., Fadliansah, O., & Wintara, H. (2021). Zakat and Sustainable Development: Effect of Zakat and Macroeconomic Variables on Dependency Ratio and Poverty. *International Conference on Decision Aid Sciences and Application, DASA 2021, April 2022*, 392–396. <https://doi.org/10.1109/DASA53625.2021.9682377>
- Suriani, & Sartiyah. (2020). Do food assistance and welfare of rice farmers affect food security? *DLSU Business and Economics Review*, 30(1), 143–153.
- Suriani Suriani, AH, D. S., Rizki, C. Z., & Majid, M. S. A. (2018). Analysis of food demand elasticity of rice for the poor in Aceh, Indonesia: An almost ideal demand system approach. *DLSU Business and Economics Review*, 27(2), 179–189.
- Triyowati, H., Masnita, Y., & Khomsiyah, K. (2019). Social & Financial Inclusion Activities And It's Impact On Improving The Welfare Of Society. *Proceedings of the Proceedings of the 1st International Conference on Economics, Management, Accounting and Business, ICEMAB 2018, 8-9 October 2018, Medan, North Sumatra, Indonesia*, 1–11. <https://doi.org/10.4108/eai.8-10-2018.2288682>
- Wahyudi, I., Amalia, E., & Rini. (2024). Revamping tradition with Tech : Guiding innovation in zakat for social good. *Al-Risalah*, 15(1), 23–40. <https://doi.org/10.34005/alrisalah.v15i1.3497>
- Yapa, L. (1996). What causes poverty?: A postmodern view. *Annals of the Association of American Geographers*, 86(4), 707–728.