Muslim Philanthropy and Human Development: Replicable Lessons from the Gulf

Sami Hasan, Abdulaziz El Jaouhari

UAE University, Al Ain, United Arab Emirates

Muslim Philanthropy and Human Development: Replicable Lessons from the Gulf

Charity has been ‘the outstanding social pillar of Islam’ enabling individuals’ efforts to be steered towards a common goal (Benthall, 1999). Purposeless act of charity is thus unacceptable (Ali, 1938, note 322). For Muslims, philanthropy is, therefore, much more suitable than the concept of charity. Sharing, reciprocity and charity are essential requirements in demonstrating virtue in this life in preparation for the next following the individual’s ultimate accountability before the Creator on the day of final judgement (Mehmet, 1997), so charity is a form of prayer (Benthall, 1999).

Islam promotes charity in different forms: obligatory charitable wealth tax (zakat ul mal), obligatory ushr on agriculture produce, obligatory festival charity (zakatul fitr), non-obligatory ‘festival of sacrifice’ charity, or non-obligatory alms (sadaqa), as well as through the formation of charitable foundations (waqf) that produces Heavenly rewards as long as the usufruct serves public benefits.

Zakat ul mal (zakat in short) is the major form of philanthropy in Islam and has a large potential for philanthropic sector development in Muslim polities. In the recent past improvements in different countries in zakat management have seen much improvement in the quantity and quality of use of zakat funds. The methods like professionalization of zakat collection with the use of private companies, simplification of collection through payroll system, entwining of zakat payment with tax system, community participation in needs auditing and distribution planning, financial reporting and minutes recording have immensely improved zakat management and accountability system, and the human and social development impacts of philanthropy in Muslim countries and/or communities (Hasan, 2007).

Experiences from different communities also show that waqf funds, in many countries, have been used mostly for three main purposes related to social and human development, for example, urban services, education, and health and hygiene. There have been many recent examples of modifying relevant codes in increasing the effectiveness of philanthropic activities targeting human and social development with the use of charity funds, within the basic framework of Muslim philanthropy.

Though many countries in the Arab/Persian Gulf region (eg. Kuwait, Qatar, United Arab Emirates) have been in the forefront of improving both the management practices of philanthropic activities, and the approaches for ensuring high impacts of philanthropic funds on social and human development, no significant work is available for comprehending the benefits and their applicability in other situations. This work endeavours to fill in that gap.

This paper will be based on official documents and publications of philanthropy regulatory bodies in selected countries in the region to delineate the basic changes in the codes, and reports of some implementation agencies to ascertain the practices involved in increasing the social and human development impacts of funds for philanthropy. Some information and data will be collected through interviews of officials related to the management of philanthropy in selected countries in the region.

The analyses of new developments in Muslim philanthropy is likely to help different societies, especially in liberal democracies, to chalk out better ways of using charity dollars (because at present almost no data is available to find out, for example, how millions of dollars of zakat-ul-fitr money, about $5/person during the Eid ul fitr festival, is used). The work will endeavour to provide answers, from experiences in selected countries, for questions like can and how the earnings from zakat ul mal or awqaf provide high impact social and human development support to poor people? How the charity dollars given by individuals in good faith can be stopped from being used for unproductive or undesired activities? The work will thus have theoretical as well as practical significance, and international relevance.

Bibliography


