Conferences, Seminars, and Addresses

The Third International Zakah Conference

Kuala Lumpur, Malaysia

Shawwal 19-22, 1410/May 14-17, 1990

The first International Zakah Conference was held in Kuwait in 1984 (1404 H) at the invitation of Kuwait Zakah House. The second International Zakah Conference was held in Riyadh, Kingdom of Saudi Arabia, in 1986 (1406 H), at the invitation of the Zakah and Income Tax Department of the Kingdom. The Third International Zakah Conference, held in Kuala Lumpur, Malaysia, intended to achieve the following goals:

- To provide a comprehensive picture of different socioeconomic and organizational dimensions of Zakah institutional systems currently operating in Muslim countries and communities.
- ii) To study the economic significance of various institutional frameworks.
- iii) To focus on the effects of the mandatory payment of Zakah to the state.
- iv) To compare different systems of Zakah collection and disbursement in use in different IDB member countries.
- v) To provide a forum for exchange of views and sharing of experiences of Zakah administration both for scholars and administrators.

The principal theme of the Third International Zakah Conference was the institutional framework of Zakah.

The conference was jointly organized by: i) Islamic Research and Training Institute (IRTI) of IDB, Jeddah, ii) Islamic Affairs Division, Minister of Religious Affairs in the Office of the Prime Minister of Malaysia, iii) Zakah and Income Tax Department, Ministry of Finance and National Economy, Kingdom of Saudi Arabia, iv) Zakah House, Kuwait, and v) International Shari'ah Board for Zakah, Kuwait.

The conference began with a welcome address on behalf of the President of the Islamic Development Bank, Jeddah. The address highlighted the importance of the conference in contributing toward the establishment of a more effective Zakah system in the Muslim Ummah. Mr. Abdul Ghafar bin Baba, Deputy Prime Minister of Malaysia, in his opening speech, emphasized the potential of Zakah in eradicating poverty in the Muslim world in general and Malaysia in particular.

The first session was chaired by Dr. Al Sheikh Mohamad Al Habib bin Khoja, OIC Fiqh Academy, Jeddah. In this session H.E. Dr. Hamid Al-Ghabid, Secretary General of OIC, gave the keynote speech of the conference. He noted that in addition to being an *'ibādah*, the economic function of Zakah is to reduce disparity between the rich and the poor in the society. He also pointed out that the Islamic Solidarity Fund (ISF), established by the OIC, has also been authorized to collect Zakah by virtue of a fatwa obtained to this effect. The Zakah funds so collected are to be disbursed both in Muslim majority and Muslim minority countries according to the Shari'ah criteria.

The second session was chaired by Dr. AbdulHamid AbuSulayman, Rector, International Islamic University, Kuala Lumpur, Malaysia. In this session Mr. Fouad Abdullah Al Omar, Vice President, Islamic Development Bank, Jeddah, presented a paper entitled, "Comparative Study of Zakah Systems: General, Administrative and Organisational Dimensions." The paper presented comparisons of different aspects of Zakah administration in various Muslim countries. It was commented upon by Dr. Abdul Salam Al Abbadi, Director General, Orphan's Property Development Department, Amman, Jordan. The third session was chaired by Dr. Mohamad Omar Zubir, King Abdul Aziz University, Jeddah. In this session two papers were presented: one by Mr. Mohammad Akram Khan of Pakistan, and the other by Mr. Ahmed Ali Al Saouri of Sudan. Both papers dealt with the Shari'ah, administrative and financial control of the Zakah system. Mr. Muhammad Akram Khan's paper was a comparative study of Pakistan and Kuwait, while Mr. Saouri's paper focused on Sudan. Both the papers were commented on by Dr. Mohammad Ata Al Syed of the International Islamic University, Malaysia. The fourth session was chaired by Dr. Abdul Hamid Othman, Director, Islamic Center Malaysia, in which Mr. Abdul Aziz Mohamad Rashid Jomjoum and Mr. Jamal Taufiq Jamaluddin presented a case study of Saudi Arabia.

The fifth session was chaired by Dr. Abdul Sattar Ghaddah of Kuwait. In this session Dr. Ahmad Ali Abdullah of Sudan presented a paper entitled, "Comparative Study of Zakah Systems – Zakah Properties." Hasan Abdullah Al Amin of Saudi Arabia gave the commentary on this paper. The sixth session, chaired by Dr. Abdul Salam Al Abbadi, included a paper by Dr. Abidin Ahmad Sallamah of Sudan entitled "The Practical Economic Results of Compulsion and Non-Compulsion of Zakah Payment." The commentary on this paper was given by Dr. Rida Saadallah of IRTI. The seventh session was chaired by Prof. Dr. Kamal Hassan of IIU, Malaysia. In this session the paper presented was a case study of Zakah administration in Malaysia, jointly authored by a team of six experts of the Kulliyyah of Economics, IIU, Malaysia. The eighth session was chaired by Fadlul Rahman Faridi. In this session Dr. Faid Mohammad of the IIU, Islamabad, Pakistan, presented a paper entitled. "Relationship Between Legal Obligation to Pay Zakah and Voluntary Expenditure." This paper raised some interesting issues and provided empirical data as evidence. The commentary on this paper was given by Muhammad Arif, IIU, Malaysia. The ninth session was chaired by Monzer Kahf. In this session two papers were presented; one by Fadlul Rahman Faridi and the other by Abdul Qader Dhahi Al-Ajeel of the Kuwait Zakah House. Faridi's paper was entitled, "An Analysis of Zakah System in India: Its Collection and Distribution." Abdul Qader's paper was entitled, "A Study on the Activities of Zakah Institutions that are based on Non-Compulsory Payment of Zakah-Case of Kuwait Zakah House." Both the papers were commented on by Dr. Mohamad Ali Al-Qari of Saudi Arabia, and generated interesting discussion. Dr. Faridi's paper and its data was of special interest as it focused on the Muslim minority situation. Abdul Qadir's paper provided the information that in certain cases the Kuwait Zakah House uses its funds for disbursement outside of Kuwait, i.e., in the Arab and Muslim countries as well, and helps the genuinely deserving who meet the Shari'ah criteria.

The tenth session, chaired by Abdul Qadir Al Ajeel, included a paper by Abdul Rahman Al Sumait of Kuwait entitled, "Comparative Study of the Efforts of Zakah Organizations with Regard to Information Awareness." It was commented upon by Adil Al Fallah.

The eleventh session, chaired by Mohamad Ali Al Qari, consisted of a paper by Mr. Pervez Ahmad Butt, entitled, "Zakat Collection: A Case Study of Pakistan." The twelfth session was chaired by H.E. Al Sheikh Yusof Al Hajji, Kuwait. In this session Monzer Kahf presented a paper entitled, "The Practical Models for Zakah Collection and Disbursement." The paper was an extensive analytical study of different models of Zakah systems being administered in various Muslim countries. Its comparative approach contributes to one's understanding of the strengths/weaknesses of various models that are currently being applied in different Muslim countries. The commentary on this paper was given by Abdul Sattar Abu Ghaddah. The thirteenth session was chaired by Hassan Abdullah Al Amin. In this session two country case studies were presented; one on Sudan and the other on Yemen. Mohamad Ibrahim Mohamad's presentation was on the Sudan, while Mohamad Yahya Al-A'di's on Yemen.

Observations:

From the conference papers and the discussions of the participants following four main observations can be derived:

- i) The issues discussed in and raised by the papers show that Zakah administration in the Muslim world is going through a process of learning by doing. In view of this phenomenon, such international conferences provide a very effective forum for the Shari'ah experts, economists, and administrators to share experiences and views with each other and improve the efficiency of the system in their respective countries.
- ii) There seems to be a general sentiment favoring the government-administered Zakah system.
- iii) Those involved in actual Zakah administration and/or its study are feeling the challenge and are eager to learn from each others' experiences.
- iv) If a government-administered Zakah system is strictly implemented and is actually able to collect the full potential of Zakah, then the future of those private charitable organizations which provide tangible services to the society and are mainly supported by Zakah funds will have to be seriously considered. The role of *sadaqāt* in such a situation becomes even more important.

Muhammad Arif Faculty of Economics International Islamic University Kuala Lumpur, Malaysia.

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