

Role of Zakat and Awqf in Socioeconomic Development of Pakistan: Exploring the Issues and Challenges

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Abstract : The motivation behind this paper is to focus the need of Zakat as a monetary framework with a specific end goal and as a social equity instrument and minimization of the level of poverty in society to assess the socioeconomic development. The procedure of the study includes investigating the applied system of Islamic economics to propose an option display so as to contribute fundamentally to the Ummah and serving the countries. This paper closes to be viewed Zakat as one of the best possible strategies to quantify the socioeconomic development, which implies when individuals pay Zakat the socioeconomic development level will be higher and vice versa. The duties of Muslims to pay Zakat to accomplish practical improvement as far as wealth redistribution in the middle of Muslims and in addition overcoming any and all hardships between the rich and the poor in the general public. The paper adds to consider Zakat as an index to gauge economic development, moreover, the part of Zakat as an instrument of social equity and neediness destruction in the public eye. By and large, this includes the installment every year of more than two percent of one's capital after the needs of the family have been met.

Keywords : Zakat, Waqf, economic development, Pakistan, Islamic economics, macroeconomics, microeconomics

Conference Title : ICIBFI 2016 : International Conference on Islamic Banking, Finance and Investment

Conference Location : Zurich, Switzerland

Conference Dates : January 12-13, 2016