

**THE RELATIONSHIP BETWEEN POVERTY
ELIMINATION AND ASNAF ENTREPRENEURIAL
SCHEME**

YUSRINADINI ZAHIRAH BT MD ISA @ YUSUFF

UNIVERSITI UTARA MALAYSIA

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2011

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ABSTRACT

This study investigates the relationship between poverty elimination and asnaf entrepreneurial scheme. It attempts to examine the economic role of zakah through asnaf entrepreneurial scheme to reduce income inequalities or poverty. A research model was developed based on previous study and observation. The target population of this study is the participants of asnaf entrepreneurial scheme in Kedah. A structured questionnaire was constructed to collect necessary data to answer the research questions. The problem in conducting this study was the limited resources from the previous study. The other problem is the number of participant in asnaf entrepreneurship scheme is quite small and it is difficult to reach them as they reside in different district. The objectives of this study are to examine the relationship on how asnaf entrepreneurial scheme towards poverty elimination. This study used the quantitative method involving 60 participants of asnaf entrepreneurial scheme conducted by Jabatan Zakat Negeri Kedah. The study revealed that the three approaches (Poverty Elimination, Asnaf's Quality of Life and Human Capital) did not truly have a positive relationship with asnaf entrepreneurial scheme. The study found that asnaf entrepreneurial scheme reduces poverty. However, the analyses revealed that asnaf entrepreneurial scheme did not really help asnaf's quality of life and their personal awareness (human capital).

ABSTRAK

Kajian ini bertujuan untuk menyelidik hubungan antara penghapusan kemiskinan dan skim keusahawanan asnaf. Ia bertujuan untuk menganalisis peranan institusi zakat melalui skim keusahawanan asnaf dalam mengurangkan ketidakseimbangan agihan pendapatan dan mengatasi kemiskinan. Model kajian telah dibangunkan berdasarkan kajian terdahulu dan pemerhatian. Populasi sasaran kajian terdiri daripada peserta-peserta skim keusahawanan asnaf negeri Kedah. Soalan kaji selidik telah dibentuk untuk mendapatkan data bagi menjawab soalan-soalan penyelidikan. Masalah yang dihadapi semasa menjalankan kajian ini adalah sumber kajian terdahulu yang sangat terhad. Selain itu, masalah lainnya ialah bilangan peserta skim keusahawanan asnaf yang agak sedikit dan kesukaran untuk menghubungi peserta ini kerana perbezaan daerah tempat tinggal. Objektif kajian ini adalah untuk menentukan hubungan bagaimana skim keusahawanan asnaf terhadap penghapusan kemiskinan. Kajian ini menggunakan kaedah kuantitatif melibatkan 60 orang peserta skim keusahawanan asnaf dibawah kelolaan Jabatan Zakat Negeri Kedah. Hasil kajian mendapati bahawa tiga kaedah yang digunakan (Penghapusan Kemiskinan, Peningkatan Kualiti Hidup Asnaf dan Modal Insan) tidak memberi hubungan yang positif dalam skim keusahawanan asnaf. Kajian mendapati skim keusahawanan asnaf dapat menghapuskan kemiskinan. Akan tetapi, dapatan kajian menunjukkan skim keusahawanan asnaf seakan tidak membantu peningkatan kualiti hidup asnaf dan kesedaran diri atau modal insan mereka.

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List of Abbreviations

Abbreviations

ADP	: Annual Development Program
DEB	: Dasar Ekonomi Baru
DV	: Dependent Variable
HIPC	: Highly Indebted Poor Countries
IIUM	: International Islamic University Malaysia
JZNK	: Jabatan Zakat Negeri Kedah
KUIN	: Kolej Universiti Insaniah
LDC	: Least Developed Countries
LZS	: Lembaga Zakat Selangor
MAINS	: Majlis Agama Islam Negeri Sembilan
MAIWP	: Majlis Agama Islam Wilayah Persekutuan
MARA	: Majlis Amanah Rakyat
MECD	: Ministry of Entrepreneur and Co-operative Development
NEP	: New Economic Policy
PSZ	: Lembaga Zakat Selangor
PUSBA	: Pusat Bimbingan Dan Latihan Saudara Baru
PUZ	: Pusat Urus Zakat
SAW	: Sallallahu ‘Alaihi Wasallam
SPSS	: Statistical Package for Social Sciences
SWT	: Subhanahu Wa Ta’ala
TEKUN	: Tabung Ekonomi Kumpulan Usaha Niaga
UM	: Universiti Malaya
UUM	: Universiti Utara Malaysia

CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter discusses on the overview of research background and field of study. The problem statement is focusing on the areas of *zakah* as a main feature to eliminate poverty through business. Moreover, this chapter also draw attention on the research questions, research objectives, scope of study and significant of the research. On the other hand, this research aims to review the concept of *zakah*, *asnaf* and entrepreneurial development using *zakah* funds in Malaysia.

1.2 Background of Study

Azhar Nadeem (2010) expressed that *zakah* is the “right” of poor in wealth of rich. Payers of *zakah* do not oblige poor by giving *zakah* rather they just give them due “right”. Islam has compulsory this obligation as one of the five pillars of Islam. Someone who does not believe on any of these five pillars should not claim themselves as Muslim. It has been proof that *zakah* is really important in Islam as Allah has emphasized it several times in his Holy Quran:

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