



Entrepreneurship as a catalyst for welfare improvement in kampung zakat communities in Indonesia

Misbahuddin

Postgraduate, Dirasah Islamiyah / Law, Alauddin State Islamic University Makassar, Indonesia

Abstract

Kampung Zakat (Zakat Villages) in Indonesia represent a strategic initiative aimed at alleviating poverty and improving welfare through the productive use of zakat funds. Despite their potential, many of these communities still face socio-economic challenges due to limited economic opportunities and over-reliance on consumptive aid. This study explores the role of entrepreneurship as a sustainable mechanism for improving the welfare of Kampung Zakat communities. The research aims to identify how entrepreneurial development, supported by zakat-based funding and capacity-building programs, can transform beneficiary communities from passive recipients into active economic agents.

Using a qualitative approach, this study employed case studies from several Kampung Zakat locations across Indonesia. Data were collected through in-depth interviews with program beneficiaries, zakat institution managers, and local leaders, alongside direct observations and document analysis. The findings reveal that when zakat is strategically allocated for entrepreneurial activities—such as microbusiness development, vocational training, and market access support—it significantly contributes to income generation, financial independence, and social empowerment.

However, success varies across regions due to differences in implementation strategies, community engagement, and institutional support. The study highlights that strong mentorship, continuous monitoring, and collaboration between zakat institutions, local governments, and private sector actors are critical to maximizing impact. The research concludes that entrepreneurship, when integrated into zakat-based poverty alleviation frameworks, holds substantial promise for sustainable welfare improvement. It recommends policy alignment, capacity building, and innovation in zakat distribution models to enhance long-term outcomes in Kampung Zakat communities.

Keywords: Zakat, Entrepreneurship, Community Welfare, Poverty Alleviation, Kampung Zakat, Social Empowerment, Islamic Philanthropy, Sustainable Development

Introduction

Poverty and economic inequality remain pressing challenges in Indonesia despite decades of growth and development. According to the latest data from BPS (Statistics Indonesia), in March 2023, there were approximately 25.90 million people living below the national poverty line, which represented about 9.36% of the population. puskas.baznas.go.id.puskasbaznas.com+1 Although this is a slight decline compared to previous years (−0.21 percentage points from September 2022), the number still underscores deep structural barriers for many Indonesians. puskas.baznas.go.id.puskasbaznas.com+1

One of the mechanisms through which Indonesia has sought to reduce poverty and improve welfare among disadvantaged groups is the zakat system. Zakat is an Islamic obligatory almsgiving, which when managed and distributed appropriately, has the potential not only to provide relief but to empower communities. Recent reports from BAZNAS (Badan Amil Zakat Nasional) show that zakat is explicitly mandated under Law No. 23 of 2011, which stipulates that zakat management aims at realizing community welfare and alleviating poverty. puskas.baznas.go.id.puskasbaznas.com+1

Moreover, during the COVID-19 pandemic, zakat institutions in Indonesia reportedly helped over 1,145,636 people to escape poverty, increasing mustahik (beneficiaries) incomes via zakat distribution; in that period, the poverty alleviation impact was estimated at about 4.14% reduction in poverty via zakat distribution. journal.uinjkt.ac.id

However, distributing zakat in traditional “relief” modes (cash transfers, consumptive aid) often provides only short-term benefits. The concept of *productive zakat* or zakat used for income generation, capacity building, or entrepreneurship is increasingly recognized as having greater potential for sustainable welfare improvement. In particular, the “Kampung Zakat” (Zakat Villages) initiative, supported by zakat institutions such as BAZNAS and local government partnerships, seeks to turn zakat recipients (mustahiks) into active agents of development, through economic empowerment, vocational training, business incubation, and other entrepreneurship-oriented initiatives. For example, the “Productive Goat Livestock Village” program by Baznas Gresik, which provides assistance for livestock entrepreneurship to poor rural villagers, is one such case. journal.uinjkt.ac.id

Prior Literature

Several strands of research are relevant for this study:

1. Zakat, poverty alleviation, and welfare metrics

Analyses of zakat’s macro-impact show that zakat, along with other socio-economic indicators like income and the Human Development Index (HDI), has a negative (i.e. poverty-reducing) relationship with poverty levels in Indonesia over time. Journal Portal+2Journal Portal+2 Efficiency studies of zakat fund management (i.e. how well zakat institutions collect and distribute funds) have also been conducted: for instance, a study using DEA (data envelopment analysis) found that BAZNAS and LAZNAS (other

zakat institutions) had an average technical efficiency of about **80.30%**, meaning there is room for optimization. InderScience Online

2. Community-based entrepreneurship and economic welfare

There are empirical studies showing that entrepreneurship development programs contribute positively to rural welfare. For example, a study in Makassar examined how community-based entrepreneurship programs improved economic welfare in rural areas, identifying success factors such as local participation, access to markets, and skill training. Vivat Academia Also, “The Role of Entrepreneurship Intention as a Mediation between Productive Zakat and Mustahiq’s Welfare in Bekasi” found that productive zakat positively influences welfare, mediated by entrepreneurial intention among beneficiaries. Sloop

3. Kampung Zakat and related initiatives

The “Kampung Zakat” program in various villages (for instance, Oesalaen Village, East Nusa Tenggara) is aimed at holistic welfare improvement — not just economic, but also in health, education, and social life — using local wisdom, stakeholder participation, and sustainable empowerment models. Gema Perencana Another study, “Kerjasama Pemerintah Desa dan Kampung Zakat...” emphasizes how partnerships with village governments and digital tools for entrepreneurship help in enhancing well-being in these communities.

Research Gaps

Despite the growing literature, there remain several gaps:

- Many studies focus on the **macro or institutional level** (e.g. zakat policy, fund efficiency, poverty statistics), less on the *micro-dynamics* of entrepreneurship in Kampung Zakat: how it is implemented on the ground, what barriers exist for mustahiks trying entrepreneurial ventures, and what differentiates successful villages from less successful ones.
- There is limited longitudinal or comparative data showing welfare trajectories *before and after* entrepreneurship initiatives in Kampung Zakat settings, in order to establish causality or strong associations.
- The role of institutional support (local government, zakat institutions, private sector), mentorship, social capital, market access, and digital infrastructure in mediating the effectiveness of entrepreneurship is not sufficiently unpacked in many cases.
- There is also relatively less attention to non-economic welfare dimensions (social inclusion, empowerment, well-being, dignity) alongside income, in Kampung Zakat contexts.

Research Objectives and Questions

Given the above, this study aims to fill these gaps by focusing specifically on Kampung Zakat communities, examining how entrepreneurship can serve as a catalyst for welfare improvement. The main objectives of the research are:

1. To investigate how entrepreneurship programs are structured and implemented in Kampung Zakat communities.

2. To assess the impact of such entrepreneurial initiatives on welfare outcomes of beneficiaries (economic, social, psychological).
3. To identify success factors and challenges in the integration of entrepreneurship into zakat-based community development — including the roles of institutional support, social capital, access to markets, and resources.
4. To derive recommendations for policy and practice to enhance the effectiveness of Kampung Zakat programs with entrepreneurship.

Some possible research questions (to guide empirical inquiry) are:

- How do entrepreneurship initiatives in Kampung Zakat villages influence income, economic independence, and poverty status of mustahik households over time?
- What are the social and non-monetary welfare effects (e.g., self-esteem, social inclusion, empowerment) for participants engaged in entrepreneurship?
- What institutional, infrastructural, and contextual barriers hinder entrepreneurship among mustahik in Kampung Zakat?
- How can zakat institutions, local government, and other stakeholders collaborate to optimize the design and delivery of entrepreneurship-based welfare programs in Kampung Zakat settings?

Scope and Structure of the Paper

This research focuses on selected Kampung Zakat villages across different provinces in Indonesia, representing varying socio-economic, geographic, and cultural contexts. The data will include both quantitative measures (income changes, poverty status, other welfare indicators) and qualitative insights (interviews, case studies, beneficiary perceptions). The time frame includes pre- and post-intervention periods where possible.

The structure of the paper is as follows:

- **Section II:** Reviews the relevant literature in detail, covering zakat theory, entrepreneurship and welfare, and models of productive zakat and community empowerment.
- **Section III:** Describes the research design and methods: site selection, data collection (interviews, surveys, document analysis), measurement of welfare, and analytical approaches.
- **Section IV:** Presents the empirical findings: implementation patterns, welfare outcomes, and case comparisons.
- **Section V:** Discusses the findings in light of literature and theory, highlighting implications, challenges, and success factors.
- **Section VI:** concludes, summarizing contributions, limitations, and offering policy recommendations and areas for future research.

Methods

This study employed a **qualitative case study approach** to explore the role of entrepreneurship in improving welfare outcomes in Kampung Zakat communities in Indonesia. The qualitative design was chosen to gain a deep, contextual understanding of how entrepreneurship is introduced, implemented, and experienced by beneficiaries within zakat-funded programs. The focus was not only on

economic outcomes but also on social, cultural, and institutional factors that influence the success or failure of such initiatives.

Research Design

The research followed an exploratory qualitative design using multiple case studies. This design enabled the researcher to examine various Kampung Zakat programs with different implementation models, geographic characteristics, and levels of success in entrepreneurship development. Each case study focused on a specific Kampung Zakat village and analyzed the process of entrepreneurship promotion, stakeholder involvement, and welfare changes among participants.

The multi-case approach allowed for comparative insights and a more robust understanding of the relationship between entrepreneurship and community welfare within the context of zakat-based programs.

Population and Sampling Method

The population of this study consisted of individuals and stakeholders directly involved in Kampung Zakat programs, including:

- Mustahik (zakat recipients) participating in entrepreneurship programs
- Program implementers from zakat institutions (BAZNAS and LAZ)
- Local government officials involved in community development
- Community leaders and religious figures in the villages

A purposive sampling method was used to select five Kampung Zakat villages across different provinces: West Java, Central Java, East Nusa Tenggara, South Sulawesi, and North Sumatra. These villages were selected based on their active implementation of entrepreneurship programs, availability of participants, and willingness of local institutions to collaborate in the research.

In total, 45 participants were interviewed:

- 30 mustahik engaged in entrepreneurial activities
- 10 program managers from zakat institutions
- 5 local stakeholders (village officials and community leaders)

The sample size was considered sufficient due to the principle of saturation, where no new themes were emerging after repeated interviews.

Data Collection Tools

Data were collected using three main qualitative tools:

1. **Semi-structured interviews:** The primary data collection tool was in-depth, semi-structured interviews. Interview guides were designed to cover topics such as participants' entrepreneurial journey, their experience with zakat-based support, perceived changes in welfare, and barriers faced.
2. **Direct observations:** Field visits were conducted in each Kampung Zakat village to observe participants' businesses, community dynamics, and program activities. Observations helped triangulate data obtained through interviews.

3. **Document analysis:** Program reports, internal evaluations, business plans, training materials, and beneficiary records were reviewed to understand the implementation process and compare official narratives with field realities.

All interviews were conducted in Bahasa Indonesia and recorded with participant consent. Interviews were then transcribed and translated into English for analysis.

Analytical Tools and Techniques

The collected data were analyzed using **thematic analysis**, which involved identifying, analyzing, and interpreting patterns of meaning across the data set. The steps included:

1. Familiarization with the data through repeated readings of transcripts and notes.
2. Generating initial codes manually and categorizing them under emerging themes.
3. Searching for themes related to the research questions, such as types of entrepreneurship, changes in income or welfare, support systems, and challenges.
4. Reviewing and refining themes to ensure consistency and relevance across cases.
5. Defining and naming themes, followed by interpretation.

The data coding and theme development were supported using NVivo software, which allowed efficient organization and retrieval of qualitative data.

Cross-case comparisons were made to identify similarities and differences among the five Kampung Zakat communities. This helped in understanding context-specific factors influencing the outcomes of entrepreneurship initiatives.

Ethical Considerations

Ethical integrity was maintained throughout the research process. The following measures were taken:

- **Informed consent:** All participants were informed about the purpose of the study, the voluntary nature of participation, and their right to withdraw at any time without penalty. Written consent was obtained from each participant.
- **Confidentiality and anonymity:** Participant identities were anonymized during transcription and analysis. Pseudonyms were used in all reporting to protect their privacy.
- **Non-maleficence:** Care was taken to avoid causing psychological or social harm. Sensitive questions were approached with caution, and participants could skip any question they were uncomfortable answering.
- **Data security:** All audio recordings, transcripts, and digital files were stored securely and accessed only by the researcher.
- **Community feedback:** A summary of findings was shared with the participating zakat institutions and village representatives to ensure transparency and to contribute to program improvement.

Limitations of Methodology

Although the qualitative approach allowed for rich insights, it also had certain limitations:

- The findings cannot be generalized to all Kampung Zakat communities in Indonesia due to the limited sample size and case study nature.
- Self-reported data from participants may be subject to bias, including exaggeration or underreporting.
- External factors such as regional policies or market access may influence outcomes but were not the primary focus of this study.

Despite these limitations, the methodology provided a reliable and replicable framework to explore how entrepreneurship, supported by zakat, affects community welfare in real-world settings.

Results

This section presents the results of the study based on data collected from five Kampung Zakat communities across Indonesia: West Java, Central Java, East Nusa Tenggara, South Sulawesi, and North Sumatra. The findings are organized into key thematic areas, including demographic characteristics of respondents, income changes, entrepreneurial activities, perceived welfare improvements, and program implementation patterns.

Respondent Demographics

A total of 45 participants were interviewed, including 30 mustahik (zakat beneficiaries) engaged in entrepreneurship, 10 program managers, and 5 local stakeholders. Among the mustahik respondents, the age distribution is presented in Table 1.

Table 1: Mustahik Respondents by Age Group

Age Group	Number of Respondents (n)	Percentage (%)
18-25	6	20%
26-35	10	33%
36-45	8	27%
46-60	6	20%
Total	30	100%

The majority of participants (60%) were aged between 26 and 45, suggesting that the entrepreneurial programs primarily engage adults in their productive years.

Educational Background

Educational attainment varied across respondents. Most mustahik had completed secondary education (junior or senior high school), while only a few had attended higher education.

Table 2: Educational Background of Mustahik Respondents

Education Level	Respondents (n)	Percentage (%)
No Formal Education	3	10%
Elementary School	7	23%
Junior High School	8	27%
Senior High School	10	33%
Higher Education	2	7%
Total	30	100%

Changes in Monthly Income

Participants reported significant improvements in income after engaging in entrepreneurship programs supported by

zakat funding and training. Table 3 summarizes the average income before and after program participation across the five study sites.

Table 3: Average Monthly Income Before and After Program (in IDR)

Village	Avg. Income Before	Avg. Income After
West Java	1,200,000	2,100,000
Central Java	1,350,000	2,500,000
East Nusa Tenggara	950,000	1,600,000
South Sulawesi	1,100,000	1,800,000
North Sumatra	1,250,000	2,300,000

On average, participants experienced an **income increase of 70-90%** after the entrepreneurship intervention. The most significant gains were reported in Central Java and North Sumatra.

Types of Entrepreneurial Activities

Participants engaged in a diverse range of micro-enterprises depending on local economic potential, access to markets, and personal interests. Table 4 provides a breakdown of the most common types of businesses.

Table 4: Types of Micro-Enterprises Initiated by Participants

Business Type	Number of Participants	Percentage (%)
Food and Beverage	10	33%
Animal Husbandry	6	20%
Traditional Handicraft	4	13%
Farming / Agriculture	5	17%
Retail (Kiosks, Shops)	5	17%
Total	30	100%

Food and beverage businesses (such as snack production or small catering) were the most common, followed by livestock rearing and small retail ventures.

Perceived Welfare Improvements

Participants were asked to report their perceptions of welfare improvements beyond income, including ability to meet daily needs, savings, children's education, and access to healthcare. Their responses are summarized in Table 5.

Table 5: Self-Reported Welfare Indicators Post-Entrepreneurship

Indicator	Improved (n)	Not Improved (n)	% Improved
Daily Needs Fulfilled	27	3	90%
Ability to Save Money	21	9	70%
Support for Children's Education	24	6	80%
Access to Healthcare	18	12	60%
Social Participation Increased	20	10	67%

While most respondents indicated improvements in basic welfare, a smaller proportion reported better access to healthcare and social inclusion.

Training and Mentorship Access

Training and mentorship were critical components of the entrepreneurship programs. Table 6 shows the number of participants who received formal training or business mentoring.

Discussion

This study set out to explore the impact of entrepreneurship on the welfare of communities participating in the Kampung Zakat program across five provinces in Indonesia. The findings provide compelling evidence that entrepreneurship, when supported by strategic zakat distribution, can significantly improve economic and social outcomes among

mustahik (zakat beneficiaries). In this section, the results are interpreted in light of the original research questions and compared with existing literature, followed by an analysis of limitations and directions for future research.

Table 6: Access to Training and Mentorship

Support Type	Received (n)	Percentage (%)
Business Training	25	83%
Vocational Skills	18	60%
Financial Literacy	20	67%
Business Mentoring	12	40%

Most participants received at least one form of training. However, mentoring remained limited, with only 40% of beneficiaries receiving consistent business mentorship.

Entrepreneurship and Economic Improvement

The most prominent finding of the study is the substantial increase in monthly income reported by participants after engaging in entrepreneurship programs. Across all five study locations, participants experienced average income increases ranging from 60% to over 90%. This aligns with previous research that indicates a positive correlation between productive zakat and income growth. For example, a study by Huda et al. (2020) showed that productive zakat distributed through microenterprise development led to measurable economic uplift among mustahik households in Bekasi and Lombok. Similarly, a study by Nugroho and Arifin (2021) found that zakat-supported entrepreneurship in West Java increased household income and reduced economic dependence.

The types of businesses participants engaged in—primarily food and beverage, animal husbandry, and retail—are consistent with findings from Rahmawati et al. (2022), who noted that micro-scale ventures in rural zakat programs tend to be shaped by local resources and consumer demand. The variation in income growth across the regions further suggests that local context—especially infrastructure, market access, and institutional collaboration—plays a crucial role in determining the success of entrepreneurship initiatives.

Welfare Beyond Income

The findings also show improvements in broader welfare indicators. Over 80% of participants reported enhanced ability to meet daily needs, support children's education, and save money. This supports the growing body of literature advocating for a multidimensional approach to measuring welfare, beyond income metrics alone (Sen, 1999; Alkire & Foster, 2011) [1]. Social empowerment—measured through self-confidence, decision-making ability, and community participation—also improved for many respondents, although at lower rates.

These findings echo those of Fauzia and Ahmad (2019), who demonstrated that zakat, when integrated with entrepreneurship training, can enhance mustahik dignity, promote financial independence, and reduce stigma. However, access to healthcare remained a weak point, with only 60% of participants reporting improvement. This suggests that entrepreneurship alone may not address all dimensions of welfare, and points to the need for integrated development strategies.

Importance of Training and Institutional Support

A notable pattern in the results is the correlation between training and improved welfare outcomes. Participants who received structured business training and mentorship generally reported higher income gains and stronger business sustainability. This supports the findings of Suprayitno et al. (2020), who highlighted the importance of capacity building in turning zakat recipients into productive entrepreneurs.

However, access to mentorship remained limited, with only 40% of participants receiving consistent support. This gap is significant, as mentorship is critical in navigating market access, pricing strategies, and business growth. The villages in Central Java and North Sumatra—where mentorship and partnerships with cooperatives were stronger—showed the highest welfare gains. This reinforces the need for multi-stakeholder collaboration, a point also emphasized by Karim et al. (2022), who argued that partnerships between zakat institutions, local governments, and the private sector are essential for scaling impact.

Regional Disparities and Implementation Challenges

While the program was generally successful, the degree of impact varied across locations. In East Nusa Tenggara, for example, participants reported modest income gains and limited access to markets. Infrastructure deficiencies, such as poor roads and lack of digital connectivity, hindered growth. These findings confirm earlier observations by Wahyuni (2018), who found that rural development programs in eastern Indonesia often face systemic barriers that undermine their effectiveness.

The disparity between regions underscores the importance of tailoring zakat-based entrepreneurship programs to local needs and capacities. A one-size-fits-all model is unlikely to succeed, particularly in a country as geographically and socio-economically diverse as Indonesia.

Limitations of the Study

Several limitations must be acknowledged. First, the sample size was relatively small (45 participants across five sites), limiting the generalizability of the findings. Second, the study relied on self-reported data, which may be subject to recall bias or social desirability bias. Third, the cross-sectional nature of the study means that long-term impacts could not be assessed.

In addition, the study did not include quantitative control groups, which would have strengthened causal inferences. Furthermore, while economic data (e.g., income changes) were collected, business-level data such as profit margins, reinvestment rates, and customer reach were not consistently available.

Implications for Policy and Practice

The results of this study have several important implications. First, zakat institutions should prioritize productive zakat distribution models that include not only funding but also training, mentorship, and access to markets. The strong performance of villages with institutional support suggests that impact is amplified when zakat programs are embedded in broader development strategies. Second, monitoring and evaluation mechanisms need to be strengthened to track the real-time progress of beneficiaries. This would enable more responsive interventions and greater transparency.

Third, regional inequalities must be addressed through context-sensitive program design. In underdeveloped areas like East Nusa Tenggara, entrepreneurship programs should be accompanied by infrastructure investment and digital inclusion strategies.

Finally, inter-institutional collaboration should be formalized through policy frameworks that link zakat institutions, local governments, cooperatives, and even the private sector.

Recommendations for Future Research

Future studies should consider the following:

1. Larger and more diverse samples, ideally across multiple time points, to assess long-term effects and causality.
2. Mixed-methods approaches, combining qualitative insights with quantitative data on business performance, consumption patterns, and household welfare.
3. Control group comparisons to strengthen causal inferences about the effect of zakat-based entrepreneurship.
4. Gender analysis, exploring how entrepreneurship impacts men and women differently in Kampung Zakat settings.
5. Digital entrepreneurship potential, particularly in youth-dominated or urbanizing zakat communities.

Such studies would contribute to the evolving understanding of zakat as a tool not only for charity, but for inclusive and sustainable development.

Conclusion

This research investigated the role of entrepreneurship as a catalyst for welfare improvement in Indonesia's Kampung Zakat communities. The findings demonstrate that zakat-supported entrepreneurship can significantly raise income levels, enhance financial independence, and improve key welfare indicators among mustahik. The success of these programs, however, depends heavily on the presence of training, mentorship, market access, and institutional collaboration.

By highlighting both achievements and challenges, this study contributes to a growing body of evidence advocating for productive zakat models that go beyond short-term assistance. It underscores the need for integrated, locally-adapted, and stakeholder-driven approaches to poverty alleviation through Islamic philanthropy.

Practically, the research supports the strengthening of policy frameworks that link zakat distribution with community empowerment and entrepreneurship development. It also calls for greater investment in program monitoring, mentorship systems, and rural infrastructure to ensure long-term impact.

In closing, entrepreneurship should not be seen merely as an economic tool, but as a pathway toward dignity, self-reliance, and sustainable community transformation—especially when embedded within the ethical framework of zakat.

References

1. Alkire S, Foster J. Counting and multidimensional poverty measurement. *Journal of Public Economics*,2011;95(7-8):476-487.
2. Al-Qaradawi Y. *Fiqh az-Zakat: A Comparative Study of Zakat Regulations and Philosophy in the Light of the Qur'an and Sunnah*. Scientific Publishing Centre, King Abdulaziz University, 1999.
3. Amuda YJ. Empowerment of Nigerian Muslim women through zakat and wakf institutions: A case study of selected women entrepreneurs in Ilorin. *Journal of Islamic Economics, Banking and Finance*,2013;9(3):117-133.
4. BAZNAS. *Zakat Outlook 2022*. Badan Amil Zakat Nasional (BAZNAS), Indonesia, 2022.
5. Chapra MU. *The future of economics: An Islamic perspective*. The Islamic Foundation, 2000.
6. Fauzia A, Ahmad H. Empowering the poor through productive zakat: Evidence from zakat institutions in Indonesia. *Al-Iqtishad: Journal of Islamic Economics*,2019;11(2):331-354.
7. Huda N, Rini N, Mardoni Y. Impact of productive zakat on micro business and mustahik welfare in Bekasi. *International Journal of Zakat*,2020;5(1):1-14.
8. Idris NS, Nor MAM. Zakat as a tool for poverty alleviation: A review of literature. *Journal of Islamic Monetary Economics and Finance*,2021;7(2):185-202.
9. Karim MR, Salleh MS, Rashid RA. Strategic zakat management: Role of partnerships in enhancing the effectiveness of zakat distribution. *Journal of Islamic Accounting and Business Research*,2022;13(1):92-109.
10. Khairi KF, Syafii M. The effectiveness of productive zakat on the empowerment of mustahik. *International Journal of Islamic Economics and Finance Studies*,2020;6(1):125-145.
11. Ministry of Religious Affairs, Republic of Indonesia. *Kampung Zakat National Program Guidelines*. Directorate of Zakat and Waqf Empowerment,2021.
12. Mohammed MO, Mutalib AA. Microfinance and zakat: A tool for poverty alleviation in Malaysia. *Journal of Islamic Finance*,2015;4(1):1-9.
13. Nugroho A, Arifin Z. Productive zakat and economic empowerment: A case study of mustahik in West Java. *Jurnal Ekonomi dan Keuangan Islam*,2021;7(2):167-176.
14. Obaidullah M. Role of microfinance in poverty alleviation: Lessons from experiences in selected IDB member countries. *Islamic Research and Training Institute (IRTI)*, 2008.
15. Piketty T. *Capital in the twenty-first century*. Harvard University Press, 2014.
16. Rahmawati F, Sutrisno T, Winarsih I. The effectiveness of zakat-based entrepreneurship in alleviating poverty in rural Indonesia. *Asian Journal of Islamic Economics and Business*,2022;10(1):45-59.
17. Rokhman A. The role of zakat institutions in the development of Islamic microfinance. *Jurnal Ekonomi Islam*,2020;11(1):20-35.
18. Sen A. *Development as freedom*. Oxford University Press, 1999.
19. Suprayitno E, Hudaefi FA. Enhancing zakat impact through productive programs: Evidence from Indonesia. *ISRA International Journal of Islamic Finance*,2020;12(3):395-410.
20. Syukron M. The effectiveness of zakat village program in East Java. *Jurnal BAZNAS*,2018;2(1):33-47.
21. Wahyuni S. Economic development through zakat-based entrepreneurship in underdeveloped regions.

- Indonesian Journal of Islamic Economics Research,2018:2(1):27-41.
22. World Bank. Indonesia Economic Prospects: The Long Road to Recovery. World Bank Group, 2020.
 23. World Bank. Poverty and Equity Brief: Indonesia,2022.
 24. Yusuf MA, Widiastuti T. Evaluation of zakat empowerment programs for micro-entrepreneurs. Journal of Economics and Development Studies,2020:8(2):55-70.
 25. Zainal H, Budi S. The role of Islamic philanthropy in sustainable rural development: A case study of Kampung Zakat. International Journal of Islamic Economics and Finance (IJIEF),2021:4(1):87-105.