



INFLATION CONTROL THROUGH THE NATIONAL ZAKAT AMIL AGENCY (BAZNAS) BANGKA BELITUNG

ISLANDS PROVINCE

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Abstract

The economic development of a country, including Indonesia, of course cannot be separated from monetary and fiscal policies, especially in dealing with inflation. The Bangka Belitung Islands Province is the third highest in Indonesia to experience inflation, so the Regional Government of the Bangka Belitung Islands Province immediately takes a policy to control inflation, so stakeholders take policy in controlling inflation, especially through the National Amil Zakat Agency or BAZNAS which has a program that can slow down the rate of inflation. This writing uses a qualitative approach to gain a comprehensive understanding of the implementation of inflation control through the National Zakat Amil Agency so that economic prosperity can be felt immediately by the community. The data sources used in this writing come from secondary data. Secondary data is collected from scientific literature, journals, and data from the Provincial Amil Zakat Agency which can be trusted and Baznas has a joint commitment with the government to suppress inflation. One way to do this is by launching economic empowerment. for small communities, as well as direct assistance both for basic food needs and through scholarships, as well as efforts to stabilize people's income, especially people who live below the poverty line, through productive programs to ensure adequate availability of basic food items for the community.

Abstrak

Perkembangan ekonomi suatu negara termasuk Indonesia tentunya tidak terlepas dari kebijakan moneter dan fiskal terutama dalam menghadapi terjadinya inflasi. Provinsi Kepulauan Bangka Belitung tertinggi ketiga di Indonesia yang mengalami Inflasi, sehingga Pemerintah Daerah Provinsi Kepulauan Bangka Belitung segera mengambil kebijakan untuk mengendalikan inflasi, maka stakeholder mengambil kebijakan dalam pengendalian Inflasi terutama melalui Badan Amil Zakat Nasional atau BAZNAS yang memiliki program yang dapat menghambat lajunya Inflasi. Penelitian ini menggunakan pendekatan kualitatif untuk mendapatkan pemahaman yang komprehensif mengenai penerapan pelaksanaan pengendalian inflasi melalui Badan Amil Zakat Nasional sehingga dapat segera dirasakan kesejahteraan ekonomi oleh masyarakat. Sumber Data yang digunakan dalam penulisan ini berasal dari data sekunder yang dikumpulkan dari literatur ilmiah, jurnal, dan data Badan Amil Zakat Provinsi yang dapat dipercaya dan memiliki komitmen bersama pemerintah untuk menekan inflasi. Hasil penelitian ini menyimpulkan bahwa salah satu cara yang dapat dilakukan untuk menghadapi terjadinya inflasi adalah dengan meluncurkan pemberdayaan ekonomi masyarakat kecil, serta bantuan langsung, baik untuk kebutuhan bahan pokok maupun melalui program beasiswa, serta menstabilkan pendapatan masyarakat, terutama masyarakat yang hidup dibawah garis kemiskinan, melalui program produktif untuk memastikan ketersediaan bahan pokok pangan tercukupi bagi masyarakat.

Keywords: Control; Inflation; Baznas

INTRODUCTION

Economic growth is an indicator for a country to measure the standard of living and welfare of its people. In other words, increasing economic growth is a structured and directed effort by a nation to improve the welfare of its people through the utilization of existing resources. Economic growth is

a process of changing the economic conditions of a country continuously towards a better condition over a certain period.

Changing economic conditions towards a better condition is the dream of every national government. Economic growth in Indonesia has experienced increases and decreases from time to time. Macro factors that can influence economic growth include human resources, natural resources, cultural factors and science and technology factors.¹

Economic growth can be optimal if the influencing factors are managed optimally. For instance, when a country invests in infrastructure development such as roads, bridges, and public transportation systems, it can lead to increased productivity and efficiency in various sectors of the economy. With optimal economic growth, it is hoped that the income of every citizen can be evenly distributed². This means that not only the wealthy few benefit from economic prosperity, but also the marginalized and vulnerable segments of society.

However, the current problem lies in the unequal distribution of economic growth benefits. Even when a country achieves what is deemed as optimal economic growth or meets predetermined targets, only a handful of citizens reap the rewards³. This disparity can be seen in various aspects such as access to quality education, healthcare, and job opportunities⁴. If high economic growth is not accompanied by an equitable distribution of development results across all socioeconomic levels, the impact on poverty alleviation will be minimal. It is crucial for policymakers to address this issue by implementing inclusive policies that ensure all citizens have the opportunity to partake in and benefit from economic growth.

Factors other than economic growth that can influence the poverty rate are the inflation rate, education spending, health spending and also the distribution of ZIS funds at the National Zakat Amil Agency.⁵ For the inflation rate, its effect on the poverty rate is when there is uncontrolled inflation like currently. At this time, prices have increased drastically and this has caused people's purchasing power to decrease and some people are even unable to meet their basic needs.

The decline in people's purchasing power due to increasing inflation, resulting in the inability to meet basic needs, can lead to a rise in the poverty rate within a community. As inflation erodes the value of currency, individuals find it challenging to afford essential goods and services, pushing them into a state of financial hardship. This situation is particularly concerning as it aligns individuals more closely with the criteria defining poverty. In Islamic teachings, there are eight distinct groups identified as eligible to receive zakat, which is a form of obligatory charity⁶. These groups include the fakir (those in poverty), the poor, the amil (those who administer zakat), converts to Islam in need of support, individuals in bondage seeking liberation (riqab), debtors struggling to repay loans (gharimin), those striving in the path of Allah (fi sabilillah), and travelers who are stranded (ibn sabil). By providing zakat to these groups, the community can address the financial challenges faced by the less fortunate and uphold the principles of social justice and compassion.

The National Zakat Amil Agency (BAZNAS) is the official and only body formed by the government based on the Decree of the President of the Republic of Indonesia. No. 8 of 2001 which

¹ Shasah Husani Syahid et al., "Faktor-Faktor yang Mempengaruhi Perdagangan Lintas Batas Negara Indonesia-Timor Leste," *GLORY Jurnal Ekonomi dan Ilmu Sosial* 4, no. 5 (2023): 1239–50.

² Nyimas Yovita Fitriani et al., "The Effect Of Distribution Of Zakat, Infaq, Alms (Zis) and Regional Expenditure on Poverty in Sumatra," *International Journal of Economics, Science, and Education* 1, no. 2 (2024): 42–56.

³ Evi Aninatin Ni'matul Choiriyah et al., "Zakat and Poverty Alleviation in Indonesia: A Panel Analysis at Provincial Level," *Journal of Islamic Monetary Economics and Finance* 6, no. 4 (2020): 811–32.

⁴ Ruqaiyah Yearby, "Racial Disparities in Health Status and Access to Healthcare: The Continuation of Inequality in the United States Due to Structural Racism," *The American Journal of Economics and Sociology* 77, no. 3–4 (May 2018): 1113–52, <https://doi.org/10.1111/ajes.12230>.

⁵ Salsa Amanda and Muhammad Anwar Fathoni, "Pengaruh Dana ZIS Dan Inflasi Terhadap Tingkat Kemiskinan Dengan Mediasi Pertumbuhan Ekonomi," *Islamic Economics and Business Review* 2, no. 2 (2023).

⁶ Rania Adel Al-Bawwab, "Zakat: Changing the Framework of Giving," *Islamic Economic Studies* 30, no. 2 (2023): 86–103.

has the task and function of collecting and distributing Zakat, Infaq and Alms (ZIS) at the national level. The enactment of Law Number 23 of 2011 concerning Zakat Management further strengthens the role of BAZNAS as an institution that has the authority to manage zakat nationally.⁷The National Zakat Amil Agency (BAZNAS) collects and distributes Zakat, Infaq and Alms (ZIS) from muzakki to mustahik in need through various targeted distribution and utilization programs.

This writing utilizes a qualitative approach to delve deeply into the implementation of inflation control through the National Zakat Amil Agency. The primary goal is to ensure that economic prosperity is promptly experienced by the community. The data utilized in this analysis is derived from secondary sources, including scientific literature, journals, and reliable data from the Provincial Amil Zakat Agency. These sources contribute to establishing a solid theoretical foundation and context for the collection and distribution of Zakat, infaq, and shodaqoh funds, which directly impact the economic well-being of the community or Mustahiq.

By employing a qualitative methodology in data collection, this writing aims to offer a comprehensive insight into the strategies implemented to curb inflation in the Bangka Belitung Province through the National Zakat Amil Agency (BAZNAS). For instance, one can consider the case of how the Zakat funds are allocated to support small businesses, thereby stimulating economic growth at the grassroots level. Additionally, exploring the impact of Zakat distribution on poverty alleviation efforts can shed light on the tangible benefits experienced by the community.

Furthermore, it is crucial to highlight the importance of transparency and accountability in managing Zakat funds to ensure their effective utilization in combating inflation. Through detailed monitoring and evaluation mechanisms, the National Zakat Amil Agency can enhance its efficiency in achieving sustainable economic development goals. Consequently, this proactive approach can lead to a more equitable distribution of wealth and resources within the community, fostering long-term financial stability and growth. In conclusion, the strategic implementation of inflation control measures through Zakat management plays a pivotal role in promoting economic prosperity and social welfare in Bangka Belitung Province.

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This research needs to re-examine what the concept of zakat in Islam is. Then the concept will be used to see the phenomena that occur in the field. The practice of zakat in Indonesia can be seen from one example in Bangka Belitung.

Zakat

Zakat is one of the five pillars of Islam that must be fulfilled and has the function of purifying the soul and property.⁸Likewise with infaq and alms, but they are sunnah. Another function of zakat, infaq and alms is of course to help the poor and people in need, especially people in our environment. The wealth you own will not provide complete blessings until you give some of it to people in need as quoted from the QS. Ali Imran:92 follows:

لَنْ تَنَالُوا الْبِرَّ حَتَّى تُنْفِقُوا مِمَّا تُحِبُّونَ وَمَا تُنْفِقُوا مِنْ شَيْءٍ فَإِنَّ اللَّهَ بِهِ عَلِيمٌ

It means:

“You will never reach (perfect) virtue until you spend some of the wealth you love. And whatever you earn, Allah knows it.”

⁷ Aftina Halwa Hayatika and Suharto Suharto, “Manajemen Pengumpulan, Pendistribusian, dan Penggunaan Dana Zakat oleh Badan Amil Zakat Nasional Sebagai Upaya Peningkatan Pemberdayaan Ekonomi Umat,” *Jesya (Jurnal Ekonomi dan Ekonomi Syariah)* 4, no. 2 (2021): 874–85.

⁸ Acep Aripudin, “Peranan Zakat Sebagai Strategi Dakwah Dalam Pemberdayaan Ekonomi pada Masa Pandemi Covid-19,” *Jurnal Iman Dan Spiritualitas, Vol 1, No 4, 2021, 2021*, 515.

Rasulullah SAW, known for his simplicity and generosity, set a remarkable example for all of us to follow. Despite his financial prosperity, he never indulged in extravagance but rather used his wealth to benefit others and promote the teachings of Islam. As individuals inspired by his noble character, it is essential for us to emulate his modest lifestyle. Living simply does not signify deprivation; instead, it signifies a conscious choice to detach oneself from material desires and focus on what truly matters. Adopting a frugal approach to life can lead to genuine contentment and inner peace.

One practical way to embrace simplicity is by carefully managing our finances. By meticulously tracking our income and expenses, we can ensure that our resources are utilized wisely⁹. It is crucial to differentiate between our needs and wants, prioritizing the former over the latter. Cultivating the habit of mindful spending not only fosters financial discipline but also cultivates a sense of gratitude for what we already possess.

Furthermore, if we find ourselves blessed with surplus wealth, it is our duty to share these blessings with those less fortunate. By extending a helping hand to our community, especially to those in our immediate surroundings, we contribute to building a more compassionate and supportive society. Generosity not only benefits the recipients but also enriches the giver's soul, fostering a sense of interconnectedness and goodwill¹⁰.

In essence, by following in the footsteps of Rasulullah SAW and embracing simplicity, we can lead more meaningful and fulfilling lives. Let us strive to embody his teachings in our actions and interactions, spreading kindness and compassion wherever we go.

According to Nurul Huda and Mohammad Heykal, zakat is the basic word for zakat which means holy, blessed, growing and praiseworthy. As for the term fiqh, zakat means a certain amount of goods or assets that are required by Allah to be handed over to people who are entitled to receive them, in addition to meaning spending a certain amount itself. In the Qur'an,¹¹ Allah SWT has clearly stated various verses regarding zakat. Zakat is a certain amount of property that has reached certain conditions required by Allah to be issued and given to people who are entitled to receive zakat.

Zakat is a maliyah worship which has socio-economic dimensions and functions or equal distribution of God's gifts and is also social solidarity, a statement of a sense of humanity and justice, proof of Islamic brotherhood, a binding force for the unity of the people and nation, as an inner bond between the rich and the poor and as an eraser of gaps. become a divider between the strong and the weak. The assets for which zakat is given will be a blessing, grow, develop and increase, and be holy and good. This is in accordance with the Koran which is stated in Surah Al-Taubah: 103 as follows:

خُذْ مِنْ أَمْوَالِهِمْ صَدَقَةً تُطَهِّرُهُمْ وَتُزَكِّيهِمْ بِهَا وَصَلِّ عَلَيْهِمْ إِنَّ صَلَاتَكَ سَكَنٌ لَهُمْ وَاللَّهُ سَمِيعٌ عَلِيمٌ

It means:

“Take zakat from some of their wealth, with that zakat you cleanse and purify them and pray for them. Indeed, your prayer is (becomes) peace of mind for them. and Allah is All-Hearing, All-Knowing.”

From this verse, it is evident that the act of giving zakat can profoundly impact the spiritual purity of the muzakki. The purification of the heart signifies a transformation where negative traits like greed

⁹ George Choy and Sarah Choy, *Simplicity Secret: How to Reduce Overwhelm and Stress, Make More Money, Improve Your Health and Fitness, and Be Happier* (George Choy, 2024), <https://books.google.com/books?hl=en&lr=&id=Fej4EAAAQBAJ&oi=fnd&pg=PA2&dq=One+practical+way+to+embrace+simplicity+is+by+carefully+managing+our+finances.+By+meticulously+tracking+our+income+and+expenses,+we+can+ensure+that+our+resources+are+utilized+wisely.&ots=mivvZj20kR&sig=DDBUPxsre5aox1KCDcgxrljKrq4>.

¹⁰ Arnold Richter, *Financial Literacy, Money Matters Made Simple: A Young Adult's Guide to Financial Success, Learn Easily Stock Market Investing, Day Trading, Dividend, Make Money Online, Passive Income* (Arnold Richter, 2024), <https://books.google.com/books?hl=en&lr=&id=0tcEEQAAQBAJ&oi=fnd&pg=PT9&dq=One+practical+way+to+embrace+simplicity+is+by+carefully+managing+our+finances.+By+meticulously+tracking+our+income+and+expenses,+we+can+ensure+that+our+resources+are+utilized+wisely.&ots=A-EbHBYZCR&sig=YlqZZePoDZR52283l57-pHpIVq8>.

¹¹ Sri Apriliyani and Zaini Abdul Malik, “Peran Lembaga Amil Zakat, Infaq Dan Shadaqah Muhammadiyah (Lazismu) Banjarnegara Dalam Meningkatkan Perekonomian Kaum Dhuafa,” *Jurnal Riset Ekonomi Syariah*, 2021, 7–12.

and stinginess are eradicated. When an individual's heart is cleansed and guided by God, their actions are no longer driven solely by obligation but by a genuine sense of responsibility towards society. This responsibility manifests in a willingness to share wealth generously with those in need, not just as a duty but as a heartfelt desire to alleviate the suffering of others.

For instance, imagine a person who, after fulfilling their basic needs, recognizes the abundance of wealth at their disposal. Instead of hoarding it selfishly, they actively seek out opportunities to help those less fortunate. This selfless attitude stems from a deep-seated understanding that material possessions are a means to benefit others, not just oneself. By cultivating a spirit of compassion and empathy, the muzakki becomes attuned to the struggles of the marginalized and responds with kindness and generosity.

In essence, the act of giving zakat transcends mere monetary transactions; it becomes a reflection of one's inner transformation and spiritual growth. Through consistent practice of charity and selflessness, individuals can nurture a heart that is not only free from worldly attachments but also brimming with love and empathy for all beings. This profound shift in consciousness leads to a life filled with purpose and meaning, where every action is guided by the noble intention of serving humanity and pleasing the Divine.

Inflation

Inflation can be interpreted as an increase in the amount of money circulating in an area that will feel the impact of inflation. This phenomenon is not merely a short-term issue but can persist over an extended period, affecting various aspects of the economy. One of the primary causes of inflation is a government budget deficit. When the government spends more money than it collects in revenue, it leads to an increase in the amount of money in circulation. This, in turn, causes interest rates to decrease, prompting higher levels of consumption and investment.

For instance, if a government decides to finance large infrastructure projects through borrowing, it injects more money into the economy, leading to inflation. Another significant factor contributing to inflation is the imbalance between demand and supply. When demand outstrips supply, production factors and supplies of goods decrease, causing prices to rise. This scenario often occurs during periods of economic growth when consumer demand is high but production capacity struggles to keep up.

Inflation can have far-reaching consequences on individuals, businesses, and the overall economy. For consumers, it means higher prices for goods and services, reducing their purchasing power. Businesses may face increased costs, which can impact their profit margins and competitiveness in the market. Additionally, inflation can erode the value of savings and investments, making it challenging for individuals to plan for the future.

In conclusion, understanding the causes and effects of inflation is crucial for policymakers to implement appropriate measures to mitigate its impact on the economy. By addressing underlying factors such as government spending, supply chain disruptions, and consumer behavior, it is possible to maintain price stability and sustainable economic growth.

The impacts that an area will feel due to inflation include:

- a) Uncontrolled inflation makes it difficult for the economy to develop. There has been a decline in people's interest in saving and investing. The reason is because the value of the currency is decreasing.
- b) For fixed-income employees, currency debasement hurts some groups. Their income has not increased, but the prices of goods are getting higher.
- c) Creditors suffer losses because the value of money for debt repayment is lower.
- d) Inflation can increase production costs and increase the price of necessities.
- e) High inflation has an impact on government development plans and the state budget.

In an Islamic economic perspective, there are factors that can influence economic growth in an area, namely the distribution of Zakat Infaq Sadaqah (ZIS) funds. Zakat is the third pillar of Islam and Allah SWT makes it mandatory to pay zakat. Zakat can cleanse the perpetrator from sin and show the truth of his faith, as for the method by giving a portion of the assets that have reached the nishab within one year to the person who is entitled to receive it. The implementation of Zakat funds is good and in accordance with the provisions of the Al-Qur'an and Hadith.¹²

Zakat Infaq Sadaqah (ZIS) has a significant impact on the economic growth of a region. These Islamic principles of giving - zakat, infaq, and sadaqah - are not just acts of charity but also serve as essential pillars for sustainable economic development and promoting financial inclusion. For instance, zakat, which is obligatory for all financially capable Muslims, acts as a wealth redistribution mechanism that helps reduce income inequality within society. Infaq, voluntary giving beyond zakat, can be directed towards various community projects such as building schools or providing healthcare services, thus contributing to overall societal welfare. Sadaqah, on the other hand, is a form of voluntary charity that can support individuals in need and promote social harmony.

When these systems are effectively implemented, they can complement government initiatives aimed at poverty alleviation and inflation control. For example, in countries where zakat collection is well-organized, such as Malaysia, the funds collected are channeled towards various social welfare programs that benefit the less fortunate. This not only reduces the burden on government resources but also empowers individuals and communities to actively participate in addressing social issues. Moreover, the transparent distribution of zakat funds builds trust among the public and encourages more people to contribute, further strengthening the economic ecosystem.

In conclusion, the integration of zakat, infaq, and sadaqah systems into economic policies can foster a more inclusive and sustainable development model. By harnessing the principles of Islamic finance, societies can create a more equitable distribution of resources, promote social welfare, and ultimately drive economic growth for the collective benefit of all members.

Zakat, an obligatory act for Muslims, is a fundamental practice rooted in the ownership of property. The essence of zakat lies in the redistribution of wealth from the affluent to the less fortunate, as mandated by Allah. The Prophet Muhammad emphasized the significance of zakat, highlighting its role in fostering social welfare and equity. Just as performing prayers is essential for a devout Muslim, fulfilling the obligation of zakat is equally vital.

In Islamic teachings, zakat holds a prominent place as one of the five pillars of Islam, standing third in line. This hierarchical positioning underscores its importance in the faith. To grasp the essence of zakat, one must understand its practical implications in society. For instance, zakat serves as a means to alleviate poverty, support charitable causes, and strengthen communal bonds. By paying zakat, Muslims demonstrate their commitment to social justice and compassion towards those in need.

Moreover, zakat transcends mere monetary transactions; it embodies a spirit of generosity and empathy. The act of giving zakat not only purifies one's wealth but also purifies the soul, fostering a sense of responsibility towards the less fortunate. Hence, zakat serves as a cornerstone of Islamic ethics, promoting altruism and solidarity within the community. In essence, zakat encapsulates the essence of Islamic teachings, emphasizing the values of compassion, generosity, and social responsibility.

Apart from being an obligation for Muslims to clean up their assets, zakat also has an important function, namely as an instrument in Islam to overcome the problem of poverty and for the benefit of Muslims.¹³ Zakat Infaq Sadaqah If optimized, then zakat in Bangka Belitung Province can become a

¹² Priyanti Dwi, "Zakat Usaha Penggilingan Padi dalam Persepektif Hukum Ekonomi Syariah (Studi Desa Bumiratu, Kecamatan Rawajitu Selatan, Kabupaten Tulang Bawang)" (UIN RADEN INTAN LAMPUNG, 2023).

¹³ Alifah Nur Fajrina, Farhan Rafi Putra, and Annisa Suci Sisillia, "Optimalisasi Pengelolaan Zakat: Implementasi Dan Implikasinya Dalam Perekonomian," *Journal of Islamic Economics and Finance Studies* 1, no. 1 (August 8, 2020): 100–120, <https://doi.org/10.47700/JIEFES.V1I1.1918>.

permanent social instrument to overcome the problem of poverty and unequal distribution of income among society.

Regarding zakat in its efforts to overcome poverty, in a Hadith narrated by Imam al-Asbahani from Imam at-Thabrani, in the books *Al-Ausath* and *Al-Shaghir*, Rasulullah SAW said which means: “Indeed, Allah SWT has made obligatory upon Muslim wealth an obligation of zakat that can overcome poverty. It is impossible for a poor person to suffer from hunger or lack of clothing, except because of the piety of Muslim wealth. Remember, Allah SWT will carry out a thorough calculation and hold them accountable and will then subject them to painful torment.”¹⁴ This hadith explicitly emphasizes the position of zakat as a social security instrument, which is tasked with bridging the transfer of wealth from the rich to the poor. This hadith also reminds us of the large contribution of curmudgeon and stingy behavior to poverty.

Zakat had a major position in fiscal policy in the early days of Islam. As stated by Sari N (2015), zakat also helped reduce the economic gap between mustahik people. The results of research on the impact of zakat conducted by the Center for Strategic Studies of the National Zakat Amil Agency show that zakat can narrow the difference in a mustahik’s income by up to 78%.¹⁵ Apart from that, empirically, zakat can help the country get mustahik out of poverty. Zakat is a financial instrument that can be used to overcome economic problems, especially poverty and poverty (Muharir & Mustikawati, 2020).

In July 2023, the combined 2 cities in Bangka Belitung experienced year-on-year (y-on-y) inflation of 2.14 percent with a CPI of 116.89. The monthly inflation rate or month to month (m-to-m) is 0.40 percent and the calendar year inflation rate or year to date (y-to-d) is 2.24 percent. Y-on-y inflation in Pangkalpinang City was 1.83 percent and m-to-m inflation was 0.29 percent, with a CPI of 114.95. Y-on-y inflation in Tanjungpandan City was 2.69 percent and m-to-m inflation was 0.58 percent, with a CPI of 120.42.

The impact of inflation in the cities of Bangka Belitung was notably influenced by specific commodities such as gasoline, rice, and filtered clove cigarettes. These essential goods played a significant role in shaping the inflation dynamics within the region. Moreover, when analyzing the month-to-month inflation trends, it becomes evident that air transportation commodities were the primary drivers. For instance, the surge in air transportation rates directly contributed to the overall inflation rate in the Bangka Belitung Islands Province, particularly in Tanjung Pandan City.

Expanding on this, the prices of gasoline have been steadily rising due to global oil market fluctuations, leading to increased transportation costs for individuals and businesses alike. Similarly, the demand for rice, a staple food in the region, has been consistently high, causing price hikes that impact the overall cost of living for residents. Additionally, the popularity of filtered clove cigarettes among the local population has made them a key factor in the inflation equation, with price changes affecting consumer spending patterns.

Furthermore, when examining the inflation trends on a broader scale, it is important to consider the interconnectedness of various sectors. For example, the rise in air transportation rates not only affects travel expenses but also influences the prices of goods transported by air, creating a ripple effect throughout the economy. This interplay between different commodities and industries underscores the complexity of inflation dynamics in Bangka Belitung.

In conclusion, the inflation landscape in Bangka Belitung is multifaceted, with gasoline, rice, filtered clove cigarettes, and air transportation emerging as pivotal factors¹⁶. Understanding the intricate

¹⁴ Ika Rohma Safitri, “Pengaruh Inflasi, Upah Minimum dan Kemiskinan Terhadap ZIS (Zakat, Infak, Sedekah) Di 10 Provinsi Di Indonesia Tahun 2016-2021” (FAKULTAS EKONOMI DAN BISNIS UIN JAKARTA, n.d.).

¹⁵ Nurma Sari, “Zakat Sebagai Kebijakan Fiskal pada Masa Kekhalifah Umar Bin Khattab,” *Jurnal Perspektif Ekonomi Darussalam (Darussalam Journal of Economic Perspec* 1, no. 2 (2015): 172–84.

¹⁶ Feby Hestuningtias, “Penerapan Model Generalized Space Time Autoregressive (GSTAR) Pada Peramalan Inflasi Tiga Provinsi Di Pulau Sumatra (Studi Kasus: Inflasi Di Provinsi Jambi, Sumatra Barat, Dan Kepulauan Bangka Belitung

relationships between these commodities and their impact on the overall economy is essential for policymakers and stakeholders to effectively address inflationary pressures in the region¹⁷. By delving deeper into the specific drivers of inflation, a more nuanced approach can be developed to mitigate its effects and promote sustainable economic growth in Bangka Belitung¹⁸.

a. Tourism Impact

The tourism sector in Bangka Belitung also plays a significant role in the region's inflation dynamics. With an increase in tourist arrivals, there is a higher demand for various goods and services, leading to price adjustments in the local market. The hospitality industry, transportation services, and souvenir shops are among the sectors directly influenced by tourism-related inflation.

b. Government Policies

Government interventions and policies can have a profound impact on inflation trends in Bangka Belitung. Measures such as subsidies on essential commodities, price controls, and economic stimulus packages can help stabilize prices and mitigate inflationary pressures. It is crucial for authorities to carefully assess the effectiveness of these policies in addressing the specific inflation challenges faced by the region.

c. External Factors

External factors, such as global economic conditions and geopolitical events, can also influence inflation in Bangka Belitung. Fluctuations in international commodity prices, currency exchange rates, and trade agreements can have ripple effects on the local economy, impacting inflation rates. Monitoring and adapting to these external factors are essential for understanding and managing inflation in the region.

According to the data released by the BPS Babel, the inflation rate in Tanjung Pandan City for September 2023 stood at 5.03% on a year-on-year basis. Within this figure, air transport alone accounted for 1.005% of the total inflation rate. This indicates the substantial impact that air transportation costs had on the overall inflation scenario in the region. As air travel is a crucial mode of transportation for both goods and people in Bangka Belitung, any fluctuations in airfare can significantly influence the cost of living for residents.

Furthermore, the inflationary pressures stemming from air transportation costs highlight the interconnectedness of various sectors within the economy. For instance, when airfares experience a surge, it not only impacts individual travelers but also has cascading effects on industries that heavily rely on seamless air connectivity, such as tourism, import-export businesses, and logistics companies. This intricate web of dependencies emphasizes the critical need for vigilant monitoring and strategic management of inflation drivers to uphold economic stability and foster sustainable growth in Bangka Belitung.

In conclusion, the inflation landscape in the region is indeed multi-faceted and dynamic. Different commodities and sectors, ranging from energy prices to food costs, play distinct yet interconnected roles in shaping the overall economic environment. It is crucial for policymakers and stakeholders to adopt a holistic approach in addressing inflationary trends, considering the diverse factors at play and their ripple effects across the economy. By fostering a comprehensive understanding of these interrelations, Bangka Belitung can navigate the complexities of inflation and steer towards a path of resilience and prosperity. a. Strengthening trade ties with neighboring countries can also influence inflation dynamics in Bangka Belitung. Importing goods at competitive prices can alleviate cost

Periode Januari 2017-Desember 2022" (PhD Thesis, Universitas Islam Indonesia, 2023), <https://dspace.uui.ac.id/handle/123456789/45280>.

¹⁷ Bima Riansyah, "Analisis Pertumbuhan Ekonomi, Tingkat Inflasi, Dan Nilai Tukar Rupiah (Kurs) Terhadap Ekspor Non Timah Di Provinsi Kepulauan Bangka Belitung" (PhD Thesis, Universitas Bangka Belitung, 2023).

¹⁸ Agung Rizki Putra Et Al., "Exploring The Role Of Investment In Driving Economic Growth: A Case Study Of The Bangka Belitung Islands," *Ekonomi Dan Bisnis* 10, No. 1 (2023): 1-16.

pressures on local consumers and businesses, contributing to overall price stability; b. Embracing technological advancements in production processes and supply chain management can enhance efficiency and mitigate inflationary risks. Automation and digitalization can streamline operations, reducing operational costs and ultimately influencing price levels; c. Investing in education and skills development programs can boost productivity and innovation, driving economic growth while potentially dampening inflationary pressures. A skilled workforce can adapt to market changes more effectively, fostering a resilient economy.

Bangka Belitung Province has the third highest rate of inflation in Indonesia, assuming there has been no increase in fuel prices¹⁹. With its character as an archipelagic country, it is stated that apart from volatile food (developments in food commodity prices) which have price vulnerabilities, high transportation and distribution costs are one of the causes of high inflation rates. The impact of this increase in fuel costs not only leads to an increase in the selling prices of goods and services, but also has the potential to weaken household purchasing power, and leads to lower productivity and production of goods or services, which will cause disruption to the regional economy, which is reflected in low economic growth.

The solution to overcoming inflation is that there must be consistency between the government and society itself to overcome inflation with the vision and mission of the future economy by creating applications and policies, so that inflation can be reduced and can be overcome²⁰. The impact of inflation can vary depending on the level and stability of inflation itself. Low and stable inflation can provide incentives for economic growth, reduce debt burdens, and encourage investment. However, high and uncontrolled inflation can cause economic instability, reduce people's purchasing power, and disrupt individual and business financial planning.

Zakat has become a pillar in the Islamic economic system. Zakat functions to ensure that the circulation of wealth in society does not cause inequality. Zakat can also reduce poverty and create solidarity in society for the long term. Zakat can not only be seen from the final results of achieving social welfare, but also includes a direct relationship with the economy.²¹ Economic growth is usually associated with increased sustainable production of goods and services which has an impact on increasing people's living standards.

HM. Arief Manggu as Chair of the National Zakat Amil Agency (BAZNAS) of Bangka Belitung Islands Province hopes that the Bangka Belitung Islands Provincial Government can increase zakat income, through professional zakat from the State Civil Apparatus (ASN) within the Kep Provincial Government. Babylon. For your information, currently Baznas Babel has not been able to achieve its target in collecting zakat, infaq and shodaqoh due to several factors, one of which is due to the current decline in the community's economy.

Acting Instructions Governor of Kep. Bangka Belitung at the Baznas socialization event at the Governor's Office in his speech said that zakat management aims to improve zakat services and benefits to realize community welfare and overcome poverty. For this reason, the government formed Baznas starting from the center, provinces and city districts throughout Indonesia. As head of government in Babylon, the Acting Governor invited the wider community, including ASN, to pay zakat on their income which is mandatory for Muzakki. I invite all OPD leaders to channel their wealth zakat and professional zakat through Baznas Babel which is more optimal and coordinated. "Apart from that,

¹⁹ Darman Saputra et al., "Factors Influencing Strategic Food Price Fluctuations Against Inflation in Pangkalpinang City," in *International Conference on Economic Management, Accounting and Tourism (ICEMAT 2023)* (Atlantis Press, 2024), 19–31, <https://books.google.com/books?hl=en&lr=&id=YI8HEQAAQBAJ&oi=fnd&pg=PA19&dq=Bangka+Belitung+Province+has+the+third+highest+rate+of+inflation+in+Indonesia,+assuming+there+has+been+no+increase+in+fuel+prices&ots=TMbRgItrEa&sig=i30x99FgwPNdb0ZbQ75RH0-o62M>.

²⁰ Ernesth Cancerio Reynaldo, Darwati Susilastuti, and Meirinaldi Meirinaldi, "The Influence Of Macroeconomic Factors On Human Development Index And Poverty Rate In Bangka Belitung Islands Province," *Journal Research of Social Science, Economics, and Management* 2, no. 10 (2023): 2507–27.

²¹ M Fuad Nasar, *Capita Selecta Zakat: Esei-Esei Zakat Aksi Kolektif Melawan Kemiskinan* (Gre Publishing, 2018).

through Baznas moving people's money will be able to be reused for the benefit of the people," explained the Acting Governor. To Baznas Babel, the Acting Governor also hopes that he can carry out his duties as well as possible and continue to uphold the mandate in managing and distributing people's funds through revenue, zakat, infaq and alms.

One of the ways in which the Baznas Empowerment Program is used to reduce the rate of inflation is by launching economic empowerment for small communities, as well as direct assistance both for basic material needs and through scholarship programs, to keep people's income stable, which is one way to control the rate of inflation. People's income is closely related to whether there is a balance between money in circulation and goods and services.

"Baznas continues to strive to stabilize people's income, especially people who live below the poverty line," said Prof. Noor Achmad, Chair of Central Baznas in a written statement, Thursday (15/9/23). "This time, Baznas will also target markets, to meet the needs of vulnerable communities. Baznas wants to ensure the availability of basic foodstuffs for the community at affordable prices. "Especially by jointly carrying out market operations. "It is hoped that this movement will not only be carried out by Baznas District/City, but also by UPZs in mosques throughout the region," said Noor. Another effort initiated by Baznas is by assisting mustahik who are directed to become muzzaki through a cooperation program with the ministry of religion and local government down to the lowest level, for example through providing assistance to the people's economy by religious counselors using the UPZ basis at the KUA, as well as collaborating with banks in order to facilitate and develop business access.

The various programs launched by Baznas are part of strengthening the people's economy that Baznas has built from the center to the regions. Baznas will immediately initiate and strengthen economic programs with a commitment to provide prosperity to the people and alleviate poverty. Baznas already has an economic program aimed at transforming mustahik into muzzaki.

CONCLUSION

The National Zakat Amil Agency (BAZNAS) has a strong commitment with the government to reduce inflation. One way to do this is by launching economic empowerment for small communities, as well as direct assistance for basic material needs and through scholarships. Community income is closely related to whether there is a balance between money in circulation and goods and services, so BAZNAS continues to strive to stabilize community income, especially people who live below the poverty line, affordable. Another effort carried out by BAZNAS is by assisting mustahik who are directed to become muzaki through collaboration with the ministry of religion and regional government down to the lowest level, namely in assisting the people's economy carried out by religious instructors using the UPZ base in the KUA-KUA , as well as collaborating with Sharia Banking in order to facilitate and develop business access.

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