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Conference Paper

Economic development and desecularization: Empirical evidence from Malaysia

50th Congress of the European Regional Science Association: "Sustainable Regional Growth and Development in the Creative Knowledge Economy", 19-23 August 2010, Jönköping, Sweden

Provided in Cooperation with:

European Regional Science Association (ERSA)

Suggested Citation: Yazid, Ziad Esa; Mohamad, Joriah; Folmer, Henk (2010) : Economic development and desecularization: Empirical evidence from Malaysia, 50th Congress of the European Regional Science Association: "Sustainable Regional Growth and Development in the Creative Knowledge Economy", 19-23 August 2010, Jönköping, Sweden, European Regional Science Association (ERSA), Louvain-la-Neuve

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Paper For Submission

50th Anniversary European Congress of the Regional Science Association International

19th – 23rd August 2010

Jönköping, Sweden

Very Preliminary Version

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ECONOMIC DEVELOPMENT AND DESECULARIZATION: EMPIRICAL EVIDENCE FROM MALAYSIA

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ABSTRACT

This paper investigates the relationship between economic growth and religion, particularly whether growth leads to desecularization. Casanova (1994) and Berger (1999) postulate that economic growth is correlated with a decline in church membership and related practices, such as church attendance and paying church taxes. Empirical evidence for the secularization hypothesis is provided by among others, Harskamp (2005) and Kennedy (2005). However, Gorski (2000) and Alvey (2003) questioned the secularization hypothesis and suggest that religious movements remain strong despite economic development. So far, it has been mainly tested for Christians in the developed countries. This paper revisits the secularization hypothesis for Muslims in Malaysia. Secularization is measured as individual contribution to Zakat which is a donation to those who are less fortunate. In Malaysia Zakat is voluntary. Therefore, it can be considered as an indicator of one's attitude to religion and its institutions. On the basis of a nationwide data set for the year 2005, we tested an individual's Zakat contribution as a function of income controlling for various regional and socio-economic characteristics. Malaysia is an important and interesting case to test the secularization hypothesis because it is a rapidly developing country and predominantly Muslims with a relatively well-developed education system which does not only focus on conventional fields but also on religion which has increased Malaysians' awareness of their religion. To our best knowledge, the proposed study is the first relating to a Muslim country. Our findings suggest that Malaysia has not been secularized despite the economic development as far as Zakat payment is concerned. In terms of policy, it is important that Malaysia remains not secularized because being religious helps in Malaysia's Fiscal policy through Zakat payment.

Keywords: *secularization, religiosity, economic development, Malaysia*

1.0 Introduction

This paper attempts to examine Secularization Thesis in Malaysia by means Zakat payment as a form of religious contribution to reflect religiosity and individual income to represent economic development..The relevance of religion has been an important issue both in the context of policy and social sciences. In terms of policy, there are a number of institutions which are related to religion. The welfare institutions, educational institutions and even banking institutions are connected to religion. In social sciences, religion has always been treated as one of the most important dimensions of sociology. Sociologists have long studied the social consequences and social causes associated with belief about supernatural and religion(Weber 1963; Marx 1968). Among the much heated debate among sociologists is on secularization which is a process of the weakening influence in religious beliefs, symbols and institutions (Berger 1999; Finke 2000; Swatos 2000; Bruce 2002) .Sociological studies in Muslim Societies especially in the sociology of Islam is still relatively underdeveloped. The study on sociology of Islam can be related to social science theories such as exchange theory and also secularization theory. These theories explain the reciprocal behavior between religion and society.

Religion used to have an extensive role in almost every aspects of society. In terms of policy, religion had a close relationship with the state and religious leaders who were actively involved in the government. The Church was a major propagation tool and this makes it easier for religious official to define and control the way people view the natural and social world(Sydnor 1980). Churches were generally involved in economic, political, military and cultural spheres of life where religious advisors used to be the most influential leaders in politics. However, today they are just a mere symbol in most political system. Bible has been an important reference for the construction of the ancient legal system.

However through time, only certain parts of the bible have been cherry picked in order to coincide with modernity(Berman 2006)

By contrast, when we look at the modern world, the picture that we get is very different. In Great Britain for example, most British intellectuals, historians and Church leaders think that Britain is now not very religious(Brown 1992; Gill 1992). The growth of political democracy in the 20th century makes the church no longer closely related to the state and the government. The role of church has been progressively reduced by the development of political parties. This has resulted in the reduction in the role of church in the economy, politics and military. In terms of religious propagation, the role of church has significantly reduced as evidence by the decline in the church activities. In 1899, in Europe 98% of the Dutch participated in religious activities compared with only 40% in 2001 (Bruce 2002). Meanwhile, in the Nordic countries, the church attendance is less than 10% (Bruce 2002).

Enlightenment and economic development are found to be the two main causes in the weakening of the relevance of religion. The era of enlightenment is the emergence of western philosophy both scientific and cultural life during the eighteenth century. The rise of science and the scientific outlook promotes better understanding of the world with theoretical and empirical studies and experiments that explains the disenchanted. This is why a scientifically enlightened mind can't easily be influenced by theocentric and supernatural worldview. The Darwinian evolutionary revolution and Copernican revolution in astronomy contradicted the stories in the scriptures which are believed to be the word of god. Economic activity evolved from predominantly agrarian based economy to the industrial based and post industrial based. Parallel with the evolution of economic activities, society becomes more developed and their welfare are taken care of predominantly by public funding. Thus state sponsored social welfare will eradicate, though not eliminate the role of religion in politics (Gill and Lundsgaarde 2004)

The Secularization Thesis is based on the idea that countries become more secular and its economy becomes more developed and industrialized. It has been critically examined by Yinger (1957),

Weber (1963), Glock (1965), Wilson (1978) and Barro and McCleary (2003) . The concept of secularism is an ideology or doctrine. It is the separation of religion from other affairs and not necessarily excludes religion from having authority over political and social affairs. On the other hand, secularization process is the transformation of person, properties, institutions, offices, or matters concerning spiritual characters to a worldly character¹(Berkes). Secularization hypothesis actually consists of three different hypotheses; secularization as a decline of religious belief and practices; secularization as marginalization of religion to a privatized sphere; and secularization as the segregation of secular spheres from religious standards and institutions (Casanova 1994)

The study of secularization to Muslim countries has often been problematic yet enlightening. Following Karl Marx and Max Weber, many western social scientists argue that concept such as secularization is Eurocentric and therefore should not be extended to the rest of the world. They argue that Muslim societies did not encounter renaissance, reformation or enlightenment. There was no Protestant nor Catholic movement to question the fundamentals of Islam (Boroujerdi 1994).

Apparently some regions of the globe that were undergoing the process of modernization moved in the opposite direction that secularization theory predicted (Casanova 1994; Berger 1999). A sophisticated view has been put forward by Gellner (1992). His argument regarding modernity, urban life, social mobility and social literacy in the West, Russia and most part of the world have resulted to secularization in terms of separation from rural/tribal and kinship communities and authorities. This has led Islam from a popular religion to scriptural orthodoxy. The newly educated and urbanized progressed from rustic, magical, illiterate version of village and tribe (low Islam) to (High Islam) which refers to the legalistic and scriptural Islam in the cities(Gellner 1992). This makes Islam bound to religion in a unique way. Basically, Islam is the essence of Muslim society which comprise of all aspect of life.

¹ Webster's 9th New Collegiate Dictionary 1990

Economic development and modernization is supposed to drive away religion, at least in social and political role. This kind of notion has always been treated as one of the fundamental axiom of social science. Although Islam is said to be resistant to secularization, Turkey is an exception (Gellner 1992). Turkey is often considered having passed the test of secularization. It started during the end Turkish Sultanate when Sultan Mahmud successfully reduced the role of the learned traditionalist elite called the Ulama and introduced secular education (Kucukcan 2003). Furthermore, during the Tanzimat era, Sultan Abdulmajid introduced secular education and secular law to the Turkish society. It was when Mustafa Kemal Ataturk came to Power and establishes Turkey as a secular republic. The situation is quite the same with the two French post colonial states. The new establishment of Morocco and Algeria also excluded the role of Ulema. However, the Ulema is only in charge with the Islamic affairs. Yet again, the final say is in the secular government (Parmentier 1999).

For a country which has a Muslim majority, Islam is not just a religion but it is the way of life. In Turkey for example, Muslims still practice Islam and are obliged by the five pillars of Islam. Zakat, or Almsgiving is one of the most important Muslim's way of life. It is in fact the third pillar of Islam which makes it an obligation for Muslim to fulfill the requirements of paying Zakat. Since there are no penalties imposed by government the fulfillment of Zakat payment obligation is much dependent on the individual Muslim's belief or "taqwa". We believe that Zakat is a good measure of secularization. However, the test of secularization by means of Zakat is very scarce in the literatures. For example, the institutionalization of Zakat was mentioned in the study of secularization in Muslim country as an evidence of the privatization of religion (Parmentier 1999; Saneep Ahmad 2005). The available literatures are mostly Eurocentric and use religious contribution as one of the measures of secularization. This brings to our aim for this paper and test the secularization theory by means of Zakat contribution.

We believe that there are many motives of Zakat contribution. Since Zakat contribution is a form of religious contribution, we are using Azzi and Ehrenberg (1975) motives of religious contribution as a

guideline for Zakat Contribution. Azzi and Ehrenberg (1975) had divided these pressures into different motives. They identified three motives of religious participation: Salvation; Consumption and Social Pressure. Salvation is an investment in an expected benefit afterlife which deals with the supernatural and the divine. “Consumption” is a satisfaction derived from inherent religious beliefs which is the result of the privileges of club goods in houses of worship (Sullivan 1985; Iannaccone 1992). “Social Pressure Motive” derives from the fact that increment of church membership and attendance as a proxy for the probability of an individual succeeding in business. In other words, utilitarian or materialistic behavior in order to build social capital (Sacerdote and Glaeser 2001)

The remainder of this paper is structured as follows. Section 2 presents the conceptual model which explains the determinants of Zakat payments whereas section 3 describes the empirical results. In Chapter 4 the paper ends with conclusions and policy recommendations. In the conclusion, we explained whether Malaysia is indeed not secularized in terms of Zakat payment. As a policy recommendation, we stated that religious behavior is still important for Malaysia’s Fiscal policy as Zakat is one of the main contributors.

2. THE CONCEPTUAL MODEL

This section describes the conceptual model which presents the dependent variable (The Zakat contribution) and its determinants. The conceptual model is based on an extensive review of the theoretical and empirical literature. All the variables are summarized in a form of table in table 1.

2.1 Dependent variable

Zakat is chosen as an indicator of religiosity to test the Secularization hypothesis. Religious contribution is one of the measures of religiosity. What makes Zakat special is that Zakat is unique in its own way. It has the same importance just like the Salah and it is one of the five pillars of Islam. This means that if a Muslim pays the Zakat at a required² amount, it shows that the Muslim complies with one of the pillars of Islam thus supporting the Desecularization hypothesis.

2.2 Independent variables

There are many variables which can influence the payment of Zakat. Among the pertinent variables are Altruism, level of faith, self satisfaction, and utilitarian factors (Muhamad Muda 2009). To accommodate the limited variables available, we are using the selected variables from Malaysia Household Expense Survey "HES". The independent variables that we are focusing on are income because income is one of the most important indicator which represents economic development. Other variables that have effects on Zakat contribution are age, gender, origin, education and occupation. All these independent variables are discussed below:

2.2.1. Income

If the secularization theory holds, the increase in economic status will reduce the religiosity of the society. There are numerous literatures that mention the relationship between economic status and religiosity. Iannaccone (1990) and Sander (2002) among others postulate that there is a positive relationship between economic status and religiosity. The reason pointed out by Iannaccone (1990) is that people with higher income contribute more to the church as a substitute for the infrequent attendance in church. However there are also literatures that show negative relationship between income and religiosity. Zaleski, Zech et al. (1994) and Lipford and Tollison (2003) among others postulate that income has negative relationship with religiosity. This is because church members who get welfare benefits, may not

² 2.5% of wealth

have the willingness to work (Lipford and Tollison 2003). Our hypothesis is, there is a positive relationship between income and Zakat contribution as all eligible Muslims are required to make Zakat contribution. Zakat is an important instrument for social justice as it leads to increase prosperity and also leads to increase religious merits (thawab) in the afterlife and purifies individuals from sins (Muhammad Abdul Aziz, 1987). We believe that Muslims in Malaysia are bourgeois, scripturalist and literate version of Islam where “high Islam” is the key of maintaining faith despite the effects of secularization (Gellner 1992) . Based on income elasticity, if income elasticity is less than 2.5% it signifies secularization but if more than 2.5% signifies desecularization. When regressing against income by controlling for the other intervening variables, it should be 0.025 and larger for the Desecularization Hypothesis of this study to hold.

2.2.2 Age

Age is assumed to have a positive relationship on religiosity. This is because the possibility of death is the increasing function of age which make individuals to be more religious when they get older. This can be related to the salvation motive because once a person is aging; the rational is the person will be more focused on afterlife investment. The hypothesis on age should be positively related with Zakat payment. General support for this hypothesis is Azzi and Ehrenberg (1975); Ehrenberg (1977) and Chatters, Taylor et al. (1999) where there is a positive relationship between age and religiosity. This is because as pointed out by Azzi and Ehrenberg (1975), once a person face low probability of death, it is not very necessary for a person to concentrate in religious participation. Otherwise, a person may need to invest earlier as in being religious if the probability of death is high. The same view was shared with (Hrung 2004) when he relates it to the salvation motive and made a comparison between non religious contribution and religious contribution.

2.2.3 Gender

Numerous sociological studies have demonstrated the differences between men's and women's religious beliefs and practices. Given that the nature of monotheistic religion of male dominance in rituals, we postulate that the male gender are supposedly more religious thus more males pay Zakat. This is especially applies for Jews, Hindus and Muslims, the men are more religious or at least appears to be than the women (Loewenthal, MacLeod et al. 2002). For some religion, mainly Judaism and Islam, men play more importance in religious rituals. However, most literatures has stated the opposite for instance, using multi comparison studies of six datasets of African Americans, Azzi and Ehrenberg (1975) finds that women are more religious than men in terms of church attendance. (Azzi and Ehrenberg 1975). This is because women in their sample are facing lower market wages which makes it more efficient for women to play a nurturing role in terms of religion for their children. However, Loewenthal, MacLeod et al. (2002) also stated that the difference in religiosity between men and women varies across different religion. For example Christian woman has slightly higher level of religiosity than men. Nevertheless, there are also several researchers argue that women are more religious than men because they do not work outside the home and, therefore, have more free time to pursue religious interests (Azzi and Ehrenberg 1975; Ianacconne 1990)

2.2.2 Education level

There are two opposing views regarding education level and religiosity. One study indicated that, the more educated the person is the less religious the individual is which was empirically proved by Albrecht and Heaton (1984) and Scheepers, Grotenhuis et al. (2002). Only small percentage of Nobel Prize winners and members of the top scientific organizations in the US and the UK are religious (Dawkins 2006). The reason for this view is provided by Caplovits (1977) where Higher education institutions enhances critical thinking which questions the fundamental beliefs of religion. The alternative view is the more educated the person is, the more religious he or she is. In other words, increase in education level will increase in payment of Zakat. There are at least two reasons highlighted by the literatures. One is, according to Chatters, Taylor et al. (1999), more educated people will be more

inquisitive by reading more religious materials. Another reason is the company that the person mixes with (Gaede 1977). This is because increase in level of education does not necessarily increase skepticism.

2.2.3 Wealth

We hypothesize that increase in wealth will increase religiosity. One of the reasons for this is because the wealthy can afford for the funding of the infrastructure. Wealth and income highly correlated. The infrastructure is then used to perform religious rituals (Smith 1987). In China especially, the rich tycoon build family community house equipped with temples for worship. This signifies wealth, prosperity and religiosity. However, (Durkheim 1912) Eurocentric model of religiosity managed to isolate the motives of religious activities which are the “earthly motives” and the “salvation motives” (Azzi and Ehrenberg 1975). Since national wealth is closely related to state welfare, we would expect that the wealthier the state is not relevant because we’re dealing with individuals and the more accurate the measurement of belief because the earthly motives are satisfied. So, the only possible reason is the salvation. Meanwhile, this is not the case for wealthy individuals who are most likely to engage in religious activities which may only be a substitute or proxy for community activism (Gyimah-Boadi 2009).

2.2.4 Urbanicity

Literatures regarding urban- rural differences in religiosity are dated back in the 70s by the study made in the US using Gallup survey. The difference in terms of mobility and facilities in rural and urban may influence the religiosity which links secularization on the respective of rural or urban dwellers. This is because from a practical standpoint, it is much easier to participate in the church activities in an urban area than in rural area (Finke and Stark 1988). This also may have been the explanation of why people living in the metropolitan area are more likely to attend church rather than the people living in the rural areas (Yokley 1971). Most cities have places of worship but the lower the population density in the rural areas makes it hard to sustain churches which explain why there is a positive relationship between

urbanicity and religiosity (Finke and Stark 1988). Using data of 81 provinces, 850 towns, and 2267 small towns in Turkey indicated that people living in the rural areas or villages in Turkey are less religious than people who are living in the urban modern areas (Akdede 2008). There are also competition in the urban areas that might serve alternatives such as museums, theatres, and political organizations (Barro and McCleary 2002). This explains why there is negative coefficient between urbanicity and religiosity in terms of church attendance (Barro and McCleary 2002). Migration from other countries into the urban areas can also be the reason of the negative coefficient between urbanicity and religiosity (Chalfant and Heller 1991). This is because of the opportunities offered in urban areas especially in a very developed States of America. Our hypothesis is that there is a positive relationship between urbanicity and religiosity. To link it with Zakat contribution, in the Urban Areas, it is easier for people to pay Zakat because of better facilities despite the potential competition as mentioned above. If our hypothesis holds, then there is no secularization at the level of the individual Muslims in Malaysia.

2.3 Interaction variables

Interaction terms are quite common in regressions in social science. Considering the variables available in our datasets like age, income, gender and education level, there might be interaction variables like age and education.

2.3.1 Gender and Education

Sex and education level is known to have influences in a person's religiosity (Christopher, Fearon et al. 1971). For example, a highly educated male can be more religious than a highly educated females. As pointed out by (Kate Miriam Loewenthal 2001) it is because of cultural norms. In terms of religiosity in general, higher educated women are more likely to be religious (Feltey and Poloma 1991). The

explanation for this is because of the position of women as a caretaker for their children especially in religious socialization (Vaus and McAllister 1987; Sapiro 1990). However, in terms of Zakat contribution in Malaysia and by taking into consideration of male responsibility and Muslim religious rituals would bring to our hypothesis that educated males would pay Zakat rather than educated females.

2.3.2 Age and Gender

Previous studies also indicated that once the older men and older women have different influences on religiosity (Douglas Degelman 1991; Levin 1993; Imamura 2009). Using a sample of 171 convenient sample of African American in the United States, Jacqueline S. Mattis¹ (2001) postulates that older men are more religious although generally men is less religious. Contrary to Jacqueline S. Mattis¹ (2001), older women are more religious by using church attendance as a measure of religiosity (Feltey and Poloma 1991). The reason is because of the stress and psychological behavior of women that needs to socialize once they get older. Moreover, Azzi and Ehrenberg (1975) says that female's marginal cost of investing in religious capital rises less than male as they age. However, considering the non Eurocentric nature of Malaysia and the conservative culture, we hypothesize that older men are more religious than older women.

2.3.3 Income and Education attainment

Although there are exceptions, high educational attainment is always related to high income. The interaction between these two variables may have influence towards religiosity (Merrill, Lyon et al. 2003). Their justification was, Mormonism really emphasize education especially since the Mormon

church has no funding by the US government (Stan L. Albrecht 1984), they need the financial independence by conducting church activity and the best thing to do is to attain high level of education so that Mormons can have a better job thus contributing to the Mormon church (Stan L. Albrecht 1984). In the case of Zakat, we hypothesize that people with high level of education as well as high income would contribute to Zakat.

2.3.4 Education attainment and Urbanicity

The religiosity of highly educated people may differ in rural and urban areas. This is because no matter how highly educated a person is, if the church is far away especially in the rural areas, it is difficult for the person to participate in church activities (Finke and Stark 1988). On the other hand, living in urban areas poses distraction or competition for church participation (Barro and McCleary 2002). This brings us to our hypothesis which states that the highly educated who are living in the urban areas will have higher religiosity and make Zakat payment. Although there are lots of distractions in urban areas but the government has made available good and efficient Zakat payment facilities or counters for Zakat payment. Zakat Collection Center has collected around RM6.5 million for the Year 2009 with an estimated 7,000 contributors.

3. EMPIRICAL RESULTS

The First step in the empirical analysis was to check the correlation between variables. Any variables with high correlation with each other will be interacted with each other. Highly insignificant coefficients with weak theoretical support were removed using backward stepwise regression. The correlation results are presented in table 2

Table 2 about here

The estimation result of the model are presented in table 3. From the table, there are only two independent variables which are **Gender** and **Income** significant with Zakat payment without any interaction with other variables. Variables like **Education** and **Age** are interaction which needs to interact with other variables in order to be significant. On the other hand, **Wealth** and **Strata** are not significant even when they are interacted with other variables.

Table 3 about here

The coefficient between the dependent variable **Zakat** and the main Independent **Income** as hypothesized is significant with positive relationship. An increase in income results in increase of Zakat payment. However when Age is used as interaction variable together with income, the relationship with Zakat Payment becomes negative. This is an indication that younger people with higher income has higher probability of paying Zakat. **Gender** has a positive significant relationship with **Zakat** payment indicating that the probability of paying Zakat is higher among females.

When **Gender** is interacted with **Education** level, the relationship between Zakat payment becomes negative. This indicates that educated males has higher probability of paying Zakat rather than females. On the other hand, when **Education** interacts with **Age**, the relationship between Zakat payment becomes positive. This implies that the older and more educated a person is, in this sample, the higher the probability of paying Zakat.

In addition to the results explained above, the goodness of fit is measured by R2 and the R2 is 0.03 . Although it is low, we believe that it is acceptable for this study. The reason has been stated by Wooldridge (2009) low R2 is common in social sciences particularly when dealing with cross-section datasets.

5. CONCLUSION AND POLICY RECOMMENDATIONS

The purpose of this paper is to examine Secularization Thesis by means of Zakat Payment as a measure of religiosity and income as a measure of economic development on the basis of a sample of 427 single household in Malaysia. For that purpose, OLS regression is estimated and the main findings and its potential impact on a policy point of view are explained in the following paragraphs.

As far as Zakat Payment is concerned, religion does have a role in Malaysia's society. Our results show that Income has a positive impact on Zakat payment which is contrary to the Secularization Thesis. This finding is in line with Iannaccone (1990) and Sander (2002) where there is a positive relationship between income and Zakat contribution. However, the reason pointed out by Iannaccone (1990) which is religious contribution as a substitute for church attendance only applies to Christian communities. For the Muslim communities, it is still for salvation reasons as Muslims believe that Zakat contribution leads to increase in religious merits in the afterlife and purifies sins (Aziz 1987). When age is included with income as an interaction variable, we can see signs of secularization when the higher income among the older generations has lower probability of paying Zakat. However if we look at it at another perspective, there might also be signs of desecularization because the results also imply that younger person with high income are more religious, the downside is that we have yet to find a literature that would support that.

With regards to gender, females have higher probability of paying Zakat. This finding is in line with Azzi and Ehrenberg (1975) and Iannaccone (1990) where women are more religious than men because they have more free time to pursue religious interest and their nurturing role to their children. However if they are more educated, the probability of them paying Zakat is lower than men when results has shown negative relationship between gender and income when education variable is interacted with gender variable.

Education and age if interacted has positive relationship with Zakat Payment. This coincides with the findings of Azzi and Ehrenberg (1975) and Chatters, Taylor et al. (1999) in terms of age when a person's religiosity increases when the possibility of death increases although it doesn't really prove the absence of secularization. On the other hand, the findings of Chatters, Taylor et al. (1999) have somehow strengthened the absence of secularization when education level is interacted with age.

Important policy recommendation is that Zakat is an Important Fiscal instrument in Malaysia. Billions of Ringgit is collected each year by Zakat collection institutions and it has indeed helped the poor (Hassan 1987). The study of secularization in Malaysia is important because Zakat depends of the faith of individual Muslims. If there is secularization especially at an individual level, then it will affect on the payment of Zakat thus the government losses one of its instrument of fiscal policy to help the poor and the unfortunate. There should be more awareness campaign towards promoting religious values as it is beneficial to the psychological needs as well as Malaysia's fiscal wellbeing.

We would like to conclude this section by mentioning some of the limitations of the present study and give some recommendations for further research. Some of the indicators of the independent variables could be improved. For example, the indicator of wealth can be substituted with the amount of savings in unit trust instead of the type of house that the sample resides. Moreover, instead of using Malaysia Household Expense Survey (HES) which covers only 40 000 to 50 000 household, for future research we should try using Malaysia Household Income Survey which covers even more than that.

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Table 1 Definitions Measurement and Labels of Variables

| Category | Variable | Measurement | Variable Name |
|---------------------------|--|--|--|
| Dependent variable | Zakat Payment | Ringgit Malaysia | Zakat |
| Main Independent Variable | Income per Single household | Ringgit Malaysia | Income |
| Independent Variables | <ul style="list-style-type: none"> • Age • Gender • Education • Strata • Wealth | <ul style="list-style-type: none"> • Years • Male/Female • PMR/SPM/STPM/Diploma /Bachelors/Nil/Unknown • Rural/Urban • Single storey single house/Double storey single house/Single storey double house/Double storey single house/Condominium/Low Cost Flat. | <ul style="list-style-type: none"> • Age • Gender • Education • Strata • Wealth |

Table 2 Correlations

| | | Zakat | Age | Gender | Education | Income | Strata | Wealth |
|-----------|---------------------|---------|---------|---------|-----------|---------|---------|---------|
| Zakat | Pearson Correlation | 1.000 | -.027 | .074 | -.026 | -.015 | -.037 | -.007 |
| | Sig. (2-tailed) | | .577 | .125 | .591 | .755 | .450 | .886 |
| | N | 427.000 | 427 | 427 | 427 | 427 | 427 | 427 |
| Age | Pearson Correlation | -.027 | 1.000 | .246** | .392** | -.439** | .430** | -.217** |
| | Sig. (2-tailed) | .577 | | .000 | .000 | .000 | .000 | .000 |
| | N | 427 | 427.000 | 427 | 427 | 427 | 427 | 427 |
| Gender | Pearson Correlation | .074 | .246** | 1.000 | .128** | -.183** | .096* | -.124* |
| | Sig. (2-tailed) | .125 | .000 | | .008 | .000 | .048 | .010 |
| | N | 427 | 427 | 427.000 | 427 | 427 | 427 | 427 |
| Education | Pearson Correlation | -.026 | .392** | .128** | 1.000 | -.212** | .153** | -.076 |
| | Sig. (2-tailed) | .591 | .000 | .008 | | .000 | .002 | .116 |
| | N | 427 | 427 | 427 | 427.000 | 427 | 427 | 427 |
| Income | Pearson Correlation | -.015 | -.439** | -.183** | -.212** | 1.000 | -.252** | .144** |
| | Sig. (2-tailed) | .755 | .000 | .000 | .000 | | .000 | .003 |
| | N | 427 | 427 | 427 | 427 | 427.000 | 427 | 427 |
| Strata | Pearson Correlation | -.037 | .430** | .096* | .153** | -.252** | 1.000 | -.215** |
| | Sig. (2-tailed) | .450 | .000 | .048 | .002 | .000 | | .000 |
| | N | 427 | 427 | 427 | 427 | 427 | 427.000 | 427 |
| Wealth | Pearson Correlation | -.007 | -.217** | -.124* | -.076 | .144** | -.215** | 1.000 |
| | Sig. (2-tailed) | .886 | .000 | .010 | .116 | .003 | .000 | |
| | N | 427 | 427 | 427 | 427 | 427 | 427 | 427.000 |

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 3: Stepwise Backwards Regression Results

| | | Eq 1 | Eq 2 | Eq 3 | Eq 4 | Eq 5 | Eq 6 | Eq 7 | Eq 8 | Eq 9 | Eq 10 | Eq 11 |
|-----------|-----|--------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Constant | t | -1,141 | -1,108 | -1,103 | -1,117 | -1,203 | -1,284 | -1,294 | -,738 | -,490 | -,652 | -,795 |
| | Sig | ,438 | ,393 | ,393 | ,380 | ,317 | ,271 | ,267 | ,378 | ,490 | ,334 | ,177 |
| Income | t | ,002 | ,002 | ,002 | ,002 | ,002 | ,003 | ,003 | ,002 | ,002 | ,002 | ,002 |
| | Sig | ,075 | ,071 | ,066 | ,065 | ,066 | ,029 | ,030 | ,027 | ,029 | ,030 | ,019 |
| Age | t | ,002 | | | | | | | | | | |
| | Sig | ,962 | | | | | | | | | | |
| Gender | t | 1,020 | 1,016 | 1,016 | 1,019 | 1,026 | ,956 | ,959 | ,902 | ,778 | ,910 | ,906 |
| | Sig | ,040 | ,038 | ,037 | ,035 | ,034 | ,022 | ,021 | ,027 | ,023 | ,002 | ,002 |
| Education | t | ,146 | ,151 | ,150 | ,153 | ,176 | ,186 | ,178 | ,059 | | | |
| | Sig | ,585 | ,529 | ,530 | ,516 | ,398 | ,362 | ,379 | ,574 | | | |
| Strata | t | -,539 | -,546 | -,549 | -,545 | -,498 | -,442 | -,415 | -,430 | -,377 | -,089 | |
| | Sig | ,075 | ,327 | ,322 | ,323 | ,321 | ,399 | ,361 | ,343 | ,394 | ,664 | |
| Wealth | t | ,002 | ,002 | | | | | | | | | |
| | Sig | ,955 | ,959 | | | | | | | | | |
| Gedu | t | -,110 | -,113 | -,112 | -,113 | -,113 | -,119 | -,119 | -,110 | -,089 | -,109 | -,108 |
| | Sig | ,197 | ,094 | ,094 | ,090 | ,089 | ,058 | ,058 | ,073 | ,068 | ,008 | ,008 |
| Agender | t | -,003 | -,002 | -,002 | -,002 | -,002 | | | | | | |
| | Sig | ,833 | ,792 | ,790 | ,790 | ,774 | | | | | | |
| Inedu | t | ,000 | ,000 | ,000 | ,000 | ,000 | ,000 | ,000 | | | | |
| | Sig | ,507 | ,473 | ,473 | ,475 | ,492 | ,493 | ,492 | | | | |
| Edurban | t | ,018 | ,018 | ,018 | ,017 | | | | | | | |
| | Sig | ,828 | ,831 | ,829 | ,836 | | | | | | | |
| Wedu | t | ,000 | ,000 | ,000 | ,000 | ,000 | ,000 | | | | | |
| | Sig | ,927 | ,924 | ,925 | ,781 | ,752 | ,739 | | | | | |

| | | | | | | | | | | | | |
|-----------|-----|-----------|-----------|-----------|-----------|-----------|------------------|------------------|------------------|------------------|------------------|------------------|
| Wege | t | ,000 | -9,359E-5 | -3,131E-5 | | | | | | | | |
| | Sig | ,939 | ,943 | ,944 | | | | | | | | |
| Inage | t | -3,502E-5 | -3,429E-5 | -3,460E-5 | -3,475E-5 | -3,577E-5 | -3,872E-5 | -3,842E-5 | -4,578E-5 | -4,517E-5 | -3,807E-5 | -3,917E-5 |
| | Sig | ,214 | ,145 | ,127 | ,124 | ,104 | ,046 | ,047 | ,005 | ,005 | ,003 | ,002 |
| Agestrata | t | ,006 | ,006 | ,006 | ,006 | ,007 | ,006 | ,006 | ,006 | ,006 | | |
| | Sig | ,629 | ,580 | ,577 | ,571 | ,415 | ,437 | ,460 | ,408 | ,463 | | |
| Eduage | t | ,002 | ,002 | ,002 | ,002 | ,002 | ,002 | ,002 | ,002 | ,003 | ,003 | ,003 |
| | Sig | ,345 | ,319 | ,316 | ,316 | ,319 | ,319 | ,281 | ,130 | ,072 | ,008 | ,008 |
| R2 | | ,035 | ,034 | ,034 | ,034 | ,034 | ,034 | ,034 | ,033 | ,032 | ,031 | ,030 |