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**Islamic Economic System, Poverty and Insurgency: From Zakāh
Distribution to Capacity Building**

Mahmud Adesina Ayuba (PhD)

*Senior Lecturer, Department of Religion & African Culture, Faculty of Arts, Adekunle Ajasin
University, maayuba@gmail.com*

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ABSTRACT

Keywords: *Islamic
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Previous studies on Zakāh administration have addressed the issue of distribution of Zakāh funds to reduce the sufferings of the poor. The purpose of this work, however, is to argue for a change from Zakāh distribution to capacity building approach so as to change the condition of the poor and the needy from being Zakāh recipients to Zakāh payers. The fact remains that Nigeria is a rich nation but its people are poor. Many factors have been adduced to be the causes of poverty and perennial insurgency in Nigeria. It is observed that Zakāh is not administered as it ought in Nigeria. The study proffered efficient Zakāh institution as an effective antidote to curb the menace of poverty and insecurity. The paper argues through poverty alleviation model that if Zakāh is properly managed and disbursed judiciously, many destitute would be saved from the cloak of unscrupulous politicians and half-baked scholars who use them to destabilize the country. The study also believed that if Zakāh authority could be sending the poor to training centers to gain certain skills or financing their children's education; this would improve their living condition. The study utilized historical and ideological framework, while relying on secondary sources.

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1. Introduction

It is an undeniable fact that it is not possible for every person to possess enough wealth that would cater for his basic needs and necessity of life. The Qur'an, chapter 43 verse 32, confirms thus:

Will they distribute the mercy of your Lord? We distribute among them their livelihood in the life of this world, and We have exalted some of them above others in degrees, that some of them may take others in subjection; and the mercy of your Lord is better than what they amass.

In line with the conception of brotherhood in Islam, Muslims are strongly encouraged to take care of the needy and the poor in the community. As a result, the obligation to pay Zakāh on wealth was received by Prophet Muhammad. It was discovered that through the institution of Zakah, poverty was eliminated completely during the reign of 'Umar bin Al-Khattāb and 'Umar bin 'Abdul-'Aziz. This means that Islam shows concern into the well-being of its citizens and proffers adequate and practical solutions to their problems by institutionalizing Zakāh to address the issue (Haykal, 1982: 7). In other words, Islam devices different Sadaqah means to address the needs of the less privileged in the society through *Sadaqah* (voluntary charity), *Wasiyyah* (bequest), *Waqf* (endowment), *Mirāth* (inheritance) and Zakāh (obligatory charity).

Poverty, which is widespread all over the world, can be alleviated through proper Zakah administration. Since this world and what it contains are created by Allah, human beings, as vicegerents of Allah, are supposed to manage world's resources properly. Based on this concept, one needs to adhere strictly to the Islamic requirements in every aspect of his life, be it religious, political, social or economic, in order to maintain a good relationship with God (Ali, 1986: 456). Zakāh institution is an integral part of the Islamic socio-economic system and it has been ordained on Muslims by Allah through His Messenger Muhammad when the conditions stipulated are met.

Muslims are enjoined to pay Zakāh on business revenues and assets, gold and silver, and savings at the basic rate of 2.5% so that money collected can be of help for the needy and the poor. Unlike conventional tax, Zakāh is viewed as a means of purification and not just an obligation. Moreover, Zakāh plays an important role not only in the economy, but also in the moral and

social well-being of a society. Morally, Zakāh promotes sharing of wealth and eliminates greediness, and socially; it helps in reducing poverty within the community. As a result, wealth is widely distributed to all sections of the society and this undoubtedly, encourages healthier economic environment (Ali, 1987: 11).

Islam has been the first to lay down general principles for the economic welfare of the common people. It is significant when an economy experiences a slow down or recession as a result of financial or economic crisis. The needy and the poor as well as low income groups of the population are most affected by economic recessions like that of global financial crisis which was originated in the United States (US) in mid-2007. Zakāh institution can therefore play an important role in complementing the government's effort at eradicating poverty. The effectiveness of the Zakāh institution in carrying out its duties would depend on the expansion of new resources for Zakāh, the collection of Zakāh from tangible and intangible properties, systematic Zakah management, efficient Zakah distribution and the implementation of Islamic teachings (Adeoye, 2005a: 70).

Nigeria as a nation faces a lot of societal and developmental problems that hinder her growth and subjected majority of her citizens to low quality lifestyle. The abject poverty many Muslims are subjected to in Nigeria and the security challenges facing the country in general and Northern parts of the country in particular have been linked to inefficient Zakah institution in the country. It is amazing to know that Muslim community constitutes majority of the Nigerian population, and the level of poverty and insecurity in Muslim populated area are found to be higher than any other regions.

It should be made clear that it is not the aim of this paper to discuss in details the extent of poverty in Nigeria or the government's role to alleviate it. The aim of the paper is to examine the role of Zakah in alleviating poverty and curbing insurgency in Nigeria as the duo are some of the factors responsible for Nigeria's problem and underdevelopment. It would also discuss what to be done to improve Zakah institution in Nigeria in terms of efficiency and capacity building. The paper is planned as follows: An overview of Zakah and its objectives are examined after the introduction, followed by explanation of the Islamic approach to poverty eradication. This is followed by analysis of Zakah as a tool for poverty alleviation. Zakah institution in Nigeria and its role in alleviating poverty and combating insecurity through capacity building

were later discussed. Recommendation and conclusion ended the paper. Let us now look examine the Zakah as an institution and its objectives.

2. An Overview of Zakāh and Its Objectives

Zakah is a form of worship which involves wealth. To lay emphasis on its significance, the order to pay Zakah is associated with the order to perform prayer (*Salāh*) and it is mentioned more than eighty times in the Glorious Qur'ān. When a Muslim's earnings reach a prescribed amount called '*nisāb*' in excess of his needs, he is required to pay a portion to the poor and the needy. Zakāh is an infinitive of the verb '*Zakā*', which literally connotes to grow and to increase. When the word is used for a person, it means to improve or to become a better human being. It could therefore be inferred from the above that Zakah leads to blessing, growth, cleanliness, and betterment (Adeoye, 2005b: 1). The payers give Zakah as an act of worship, while the poor receive it as a right, without any obligation towards the payers. It gives increase to the poor in the sense that he gets something for his benefit and his mind is being satisfied which is a psychological increase. In this way, Zakah purifies the heart, mind and wealth of both the payers and the receivers (Hossain, 2012: 3). The Glorious Qur'ān states that:

Take Sadaqah (alms) from their wealth in order to purify them and sanctify them with it, and invoke Allah for them. Verily! Your invocations are a source of security for them, and Allah is All-Hearer, All-Knower (Al-Qur'ān 9: 103).

Commenting on the literary meaning of Zakāh, al-Qaradāwī (1999: 45) observes that with respect to plants, it means to grow and with respect to other things, it means to increase. Since plants grow only if there are dirty-free, therefore, the word Zakāh implies cleanliness and cleansing. Technically, the word Zakāh refers to the determined share of wealth prescribed by Almighty Allah to be distributed to deserving people. Similarly, Zakāh connotes the annual obligatory amount to be given out from one's wealth to the rightful individuals. For the purpose of appropriate disbursement, Almighty Allah mentions categorically the recipients of Zakah in the Glorious Qur'ān that:

Alms are only for the Fuqarā' (poor), and Al-Masākīn (the needy) and those employed to collect (the funds); and to attract the hearts of those who have been inclined (towards Islam); and to free the captives; and for those in debt; and for Allah's Cause

(that is, for Mujāhidūn – those fighting in Jihād), and for the wayfarer (a traveller who is cut off from everything); a duty imposed by Allah. And Allah is All-Knower, All-Wise (Al-Qur’ān 9:60).

Zakāh is the right of the poor in the wealth of the rich. Every rich Muslim is bound to pay Zakāh as per prescribed rate and is liable to punishment both here and the hereafter. Almighty Allah says in the Glorious Qur’an: “...and there are those who bury gold and silver and spend it not in the way of Allah; announce unto them a most grievous punishment” (Al-Qur’ān 9: 34). Prophet Muhammad said: “He who possess camels or cattle or goats and does not pay what is due on his wealth (Zakāh), on the Day of Judgment the animals which he possessed will become larger than the size they were on earth and trample on him and gore him with their horns till the judgment of all humanity is completed”. The first Caliph of Islam, Abūbakr declared war on those Muslims who refused to pay Zakāh which indicates that the State has power to make laws with provisions to imprison, penalize and confiscate the properties of the defaulters. This clearly indicates that the Islamic State can force the rich Muslims to pay Zakāh as the Prophet appointed officials to collect Zakāh from the rich for the rehabilitation of the poor and the needy in the society (Alanamu. 2007: 12).

Moreover, Allah made Zakāh compulsory for those who have the means to pay it in order to achieve certain aims and objectives in the society. The first is that payment of Zakāh is an expression of caring for the welfare of the less privileged people of the society. This implies that payment of Zakāh to the poor and the needy will contribute to the growth in the economy as resources are channeled to members of society. This is in line with term ‘Zakāh’ which also means growth. Second, it is the blessing of Allah for the giver as well as for the receiver, as it improves the total economy of the nation. Third, it establishes a society on a humanitarian ground. Fourth, it removes the economic hardship for the poor and the needy and reduces the inequality among different groups of people in the society. Fifth, it satisfies the recipient’s needs and alleviates his financial as well mental sufferings. Thus, it creates love and brotherhood between the rich and the poor, minimizes social tensions and bridges the gap between the poor and the rich. In this way, Zakah develops social and economic security of the community and brings its all members closer together (Hossain, 2012: 3). Sixth, it purifies one wealth.

In a nutshell, *Zakāh* arouses kindness, sympathy, generosity and it prevents individuals from the evils of the envy, rancor and stinginess. Furthermore, the giver is purified from selfishness and greed, while the recipient is cleansed from resentment and envy. *Zakāh* aims at protecting the former from stinginess which can stir up evil reaction from the less privileged in the society. Islam wants the believers to love their neighbors as they love themselves and the love would be incomplete if a neighbor has material wealth that is more than the basic needs of his family but refuses to share it with his neighbors.

Prophet Muhammad is reported to have said: ‘None of you is a true believer until he loves for his brother what he loves for his own self’ (Related by Bukhārī and Muslim, Hassan, 2009: 262). As a result, Islam mandates the rich to pay the annual dues as a way of parting with a portion of his wealth. Similarly, it is expected of the poor to reciprocate by appreciating the rich. In such a situation, mutual love and security would be established in the society at large. In other words, the rich will feel safe and they would be able to interact with the poor. *Zakāh* also aims at preventing over concentration of wealth in the hands of few while the larger population languishes in abject poverty. If *Zakāh* is properly institutionalized and the disbursement is objectively carried out, there is tendency that the gap between the rich and the poor will not continue to be widened. By parting away with a portion of one’s wealth, the rich will be spiritually uplifted, sins will be forgiven, calamities will be averted and the blessings of Allah will be showered on him (Wilson, 1997: 24).

2.1 A Brief History of *Zakāh*

According to the *Qur’an*, *Salāh* and *Zakāh* (prayer and alms) were ordained as compulsory from ancient times for the Ummah of all Prophets. After mentioning about Prophet Ibrahim and other Prophets of his race, the *Qur’an* says: “And We inspired them in doing of good deeds and right establishment of *Salāh* and giving of *Zakāh* and they were worshippers of Us” (Al-*Qur’an* 21: 73). About Prophet Ismā’il, the *Qur’an* says: “He enjoined upon his people *Salāh* and *Zakāh* and was acceptable in the sight of his Lord” (Al-*Qur’an* 19: 55). Moreover, Prophet Musa prayed for his people: “O Allah! Bestow upon us the well-being of this world and also the well-being of the Hereafter”. Allah replied by saying: “I shall smite with my punishment whom I will. Although My mercy embraces all things, but I shall ordain it for those who will fear Me

and give Zakāh and those who will believe in Our revelations” (Al-Qur’ān 7: 156).

After Prophet Mūsa, the Children of Israel were repeatedly admonished on this account. Almighty Allah said: “O Children of Israel! I am with you, if you offer Salāh and give Zakāh and believe in My Messengers, and support those Messengers who are to come, and lend unto Allah a nice loan. Surely! I shall remit your sins” (Al-Qur’ān 5: 12). The commandment of Zakāh was also given to Prophet ‘Isa as found in the Qur’ān: And had made me blessed wherever I may be, and had enjoined upon me Salāh and Zakāh so long as I remain alive” (Al-Qur’ān 19: 31). This reveals that that Islam has been established from the beginning as every Prophet of Allah was admonished on these two obligatory duties of Salāh and Zakāh (Hossain, 2012: 6).

The obligation to pay Zakāh was received by Prophet Muhammad in Madīnah during the month of Shawwāl in the second year of Hijrah. Zakāh funds was collected and distributed under the watch of the Prophet by the appointed Zakāh workers (‘Āmil). The workers were given a portion of the Zakāh funds as they would go to the potential payers, assess their Zakatable items properly and collect the amount due to them. Most of these workers were retained by the first Caliph, Abūbakr (Usmani, 1999: 23).

During the period of the second Caliph, ‘Umar bin Al-Khattāb, a new method of Zakāh collections was introduced known as Al-‘Ashir. ‘Umar set several points on major highways, especially for those coming from other countries. An appointed tax collector was put at each checkpoint and Zakah was collected from the Muslim traders while the non-Muslims traders were required to pay taxes on imports. ‘Umar also introduced the concept of Public Treasury (*Baytul-Māl*) in order to manage the Zakāh and Waqf funds in 15 AH. ‘Umar also included some new sources of wealth such as horses, lentils, chickpeas that had been exempted during the period of Prophet Muhammad in the list of Zakatable items by applying Ijtihād. The Ijtihād was then followed by other Caliphs and Islamic scholars (Usmani, 1999: 23).

During the reign of ‘Umar bin Al-Khattāb and ‘Umar bin ‘Abdul-‘Azīz, it was learnt that poverty was completely eliminated as it was hard to find an eligible recipient of Zakāh. During the period of ‘Umar, the second Caliph, the Governor of Yemen, Mu‘ādh bin Jabal sent one-third of the Zakah collection in a particular year to ‘Umar bin Al-Khattāb, ‘Umar rejected the

fund and said: "I sent you to take from the rich and render it to the poor among them". Mu'adh later claimed that he could not find anyone who deserved the Zakāh money. In the following year, Mu'adh sent half of the Zakāh collection and similar conversation took place between them. In the third year, he sent all the Zakāh collection to 'Umar and said: "This year, I did not find a single person who needs from me anything of the Zakāh (Usmani, 1999: 23).

A similar thing also happened during the reign of 'Umar bin 'Abdul-'Azīz when an Egyptian Governor sent him a letter asking on what to do with the proceeds of Zakāh as there was no deserving poor and needy was found in Egypt. 'Umar bin 'Abdul-'Azīz said: "Buy slaves and let them free, build rest areas on highways, and help young men and women to get married" (Akmar, 2011: 13). This shows that Zakāh is effective in eliminating poverty if properly managed.

3. Islamic Approach to Poverty Eradication

We have examined Zakah as an institution and its objectives in the last section. This section will discuss the Islamic approach to poverty eradication. Poverty is a multi-dimensional economic phenomenon that has both political and social ramifications. It exists throughout generations and societies irrespective of cultural affiliation and geographical boundaries. Although the nature of poverty may vary from community to community, culture to culture and time to time, poverty persists in both rural and urban areas alike; and also both developed and developing economies (Hassan, 2009: 262). Islamic principles of poverty alleviation are based on the Islamic views of social justice and the belief in Allah.

Moreover, poverty from Islamic perspective is seen as a state of lack or insufficiency of basic necessities of life required for the continuous well-being of human beings (Orebanjo, 2000: 13). Poverty implies a state where an individual lacks the necessary resources needed to meet the needs, not only for continued survival but also for a healthy and productive survival. The implication of this is that Muslims must help in the up-keep of the indigent through provision of essential needs and necessary capital to start-up or develop business ventures. Zakāh is therefore, made compulsory by Almighty Allah as a measure for alleviating poverty and improving the living standard of the poor and the needy. This obligation could only be realized if Zakāh is efficiently managed and channeled towards productive and sustainable development of the society by those entrusted with its administration.

It is interesting to note that poverty is a cankerworm which could affect an individual, a family, a state, a nation, a continent or the entire globe. Helping the poor by directly giving them money to buy their necessities, is indeed only a short term solution as this would create a dependency on Zakāh receipts which would not help them in enhancing their standard of living. Its success would, therefore, help to buffer the effects of recession of the economy on the poor through capacity building and social transformation.

3.1 Islamic Strategies for Poverty Eradication

According to Kabir Hassan (2009: 263), the Islamic approach to poverty eradication involves five distinct measures. Firstly, Islam emphasizes moderate behavior that will produce necessary savings for both the individual, the overall economy and will stress on the need for lawful (*Halāl*) earning. The Qur'an says: "A person gets what he strives for" (Al-Qur'an 53: 39). "Earning a lawful (*Halāl*) living is obligatory after obligatory rituals" (Hadith). "Do not make your hand tied to your neck, nor stretch it forth to its utmost reach, so that you become blameworthy and destitute" (Al-Qur'an 17: 29). Secondly, Islamic approach teaches equitable distribution of income among factors of production such as profit sharing. Islam prohibits usury (*Ribā*) and emphasizes the distribution of profits on the basic definition of ratio, rather than a nominal fixed interest among the stakeholders.

Thirdly, Islam teaches that ownership of everything belongs to Allah. However, human beings have the secondary ownership as trustees, for utilizing resources per terms and conditions of the trust. Hassan (2007: 264) submits that resources identified for public use such as natural resources should be owned by State so that they are accessible to entire citizens. The fourth one is the prohibition of malpractices that can lead to economic disparity such as gambling, hoarding, cheating, and bribery. The Qur'an says: "O you who believe! Squander not your wealth among yourselves wrongfully, except it be a trade by mutual consent" (Al-Qur'an 4: 29). The fifth one is the establishment of Zakah. Zakah is a unique and obligatory instrument for poverty alleviation as wealth is transferred from well-off people to worse-off people. Islam also encourages voluntary charity (*Sadaqah*) and acts of benevolence rather than mandatory one like Zakāh. The Qur'an says: "And in your wealth, are obligations beyond Zakāh". "In their wealth, there is a known right for those who ask for it and for the deprived" (Al-Qur'an 70: 24-25). Hossain (2012: 8) also sees Zakah as a powerful poverty alleviating instrument

for Muslims. In the same vein, Mika'ilu (2000: 9) observes that there is need for reform in the way and manner Zakah proceeds are being disbursed in Nigeria as most Muslims are living in abject poverty. Shittu (2013: 27) also calls for a viable Zakah foundation in Nigeria as this is seen as an efficient antidote to poverty alleviation and perennial insurgency. In the Islamic economic system, the state should be held responsible for maintaining a favorable environment for legal business and economic activities. The next segment will now analyze Zakah as a tool for poverty alleviation.

4. Zakāh as a Tool for Poverty Alleviation

Poverty has become an economic, social and political issue all over the world, particularly in the developing and third-world nations including many Muslim countries. As a result, United Nations (UN) and World Bank are working to eradicate poverty with all kinds of activities, programs, services and policy developments. In the year 2000, the UN organized an event that gathers leaders of the nations to sign the "Millennium Development Declaration". The world leaders pledged to work together to achieve the "Millennium Development Goals" by the year 2015, where one of the objectives is to significantly reduce the number of extreme poverty and hunger globally (Nadzri et al, 2012: 62). Similarly, in 1999, International Monetary Fund (IMF) and World Bank introduced the Poverty Reduction Strategy (PRS) that outlined a comprehensive country-based strategy to significantly reduce poverty (Nadzri et al, 2012: 62).

Poverty is measured in monetary terms, based on the income levels or consumption per capital or per household. The World Bank in 2008 redefined the International Poverty line based on the purchasing power parities at \$1.25 a day instead of \$1.00 a day. As a result, those who earned less than \$1.25 a day are said to be under absolute poverty. UN therefore defines poverty as follows:

Poverty is a denial of choices, opportunities, and a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to; not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on

marginal or fragile environments, without access to clean water or sanitation (Nadzri et al, 2012: 62).

However, Islam sees poverty as a state whereby an individual fail to fulfill any of the five basic human requirements of life which are religion, intellect or knowledge, physical self, offspring and wealth (Hassan, 2010: 263). Nadzri et al (2012: 63) opine that poverty is a social and ideological problem. As a social problem, its effects are felt in the society. As an ideological problem, it affects the performance of one's socio-religious obligation towards the community and Islam which may even lead to polytheism (*Kufr*). Prophet Muhammad therefore supplicated to Almighty Allah against poverty as follows:

O Allah! I seek refuge with You from laziness and geriatric old age from all kinds of sins and from being in debt; from the affliction of the Fire and from the punishment of the Fire and from the evil of the affliction of wealth; and I seek refuge with You from the affliction of poverty... (Nathan, et.al. 2004: 13).

According to Hossain (2012: 8), over 1.3 million people in developing countries now live on \$1.25 a day or less. Between 1990 and 2008 efforts to reduce this number were highly successful and the number of people living in poverty decreased by nearly half, from 48 to 26 percent. But according to the latest United Nations reports, food prices are back on the rise, causing an increase in global poverty for the first time nearly for two decades. Proper Zakāh implementation program (through capacity building) can reduce poverty level at least in Muslim developing countries (Hossain, 2012: 8). For instance, Islam establishes Zakāh as a compulsory charity tool that can be used on eight purposes as mentioned above. Among them, five are meant for poverty eradication such as the poor, the needy, the debtors, the slaves (to free them from captivity), and the travellers in need. Others are 'those whose hearts are made inclined' (to Islam), and in the way of Allah. Zakāh funds have to be accorded to the alleviation of poverty through assistance to the poor and the needy (Hassan and Khan 2007: 266).

On the *Nisāb* of Zakah, some scholars are of the opinion that Zakāh should be imposed on four types of agricultural products, gold and silver, and freely pastured camels, cows, and sheep. However, according to Hassan, such items would only constitute a part of the wealth of rich people of modern societies, as wealth and income have taken other forms. Another view of *Nisāb* considers that Zakāh must be imposed on the wealth and income of the rich

that exceeds the normal and family expenditures like business assets, financial assets and rentable buildings (Gidado, 2003: 23). In other words, Zakāh serves as a tool for poverty alleviation because wealth is retained in circulation for the benefit of the entire society (Shittu, 2013: 25). Wealthy members of the society who possess more than their basic needs are enjoined to give out part of their wealth to the poor and the needy. As a result, the poor and the needy would be self-reliant in the near future and would also discourage a situation whereby the rich get richer and the poor get poorer.

Moreover, as Zakāh is not levied on the income but rather on the savings and hoarded items, the Zakāh payer would prefer to invest his wealth and get it increased. This would prevent selfish individuals from raking in multiple profits at the expense of other members of society through creation of artificial scarcity by hoarding agricultural products and other related items. On this, Shittu (2013: 26) submits that Zakāh increases production and stimulates supply due to the fact that it leads to redistribution of income that enhances the demand by putting more real purchasing power in the hands of the poor.

Zakāh also serves as intervention and financial aid to those who may not be poor, but may be in need of special financial intervention to bail them out of a prevailing situation. This kind of intervention is applicable to wayfarers and debtors. This will also minimize begging to the barest minimum in our societies. We can see that major cities in Nigeria are flooded with beggars and unfortunately majority of them are Muslims. If those whose wealth have reached the minimum *Nisāb* of Zakāh duly paid their dues and managed properly, many destitute who resulted to begging to have basic necessities of life would be taken off the streets. The next to be looked into is Zakah institution in Nigeria and its role in alleviating poverty and combating insecurity through capacity building.

5. Zakāh Institution in Nigeria and Its Role in Alleviating Poverty and Combating Insecurity through Capacity Building

The history of Zakāh in Nigeria began from the date Islam arrived the country. The data on Zakāh collection and distribution during this early period could not be found. However, the information gathered revealed that it was traditionally performed by giving the Zakāh funds and goods to religious scholars who would later distribute them in accordance with the need of available beneficiaries. Presently, it seems that the impact of Zakāh is not

felt in our society due to non-availability of Zakah institution in Nigeria. As a result, many Muslim youths remain vulnerable to abuse and manipulation by selfish politicians and egocentric scholars. If not for few organizations that are springing up in recent times to collect and disburse Zakah, the way and manner by which Zakāh is being paid, collected and disbursed need restructuring in order for its impact to be felt in our society. In other words, we need to examine or re-examine the manner by which Zakāh is being paid, collected and distributed in the country.

Shittu (2013: 26) believes that the general method by which Zakāh is paid and the attitude of many Muslims to it today may not be unconnected with the way the Colonial Authorities dealt with Zakāh and relegated it to the background such that it was made to bear a resemblance to illegal levy imposed by the Emirs and religious leaders. Shittu (2013: 26) states further that following the increase in the general tax of 1907 and after several attempts to do away with Zakāh, the Colonial masters promulgated that payment of Zakāh were unlawful. The Colonial authorities consequently deposed some district heads who were caught collecting Zakāh in Sokoto. Although majority of Muslim faithful realized that it was a commandment from Almighty Allah to pay Zakāh and continued to pay it secretly, the stand of British administration however affected its payment, collection and popularity among Muslims negatively. The reason is that anybody not willing to pay could report Zakāh collector to the British administration and the person could then be charged to court for extortion. The fate of Zakāh during the colonial period is summarized as follows: The ordinary Muslims continue to take out Zakāh from their wealth, amounts or quantities that they think fit, when they think fit and distribute it as they think fit (Shittu, 2013: 27).

Zakāh administration during post-colonial era could not witness any significant improvement as Muslims cannot be forced to pay Zakāh and defaulters cannot be sanctioned. Although there is no law from successful administration refraining Muslims to pay Zakāh publicly unlike the colonial days, its popularity that was badly affected during the colonial masters still remains to today. Majority of those willing to pay do so at their own discretion without consulting Islamic scholars. Therefore, those who care to pay Zakāh do so at will and distribute it the way they like it. A Zakāh payer may prefer distributing to many people and in the process he may end up giving out One thousand naira (N1, 000) only which is about 5 USD to each recipient. In this

case, the impact of Zakāh is not felt in the society and the rationale behind Zakāh is to empower people and bail them out of poverty.

In order to restructure and strengthen Zakāh institution in the country, many Muslim organizations have taken up the challenge and are trying to sensitize the community on the need to give Zakāh the priority it deserves.

Despite abundance of wealth with which Nigeria is endowed with, the level of poverty in the country is generally manifested in lack of social amenities like drinkable water, electricity and accessible roads. The government however does not fold arms at the pathetic conditions of Nigerian citizens. They have therefore put many programs in place to alleviate poverty among its citizens. In other words, both the military and civilian governments in Nigeria have come up with many programs in their bid to alleviate poverty among the people. Programs like Operation Feed the Nation of Obasanjo regime in 1976 for the purpose of improving food production which is a prerequisite to solving the problem of poverty. To serve the same purpose, it was changed to Green Revolution during the regime of Alhaji Sheu Shagari in 1983. We also have some programs adopted to stabilize the nation's economy like the Austerity Measure and the Structural Adjustment Program (SAP).

General Ibrahim Babangida's administration also designed some programs in order to create more job opportunities for young school leavers. The National Directorate of Employment (NDE) and the Directorate of Food, Roads and Rural Infrastructure (DFRRI) were established. He later established the Community Bank and Peoples Bank of Nigeria (PBN) respectively in order to make loans available to farmers for investment into agricultural productivity. The Better Life for Rural Women and the Family Support Program (FSP) were also founded by the Babangida and General Sanni Abacha regimes respectively to alleviate poverty especially among the rural women. The Obasanjo government also came up with the Poverty Alleviation Program (PAP) to create job opportunities and improve rural electrification. The 7-point agenda of President Musa Yar'adua aimed at improving the conditions of Nigerians could not see the light of the day after his demise. President Goodluck Ebele Jonathan also came up with his Transformation agenda. It is disheartening to know that the amount of money allocated for these programs were not known to the general public.

There are also some non-governmental organizations (NGO's) formed for the purpose of alleviating poverty in Nigeria to complement government's efforts. These include the Life Above Poverty (LAPO) in Benin City, Halt

United Self Help Organization (HUSHO) in Nsukka and the Women in Cooperatives, Agriculture and Development (WICAD) in Ogbomosho. Others are Total Health Organization (THO), the Grassroots Empowerment Network (GEN), the Community Action for Popular Participation (CAPP), the Transparency in Nigeria (TIN) and the Country Women Association (COWAN), among others.

Surprisingly, none of the programs was able to bring the expected and desired results. We observe that all the programs mentioned above for the purpose of alleviating poverty do not allow alleviating spiritual poverty except material one. On this Adebayo (2011: 39) quoting Sulaiman observes as follows:

All the poverty alleviation measures adopted in Nigeria were superficial because they were incapable of achieving the purpose of their establishment namely; alleviating poverty, while “the meager resources were misused by some members of the elite who implemented them (Adebayo, 2011:29).

The lodging of Adam and his wife, Hawā' in the Garden explains that Allah did not want them to live in penury and poverty. This means that human needs have been put in place ever before the creation of Mankind. The Qur'an 20 verses 118 and 119 confirm thus: “There is therein (enough provision) for you not to go hungry nor go naked, nor suffer neither from thirst nor from the sun's heat”. Allah therefore warned Adam and his wife not to succumb to Shaytān temptation as he threatens with poverty. They eventually sinned against Allah and found themselves in the wrath of Allah. They asked for Allah's forgiveness and they were forgiven. They were however left at the mercy of working to earn their living and working for to be admitted into the Garden again. Islam encourages Mankind to move from place to place in search of viable and reasonable livelihood and that there is no room for unwise decision to live in poverty or under persecution and oppression. The Qur'an states:

When Angels take the souls of those who die in sin against their souls, they say: “In what (plight) were you?” They reply: “Weak and oppressed were we in the earth”. They say: “Was not the earth of Allah spacious enough for you to move yourselves away (from evil)?... (Al-Qur'an 20: 118-119).

Islam teaches that Allah is the owner of everything in the world and that the owner of any property in this world is only a trustee who holds the property on behalf of the community. Islam, at the same time, enjoins man to struggle to earn his living through lawful means and it forbids earning through sinful means like extorting, gambling, robbery, and looting among others. It also discourages begging as a means of livelihood (Adebayo, 2011.31).

The aim of the institution of Zakāh in Islam is to alleviate if not eradicate poverty, hunger, disease and ignorance by guaranteeing the provision of basic necessities of life in one hand, and to some extent, solve the problem of unemployment so that they too may eventually become independent (Adebayo, 2011.32). Social welfare services are considered part of faith in Islam. This explains the reason why Zakāh is being mentioned always with prayer (Salāh) in numerous verses of the Qur'ān. Social welfare services could be seen as a trust which must be discharged by the rich to the poor, the needy and the weak. The rich could earn torment of Allah in the Hereafter if they fail to do it. The Qur'ān confirms thus:

And spend (in charity) of that with which We have provided you before death comes to one of you and he says: "My Lord! If only You could give me respite for a little while, then I should give Sadaqah (i.e Zakāh) of my wealth, and be among the righteous. And Allah grants respite to none when his appointment (death) comes. And Allah is All-Aware of what you do (Al-Qur'an 63: 10-11).

(It will be said): "seize him and fetter him". Then throw him in the blazing fire. Then fasten him with a chain whereof the length is seventy cubits! Verily, this was he that would not believe in Allah, and urged not on the feeding of the poor. So he has no friend here this Day, or any food except filth from the washing of wounds. None shall eat of it except the sinners (Al-Qur'an 69: 30-37).

The institution of fasting (*Sawm*) is also aimed at giving the rich the opportunity of having practical experience of the pangs of hunger of the poor by abstaining from food, drink and sexual intercourse for certain period. By so doing, the sympathy for the poor in the hearts of the rich is awakened. Likewise, *Sadaqatul-Fitr* (charity at the end of Ramadan) which is made compulsory for the rich at the end of Ramadan fast is not only meant for

purification of their fast, but also to address the suffering of the needy and the poor.

Many people have traced the insecurity of lives and property bedeviling the country to unemployment and lack of even distribution of wealth. Shittu (2013: 26) states that President Bill Clinton, the 42nd American President observed that poverty fuels the religious violence and insecurity in Nigeria and that the region in which insecurity is prevalent remains one of the poorest of the whole country. They go further by saying that Adebayo mentioned that hooliganism, tribal strife and drug peddling are all resultant repercussion of unemployment among the teeming youth who constitute a greater percentage of nation's population.

If Zakah is institutionalized and proceeds are judiciously used for empowerment, many idle youths will be gainfully employed. It is believed that they would be protected from the cloak of unscrupulous politicians who may recruit them to unleash terror on innocent and law abiding members of the public. According to the research carried out by Ayuba (2011: 66) in some major markets in Ibadan, it was revealed that majority of young boys and girls involving in petty trades are Muslims who dropped out because their parents could not afford their school fees. The disadvantaged young people who dropped out of school due to lack of sponsorship could also have the opportunity of completing their education through a scholarship scheme from proceeds of Zakah. By so doing, they would be saved from being brainwashed by half-baked scholars to cause confusion in the society to achieve their own selfish interest. Through efficient Zakāh management by employing poverty alleviating model, the destitute could also be rehabilitated by taking them to skill acquisition centers.

Moreover, the orphans, the old, divorced, patients, handicapped, students, permanent low income, families of prisoners and missing people are considered part of the *Fuqarā'* and *Masākīn* (the poor and the needy) who should have a share from the proceeds of Zakāh. Zakāh can, therefore, be used to empower them by procuring for them necessary tools and implements which will assist them to become self-employed or productive (Adebayo, 2011.33). The institution of Zakāh also helps in providing job opportunity for the people as its collection and distribution involved personnel for effectiveness. This gives the reason why the Qur'ān stipulates that a fraction of whatever is received as Zakāh be set aside for those who are working as its

management. Proceeds from *Zakāh* may also be spent to integrate new converts to Islam into the Muslim community, especially when they are being cut off from their economic resources or persecuted for accepting Islam.

Zakah proceeds set aside for the cause of Allah (*Fī sabīlillāh*) can be used for programs which have direct bearing on the poor such as propagation of Islam, Islamic education, social welfare programs, economic development projects, manpower training and education in various scientific and technical fields. *Zakāh* funds can also be used to provide social services like hospitals, schools and factories to create employment opportunities for the people.

6. Recommendation and Conclusion

The administration of *Zakāh* is very crucial in delivering efficient service to the Nigerian Muslim community. Although *Zakāh* administration has undergone many improvements, there are still many things to be done to ensure that administration of *Zakāh* is moving on the right path to be able to eradicate poverty, improve Muslims' standard of living and curb insurgency. There is a need to strengthen *Zakāh* management system to address the inefficiency issue as it relates to its distribution. The transformation in the administration of *Zakāh* could be done by improving *Zakāh* collection centers. The authority needs to change the method of collecting *Zakāh* from waiting at the counters to tracing down the prospective *Zakāh* payers as this initiative may create awareness among prospective payers to fulfill their religious rights. Helping the poor by giving them money from *Zakāh* funds is a short term solution as this would create dependency on *Zakāh* funds which would not help improving their standard of living. As poverty and insecurity ravage Nigerian society, especially the Muslim populated area, we suggest that the way financial assistance is being given should be changed by training the poor to gain certain skills. Those who have acquired the necessary skills should be funded from *Zakāh* fund to start their business. If this could be done, the insurgence that consumes innocent and law abiding lives on daily basis, destroy public and private properties and threatens our peaceful coexistence as a nation could have been avoided. This capacity building approach is an effective way to change their condition from being *Zakāh* recipients to *Zakāh* payers.

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