

Role of Zakat and Waqf (Endowment) in Poverty Alleviation: A Solution to Insecurity and Challenges

Bashir Lima Mashema, Ph.D

Department of Islamic Studies
School of Arts and Social Sciences
Aminu Saleh College of Education, Azare, Bauchi State, Nigeria
drmashema001@gmail.com

Ayuba Bala Haruna, Ph.D

Department of Islamic Studies
School of Arts and Social Sciences
Aminu Saleh College of Education, Azare, Bauchi State, Nigeria
ayubabala25@gmail.com

DOI: 10.56201/rjhcs.v9.no1.2023.pg30.37

Abstracts

In this paper the role of Zakat and Waqf will be critically examine to see how these two institutions will help in solving the issue of poverty, hunger, illiteracy and crimes among others that cause insecurity in the society and particularly in Africa. To achieve the objectives, literatures dealing with Zakat and Waqf were scrutinized and discussed. It is realized that Zakat and Waqf as forms of charity in Islam with set rules and regulations which could help in eradicating and alleviating of poverty, hunger, illiteracy, crime, diseases among other socio-economic problems that causes insecurity in the states and nations. Meaning of the institutions were explained and discussed in the paper similarly poverty as a concept is also explained. Over the years, poverty alleviation programmes and policies have evolved by government. The present Nigerian government evolved different forms of poverty alleviation programmes to promote the economic wellbeing and living standard of its people such as the social welfare investment scheme, the trader money or market women loan, home grown feeding and many others. Islam has provided some unique instrument in form of Zakat and Waqf for the alleviation of poverty fighting insecurity among people.

Introduction

The concern of Islam as a religion and a living force manifest in all aspect of human life is to provide happiness, justice, tranquility and comfort and ideal life to both individual male and female and the society generally. As a comprehensive religion and a complete way of life, Islam comes with general laws suitable and easy to follow by mankind of all ages and all places. Both the capitalist and the socialist welfare states have failed to eradicate the abject poverty and economic sufferings of their people. The welfare scheme introduced by them through various

financial donors and charity organization have not make any impact or changed the economic conditions of the poor and needy, the vulnerable, the weak, destitute and the like. Those in debt are forced to be in circumstances they cannot settle their debts given to them by a banks and other borrowing agencies and are continuously exploited by their creditors. Those in humble service to their nation and individuals continue to suffer more and more. This is so because morality and justice have been remove and are absent from the economic ideals (Khan, 1994). The Islamic institution of Zakat and Waqf have therefore presented to mankind a comprehensive code of economic behavior guided by divine injection that seeks to established fairness and justice in economic dealings as a means of fighting insecurity. In this regard Islam did not only make Zakat compulsory, but also made its distribution among the most served individual a requisite for its acceptance by Allah the Almighty in the Holy Qur'an:

“The alms are meant only for the poor and the needy and those who are in charge thereof,⁶³ those whose hearts are to be reconciled, and to free those in bondage, and to help those burdened with debt, and for expenditure in the Way of Allah and for the wayfarer. This is an obligation from Allah. Allah is All-Knowing, All-Wise. (Q9: 60).

Through the institution of Zakat and Waqf Islam provides comprehensive measures of alleviating poverty and bring happiness, joy and well being of individual and society. Through these Islamic economic packages that are absent in capitalist and socialist, Nigerians will get comprehensive solution to all economic and social problems of political instability and national insecurity. This is because Islam casts a comprehensive look at all the human economic problems, it promotes a unique, friendly, free and responsible world for everyone on this earth. It treats all human beings irrespective of their origin, social background, and economic positions in similar manner and rejects the manually and exploitation of very few people or nations on the resources of this world as it is in capitalist and socialist Oleyede et-al (2003)

For this reason therefore it is important to note that full compliance to Islamic order (Zakat and Waqf) for example is needed to provide solutions to our various problems of political instability and insecurity, both at national and international levels. This is so because the creator of the universe Allah has questioned human being to follow his commands in order to gets his blessings in everything. “if the people of the town (world) had but believed and fear Allah, we shall indeed have opened for them all kinds of blessing from heaven and earth. But they rejected the truth and we brought to them book for their misdeed” (Q7:76).

The Terns Zakat (Alms Giving)

For more classification on the role of Zakat and Waqf in alleviating poverty, the two will be treated differently. Zakah is an Arabic word meaning “to purify”. In Islamic law, zakah refers to the determined share of wealth prescribed by Allah to be distributed among categories of those entitled to receive it. It is a compulsory payment by the wealthy to economically under privileged (Ahmad and Dantsoho 2017).

It's a portion of one's wealth given to the poor once every year and is meant to reduce poverty. The poor has a chance of improving his conditions by utilizing the Zakat given to him to

the extent of becoming wealthy. When his wealth reaches certain amount instead of receiving the Zakat he too has to give out from his fortune “This will help reduce poverty and create wealth circulation within the society, bring rapid economic development. The economic inequalities and other social vices among people such as theft, arm robbery, kidnapping and armbondatory, fornication, begging, homosexuality and the rest that emanate as a result of economic needs will be greatly reduced” (NCE/DLS, 2007).

In a manner of summarizing the importance of Zakat to human progress and in avoiding crimes, insecurity and creating peace; Oleyede et-al 2003 has itemizes them as follows:

1. Zakat inculcates generosity on the part of the giver.
2. Generates love and goodwill from the receiver.
3. Reduces tension in the society.
4. Reduces cases of theft and fraud sometime caused by poverty”

Equally important in the role of Zakat in alleviating poverty is in providing a solution to unemployment problem that has been a common problem to all nations of the world and also bringing about social cohesion. This is so because money kept secretly in place without being utilized yields no dividend. This is true of hoarding wealth. “But when Zakat is given out, it will definitely be a capital for the recipient who before now might have nothing for himself. Thus if the rich would give Zakat it would reduce or even exterminate poverty and unemployment completely from the society” (NCE/DLS 2007 in Sa’ad, 2019).

Not only reducing and alleviating poverty Zakat as an aspect of Islamic economic packages for the wellbeing of man, enhance affection social cohesion, love, best wishes, regard and admire he that gives him something, so also, lies with Zakat. The poor will stand to love the rich and there will be no class conflict as in the case of the struggle to bring classless society under communism. The institution of Zakat ensures the stability of all. By applying the Zakat principles strictly the poverty level of the poor and the continues upwards trend of unemployment figure worldwide will be drastically reduced. Within a short period, if Zakat is constantly being given out, it will reach a time when everyone will become affluent and stand not in need of any assistance from anybody. History has shown during the reign of Umar B. Abdulazeez (one of the Umayyad caliphs) that not a single person entitled to the Zakah could be act certain point found. If this is so, than it is one of the objectives of Zakat not only to raise the economic position of the poor, but also to eradicate poverty among people” (NCE/ALS, 2007).

Further more, not only alleviating poverty as the main objectives of Zakat in Islam, there is also the mutual assistance and concern for the condition of the poor is appreciated by the rich by giving him his right and the former acknowledges and tries to do his best and tries to do his best to assist the latter instead of being enemies to each other that results to insecurity. In capitalism individual accommodation is not subjected to any rule. This is due to lack of morality on the part of wealthy people operating the system of capitalism. This is not also with spirit of Islam. In as much as individuals are allow to acquire lawful wealth condition are laid down by way Zakat, Waqf, Sadaqa among others which the poor, the destitute, the needy and other weak and vulnerable people of the society are assisted and catered for thereby reducing economic hardship which can results to insecurity.

According to the Qur'an "The Zakat is meant only for the poor and needy, those who collect the tax, those whose hearts are to be won over, for those the freeing of human beings from bondage, for the relief of those overwhelmed by debts, for the cause of God, and for the wayfarer. This is an ordinance from God and God, is All-knowing, wise" (Q9:60).

Islam establishes the institution of Zakat as a compulsory charity tool that can be used on eight purposes. Among them, five are meant for poverty eradication such as the poor, the needy, the debtors, the slaves to free them from captivity, and travelers in need. Other heads are the administrative cost of Zakat. Those whose hearts are inclined to Islam and in the way of Allah. Although eight heads are for the spending Zakat revenue have been mentioned in the Qur'an, there is a general agreement that the first priority in the use of Zakat funds has to be accorded to the alleviation of poverty through assistance to the poor and the needy" (Onisabi, 2011). It's not to over emphasize the significant role of Zakat in poverty reduction in the society and bringing harmony, love, tranquility, hope and peace.

Onisabi (2011) opined that Zakat as a transfer payment from the wealthy to the poor for the purpose of redistribution of wealth and income in the society, has a number of positive impacts on the society, first, it is for the welfare of the under privileged people of the society. Second it is the blessing of Allah (SWT) for the giver as well as for the receiver, as it improves the total economy of the nation. Third it establishes a society on humanitarian ground. Fourth, it removes the economic hardship for the poor and needy and reduces the inequality among different groups of people from the society. Fifth it satisfies the recipients needs and alleviates his financial as well as mental suffering. Thus it creates love and brotherhood between the rich and the poor, minimizes social tension and bridges the gap between the poor and the rich.

The Concept of Waqf (Endowment)

Waqf literary means detention (Habas), but its legal meaning is the dedication of a property or giving it away in charity for the benefit of certain property for a good purpose other religious, pious or charitable (DOI, 1404 A.H). It is in reality a detention of a specific thing from the ownership of the appropriator and devoting or appropriating its profits or charity on the poor and needy or the good objects. The Islamic social institution (Waqf) that is meant to alleviate poverty among people is as old as Islam itself Muallayyidi (2006).

Another Definition of Waqf is appropriation or typing up a property in perpetuity for specific purpose, no property rights can be exercised over the corpus. Only the usufruct is applied towards the objectives (usually charitable) of the waqf (Obaidullah and Khan, 2008). Ibn Abdelbar defines it as "it's when an owner gives benefactorily whatever he likes from revenue, fruits, crops or real estate so that the yield, tax and benefits therefore follow the course he schemed willingly. That is one way of seeking God's favor. Legal claim is in this case mortmain and meant neither to be sold nor granted and never inherited no matter how much remains thereof"

According to many sources the history of the establishment of endowment (waqf) started as early as the time prophet Muhammad (SAW) arrived Medina city when the very first mosque

and Islamic centre of learning and religious activities was built. The land on which the mosque and the centre was to be built, belongs to two orphans. The prophet intended to pay for the land, but the two orphans insisted that they will not accept the prize from the prophet, but would take it from Allah in the next day. Likewise Uthman the third caliph bought a well and made it a trust property for the charitable use of all and sundry in order to relieve Muslims of the difficulties imposed by Jews who banned Muslims to draw water from another well. DOI (1404 AH)

Muslims are encouraged to establish waqf for the benefit of poor and needy. Hundred waqf dating from Umayyad and Abbasid period of Islamic history have come down to us. In most part of the Muslim world, a number of schools, colleges, hospitals, orphanage, mosque building, and scholarships funds are run through the help of Waqf properties.

Muslim are very much encouraged in various places in the Holy Qur'an to use their wealth in the way of Allah through Zakat endowment and many other different kinds of charities to reduce and alleviate the tension and scourge of poverty among the poor and the needy in order to create peace and security. Allah says "Those who in charity spend their goods by night and by day, in secret and in public have reward with their lord, on them shall be no fear nor shall they grieve (Q2:274). The verse explains that whatever one gives as charity for the sake of Allah in secret or public and no matter how small is recorded and shall have the record and no grieve in the Day of Judgment for spending for Allah's cause to better the life of poor and the needy. What one give will help for the development of Ummah and help to create love with one another respect and peaceful co-existence.

Allah in the Qur'an gave the members of Islamic community a special name and characteristics as those who love one another, assist and protect one another against anything harmful to their wellbeing. "The believers men and women, are protectors one of another, they enjoin in what is just and forbid what is evil, they observed regular prayer, practice regular charity and obey God and his apostle (Q9:71). Charity referred in this verse many include endowment and other forms of charity. Islam encourages for the welfare of people, it recommends believers to assist the poor in cash and kind. This poor will give the poor and the needy feeling of belonging within the Ummah

"Endowment in Islam is encouraged in order to create a kind of bridging the widening gap between the rich and poor and between the have and have not and between the privilege and the underprivileged ones. Charity who ever established this institutional kind of charity for economic development and welfare of the Muslims will enjoy respect from the people in the world and gains reward. Even after his death reward will continue to come Allah says in the Qur'an "indeed it is we who bring the dead to life and record what they left behind and all things we have enumerated in a clear register.

In emphasizing the need for establishing various waqf institutions for poverty reduction and alleviation Khan (1994) related the experience of Bangladesh of the failure of many poverty alleviation programmes and suggested for emphasize on Zakat and waqf as the alternative institution that will alleviate poverty among the poor and the needy.

"Poverty alleviation has become a buzzword in Bangladesh over the last three decades. Bangladesh has so far implemented five five-year plans and one two-year plan and a three PRSP

rolling plan to accelerate economic growth and poverty reduction. Although the intensity of poverty has lessened to some extent its depth and severity still persist. Instrument such as micro credit and safety net programme have been contributing to poverty alleviation, but it has proved around the globe that these two instruments are not successful in reducing income inequality. This call for a new strategy which can reduce poverty and income inequality. In this context, Waqf can be one of the vital alternatives alongside Zakah because early history indicates free education, scholarship, orphanage, free treatment, and inns for nomads as provided by Waqf based institution. In fact Zakah and Waqf played the key role in reducing poverty in Islam. At present Waqf based institutions are not growing at a considerable level. But if we really want to do something for the needy and the poor, we have to revive this much needed institution. Therefore starting a worldwide Waqf movement is indispensable”.

In Nigeria, particularly in the northern part of the country there is the need to enforce the giving of Zakat and the revival of the institution of Waqf atleast to provide means of employment to our country abundant mineral resources for us to utilize and fight poverty hunger and diseases.

There should be establishment of charitable institutions that include building of schools, mosques, wells, roads, firms, vocational centres for skills acquisition, scholarships and sanitary provisions to hospitals and medical centres for the benefit of poor and the needy in the society.

“Nigeria is a rich country with fertile land, human and mineral resources but the citizens do not seem to be benefiting very well from the wealth various efforts have been made to eradicate or alleviate poverty especially in the north were many people are not employ and there are still many people living in abject poverty. More so education is becoming beyond the rich of the poor. The social services of the government do not reach the target. Despite all the programme of poverty alleviation the gap between the rich and the poor is glaringly widening” (Mu'allayidi, 2006).

The above pointer is calling the attention of every wealth Muslims do his best in providing item of waqf for the benefit of the poor and the needy. This will create the felling of brotherhood and reduce tension created by poverty. It will also reduce the rate of crimes in the land and bring peace.

The Need for Zakat and Waqf as a Solution to Poverty Problems and Security Threats

Really, it is only by implementing the Islamic economic packages of Zakat and Waqf among others that man can get solution to problems and security treats and prosperity as clearly shown in the above verse of the Holy Qur'an. It is an obvious facts that the contemporary economic systems of the west of the capitalist and the socialist have woefully failed to provide man with his daily needs economically, politically, socially, morally and intellectually to be able to function well in his ever changing world. The contemporary economic systems have failed to solve the economic problems of mankind and the Islamic economic order presents a ray of hope for the redemption of humanity from the quagmire of economic problems. The track record of capitalism is also not very promising. Although small number of communities have achieved unprecedented high material standard of living yet the vast majority of the people in the globe are still living under conditions of object poverty. Even in the industrially advanced countries,

the problems of unemployment inflation, poverty amidst affluence, unequal distribution of wealth, frequently bouts of businesses, recession, environmental pollution and ecological imbalance, to name but a few, still bedevil man's present life and threaten his future (Khan, 1994).

The political class and all of us should strive in the name of God to stand firmly against poverty and injustice and to protect the weak from the powerful. We have to propagate and enforce justice and fair play by helping the distressed people anywhere in the world to get solace and for achieving peace, progress, stability, security and economic well being of the people. On the basis of this, Governor Mai Mala Buni of Yobe State during the International Conference on Islamic Thought and Community Development, organized by Yobe State University and the Hadia Alumni Association of Darul Huda Islamic University, Kerala India called the attention of wealthy people in the society to pay Zakat in a view to provide better economic opportunities for the less privilege, reducing crime, and unemployment and alleviating poverty. He added Zakat payment will alleviate poverty and strengthen brotherhood among people. He further said, we should also scale up our generosity and other acts of kindness to the needy and poor among us (Daily Trust, 5th February, 2020). Taking the call of the governor with all sense of seriousness what he has suggested will help us to do away with the problems of insecurity which is caused mostly due to crimes committed as a result of economic pressure.

Conclusion

It is clear from the fore going analysis, that Zakat and waqf have an important role to play in poverty alleviation and in providing peace, harmony and tranquility in the country. through the provision of essential services free of charge for the sake of Allah.

This Islamic strategies can play a formidable role in poverty alleviation programme and to alleviate scourge affecting large percentage of the population waqf proceeds for example can be used t provide goods such as water, road, orphanage centres, health and education facilities research institutions that would be used to developed human skills and capital.

The paper raise to call the attention of government to include the institution of zakat and waqf in the poverty alleviation programmes in order to reduce the cost of governance and enjoy the benefit did by other countries like Malaysia, Pakistan, Kuwait and the rest.

Acknowledge

We acknowledged the invaluable contribution of Late Mal. M.B Sa'ad with whom we work on writing this article. May His soul continue to rest in peace.

References:

- Abdalati, H. (2007). *ISLAM IN FOCUS*. Egypt: Dar Al-Manarah El-Mansoura, Publishing and Distribution Company.
- Ahmad, A. and Dantosho, M. (2017). *The Role of Zakat and Waqf in Poverty Alleviation*. Islamic Research and Training Institute, Jeddah.
- Daily Trust Newspaper, 5th February, 2020.
- Doi, A. I (1404 AH). *SHARI'AH: The Islamic Law*. Malaysia, A. S. Noordeen Publishers.
- Khan, M. A (1994). *Islamization of Knowledge – 15: An Introduction to Islamic Economics*. Pakistan, International Institute of Islamic Thought and Institute of Policy Studies. ISBN 1-56564-079-9HC.
- Mu'allayidi, A. (2006). *The Institution of Endowment (Waqf) as a Means of Poverty Alleviation. A Case Study of Bauchi State*. Unpublished M.A Thesis, University of Jos, Nigeria.
- Nigeria Certificate in Education (NCE-DLS COURSE BOOK, 2000). *Islamic Religious Studies: Cycle 2*. Kaduna, National Teachers Institute.
- Obaidullah, M and Khan, I. (2008). *Role of Microfinance in Poverty Alleviation. Lessons from Experience in selected IDB member Countries*. Jeddah, Saudi Arabia: Islamic Development Bank.
- Onisabi, A. S (2011). *The Role of Zakat and Waqf in Poverty Alleviation. A Strategy for West Africa*. A Paper Presented at the 1st West Africa Islamic Investment Forum, held at Tahir Palace Hotel, Kano, Nigeria.
- Oleyede, I. O; Ja'far, M. K; Kareem, M. K and Lateef, O. A, (2003). *ISLAMIC STUDIES: Exam Focus for WASSCE/NECO*. Ibadan, University Press Plc.
- Sa'ad, M. B (2019). *Leadership Role in Realising Sustainable Development Goals (SDGs): An Islamic Perspective*. A Paper Presented at The 12th National Conference of School of Arts and Social Sciences, Aminu Saleh College of Education, Azare, Bauchi, Nigeria.
- Sahih Muslim Hadith : Being Traditions of the Sayings and Doings of the Prophet Muhammad (SAW) as narrated by His Companions and Compiled under the Title of Al-Jami-us- sahih; by Imam Muslim Condensation and Commentary by El-Nawawi. Render into English by Abdul-hamid Siddioi. Lebanon, Dar-Al-Arabia.
- THE NOBEL QUR'AN (1427, A.H). *English Translation of the Meanings and Commentary*. Saudi Arabia: King Fahad Complex.