



Economic Values of The Institution of Zakat Inpoverty Eradication, Peace and Development Among the Muslims in Argungu Emirate

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I. INTRODUCTION

In the name of Allah the Most Beneficent the Most Merciful

Poverty and insecurity are some of the major challenges to peace and development in the entire universe in this era of 21st century. Islam is a complete code of life that covers all facets of life (spiritual, social, economic, political etc), a universal message for the guidance of the humanity in the globe; it has solution to all global problems. The institutions of zakat can reduce these problems only when we properly observe our obligations towards the Creator and creatures around us. Understanding the role of institutions of Islam (zakat) would help the Muslims *Ummah* to live in peace and becomes self-reliant and developed in this period when the global terrorism, instability, poverty, unemployment undermined peace and progress of the people. The institution of Islam (zakat) can play a vital role in reducing or even illuminate terrorism which has become global epidemic and one of the major causes of poverty. The paper will explain the relevance of Islamic institutions (zakat) in reducing poverty and insecurity in this emirate for communal and national development.

Poverty in Islam is defined as a state whereby an individual fails to fulfill any of the five basic human requirements of life (Religion, Physical self, Knowledge, Offspring and Wealth). In line with brotherhood concept which is emphasized in Islam, the Prophet (SAW) in 9AH received obligation on Muslims to pay zakat on wealth. (O. Oman Mischief has appeared on land and sea because of that the hands of men has earned that Allah may give them a taste of some of their deeds in order that they may turn back (from evil) Qur'an 30:41

Allah (SWT) warns believers to keep to the true faith and to the guidance of Islam (Qur'an) otherwise people will find themselves in tension, problems and hardship, Qur'an states;

But whosoever turns away from the reminder verily, for him is a life of hardship and We shall raise him up blind on the Day of Resurrection. (Qur'an 20:124)

This verse indicates that the problem of diversity and tension among others, we are facing in this area is a product of our diversion for the true teaching of Islam in Qur'an and *sunnah*.

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Islam, being a religion of balance, views poverty as social and ideological problems. It is considered as social problem because the effects are felt in the society as a whole. Moreover, it is also an ideological problem as it affects the performance of one's socio-religious obligation towards the community and Islam, and may even lead to *kufir*. (K. Hassan, An Integrated Poverty Alleviation Model

The concept zakat

The Zakat can literally be define as purification of wealth. Zakat also is also refer to as the right, due or shares of the poor and the needy from the rich. It teaches well-to-do Muslims to share their wealth with the needy and poor:

Allah (swt) says;

“Take (O Muhammad) from their wealth a charity by which you purify them” (Qur'an 9:103)

Allah (swt) Hath categorically specified the beneficiaries of zakat funds, as described Qur'an;

“Zakat are for the poor and the needy and those employed to administer the (fund); for those whose hearts have been reconciled to truth; for those



in bondage and in debt; in the cause of Allah; and for the wayfarer “ (Qur’an 9:60)

Argungu Emirate

Argungu the current capital of Kebbi Kingdom of Kantais one of the four Emirates in Kebbi state, which comprises mainly the *Kebbawa*, *Arawa*, *Zabarmawa*, *Kyangawa* and others. The emirate is made of four Local Governments (Arewa, Argungu, Augie, and Dandi), before the era of colonization the Emirate covered as far as Dosso in the present colonial Niger Republic. With this colonial invasion, a final conference on boundary was held in London on 29th May 1906, the boundary West of Sokoto (Kebbi) was moved further East of *DalulMauri* (*Arawa*). These made greater parts of *Arawa* and *Zabarma* who were in alliance with *Kebbawa*, be ceded to French. As from then larger part of the land were moved to Niger Republic an area, which earlier belong to Argungu Emirate. (J. C. Anene, International Boundaries of Nigeria, Western Printing Press, Britain, 1970, P70)

ECONOMIC VALUES OF THE INSTITUTION OF ZAKAT TO MUSLIMS

Reduction of poverty on the Muslims

Well-to-do Muslims can play a significant role that will help the progress of Islam, by way of discharging their obligation (Zakat) as well as by charitable effort.

The word "Zakat" is derived from the Arabic word "Zakat" which means "cleanliness, purification, increase, growth, righteousness, blessing and praise". Literally, zakat means to grow and to increase, while in *Shariah*, Zakat is a concept referring to the redistribution of wealth prescribed by God to the deserving category of people.

Besides poverty eradication, zakat aims to eliminate greediness among Muslims and encourage socially oriented behavior. This is called Zakat or obligatory charity in Islam (S. N. Al-Kindi, *Zakat: Obligatory Charity*;). It is one kind of charitable practice done by Muslims based on accumulated wealth, and is obligatory for all who are able to do so. (O. Oman, The role of zakat as a poverty alleviation strategy and a tool for sustainable development,)

It was commanded to the Muslims in the second year of *Hijrah* (Islamic calendar).

Allah (SWT) says in the Holy Qur'an:

And establish regular Prayer and give Zakat, and bow down

your heads with those who bow down (in Prayer) Qur'an, 2:43

Both (prayer and zakat) purifies Muslim from greed and selfishness and also safeguarding future business. Zakat purifies the receivers because it saves them from the humiliation of begging and prevents them from envying the rich. The payers give Zakat 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, Zakat purifies the heart, mind and wealth of both sides of people, payers and receivers.

Islam has institutionalized zakat for many purposes among which is allowing circulation of wealth, poverty reduction and welfare to enable Muslims to be convenient in discharging their own obligations. Eradication of extreme poverty and hunger is a major challenge of the entire universe in the 21st century.

Zakat is a unique instrument for poverty alleviation as wealth is transferred from well-off people to worse-off people. Islam identifies Zakat as one of the five pillars. Anybody denying obligation of Zakat ceases to be a Muslim. According to the Quran:

The Zakat is meant only for the poor and needy, those who collect

the tax, those whose hearts are to be won over, for the freeing of

human beings from bondage, for the relief of those overwhelmed

by debts, for the cause of God, and for the way-farer: [this is]

an ordinance from God -and God is All-Knowing, Wise (Qur'an 9:60)

Islam establishes 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 the travelers in need. there is 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. Islam transfer payment, from the wealthy to the poor for the purpose of redistribution of wealth and income in the society has been taking a central principle in building the *Ummah*. (O. Oman)

The institution of zakat is a unique instrument and mechanism in Islam that is used to combat poverty. Thus, to the concern well-to-do Muslims, this portion provides an in depth, state of the art knowledge and insights that are inspired by prophetic worldviews on how Islam addresses poverty with the aid of zakat and institutionalization of zakat as an alternative strategy would provide the foundations for



sustainable Islamic and Muslims development, ideal Islamic religious practice and good life.

It is understanding of the above that constitutes the unique characteristics of the Islamic economic system as opposed to the conventional economy. It improve quality of life of recipients. (J. A. Mohammed, 2007, Corporate Social Responsibility in Islam.)

Poverty is classified into five kinds; one of such classes is the cultural poverty is the poverty that is caused by the different of custom and tradition, work ethics, etc as it affects this study. It is referred to the individual's behavior that is caused by life style, life habitual and culture. (D.W.Kusuma, and R. Sukmana, *The Power of Zakat in Poverty Alleviation*©)

Zakat is a compulsory for all well-to-do Muslims. Zakat is a unique instrument for poverty alleviation as wealth is transferred from rich people to the poor people. In Islam Zakat is one of the five pillars. Anybody denying obligation of Zakat ceases to be a Muslim.

In Islam zakat is meant for poverty eradication among the poor, the needy, the debtors, the slaves (to free them from captivity), and the travelers in need.

The institution of zakat as a pillar of Islam is a universal vital instrument and machinery in Islam that is used to combat poverty.

Narrated Abu Hurairah: The Prophet said, "The Hour (Day of Judgment)

will not be established till your wealth increases so much so that one will

be worried, for no one will accept his Zakat and the person to whom he

will give it will reply, 'I am not in need of it.'" (Imam al-Bukhari, Volume 2, Book 24, Number 493)

Wealth distribution against its accumulation in few hands Islam transfer payment, from the wealthy to the poor for the purpose of redistribution of wealth and income in the society has been taking a central principle in building the Ummah. Furthermore, redistribution concept is also established that the Quran and the Prophet act (Sunnah) do have overwhelming evidences which indicate that Islamic system do not recognize and like any form of concentration of wealth or income in a few hands.

"Narrated Asma: The Prophet said to me, "Do not withhold your money, (for if you did so) Allah would withhold His blessings from you." (Imam Bukhari: Sahih Bukhari Volume 2, Book 24, Number 513)

We should learn from this tradition to share our wealth with those in needs or else Allah (SWT) will hold His blessing from reaching us. The more you give the more you are given, the more you withhold the more blessing is withheld from you.

In another tradition the noble Prophet (saw) said

"Narrated 'Abda: The Prophet said, "Do not withhold your money by counting it (i.e. hoarding it), (for if you did so), Allah would also withhold His blessings from you." (Ibid Volume 2, Book 24, Number 514)

Islam encourages distribution and circulation of zakat through the institution of zakat and other non-obligatory charity to remove or at least minimize poverty among the Muslims.

Besides its appearance compulsory and binding dictated by Islamic law, Zakat plays a leading role against the concentration of wealth in the hands of a minority social layer. So it seeks equilibrium and social peace.

Satisfaction of the needs of the poor

The institution of zakat and its payment has the sole objective of helping the poor and the needy (Qaradawi, 1999). In consistent with the concept of brotherhood in Islam, Muslims are commanded and encouraged to care for the poor in their community. as stated in the glorious Qur'an.

"Nor were we of those who fed the indigent (Surah Al- Muddathir, verse 38-45)

The verse explained one of the reasons those people are sent to Hell is because of the failure to feed the poor and the needy.

Zakat satisfies the recipient's needs and alleviates his financial as well as mental sufferings. Thus, it creates love and brotherhood between the rich and poor, minimizes social tensions and bridges the gap between the poor and rich. In this way Zakat develops social and economic security to the community and brings its all members closer together.

Thus, paying Zakat, we purify our wealth by sharing with the needy. Zakat tends, also, to purify the human soul as much as possible away from avarice and greed. The intention of these alms is to help the poor and needy in their financial difficulties.

3;4 Illumination of crimes, envy and jealousy

The noble Prophet (SAW) said;



“Surely, giving charity and doing good and striving towards its spread among the society makes up a strong and homogeneous society in which love, co-operation and progress flourish” (Sahih Muslim : Volume 2, Book 24, Number 490). Narrated Ibn Masud:

“I heard the Prophet saying, "There is no envy except in two: a person whom Allah has given wealth and he spends it in the right way, and a person whom Allah has given wisdom (i.e. religious knowledge) and he gives his decisions accordingly and teaches it to the others.”

Provision of peace, security and protection of wealth

“Establish regular Prayer, give Zakat, and hold fast to Allah.

He is your Protector- the Best to protect and the Best to help”(Qur’an 22:77)

The payment of Zakat is not only the achievement of equality, but it seeks, also, to protect Muslim society against the evils of economic tyranny that can easily appear in the absence of a system accuracy when distribution of wealth and income.

Zakat purifies increases and protect one’s wealth. Allah (SWT) said;

Take of their possession: so that you may cleans them, thereby cause them to grow (Qur’an 9:102)

In a Hadith it is said; Narrated Abu Said Al-Khudri: Somebody asked, *O Allah's Apostle! Who is the best among the people?* Allah's Apostle replied *"A believer who strives his utmost in Allah's Cause with his life and property."* They asked, *"Who is next?"* He replied, *"A believer who stays in one of the mountain paths worshipping Allah and leaving the people secure from his mischief"*(Sahih Al-Bukhari Volume 4, Book 52, Hadith Number 45).

Abu Huraira reported Allah's Messenger (may peace be upon him) as saying that Allah, the Most Blessed and High, said:

O son of Adam, spend. I will spend on you. The right hand of

Allah is full and overflowing and in nothing would diminish it, by overs pending day and night (Sahih Muslim volume 5, Book 11, Hadith Number 2178)

Next (immediate) Hadith, Abu Huraira reported Allah's Messenger (may peace be

upon him) as saying that Allah said to him:

"Spend, I will bestow upon you." And the Messenger of Allah (may peace be upon him) said: The right hand of Allah is full and spending (the riches) liberally during day and night will not diminish (the resources of Allah). Don't you see what (an enormous amount of resources) He has spent since He created the heaven and the earth, and what is in His right hand has not decreased? His Throne is upon the water. And in His other hand is death, and He elevates and degrades (whom He likes) (Ibid, Hadith Number 2179)

Allah (SWT) Hath placed an extraordinary favourable reward on zakat and other charity though whatever we give away is only out of the possessions and wealth He Has been pleased to bestow on us. He has given us the assurance of a rich premium on such deeds of ours, it is due to His infinite kindness and mercy. Allah (SWT) said;

The parable of those who spend their substance in the way of Allah is that of a grain of corn; it growth seven ears and each ear has a hundred grains. Allah give manifold increase to who He pleaseth; for Allah cares for all and He knows all things. Those who spend their substance in the cause of Allah, and follow not up their gifts with Reminders of their generosity or with injury, their reward is with their Lord: on them shall be no fear nor shall they grieve. (Qur’an 2:261-162)

This verse indicated three promised reward of those who practice zakat and spent their money in His way through other means: Allah (SWT) promised to pay them Hundred times in this world for what they spend. Secondly they will be rewarded bounteously



in the Hereafter; and thirdly there will be for them neither fear nor grief on the Day of Judgment. (A. K. Muhammad, What Islam is? Op cit, P22-24)
Since no society and develop without peace, zakat creates love, sympathy, admiration, trust, peace and unity among the Muslims.

Role of voluntary charity on the Ummah(through zakat and voluntary charitable assistant).

Voluntary charity is encouraged in Islam Allah (SWT) said;

And spend on charity, and thus lend unto Allah a goodly loan; for whatever good deed you offer on to your own behalf, you shall truly find if with Allah Who is Better and Richer in reward (Qur'an 73:20).

In another verse Allah (SWT) said;

And spend from that which We have provided you. (Qur'an 63:20)

Wealth is subject to other dues a part from zakat. Allah (SWT) said;

(Truly piety means...) and giving away ones wealth much as he loves it, to close Relatives, orphans, the way farer and beggars and for emancipation of slaves (Qur'an 2:177)

The lack of regular income therefore made the *Ulama* reliant on the goodwill and support of the Muslim community or an influential patron. Assurance of this support appears to have been a necessary condition for the development of the Muslim communities in this area and Nigeria at large. (S.A, Balogun, "History of Islam).

Allah (SWT) urges well-to-do to seek for something better with Him with their wealth;

Go forth (equipped) lightly or heavily, and strive hard in Allah's

cause with your property and own selves; this is better for you,

if you know (Qur'an 9:41)

The prophet (SAW) says; Anas reported that when this verse was revealed: "You will not attain righteousness till you give freely of what you love," (Sahih Muslim volume 5, Chapter 14. H2186)

Likewise wealthy Muslim who pays zakat and help the cause of Islam, who spends even a small amount of money in Allah's way will find his reward

increased many times by the Beneficent Creator. Allah (SWT) said;

The believing men and women are allies of one another.

They advocate righteousness and forbid evil, they observe

Salat, pay Zakat and obey Allah and His messenger. These

will be showered by Allah's mercy. Allah is Almighty, Most

Wise (Qur'an 9:71)

In another verse Almighty (SWT) said;

Those who give Sadakah, both men and women, and lend goodly

loan, it will be doubled for them and theirs will be a rich reward (Qur'an 57:18)

Another verse says;

O you who believe! Shall I lead you to a bargain that will save

you from a grievous Penalty? That you believe in Allah and His

Apostle, and that you strive (your utmost) in the cause of Allah,

with your property and your persons; that will be best for you if

You but knew. (Qur'an 61:10-11)

Narrated Abu Huraira:

"The Prophet said, "Every day two angels come down from Heaven and

one of them says, 'O Allah! Compensate every person who spends in Your

Cause,' and the other (angel) says, 'O Allah! Destroy every miser." (Sahih Bukhari :Volume 2, Book 24, Number 522)

"Narrated 'Abdullah bin Abu Aufa: Whenever a person came to the Prophet

with his alms, the Prophet would say, "O Allah! Send your Blessings upon

so and so." My father went to the Prophet with his alms and the Prophet

said, "O Allah! Send your blessings upon the offspring of Abu Aufa." (Inid :Volume 2, Book 24, Number 574)

Societal welfare of the institution of zakat

Hossain (2012) Hossain, M.Z (2012). A powerful alleviating instrument for Islamic countries.) opined that Zakat has a number of positive impacts on the society.



1. First, it is for the welfare of the unprivileged people of the society. It is an institution of Islamic economy seeking higher standards of living of the poor.

2. Secondly Zakat is the source of blessing of Allah (SWT) for the giver as well as for the receiver, as it improves the total economy of the nation.

3. Thirdly it establishes a society on a humanitarian ground.

4. Fourthly it removes the economic hardship for the poor and needy and reduces the inequality among different groups of people from the society.

5. Fifth, it satisfies the recipient's needs and alleviates his financial as well as mental sufferings. Thus, it creates love and brotherhood between the rich and poor, minimizes social tensions and bridges the gap between the poor and rich. In this way Zakat develops social and economic security to the community and brings its all members closer together. In fact, its rewards are boundless.

“Zakat”, the third pillar of Islam, is central in Islamic economic. It purifies the soul and increases its merits, as it purifies the property and increases the wealth. It means etymologically, grow, propose, and be fair and clean. It reduces the gap between rich and poor.

The importance of “Zakat” is revealed by the number of Qur’anic verses that advocate the necessity of Zakat and its role as a tool to ensure the socio-economic stability and ensure stabilization the phases of economic cycle. It is a reliable solution to the menace of poverty in the Muslim community that buttress the payment of Zakah on employment, and on investment, the socio-economic benefits of Zakat and its roles in the economic cycle.

Zakat promotes economic revitalization. It helps, in fact, the entered of money in economic activity. Indeed, money hoards penalized by the "Zakat". It is gradually reduced year after year until it reaches the minimum level (Nisab). So the Muslim society will lose a lot of interest when money hoards is not invested. Therefore, he has no interest for Muslim society to keep its monies outside the scope of economic activity. One who gives well for Allah (SWT) will be replaced as it shows in the Quran “*Verily my Lord enlarges and restricts the Sustenance to such of His servants as He pleases: and nothing do ye spend in the least (in His cause) but He replaces it: for He is the Best of those who grant Sustenance*” (Qur’an 34 :39).

Islam is a universal religion (way of life) of peace, mercy and harmony. It implies peace with God, with ones’ soul, with fellow human beings and other creatures. (Qur’an 5:16) Islam strives to create an atmosphere of peace based on love and brotherhood,

Islam has laid down rules on how to live on this earth in peace; through guiding oneself to the straight path by being in peace with Creator (serving Him alone), with himself and others beings.

Peaceful and progressive community or society could only be attained through strict adherence to the teaching of Qur’an and *sunnah*; the basis of the Institutions of Islam. The noble Prophet (SAW) grew up in a crises ridden community of the *Jahilliyah* era where all sorts of *Jahilliyah* practices similar to this area today, atrocities, social vices prevailed, yet through the guidance of the Qur’an, he was not only able to create conducive atmosphere for living but succeeded also in uniting the Arabs and correct their morale.

In Islam believers are one single brotherhood urges always to make reconciliation of peace instead of creating tension. Allah (SWT) implores Muslims thus;

Believers are but one single brotherhood; so make peace and reconciliation between your two (contending) brothers, and fear God, that you may receive mercy. (Qur’an 49:10)

Allah (SWT) has created true love and affection in the hearts of true believers, the existing difference and tension among the Muslims in this area is as a result of our disbelieving practices. Allah (SWT) says

And He hath put love and affection between their hearts: not if you hadst spent all that is in the earth, couldst though have produced that affection, but God hath done it, for He is exalted in Might, Wise. (Qur’an 8:63)

Brotherhood of believers in hearts and spirits should be united by the bond of belief. Common on belief is firmness and most precious of all bonds. True brotherhood is the companion of faith, tension or division is the companion of unbelief. Peace and unity produces strength, but there cannot be unity without love. The lowest degree of faith is the purity of intention and unspitefulness of the heart, the highest degree of love is complete selflessness. And those served from the covetousness of their own souls are the ones that achieve Prosperity. (Raji. F. I, *Unity a milestone*, op cit, p 42)

Islam preaches peaceful coexistence as everybody is free to tread that the path he chooses for himself, there is no compulsion in religion. Man is responsible for his action as he is given free will to choose.



Enhances prosperity by Fighting against Unemployment

Zakat increases prosperity and increase in their wealth. Allah (SWT) said;

“Those who give charity (sadaqa/zakat), both men and women, and lend goodly loan, it will be doubled for them and theirs will be a rich reward,” (Qur’an 57:18)

Zakah provides employment and income from the amount given to poor and the needy. It plays a significant role in reduce of poverty. The collection and distribution of "Zakat" plays a significant role in reducing poverty, unemployment through zakat grants that provide needy investors. In fact, the distribution of zakat due to the recipients assists them in financing their needs and investments.

Zakat is one of the principles of Islamic finance, community services and support. Funds zakat should be deployed to guarantee support, employment and provision of job creation.

Poor and the needy welfare is properly taken care of by the institution of zakat. It is one of the economic objectives of institution of zakat satisfying the need and general welfare beneficiaries in the community.

Zakat institution and proper application will be an effective way of confronting the economic instability in Muslim communities all over the world by directing our attention to the needs of the less-privilege.

wealthy Muslim who pays zakat and help the cause of Islam, who spends even a small amount of money in Allah's way will find his reward increased many times by the Beneficent Creator. Allah (SWT) said;
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Zakat purifies, increases and protect one’s wealth. Allah (SWT) said;
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enormous amount of resources) He has spent since He created the heaven and the earth, and what is in His right hand has not decreased? His Throne is upon the water. And in His other hand is death, and He elevates and degrades (whom He likes). (Ibid, Hadith Number 2179)

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II. CONCLUSION

The paper will explain the institutions of zakat would help the Muslims *Ummah* to live in peace and become self-reliant and developed in this period when global terrorism, instability, poverty, unemployment undermined peace and progress of the people. The institution of Islam (zakat) can play a vital role in reducing or even illuminating terrorism which has become a global epidemic and one of the major causes of poverty..by way of reduction of poverty on the Muslims, wealth distribution against its accumulation, Satisfaction of the needs of the poor, illumination of crimes, envy, Provision of peace, security and protection of wealth, societal

welfare as well as Enhances prosperity by Fighting against Unemployment. The institution of zakat can play a significant role in poverty eradication, peace and development among the Muslims

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