

ZAKAT AS AN ISLAMIC SOCIAL FINANCE AND POVERTY ALLEVIATION AMONG WIDOWS IN SOKOTO STATE NIGERIA

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Abstract: *This paper seeks to examine the role of Zakat as an Islamic Finance tools for alleviating poverty in Sokoto State, Nigeria. Considering the alarming rate of poverty in Nigeria, the need for the institution of Zakat is glaring. This is why several attempts were made by various Governments to alleviate poverty through different methods. However, those methods contributed a lot in that direction. The study adopts qualitative approach using interview as the major instrument for data collection. Findings revealed that the administration of Zakat in Sokoto State is making impact in the areas of improving the socio-economic status of widows and other vulnerable groups. The study also concludes that Zakat is a very important Islamic tool that could solve most of the social problems in the society. Similarly, there is need for more public enlightenment on the significance of given out Zakat.*

Keywords: Zakat, Alleviation, Poverty, Widows, Sokoto, Nigeria

INTRODUCTION

Zakat is one of the underlying Islamic social finance instruments designed to alleviate poverty as well as improve the welfare of Muslim society. Similarly, in consideration of the problem and needs of the poor and the needy in the society, Islam made it compulsory for the rich people within the Muslim community to pay Zakat from their wealth (Mustapha, 2020). Poverty in Islam is concerned with both material as well as cultural and spiritual poverty. Generally speaking, unfolding events have shown that Nigeria is classified among the nations that has very high rate of poverty, which made it to be listed among the poorest countries in the world.

In the same vein Sokoto State was also rated very high in terms of poverty as published by Nigerian Bureau of Statistics (NBS), according to the report the share of people in poverty in the state was 87.73% (NBS, 2021). Similarly, looking the world at large, statistics shown that Muslim majority countries are among the top that hits by poverty (Ali and Zulkaman, 2011). From the above citations we can say that the Muslim communities all over the world have a greater role to play in addressing the problem of global poverty through the institution of Zakat. To this regard different programmes and policies have been adopted in different countries in the present and past to alleviate poverty but still is persists especially in the Muslim majority countries. To the Nigeria context several attempts were also made by successive regimes to alleviate poverty through the introduction of programmes aimed at

uplifting the socio-economic status of citizens and alleviate poverty among the society, such as National poverty Eradication programme in 2001, youth employment as well as poverty alleviation programmes among others.

However, it was clearly known that the problem of poverty affects mostly the women as they are the most vulnerable in the society more especially the widows that was either left with one or more child as a result of the death of her husband and sometime some of the women are divorce, which mostly all of them fall in the same category of vulnerability and poverty. It is against this background that this paper was carried out to analyze the role of Zakat in poverty alleviation among vulnerable people, particularly the widows in Sokoto State, Nigeria.

Roles of Zakat in Poverty Alleviation and Job Creation

The instruction of Zakat and its distribution is a unique instrument in Islam that is used to eradicate poverty in the society. The proper utilization of the institution provides the following;

- a) **Job opportunity:** according to Ajakai (2002), “on the basis of the various surveys carried out on poverty and findings from a study on ‘the voice of poor’ the main causes of poverty in Nigeria are unemployment, ignorance, corruption, death of family bread winner and environmental degradation. Inadequate accesses to employment opportunities for the poor more especially the women vulnerable groups such as widows are serious problem. Similarly, Zakat provides a large employment opportunity for skilled and unskilled workers and transferred regular purchasing power to them.
- b) **Peaceful Co-existence:** One of the greater roles of Zakat is showing the peaceful co-existence between poor and rich people in the society.
- c) **Economic development:** Through the distribution of Zakat economic activities will be boost and entire development will be in place.
- d) **Ensures Good life:** One of the greatest roles of Zakat institution is touching the life of the poor and needy positively and makes him to stay in good life by providing social services that has direct bearing to his life through standardized collection and equitable distribution of Zakat funds.

LITERATURE REVIEW

In times memorial, many researchers carried out studies on the importance of Zakat and its role in poverty eradication among poor and needy. For instance, Adamu, et, al. (2022) pointed that paying Zakat purifies the Zakat prayers wealth and bring peace to their heart, solves the social problems such as poverty, debt, unemployment, unequal distribution of income and basically meets the basics needs of the poor and needy in the society. In another study conducted by (Umar, 2021) opened that Zakat is an effective mechanism of lifting purchasing power to the poor, and encourage them to be on their own feet.

Similarly, Ali and Hatta (2011) explained that Zakat constitutes the basic mechanism that can address the needs of the poor and needy through a permanently working social economic security system. Furthermore, poverty has been defined as the inability to attain a minimum standard of living (World Bank report, 1990). Salaiq (nd: 59 – 60) identified two categories of poverty namely; the poor (al-faqir) are the needy, (al-Muskin).

The poor and the needy mentioned here are those who do not have their basic needs fulfilled. They are different from the rich who have all they need. A person is consider to be

rich if he possess an amount in excess of his essential needs or those of his family with regard to food, drink, clothing, housing, transportation, tools of trade, and similar other necessities (Danyaro, 2006). Thus, one who lacks all these is said to be in poverty. On the other hand, Salihu (2004:213), looking at the household level views that there is inability to fulfill basic economic and social needs and the general lack of self - esteem.

Going by the citation this type of poverty is further characterized by inadequate income to meet basic needs, lack of skills or opportunity for gainful employments, and lack of access to productive assists as well as social constraints to self-improvement. Poverty in Islam is concerned with material, as well as cultural and spiritual poverty, (Danyaro, 2016). This apparently, poverty as a socio – economic problem manifest at various levels of human societies it exists at the global, national Muslim and non-Muslim community, household and individual level in which widows inclusive.

RESEARCH METHODOLOGY

The data for this study were from both documentation and interviews, while the interview is the primary data generated from the beneficiaries of the Zakat distribution by Sokoto State Zakat and Waqf (Endowment) Commission (SOZECOM) , Nigeria. This study considers the widows as the sample beneficiaries that benefited from various Zakat distributions as its unit of analysis. The 745 located in 87 districts of the state that are either benefited with grinding machine, sewing machine or freezer (Refrigerator) as empowerment for them to be self-reliance. The data for this study was collected through structural questionnaires. The structures questionnaires were addressed to the beneficiaries as participants in Zakat distribution which basically includes widows and Divorce women that were classified as vulnerable in the society. Similarly, the study adopts the least square structural modeling (PLS-SEM) to analyze the data.

RESULTS AND DISCUSSION

Role of Zakat in reducing poverty among widows

The contending role of Zakat and its impact on socio economic development have become a topic of concern as a result of its relevance to human economic development and its relationship with poverty alleviation not only to widows but also to vulnerable members of society in general. Nafisa (2005) pointed that productive Zakat has an impact on the well-being of the needy and poor, especially widows, and can also help them to established their businesses and make money for self-reliance. This view was supported with empirical evidence in which we adopted regression analyses to justify the relationship and influence of Zakat in poverty alleviation.

Table 1 below presents the regression results between Zakat Distribution and poverty alleviation of 141 widows that participated in the study. The results indicate that there were positive significant relationship between Zakat distribution and the poverty specifically, the correlations between productive Zakat and poverty alleviation among widows.

Table 1: Regression Between Zakat Disbursement and Poverty Alleviation

Hypothesis	Beta	Std Er	T- Statistics	P. values	Decision
H: Zakat	> P 0.9	0.11	4.1 ***	0.000	Supported

Source: Author's computation, 2022

The above result of the regression analysis appears to provide some support for the hypothesis that the higher the Zakat disbursement the lower the poverty rate will be among the widows. As per the above results it is clearly shown that Zaka as has a significant influence in poverty alleviation among the vulnerable, poor, and needy in the society more particularly the Muslim community.

CONCLUSION

Undoubtedly Zakat is one of the various tools for eradicating poverty among all groups, including widows. Tremendous achievements were recorded in history through the administration of Zakat in Sokoto State Nigeria; the welfare of the people in the state was greatly uplifted between 2016 and 2022. However, much is desired for poverty to be alleviated. This is so because a lot of people are in poverty net not only in Sokoto State but throughout Nigeria. Similarly, the study is able to demonstrate that Zakat institution has role on poverty alleviation. The conclusions of this study suggest that concerted efforts by all Muslims to ensure that the institution of Zakat and Waqf is fully encouraged and supported in every nation.

RECOMMENDATIONS

1. Muslims should come up with a uniform approach in order to reduce poverty in their community and world at large.
2. Policies and programmes of governments in Nigeria should take into consideration the institution of Zakat and Waqf which can be implemented both at state and local level.
3. There is the need to intensify efforts on enlightenment campaign to sensitize the general ummah on the importance of paying of Zakat.
4. Attention should give to the productive Zakat this will go a long way to reduce poverty in our society.

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