

The Role of Economic Empowerment for the Poor in a Zakat Institution

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Abstract

Zakat funds management in a number of charity organizations, especially in terms of empowering zakat in Indonesia is not yet optimal. Based on the results of several previous studies, yet there is a model of empowerment that was standard in managing zakat and other Islamic philanthropy. This study aims to determine the role of the poor in the reviews maqashid sharia. Data was analysed using a qualitative approach. Qualitative descriptive analysis is used to explain how the role of the economic empowerment for the poor in zakat institutions within the framework of sharia maqashid. Based on the data and the results of the analysis that has been done can be seen that the BAZ (*Amil Zakat*) in East Java have a role in the economic empowerment for the poor, although not *kaffah* meet maqashid sharia.

Keywords: Role, Empowerment, Zakat Institution

1. Introduction

1.1 Background

Based on research publications BAZNAS and FEM IPB (2011) regarding the potential zakat in 2011, which is the province of West Java province with the largest household zakat potential, ie 17.67 trillion rupiah, followed by East Java amounted to 15.49 trillion rupiah and Central Java amounted to 13.28 trillion Rupiah. Potensi zakat is not matched with the target as well as the realization of zakat in any current year. According to the Chairman BAZNAS, Didien Hafidudin, in 2011 only realized \$1,8 Trillion in 2010 Rupiah. In the other hand, zakat collected by 1,5 Trillion Rupiah (<http://www.imz.or.id>).

The number of poor people in Indonesia is very high, which is above the figure of 30 million. When compared with the number of poor people reached 34.01 million in 1996, then the position in 2009 with the number of poor people amounted to 32.53 million, showing the

problem of poverty remains an unresolved issue that is not (IZDR, 2011). Zakat institution considered not play a role in the utilization of zakat funds. According to IMZ (2010), not maximal management of zakat funds to charity organizations, especially in terms of utilization of zakat can also be seen from the 3 (three) reasons, namely in terms of the management body, which is less optimal utilization of Zakat funds for the two underlying causes, namely: (1) behavior muzaki still fulfill zakat as a charity, which charity is understood as a social activity-oriented worship the short term, interpersonal, and lack of awareness to pay zakat through zakat institutions; and (2) are still not optimal utilization of particular there has been no standardized model of empowerment in managing zakat and other Islamic philanthropy. At the regional level, the potential collection of zakat in East Java reached 5 trillion rupiah per year. During this charity fund unearthed no more than 150 billion rupiah (<http://www.surabayakita.com>).

1.2 Problem Formulation

Based on the background described above, the formulation of the problem is taken in this study is how the role of economic empowerment for the poor in a zakat institution?

2. Reference

2.1 The Concept of Zakat in Islam

Zakat is one of the pillars of Islam that in the Quran many mentioned sequence with the command prayers. The obligation of zakat has an important position because it is also part of worship pertaining to social. Qardawi declared charity that is essentially part of the Islamic rules about wealth and community. As word of Allah in the Qur'an. Al-Baqarah verse 43: This means that: 43. "And establish prayer, pay the poor due, and ruku'lah with those who bow". The Qur'an does not give firmness of wealth that must be issued zakat and requirements that must be met and did not specify how much should doing zakat. The word zakat means blessings, grow, pure clean, good and commendable.

2.2 Zakat and Economy

Zakat is an important pillar in economic. Zakat is one of the instruments in the growth and empowerment IZDR (Beik, 2011) stated that the charity is worship that has three principal dimensions, namely the spiritual dimension of personal, social dimension and the dimension of

the spiritual dimension of personal zakat is a manifestation of faith and devotion to God SWT. Second dimension is the social dimension, where the charity oriented harmonization efforts to create social conditions masyarakat. The last dimension is economy. It is reflected in two main concepts of economic growth and equitable sharing mechanism in the economy.

2.3 Performance of Empowerment in the Zakat Institution

Gibson in IZDR (2011: 57) defines performance as a "success rate stated on the motivation and ability to function." While Mulyasa in IZDR (2011: 57) defines performance as "job performance, job execution, job attainment, work and performance". Zakat performance institutions will appear on strategies to optimize the collection of zakat institution, pendistribusian and utilization. Amanah the Act (Act) No. 23 Year 2011 on Zakat Management outlined that in order to enhance the effectiveness and efficiency; institutionalized zakat must be managed in accordance with Islamic law. IZDR (2011: 96) to measure the economic performance of zakat institution or organization Zakat Management (OPZ) in several indicators, namely: first, the existence of criteria and mechanisms *Mustahik* identification. *Mustahik* is the party entitled to receive zakat, which has been described in the Qur'an. Al-Quran [9]: 60 that zakat is only distributed to 8 (eight) categories, namely: 1) those indigent, 2) the poor, 3) board charity, 4) converts who persuaded him, 5) to free a slave (*Riqab*), 6) people who owe (*gharimin*), 7) to the way of Allah (*fisabilillah*), and 8) for those who are on the way (*Ibn sabil*). Second, growth in the number *Mustahik* powered by zakat. Peningkatan *Mustahik* number and distribution of geographic scope of the distribution area of zakat institution, either through direct distribution of Zakat funds or through programs utilization of Zakat funds will be the effectiveness of the performance parameters of zakat institution in carrying out its functions. The success of the institution of zakat is the number *Mustahik* empowered or "move the position" of *Mustahik* be munfiq and could eventually become *Muzakki*. Third, a growing number of third *Muzakki*. Indikator can be measured by the growth in the number muzaki zakat. Keempat trust funds to institutions, innovation program zakat. Program utilization of Zakat funds through a phase of development from idea to implementation of the program is to transform the contribution to community development. fifth, the distribution area distribution zakat. Zakat performance institution can be measured in terms of the distribution of zakat funds region covered by charity organizations.

Sixth, responsiveness to emergency response charity. Strategic institution role as an institution that is responsive to community emergency charity response. Seven utilization of zakat to productive charity. The fund expected economic activity not only for the purposes of the activities of a caricature. Zakat institutions are required to manage any amount of zakat funds more effectively. Most *Mustahik* is classified as productive age, so it can be helped with the use of zakat funds productively.

2.4 Maqashid Sharia

The objectives of Islam (*maqashid ash-Shariah*) is based on the concepts of human welfare (*Falah*) and the good life (*hayat tayyibah*). Ryandono (2010) in his study outlines the size of *sharia maqashid* achievement, namely:

1. Religion or belief (*hifzhud din*) which is implemented in the practice of the pillars of Islam (the creed, prayer, alms, fasting and pilgrimage) and the pillars of faith (faith in Allah, His Apostles, the books of his final days, making up 'and *Qadr*) and adherence to the rules set by the State.
2. The soul (*nafs hifzhun*) embodied in food, clothing, shelter, health, and others - others.
3. Intellect (*hifzhul 'aql*), namely in education, training, research and development, media information and soon.
4. The Descendants (*hifzhun nasl*) is covering the institution of marriage, pregnancy and childbirth allowance and breastfeeding, sponsored orphans, and soon.
5. Treasure (*hifzhul maal*) includes a decent and fair income, business opportunities, and soon.

Task / function of Islamic economics is to achieve *Falah*, namely by (Zadjuli, 2006):

- a. Fighting ignorance. Foolish notion has been likened to someone who is not good at reading, writing, and counting. Islam teaches that people are stupid that people who do not have *aql*. Human that lacks is the minds of people who are not functioning properly, that is, people who worship, the righteous, those who are afraid, people who work and worship besides Allah SWT. People were not reading, writing, and arithmetic, but the insane worship and work to follow the laws of this insane can be categorized intelligent people of the world and afterlife, all the more insane the clever also read and count.
- b. Fighting poverty. During this notion that the rich are those who have a lot of property in

the form of money, vehicles, land, houses, stocks, and etc. Otherwise if not having the insane things that categorized the poor. Islam teaches the rich who actually is when most of rizki obtained and at the same surrogate of God has been given to 8 (eight) ashnaf which requires, namely: indigent, poor, people who run out of stock journey, people who terllilit debt, converts , slave / servant sake only, fisabilillah and zakat when require.

- c. Fighting pain. Many sick people are treated in hospital and at home where basically Allah revealed the disease and Allah also provide a cure, stay maanusia itself can endeavor to recover for himself or his family who sick, but people in truth painful and difficult treat it are the people who have been closed / locked eyes, ears, heart and his heart.
- d. Fighting falsehood. Islam has demonstrated the straight and true but many humans trapped in falsehood in order to meet their daily lives because it has been poisoned lifestyle demands secularism who are eager desire to own property alone as much as possible and to seek the highest possible position by any means. It is to be shunned by all humans.

2.5 Previous Research

This study refers to some previous research that has been done as a research. The results IMZ (2011) use a sample of households receiving donations of 8 (eight) eighth zakat institution where the institution is *Amil* Zakat and Infak / ALMS Jakarta (BAZIS DKI), Republika Dhuafa Wallet, Wallet Caring People-Darut Tawheed (DPU-DT), Caring Justice Post (PKPU), Baitul Maal Muamalat (BMM), BAMUIS BNI, BRI YBM, and Baituzzakah Pertamina (BAZMA) indicates that the value of headcount before zakat amounting to 0.491 which shows that nearly half of the survey respondents live with incomes below the poverty line. The presence of program utilization of zakat can reduce to 0,438. Penurunan headcount index by 10.79 per cent indicated that the charity program that has been done empirically proven capable of reducing the number of poverty *Mustahik*. It is also proved that the charity has positive implications for poverty reduction, if managed by the charity agency mandate. From the depths of poverty, prior to the distribution of zakat, the distance between the average income of poor households *Mustahik* the poverty line is Rp. 442 384, 20, with the charity, this distance can be

reduced to Rp. 442 076, 30. The decrease of 4.69% indicates that the charity shown to reduce the poverty gap.

3. Research Method

3.1 Research Approach

This study is a descriptive study using a qualitative research approach. Based on the explanations that have been described in the background of the problem to refer to the formulation of the problem, as well as the objectives of the research, the researchers used a descriptive research model that aims to make a deep study and systematic description, factual and accurate information on the phenomenon or the relationship between the phenomenon under study. In this study, the definition of these phenomena is all activities related to utilization of zakat which is managed by the agency, institution, or zakat committees in the city of Surabaya. Zakat is used to play a role in improving the economy of the poor in the city of Surabaya.

3.2. Scope of Research

The scope of this study is limited in two respects: first, in terms of territorial where the research was conducted in the city of Surabaya. Secondly, in terms of substance (contents). The research objectives include four (4) amil zakat institutions in the city of Surabaya or amil zakat institutions implement empowerment in the city of Surabaya. The samples by using purposive sampling technique.

3.3. Sources and Types of Data

Data used in this study are primary and secondary data. Data is obtained from the individual or individuals, such as interviews, documentation, and direct observation of the field so that the data is much tangible action from the object of research. In this study the primary data obtained by conducting in-depth interviews and observations of the leaders of the zakat in Surabaya. Secondary data is data that supports research, which is obtained indirectly obtained from an object of research in the form of records, reports, and relevant documents and literature review related to problems in the study of secondary research. Data obtained by searching for information form of data related to the research being done. In qualitative research does not limit the calculation of statistic by informant Therefore, researchers using purposive sampling

technique to determine information. Technical purpose of this sampling is a technique used by researchers to determine the informant by subject or destination object.

4. Discussion

4.1. Implementation of Zakat Empowerment

Based on both the data (interviews with administrators Bazda) as well as secondary data, in 2012 charity funds collected in BAZ Jaim reach 6.4 billion, and has approximately 20,000 donors. BAZ Java focuses on principal tasking of OPZ namely the collection, distribution and utilization. Related to the collection of zakat, BAZ in East Java work with government agencies and non-governmental (private), and currently with 64 offices of 108 agencies/services. So that each government agency or body there UPZ (*Unit Pengumpul Zakat*). The mechanism is, the UPZ have duties to collect funds from the institution or body which they controlled, then the funds collected are submitted to BAZ. Each UPZ given a special opportunity to be able to recommend *Mustahik* to Bazda order to get the right or be a priority amil (BAZ). BAZ operational costs derived from a maximum of 10% of revenue Bazda and assistance from the Government of East Java in the form of fixed salary and Operationally from the Ministry of Religious Affairs. Currently the center is co-operation for every mosque that can be formed or used UPZ of BAZ Java. BAZ Java also promotes movement conscious zakat that all agency heads are expected to be the example of charity.

The mechanism of payment can be by cash payment *Muzakki* UPZ to local, as well as by directly transfer to BAZ, and collectively from UPZ either in cash or direct cut automatically from the agency concerned. For direct salary system, the management company should facilitate the management and employees to pay zakat in a manner calculated directly on the payroll. Employees fill out the form willingness to pay zakat through salary deductions directly addressed to the HR or payroll section. Zakat payments made directly from the salary every month and transferred to the account by the finance department BAZNAS Java/treasurer salary. HR or payroll section submit the data of employees who pay zakat to BAZNAS Java in the form of an excel file format. Employees gain Receipt or BSZ (Proof of Transfer Zakat) and report on charity donations are fulfilled.

For delivery/distribution of zakat, BAZ coordinate with relevant agencies in the distribution of poor households. So there is a mapping mechanism and equity distribution area.

In addition there are also individual or group of inmates who submit a proposal directly to Bazda. In Bazda, in terms of distributing of zakat funds is that its preferred economic empowerment and subsequent non-empowerment. Prior to distribution, done first RTM data synchronization with the relevant agencies, such as CPM and Social Services, and the Department of Kop-SMEs. Once the data is held then conducted a survey to ascertain what form of empowerment will be given. Based on this survey can be categorized by *Mustahik* in accordance with the criteria established and priorities of empowerment.

Empowerment priorities reflected in the flagship program of BAZ East Java. Peertama is Economy or by name. RISE (Build Economy Ummah) in the frame of Java programs “Makmur”. The program provides a revolving working capital for micro businesses that run their business for at least 6 months. The shape of this revolving capital aid are individuals with nominal 1 million. New returns process was dropped at month 3 of the initial loan. The repayment period is 10 months. Every month, the recipient obligated to follow the guidance of SMEs and Spiritual held by the BAZ. For the smooth process returned (over 90% smooth), then it is allowed to file a return, and usually to stage this loan size is 1.5 million to 2 million per person. In the third year, if they are successful businesses and smoothly, and wish to apply for a loan of at least 5 million dollars, then the BAZ will provide assistance in the form of a facilitator with the Bank. So at this stage, usually they already can be not *Mustahik* again or still *Mustahik* but has not received the zakat funds again, only capital loans that have not obligatory zakat. In addition to capital, economic empowerment is also in the form of Aid Work Means. This program is an incidental non-lending program in order to support mustahiq to run its business. This assistance can be in the form of capital, work tools and business skills training. Follow-up mentoring programs the establishment of the Independent Business is the establishment of sharia cooperative or independent business units that have been getting guidance from BAZ Java. At this stage *Mustahik* has become *muzakki* and obligatory zakat.

The second program is a Java Education in “bingka Smart”. The shape is a high school scholarship/equivalent and Students. This program is a method by providing scholarships for underprivileged children you; indigent and poor. In addition, assistance is also given to children who have achievements in academic and non-academic but deficiencies in the financial. The purpose of this program is to decide rope chains of poverty and ignorance in the household.

In addition to scholarships, there is also a form of support of educational facilities and

junior high schools. Advice aid education for elementary and junior high students who may be given in the form of repayment of the cost of education, learning tools, stationery, transportation education (books, bags, stationery, pedal bike / bicycle, etc). The third program is in “bingka Jatim” Healthy. This program is a form of Network Health Clinic and Post service BAZ Java established in order to provide free health services to the poor and to the general public pay-light non-orphans. It's goal is to cross-subsidies. Currently BAZ already has 3 clinics at some point in Surabaya. Besides its JAMKESBAZ (BAZ health insurance Java), namely cooperation between BAZ Java with RS Dr. Soetomo. The process BAZ Java provide financing to poor patients who need hospitalization, but did not get the service program JAMKESMAS/DA. Another form is AMBULANCE poor. This program is a free ambulance for the needy and the poor to those who experience grief (relatives died), and the program can also be used by general public who are not non-indigent - poor, yet paid, the goal is to cross-subsidies. There are also programs HMC, namely education and medical transportation services in doing socialization health or shuttle service patients. MOTHER LOVE program also given to help service delivery costs, provide nutrition for mothers and infants, maternal labour supplies and health education of pregnant women.

The fourth program is the Social Care in East Java frame. There are two excellent programs, namely PROPERTY (Live Home Improvement Program) and Help *Fakir*. PROPERTY program is surely a home improvement is no longer habitable. The objectives of the program are those who destitute. Each month average PROPERTY program can be realized 15 homes throughout East Java. PROPERTY time used for this is 2 weeks with the improvement value of Rp 7 million per house, and size of land owned or the 4X6. Criteria are eligible for this program PROPERTIES is no income, has its own ground with a standard size 4x6 square meters, and the house now occupied already uninhabitable.

To help them Fakir is they actually indigent and very dependent on the provision of other people's lives. Requirement is that getting this program is no income, no job, very dependent on the mercy of others for survival. In addition to the two flagship programs, Bazda also have incidental or seasonal programs, namely afdal (Action Spread Meat Regional Cross of Sacrifice). The target their met is poor and also those living inland and remote areas. Fifth is the Da'wah in Java frame Taqwa. This program model is socialization charity and also provide assistance to the propagators in preaching hinterland areas. In addition. Empowerment

conducted by the Institute of Zakat should be tailored to the business or the potential income source *mustahiq*. Because the source of such income could be the foundation for analyzing what the exact model of empowerment to be applied to the *mustahiq*. And not based on the needs *mustahiq*, because if it is based on the needs *mustahiq*, the core purposes to empower *mustahiq* will be increasingly old and inefficient.

5. Conclusions and Suggestions

5.1 Conclusion

Based on the data and the results of the analysis conducted, the provisional conclusions are as follows:

1. Local Zakat Board (BAZ) East Java has role in the economic empowerment of the poor.
2. The *mustahiq* face some of the benefits of development programs conducted by BAZ East Java.
3. The programs implemented by BAZ can help the *mustahiq* with the utilization of the method of economic empowerment. Without the provision of knowledge and skills, and motivation to live independently, the *mustahiq* will have difficulty in improving their welfare

5.2 Suggestions

Based on the explanation of the general picture, the results of the discussion, and analysis of this study, the suggestions that may be helpful to the parties concerned and need, namely:

1. Local Zakat Board (BAZ) and East Java Regional Institute Amil Zakat (LAZ) realized in an attempt to empower *mustahiq* required continuous monitoring and evaluation.
2. Regional Amil Zakat (BAZ) and East Java Regional Institute Amil Zakat (LAZ) should work with the government and Islamic banks in the empowerment of the poor as *mustahiq*.
3. Zakat Institutions in Indonesia should concentrate on empowering *mustahiq* that social welfare in Indonesia can be achieved.

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