



ASNAFS (ZAKAT BENEFICIARIES) IN DIGITAL ECONOMY: INVOLVING MUSLIM PROFESSIONALS IN ZAKAT INSTITUTIONS AND TRAINING CENTRES

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ABSTRACT

This paper analyses the idea that zakat should go beyond being a mere charity to being a full-blown economy activity because of its important role as a tool of poverty alleviation among Muslims. This paper argues that this idea by A-Qaradawi is cogent and logical, thus, it presents ways in which Muslim Professionals could get involved and how zakat institutions can go about implementing this idea especially in this new era of digital economy. Using the method of qualitative research analysis, it analyses materials from the library on this idea, points out the lack of research on the Asnaf in the digital economy and explains how Muslim Professionals and Zakat Institutions can work together to help turn zakat into a full-blown economy activity through training centres that will provide Asnafs with the necessary knowledge and tools to navigate the digital economy.

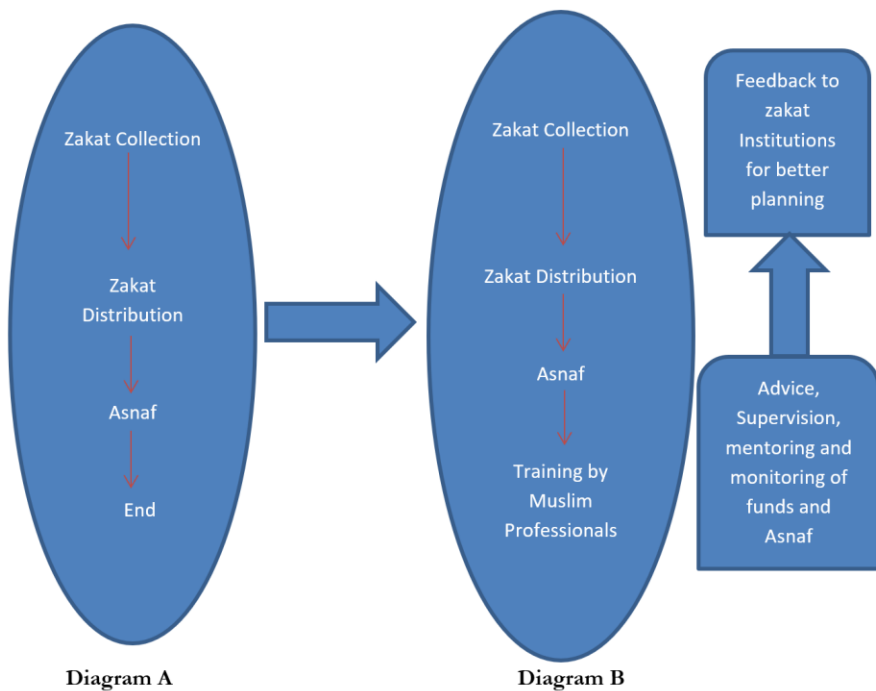
Keywords: Digital economy; Muslim Professionals; Asnaf; Zakat Institutions; Training Centres.

INTRODUCTION

A review of zakat literature shows that there are many writings on digitalizing zakat collection and distribution (Soleh, 2020; Tantriana & Rahmawati, 2019; Ninglasari & Muhammad, 2021; Antonio, Laela & Al-Ghifari, 2020; Amilahaq, Wijayanti, e.tal, 2021). Many authors have written on how zakat collection and distribution could be effective by employing technology to reach out to people

to pay their zakat easily and effortlessly (Ninglasari & Muhammad, 2021; Antonio, Laela & Al-Ghifari, 2020; Amilahaq, Wijayanti, et al., 2021). However, little attention has been paid to how zakat beneficiaries can also benefit from the digital economy and how zakat institutions can help in this direction. It is only recently that Marita Sri Nuryati and Efri Syamsul Bahri published their article titled “*Optimizing Digital Marketing Platform for the Success of Asnaf Entrepreneurs*” where they discussed how the digital platform could be optimized for the success of Asnaf Entrepreneurs. While they discussed the need to harness the potentials of the Social Media platforms such as Facebook, Path, Instagram, Twitter, LinkedIn, Youtube, Whatsapp, Google, FB Messenger, Line, BBM, Pinterest, Wechat (Marita Sri Nuryati & Efri Syamsul Bahri, 2022) and also discussed the need for training and supervision by zakat institution, they were not explicit on how this should be done and how Muslim professionals can contribute to this training which is what this paper intends to address.

In the light of the above, this paper discusses how zakat institutions could help Asnafs (zakat beneficiaries) to be involved in the digital economy by undergoing necessary training provided by Muslim Professionals working with zakat institutions in order to improve the economic conditions of the Asnafs (zakat beneficiaries) and eventually make them muzakki (zakat payers). This whole idea is premised on the argument by Qaradawi that zakat is a full economy of its own in Islam and Muslims need to take it and look at it as such (Al-Qaradawi, 2011). In other words, zakat should be seen as an economy activities that has a full circle and should not stop mid-way between collection and distribution of zakat as is often the case without monitoring and supervising how the Asnaf utilise the zakat funds given to them (Marita Sri Nuryati & Efri Syamsul Bahri, 2022). Likewise, because managers of zakat concentrate on collection and distribution, most zakat institutes are peopled by managers who are versed in Shariah and lack knowledge of finance and economy which are crucial to how Asnafs utilise zakat funds, hence the need to involve Muslim professionals who can provide the necessary training, monitoring and supervision in the running of zakat institution. That is, zakat institutions needs to move from being a mere charity organisation into being an economy institution as explained above by moving from diagram A to diagram B as shown below



METHODOLOGY

In order to achieve the objective of this research, this paper uses the qualitative method of general analysis using secondary materials sourced from the library and the internet. It first analyses the idea that zakat is an economy on its own and not a mere charity as many would like to view it. It did this by quoting Al-Qaradawi and analysing the idea that zakat is a means of poverty alleviation which is basically an economic activity since the aim of economy is to put an end to human suffering by removing poverty. Second, it argues for the importance of involving the Muslim Professionals since most zakat institutions are manned by people who are learned in Shariah but not in economy management and related fields of digital economy, business administration, Information Technology and others. Third, it explains the need for zakat institutions to have training centres where Muslim Professions can be co-opted to help in training, mentoring, supervision and others. It points out the need to consider them as Amil (workers) of zakat and to grant them some stipends in order to encourage them to provide this service on part-time bases. Finally, it concludes the discussion by

restating the important points that were raised in the paper and recommends further research on this important issue.

ZAKAT AS ECONOMY AND NOT MERELY CHARITY

While discussing the importance of zakat in the Muslim society, Qaradawi explained that zakat should not be seen as mere charity but should be seen as an economy activity with its own peculiarities as it involves the Islamic principles. He advocated that zakat should not be taken as mere collection and distribution of resources for the consumption of the less privilege in the Muslim society. In this light, he said zakat should be taken and studied as an economy in the real sense of the word.

Some regard it [zakat] as a minimal amount given by the rich to the poor, merely to sustain their lives and raise them just above poverty line, i.e. in permanent need of the condescending charity of the rich. Such a scenario has no place in the institution of zakah in Islam... (Al-Qaradawi, 2011, p. xxiii – xxiv).

What should be emphasised, however, is that zakah, despite the facts that it is associated with prayers under the label of worship, is in fact not only or purely a form of worship. It is closer to being a social transaction because it is the major financial institution for Muslims..... If we were to re-classify issues of *fiqh* according to contemporary terms, we would count zakah as part of the socio-financial system and not with the formal acts of worship. Similarly, when we talk about law, we talk about zakah as part of the financial law of the state (Al-Qaradawi, 2011, p. xxxviii – xxxix).

Thus, this points to the imperative of seeing zakat as a way of moving the economy of the Muslim society forward, removing poverty and creating jobs for the unemployed who may be categorised as zakat beneficiaries (Asnaf).

These assertions above are facts because when zakat is taken as mere charity, there is the danger of making the zakat beneficiaries complacent and thus become dependent on handouts or as the case maybe become beggars who rely solely on what is given to them by zakat agencies and other people. If this is to be avoided, there is therefore the imperative to take zakat as an economy activity where the zakat institute are not merely collection and distribution centres but also centres where training is carried out on how zakat should be utilised by the beneficiaries so as to remove them from poverty and make them also muzakki (payers of zakat).

Zakat needs to be differentiated from sadaqah which is, a charity given by a person to another person in order to please God. While sadaqah can be given at any time and it is not structured, zakat is structured, has a nisab and is given at the end of the year (De Zayas, 2003, pp. 3-4).

In addition to the above, covid-19 has disrupted the normal economy activities in the global world and many nations have shifted to the digital economy where economy activities are now carried out without physical contact but facilitated by the use of communication devices on the internet and the social media. This has resulted in bringing to the fore the importance and imperative of the digital economy.

One of the advantages that are aligned to this digital economy is the non-necessity of the physical space which is a great advantage to those who do not have the resources to acquire or rent a physical space. Since all transactions are online, this means fewer resources are required to start a business and this is to the advantage of entrepreneurs. Hence with the necessary training and the right knowledge of the internet and social media, a person could start a profitable business with little capital provided by the zakat institution and in a short time become a muzakki him/herself. Hence, the need for the establishment of training centres by zakat institutions to be manned by Muslim professionals who will provide the necessary training, mentoring and supervision for the Asnaf who are interested in doing business as well as other economy activities that involved the digital economy.

That zakat is a full-blown economic activity is also premised on the fact that there have been many research that have pointed out the efficacy of zakat in eradicating poverty in the Muslim society. Al-Qaradawi specifically devoted two chapters to the issue of poverty and how zakat is a tool to overcoming it. He looked at how charity was instituted right from the earlier religions in order to address the problem of poverty and stated the limitations inherent in their implementation which was overcome by the injunction in the Islamic religion ((Al-Qaradawi, 2011, p. 3 – 9). Second, he looked at the concept of zakat in Islam and state that it is Islam's response to the problem of poverty. He pointed out how Islam right from inception in Makkah made zakat a cardinal principle of the religion and encourage the rich to give generously to the poor. However, he pointed out that at that point, it was without a definite structure. But, in Madinah, God put a structure to the concept and regulations were put in place to

achieve its aim and objective – which is the eradication of poverty ((Al-Qaradawi, 2011, p. 10 – 25). In addition to Qaradawi, other scholars have looked at the way zakat have helped to mitigate poverty in the Muslim society. Arif (2017) explicitly explains the role of zakat as a mode of poverty alleviation. He went back to the early period of Islam and explained how zakat was used as a tool to eliminate poverty and suggested how this could also be done in the contemporary time. He suggested a system where each district at different levels can collect zakat for the benefit of the Muslim and distribute it in such a way that it could help the Muslims overcome poverty in their midst. Likewise, Ahmad Nadzri, AbdRahaman and Omar (2012) wrote about the poverty alleviating role of zakat and the role that zakat institutions in Malaysia play in the alleviation of poverty. Hassan (2010) in a conference paper also made mention of zakat as being a pivotal part of poverty alleviation in Kano State Nigeria. On the strategy to eliminate poverty in the state, zakat was seen as one of the important tools to overcome poverty especially among the Muslims in the state. In the same vein, Ayuniyyah et al. (2018) looked at how zakat has helped in poverty alleviation in Indonesia especially on inequality in the income of the people in the urban and rural areas. Miah (2021) looked at the failure of conventional microfinance in alleviating poverty in Bangladesh and shows how zakat has helped to fill the gap by the implementation of different programs that have helped to remove the burden of poverty on the people. Bouanani and Belhadj (2019) looked at the use of zakat as a tool for poverty alleviation in Tunisia. They pointed out the impact of zakat on the people as it significantly caused a reduction in the prevalence of poverty among the people.

The brief analysis above shows that zakat is mainly concerned with the economy of the people because poverty is something which has to do with the economy and zakat seems to serve as a useful tool in tackling economic poverty in the Muslim societies. This shows that Qaradawi was right to have said that zakat is an economy and not merely a charity as some Muslims will like to see it.

ZAKAT ECONOMY: THE NEED FOR MUSLIM PROFESSIONALS

If we accepted the fact above that zakat is an economy activity on its own and this economy activity involves Islamic principles, it means that there is a need for collaboration between those Muslims who are steep in the Shariah and those who are versed in the knowledge of the economy activity in the contemporary

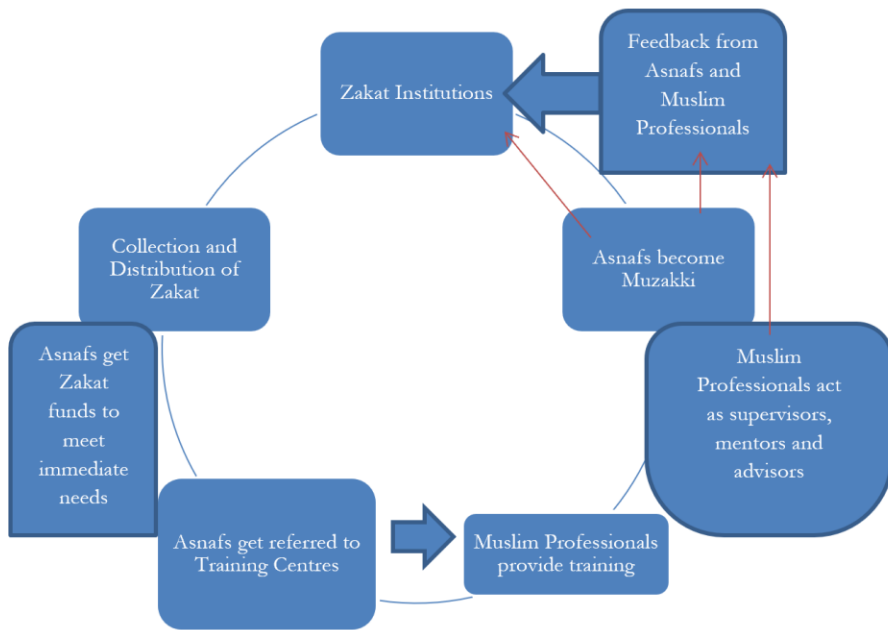
time. Many zakat institutions are usually manned by Muslims who are knowledgeable in the Shariah and who are able to collect and distribute zakat as laid down in the Quran and Hadith (Muhammad Hasbi Zaenal, Muhammad Choirin et al. p. 8 – 9, 2016). However, many of them are not well versed on how economy activities are carried on in the world hence the reason why after distribution of zakat, many of them feel that their responsibility has been fulfilled and the Asnafs are left alone to utilise the zakat the way they deem fit. This is one of the reasons that Akhyar Adnan (2017) suggested the need to establish a professional institute for the training of *Amil* zakat in other aspects of the economy and professions to enhance zakat collection, distribution and utilisation (it should be stated here that in Indonesia and some states in Malaysia, zakat organisations now requires their personnel to have some professional certificates especially about the economy/accounting but this is a recent phenomenon that is yet to fully circulate in all Muslim countries see www.puskasbaznas.com). In other words, there is no further supervision on how Asnafs utilise the funds that are given to them and as a result, many simply use the funds for consumption without thinking much on how to better their lot. This usually results in a situation where the Asnafs continue to depend on zakat fund yearly and thus become complacent. However, as Qaradawi asserted that zakat is an economy on its own, it means that there is a need to monitor how the Asnafs utilise the fund that they are given and there is a need for necessary planning to go into how they do this so as to remove them from the circle of poverty, make them muzzaki and complete the economy circle of zakat. Therefore, Muslim Professionals in the field of Economy, Finance, Accounting, Information Technology, Business Administration, Digital Marketing and others need to become part of the zakat institutions as staff members who will help complete the economy circle of zakat by taking charge of the training, mentoring and supervision of the Asnafs on how they utilise their funds. That is, the responsibility of the zakat institutions and NGOs should not end at collection and distribution but should include the use of funds by the Asnafs.

Likewise, Muslim Professionals involvement is important because as Muslims, they understand the fact that anything that has to do with Islam has to take into consideration the concept of Halal and Haram. As Ismail Raji al-Faruqi (1979) asserts, a Muslim is known by the economic activity that he/she engages in because no practicing Muslim will knowingly involve him/herself in anything

that is Haram even in the economic sphere. Thus, the Muslim Professionals having a better understanding of the economy and how everything operates will be able to steer the Asnafs clear of any economic activity that is Haram and help them understand those that are Halal which they can easily be trained to get involved in. Hence being Muslims and understanding Islam is very important as one of the criteria of appointment.

ZAKAT INSTITUTIONS AND TRAINING CENTRES

Zakat institutions need to evolve from being collection and distribution centres only. If we accepted the postulation that that zakat is a whole lot of economy activity, there is need for evolution along this line of thought by zakat institution becoming centres of economy training – in addition to their current portfolio. Zakat institutions should see their interaction with the Asnafs as going beyond mere passing of funds to them by engaging them and trying to see how they could get them involved in economy activities that would cater for their needs and remove them from the list of Asnafs. The goal of zakat institutions should be to make the Asnafs become muzzaki and this can only be done when they are truly involved in their short and long term vision. By this, we mean that while the zakat institutions will provide immediate relief to their problem in the short term, they will also need to discuss with them and see how they could be empowered in the long term so that they become self-reliant and even become muzzaki too. In order to do this there is need to establish training centres that will be part of the zakat institutions. It is in this training centre that Muslim Professionals will be domiciled and provide the needed expertise in all the field of economy activity that the Asnafs are interested in venturing into.



However, knowing that hiring a professional is an expensive venture, the zakat institutions can create these centres and make it a part time work for the professionals who should also see this as part of their own contribution to the Ummah. In line with the thinking that they are also Amillina alaihi (those who work on zakat) and in fact part of the Asnafs, the Muslim professionals should be paid some stipends which will not adversely affect the zakat fund and which will encourage them to put in their best into the work. In this way, the Asnafs will get the best of advice, training, mentoring and supervision on how to utilise the zakat fund that will be used to fund their involvement in economy activity. This will go a long way in making their lives better and achieving the long-term vision of zakat as a tool of poverty alleviation among Muslims.

As mentioned above, this training centre will be a part time one as it will operate on weekends or after working hours on weekdays and Muslim Professionals would be hired on need basis. They will come in when they are needed and as their own contribution could take the Asnaf(s) as mentee on a personal basis. This will ensure that there is continuous feedback from the Asnaf and the zakat institution will also be kept abreast of the progress of the mentees

so as to better plan and also learn from the process in order to know how to handle future cases. This continuous interaction would also give the Asnaf a sense of belonging and make them feel that the society/Ummah has not abandoned them to their fate. However, the most important thing is the exposure of the Asnaf to digital economy because this is where there will be fewer expenses on the part of the zakat institution. The aim is to make them internet savvy by exposing them to the process of buying and selling on different platforms on the internet as mentioned by Marita Sri Nuryati & Efri Syamsul Bahri, (2022) and teach them how to avoid scammers and mischief makers on the internet. Likewise, the need to know about banking on the internet is important and also how to manage and administer their profit for the progress of their business or services. The knowledge of the mode of interaction on the internet is also important; the language of business and services, how to discover threat and unserious vendors and customers, and how to make and keep serious vendors and customers are some of the important things that they will need to know. Finally, in whatever field they hope to go into there will be need for a SWOT assessment and this could be handled by the Muslim Professionals through asking critical questions so that the feasibility or otherwise of what they intend to do would be made known to them and this will guide them to either go ahead or turn to something else that is more profitable. Thus, there is a process of supervision, mentoring, feedback and continuous improvement and interaction between or among the Asnafs and the professionals in the centre. In other words, as shown in diagram C, the process is a full-blown circle that depicts how Asnafs could become muzakki through the help of Muslim Professionals and also contribute to the zakat fund.

CONCLUSION

From the discussions above, we can conclude that zakat was envisioned as a full-blown economy that is meant to bring the less privilege Muslims out of poverty and to help in the equal distribution of wealth in the Muslim society. The idea of zakat is based on the recognition that people are bound to come to disequilibrium in the process of getting wealth and zakat is a mechanism to give back to those who are disadvantaged and make them to feel a sense of belonging and welfare in the society. However, zakat is not meant to be a “forever charity case”. Rather, it is meant to help the less privileged Muslims get a head start in

life and have something to build on in their own pursuit of wealth. Hence, the assertion that it is an economy on its own. However, in going about this mission, zakat institution has crucial roles to play apart from collecting and distributing funds to the Asnaf, they have a responsibility to see that zakat funds are utilised judiciously by the beneficiaries so that they will not become complacent and therefore become a charity case. The goal is to make the beneficiaries payers of zakat in the long run, thus, the suggestion for zakat training centre where Muslim Professionals can give their expertise to those who are willing to venture into different aspects of the economy. This is particularly important in this era of digital economy where the economy has moved to the digital space and there are opportunities for small and medium scale businesses and services to grow and thrive in the society. The argument is that the Asnaf, with necessary training can take advantage of this and improve their economic condition since the goal is to make them muzakki (zakat payers) in the long run. Finally, this is a concept paper on this issue and there are many areas that could be further researched on the issue such as the quantitative assessment of this suggestion, feasibility of zakat institution working with Muslim Professionals, SWOT assessment of this suggestion and whether Muslim Professionals are willing to contribute to this project as suggested. Likewise, the utilisation of the centre for other purposes especially spiritual purpose could be further researched since zakat serves not just economic purpose but spiritual as well.

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