

MANAGEMENT OF RESOURCES IN
MUSLIM COUNTRIES AND COMMUNITIES:
CHALLENGES AND PROSPECTS

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Chapter Thirteen

THE ROLE OF ZAKAH AND WAQF MANAGEMENT IN POVERTY ALLEVIATION OF MUSLIM WOMEN IN NIGERIA

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Introduction

The birth of globalisation has ensured that the world now has no borders, increasing economic contacts among nations, fusing differing national markets into one and therefore infusing into the modern society new economic values and ideals that have created a world based on hegemonic capitalist and modern values that are relative and ever changing.¹ In spite of Muslim global numerical strength of over one billion, paradoxically, most of the underdeveloped economies today are in the Muslim world and languishing in depression. The Muslim world in fact stands at present at the lowest rung of humiliation in the international arena. It is politically divided and fragmented into nation-states that are mostly economically unviable, non-developed and underdeveloped. The overwhelming populations of these states, like other third world states, are ignorant, not having access to basic and qualitative education and poor, living below one dollar a day per person.

Globalisation has brought rapid economic integration and growth among capitalist nations, on the one hand, while most of the economies of the third world including the Muslim world and Nigeria are heavily dependent on the developed economies, on the other. Two features that characterize the prevailing global economy and have worsened the magnitude of the economic meltdown are the fractional reserve system

¹ Adesina-Uthman G.A, "Role of Economic Globalization In the Poverty of The Muslim Ummah" in Conference Proceedings of the International Conference on Poverty in the Muslim World: Causes and Solutions organized by International Institute of Muslim Unity, International Islamic University, Malaysia, December 2004.

and the interest rate. These two tools have widened, and are still widening, the disparity between the rich and the poor. This is made possible with the design of the monetary system, an unfair income distributive system that creates poverty. The interest-based fiat monetary system helps concentrate the wealth of a nation into the hands of the few, made possible by taxing the poor masses in the economy. These few wealthy people are usually with low propensity to consume. They are in the habit of putting money in fixed deposits in their nations or abroad while the poor in the economy, who have high propensity to consume, continue to become poorer and languish in poverty and hunger due to contractions in money supply - low money supply in circulation. This situation, however, is not without its own implications, one of which is inflation because the living standards of people will fall despite economic growth achieved through investments and imports by the rich. This is coupled with competition for the little money in circulation by the masses for their survival too. Small scale Industry is expected of course not to flourish in this kind of situation when big companies are also battling for breath. The interest rate would have risen such that only very profitable or productive sectors, which are usually the preferred sector of the economy, could afford to borrow from the banks. The result is a rate of unemployment that will be increasing at an alarming rate when companies are left with the option of retrenching before a normal profit can be earned - a profit that is just enough to persuade them to stay on in business.¹

The International Monetary Fund and the World Bank also create money in the same manner through their strangulating conditions such as the removal of subsidies, devaluation of currency and use of the free-interplay of market forces and non-governmental intervention as an economic tool for manipulation and speculation in global economic system. The IMF has also failed in its economic integration measures. It has only forced the poor countries to open up their markets through the elimination of trade barriers, but could not force rich countries to integrate their various national economies in such a manner that it can benefit the Third World and other less-developed countries.² No wonder the motto of the World Bank "Our dream is a world without poverty" has remain a dream and will continue to be according to Nobel Laureate

¹ See Appendix Ahmeed Kameel Mydin Meera "The Theft of Nations Returning to Gold, Selangor, Malaysia: Pelanduk Publications, 2004.

² See Mihir, Crash! A New Money Crash.

Joseph Stiglitz, a former Chief economist to the World Bank.¹ The situation is the same at the micro level, when people default in loan repayment which of course is imminent because neither the interest payment on loan nor the debt itself exists in the system as real money. Therefore, their collateral is confiscated, real wealth in terms of land, building, machinery, etc., are transferred to the bank and the aim of the interest-based fiat monetary system is achieved.²

More money is created through additional debts with the mechanism of loan rescheduling as in the case with Brazil, Argentina, Mexico, and Russia that led to financial crisis in these countries. Malaysia was able to take the wisest decision of rejecting the loan offer by IMF during the 1997 financial crisis that crippled most of the economies of the countries in the South-Asian region, though it was equally badly affected through the contagious effect as Ahmed Kameel Mydin Meera depicts.³ Thus, developing countries as well as third-world countries are losing their wealth and sovereignty tremendously to the powers that be - the developed nations through the presence of interest-based fiat monetary system. The sustainability of the system lies on the continuous growth of the economy at the expense of a falling standard of living, the real wealth of a nation. Interestingly, the holy books of the three major religions in the world - Islam, Christianity and Judaism forbid the taking of interest.

Economic empowerment of rural Nigerian women

By whatever index, measurement or theory, poverty in Nigeria is at a very alarming rate. According to World Bank Sources and UN classification in government released documents, if the number of people living in absolute poverty is based on one-dollar-a-day rate, over 70% of the Nigerians will fall below the poverty line, and if a two-dollar-a-day rate is used, over 90% of them will be living in absolute poverty. According to Okunmadewa (2001), the majority of the Nigerians suffer from food insecurity because of high level of poverty. The terrible downturn in the country's economy has been traced to adverse macroeconomic performance of the economy dictated by economic reform shocks (Draft National Policy on Poverty Education,

¹ Joseph Stiglitz, *Globalization and Its Discontents*, (London: Penguin, 2002), p.5

² Lyndon B. laRouche, "Globalization of The World Economy is a Prescription for Disaster", Executive Intelligence Review, February 14, 2003 issue - online.

³ Ahmed Kameel Mydin Meera "The Theft of Nations Returning to Gold, Selangor, Malaysia: Pelanduk Publications, 2004, pp. 24-5.

2000). As a result, both the number of the poor and proportion of poverty have been on the increase in Nigeria. This trend actually started in late 80s and the economy has since then been characterized by a huge public debt, high interest rates, instability of the national currency, a very weak purchasing power and recurring budget deficits. Adesina writes on how the mid-1980s was significant as a period of broad and deep socio-economic hardship in the history of Nigeria because of the collapse of the economy and services such as regular water, fuel and power supply. It was a period when corruption became an institution, and a direct fallout was unemployment, retrenchment, hunger, and desolation (Adesina, 2006).

The above ugly economic condition did not change with the launching of democracy in the country in 1999. Between the return of democracy in the country in May 29, 1999 and the handing over to a new civilian administration in May 29, 2007, the government has increased the prices of petroleum products eleven times even on the anniversaries of the nascent civilian government, and with no commensurate amenities to support the increase (Falana, 2007). All this happens in a country that is the sixth leading producer of crude oil in the world. With the incessant increases in the pump price of fuel in Nigeria, the impoverishment of the masses has exacerbated. People became stranded at bus stands because they could not afford the new transport fares. The conductors not only embarrassed some who tried to pay the old fares but at times beat them up. There were even cases of Nigerians who were forced to withdraw their children from school because of the increase in school fees due to the fuel crisis. Worst still, despite the divine benevolence on the country, the country has no portable and drinkable water supply, majority of its roads are yet to be tarred, the country cannot even boast of regular electric power supply and even affordable prices of petroleum. This economic crisis in the country has engendered the introduction of austere measures like the 'Green Revolution' 'Structural Adjustment Programme' (SAP) and the then Obasanjo economic reform plans, the late government's 'Poverty Alleviation Programme'. But one thing, all these and other measures have in common is making the poor bear the brunt of the nation's economy, which include the removal of subsidies on even staple food items as a direct corollary of the removal of subsidies on domestic fuel consumption, retrenchment of civil servants and cutting down of subsidies on education, health and other social infrastructures. The former Nasarawa state governor, Alhaji Abdullah Adamu, explained that

the pervasive poverty and unemployment prevalent in Nigeria today are the major causes of the conflicts in the North central zone and middle-belt regions of the country (Daily Trust, 2004). Similarly, life in Nigeria in recent times has become very difficult while the prices of essential commodities are high. In short, no social security, insurance or basic livelihood is guaranteed for the people despite the country's wealth. There is an ever-growing geometric rate of unemployment and retrenchment rates. Gamji reports show that by 2004 there were six million unemployed graduates and professionals in the country (Gamji News, 2004).

Though it is true that poverty has become endemic in Nigeria, it is however particularly sad that women constitute the majority of those affected. By all socio-economic indicators of poverty, women lag far behind men in securing employment, nutritious diets, education and good health services. In short, they are the hardest hit by the Nigerian economic recession with 52 percent of rural women found to be living below the poverty line (Ngeri-Nwagha, 1996). Of course, majority of the poor households had been found to be residing in rural areas, where the incidence of poverty is higher among male-headed households than female-headed households. Women would therefore naturally suffer more in these rural households headed by men. Since women suffer more from the above biting economic conditions in Nigeria, no wonder the Muslim Women Group, Al-Mu'mīnāt called on the Federal Government to strive to alleviate the sufferings of the masses of the country, especially women. The call was made by the Amīrah (female President) of the organisation, Hajia Amīnah Abdul-Sattar Anifowose, at the 9th annual camping of the group, tagged 9th National Al-Mu'mīnāt Training Forum (ATF), which was held in Ikorodu Lagos state. In her call, the Amīrah Hajia Amīnah Abdul-Sattar Anifowose urged Nigerian leaders to always be sensitive to the plight of the masses, instead of spending so much money on sports and other related activities to the detriment of the citizens' welfare, and that government's policies should be made to have the interest of the citizens as its focus at all times (Iheanyi Alozie, 2003). Muslim women are afraid of the consequences if families become further estranged as a result of the prevailing poverty, and they are calling for greater recognition of women's role as mothers and urge the society to value it. Mrs Olorode, a member of the above Muslim Women Group, explains that women's access to the workplace should not be limited. Though motherhood is a key element of women's

identity, this to her does not mean that women's role should be considered from the sole perspective of biological procreation. Thus, she calls for support for full-time mothers, especially from the various levels of government, by making it easier for women to hold outside jobs without relinquishing their family life. As mothers with two, three, four or more kids, women are directly affected with assault on the family by the economic recession. Nigerian family has since been crumbling at an alarming rate through divorces with terrible and disastrous consequences. The rate of broken families in the last decade of the 20th century has risen sharply, going by the statistics in Nigerian customary courts where marriages are dissolved easily (Uthman, 2000).

In developing countries, women are not only the source of labour force but are also responsible for the household chores at home. In a rural Nigerian village in Ife, women's contributions to overall development and economy are quite significant. The main source of income for women is from the sale of gari (cassava product) and vegetables. The gari production is the most prevalent activity of women, for family consumption and sale. Vegetable production is the second noticeable produce following cassava. Yet, these women lack access to government projects and financial assistance. While the local authority have been carrying out wide-range projects, such as portable water through the use of Petroleum Trust Fund (PTF) as well as maternity homes, the striking result of a recent research is that 70% of women are not informed of such projects and as such rarely patronize them. These women suffer health of hazards from burning of wood for fuel, lack of rural electrification, and lack the financial capability of funding their economic projects in terms of microfinancing. Young women in this village rarely attain four years of formal education before dropping out of school, partly due to lack of financial resources and/or taking more active roles in agricultural activities. The most probable cause is early marriage. All groups of women perceive themselves as mainly responsible for domestic tasks and childbearing. The mothers educate their daughters to perform the same tasks. Overcoming these problems would be possible by sustainable planning and management of Nigerian natural resources, social infrastructures with the appropriate strategic and social structures.

In this respect, the government of Nigeria has failed woefully and there is therefore the need for alternative measures to eliminate poverty, especially among women, and to expand the enrollment of

women and girls in educational institutions. As has been suggested, there is also the need to fund programmes that promote the reduction of the heavy workload of women and female children at home and outside through the establishment of more and affordable nurseries and kindergartens. It is for this reason that an attempt will now be made to examine some Islamic teachings in the management of national resources for poverty eradication. This will be followed by a discussion of two Islamic institutions.

The Islamic financial monetary and distributive alternative to the global fiat system and economics of poverty

It may be useful here to consider the Islamic understanding of poverty and the poor after looking at some of the theories and concepts propounded by various scholars. There are numerous theories and concepts employed by scholars globally in the analysis of poverty. Analysis of poverty will therefore be determined by the measurement methods and indexes employed. Some scholars employ a monetary consumption-based approach to measure poverty and define it as an unsatisfactory standard of living measured in consumption expenditure, income or monetary terms. Others use a human right-based approach to measure poverty and define it as an unsatisfactory standard of living measured in fundamental human freedom. Still others use a power-based approach. For instance, a power theory that posits that the structure of political power is employed to legitimize an exploitative economic system that distributes poverty among the masses. Teller (1997) argues further that poverty could be either as a result of corruption in a situation where everybody hankers after power to acquire immense wealth at the expense of majority of the populace, or as a result of luck of accident of birth. This happens in a situation where somebody is born into a society that does not value and cherish development, good governance and selfless services. Schiller (1980) differentiates between absolute and relative poverty. He defines absolute poverty as a situation where goods and services essential to the welfare of an individual or family cannot be obtained due to lack of economic resources, and relative poverty as a situation where the income earned by an individual is less than the average minimum wage of a population. According to Okunmadewa (2001), while absolute poverty refers to lack of access to resources needed to obtain the minimum necessities of life that engender physical efficiency and effectiveness, relative poverty refers to lack of access to

acquire a given minimum standard of life. Poverty has also been classified into interstitial, overcrowding, sporadic, endemic, transitory and chronic poverty. According to IFAD (1993), interstitial poverty refers to pockets of poverty and alienation of some people from ownership of assets in the midst of plenty, while overcrowding poverty refers to deprivation because of population pressures. Sporadic or traumatic poverty refers to vulnerability to natural and manmade calamities, endemic poverty refers to alienation, isolation and deprivation of some people from technological, material and intellectual advancement. According to Obadan (1997), transitory absolute poverty refers to short term poverty engendered by either natural or manmade disasters such as flood, drought, war and employment, chronic poverty refers to long term poverty engendered by lack of access to resources and lack of skills for gainful employment to acquire the necessities of life. The World Bank views the poor as those deprived of the fundamental freedoms of action and choice that the better-off take for granted. These deprivations keep them away from leading the kind of life that every one values, such as adequate food and shelter, education, health and power to influence decisions that affect their lives. Today, most analyses of poverty are based on the UN absolute concept of poverty using one US dollar per day per person to determine the poor. The poor are those whose standard of living in terms of income or consumption falls below the poverty line. They are therefore unable to meet their basic socio-economic, educational and health needs that can free them from absolute poverty. According to Obadan (1997), this causes absolute poverty to become chronic and transmitted from one generation to another.

In defining the poor, Islamic scholars make a distinction between (*al-fuqarā'* and *al-masākīn*) or the poor (Q9:60). *Al-fuqarā'* refer to the poor who have a source of income that is not stable or regular and does not reach the minimal taxable income. They do not possess gainful employment that can sufficiently provide for their needs for a year. Their poverty is therefore relative and they can afford not to beg and may therefore be mistakenly considered rich (Q2:273). The term *al-masākīn*, however, refers to the poor who have no source of income whether stable or regular and so reaching the minimal taxable income does not arise. They do not possess any form of employment whether gainful employment that can sufficiently provide for their needs for even a day. Their poverty is therefore abject and absolute and they cannot

afford to beg, hence they may be mistakenly considered to be lazy and unwilling to work (Q93:10). It is for this reason that Muslim scholars have agreed on the obligation of providing sufficiently for the needs of the poor and the needy. Imām Abu Hanīfah believes the amount of *Zakāh* given to the poor must bring the finance of the poor to the minimal taxable income. The Mālikī and Hambalī hold that the provision must be sufficient to provide for their needs for a year. For Imām al-Shāfi'ī, the amount of *Zakāh* given to the poor must be sufficient to cover their needs for the whole of their life. All these scholars are unanimous that the amount of *Zakāh* given to the poor must be sufficient to cover not only their basic needs but also the means to enable them to work (Al-Qaradāwī, 1986).

In Islam poverty could therefore be simply defined as the lack or deprivation of resources and means to live a comfortable and happy life. This includes lack of sufficient or stable income, food, fundamental human rights and opportunity to acquire assets and social acceptance. Poverty in Islamic terminology therefore encompasses material and physical deprivation, political and social exclusion and cultural, religious and educational deprivations. The provision of decent living and the protection of human rights are basic, fundamental and unchangeable universal ultimate objectives in Islam which revolve round the five ultimate objectives of the Islamic law (*al-maqāsid al-khamsah*). The preservation of these ultimate objectives is obligatory. The right to religion embraces expression, conscience and assembly. To be in communion with God is the most central essential longing of all humans, and this is best effected and fulfilled in communal life. It is the right of every human to fulfill the homoreligiousness of humanity. All humans have the right to decent living and protection from all forms of indignity. All humans have the right to living a dignified life and should not merely survive on the margins of society for whatever reasons and because of the generosity of any other human. They have the right to the minimum amount of shelter, clothing and food necessary to live in all climates, weather and human communities. This is followed by the right to intellectual development and education. Humans are the special creation of God and the most dignified of His creatures. It should therefore go without saying that the development and protection of the human intellect is the inalienable right of every human. This right goes beyond the ability to read and write but to find through education, the means and tools to self-development, actualization and perfection. This

means education must be functional and goes beyond producing selective and educationally dysfunctional people. It also means that it is functional education that is the right of every human in Islam (Q96: 1-5).

The right to family, solidarity and political participation is the direct consequence of the above three rights. The desire for union with others is inseparable from human union with God, self-dignity and fulfillment. Every spiritually, physically and intellectually fulfilled human will naturally seek to perpetuate the achievement in a union with others (Q4: 1, 30: 21 and 49: 13). The society should therefore prepare all its members psychologically, physically and intellectually for the responsibility of family, social and political life by providing them with opportunities to fight violence, poverty, corruption, unemployment and other family, social and political malaises. The last of the human rights which is germane to this chapter is the respect for human work and accumulation of wealth. The right to wealth accumulation is one of the essential goals of all humans according to Islam, and an enabling environment must be provided for people to acquire property through their honest work. All humans must find a means of earning livelihood in every society by virtue of their action and work, and must not be allowed to become a community of beggars, parasites and miscreants who feed on the society and the work and sweat of others (Q36: 33-35; 4: 29, 32 and 28: 77). The attainment of these rights forms part of the ultimate objectives of Islamic Law (Al-Shātibī, 1996; al-Ghazzālī, 1970; and Rajab, 1961).

The Islamic financial monetary system is characterised by gold, and, according to Robert A. Mundell, "Gold is going to be part of the structure of the international monetary system for the 21st century" (Nobel Laureate, Robert A. Mundell). The Islamic monetary system is also devoid of usury or interest. The interest-based global monetary system has been observed to have over the years destroyed most of the national economies of Muslim countries in particular, and made them subservient to the economies of America and Europe.¹ It is not only the Muslim world that is affected by the interest-based global monetary system but most national economies of the third world countries especially in Africa, have also been crippled by it. Even some rich countries are not spared. We find ourselves in this pitiable condition

¹ Ahamed Kameel Mydin Meera and A. K. M. Hasanudeen, *The Malaysian Financial Crisis of 1997: Is the Monetary Sector the Culprit?*, Kuala Lumpur, IKIM Journal, (2002), Vol. 9.

because the Muslim world as well as people in the other faiths have failed in this age of globalisation to abide by the teaching of our Creator in our respective books.¹

The use of gold as a monetary unit is dated back to the pre-Islamic era. However, the holy Prophet [SAW] adopted the use of gold for the Muslim world as a single currency. This united the countries and opened their borders to one another, exchanging real wealth for something with an intrinsic value-real wealth. About fifty years after the death of the Prophet [SAW], the first gold dinar was minted by the Caliph Abd al-Malik Ibn Marwan. It remained the currency of the Muslim world until the fall of the Ottoman caliphate in the early 20th Century. Its use as an Islamic global currency was, however, sanctioned by the Prophet himself, who predicted its monetary intrinsic value as a future global currency, along with that of its twin, the Dirham, while the second Caliph, Umar Ibn Khattab, was the one who fixed the standard value both monetary units.² With the value of seven Dinars fixed to be equal to ten Dirham, where dinar refers to a specific weight of 4.25 grams of Gold while dirham refers to standard weight of 3.0 grams of Silver. Due to the intrinsic value possessed by gold, its use as a means of exchange cannot be inflationary in the interest-based fiat monetary system, while money will also be created from valuable asset. But for the legal tender attached to paper notes, nobody is ready to give away his wealth to collect a paper without intrinsic or real value. Christopher Columbus once said "Gold constitutes treasure, and he who possesses it has all he needs in this world". The use of gold Dinar brought prosperity and economic unity among the Muslim world as the use of Euro has for the European Union. Holding the U. S. dollar in the reserve instead of Gold as was the practice in the early 50s has made the United States who is the issuer of paper dollar to continue to enjoy seigniorage, amassing and stealing the wealth of developing and under-developed nations through the umbrella of globalisation and liberalisation. USA continues their plundering by opening their economies to developed nations for exploitation and destruction, while closing theirs to them.

¹ The Holy Qur'an, Surat Baqarah verses 276-279, The Holy Bible, new international Version, Leviticus 25 verses 35-37, The Holy Bible, new international Version, Exodus 22 verse 25.

² Ibn Khaldun, in N. M. Yağcıoğlu, *The Role of Central Banks in the Implementation of the Gold Dinar Proposal*, presented at the International Conference on Gold Dinar in Multilateral Trades held in Kuala Lumpur, 2002.

Zakah, Waqf and economic growth and poverty alleviation

Islam guarantees the prosperity of all members of the society by providing basic human needs to the extent that preserves human dignity and ensure their socio-economic growth. In Islamic parlance, poverty and hunger are avenues to unbelief and chaos and must therefore be averted. According to a saying of the Prophet, nothing will prevent the poor from causing misery and hardship in the society when they are hungry except giving them their due from the wealth of the rich. Consequently, one of the major tasks embarked upon by the Prophet when he got to Madīnah was to provide socio-economic assistance to the needy Muslims. That is why, this study will now look at how the *Waqf* and *Zakāh* institutions in Islam can be employed to ensure economic development of people and alleviate poverty, especially in Nigeria.

Waqf literally means tying or detaining a property legally under the Shari'ah, dedicating it or giving it away in perpetuity to Allah for charity. It is the dedication of certain property according to Imām Abū Hanīfah for a good purpose whether religious or charitable. To his two students, Imāms Abū Yūsūf and Muḥammad ibn Hasan al-Shaybānī, and Imām Idrīs al-Shāfi'ī, *Waqf* signifies the extinction of the appropriator's ownership, dedicated and keeping it in the ownership of Allah in such a manner that its profit should be made use of for the good of humanity from beginning to end (Doi, 1984). In short, *Waqf* is the actual detention of a specific property of a person and the dedication of the detained property is for charitable, good and beneficial purposes. This charitable act is supported by prophetic traditions and the endowment of property is as a trust to establish welfare and charitable institutions for the benefit of the living. *Waqf* Institutions could be said to have started right at the time of the Prophet in Madīnah when two orphans dedicated their parcel of land to Allah for the building of the Prophetic Mosque or *al-Masjid al-Nabawī*. Despite the insistence of the Prophet to pay for the parcel of Land, the orphans opted to collect their rewards from Allah in the next world. This was soon followed by the purchase of a well by Uthmān ibn Affān, who later became the third Caliph, which he dedicated to Allah for the use of all Muslims (Doi, 1984). There are three kinds of *Waqf*, namely *Waqf al-Dhūrī* or *Ahlī*, *Waqf Al-Khayrī* and *Waqf Musharak*. The first refers to the endowment of property as a trust for the welfare of the dedicator's (or *Wāqif*) near relatives and family to ensure that they get their needs from it throughout their life and then reverts it to the welfare of the people after their death. The second refers to the endowment of property as a trust for the welfare of the orphans,

destitute, blind, and handicapped and other needy people to ensure that they get their needs from it throughout their life and for the construction and maintenance of mosques, schools, hospitals, graveyards and other pieces of public welfare. The last refers to the combined endowment of property as trust for private and public good, for the welfare of the relatives of the *Wāqif* and of the people. For *Waqf* institutions to be valid, the following legal conditions must be fulfilled:

1. The subject of *Waqf* must belong to the *Wāqif* at the time of setting up the endowment.
2. The *Wāqif* must have attained maturity and possess a sound mind
3. *Wāqif* of *Mushā'ua* or undivided share in a property is not valid for the endowment of a mosque or burial ground but valid in other trusts.
4. The purpose of the endowment must be permissible under the Islamic law.
5. The purpose of the endowment must be shown with reasonable certainty.
6. Any endowment made by a will or *mard al-mawt* or death illness must exceed one-third of the net assets of the *Wāqif* without the consent of the heirs.
7. The *Wāqif* cannot invalidate the endowment made by a will with a clause that it is not operational if a child is born to him but can revoke his will anytime before his death.
8. The *Wāqif* must not be under duress or defrauded to make the endowment (Doi, 1984).

Islam prohibits *ribā* and and decry for the distribution of *Zakāh* (Q30:39) because while the latter brings true economic growth, justice and well-being of all, the former diminishes economic growth, sustains economic injustice and destroys the economic well-being of the majority of the people for the benefit of the rich few. Though Islam allows the acquisition of wealth through all legitimate business activities and industries, it also seeks to protect the right of the poor in society, especially through the *Zakāh* system. *Zakāh* is meant to purify both the givers and the recipients (9: 103). It purifies the rich and the wealthy from greed and selfishness, on the one hand, and the recipients from envy, animosity and anger, on the other hand. It therefore promotes mutual love, cooperation and unity in the society. According to Islamic teachings, everybody is entitled to at least the basic and essential needs of life, and under no condition must anyone be allowed to suffer deprivations when there are people well off to assist. It is for this reason

that those who pay *Zakāh* are associated with the righteous who will be compensated by Allah (2:177), while those who evade and discard its payment are associated with unbelievers who will be reprimanded (9: 34-35). *Zakāh* is a corollary of the message of Islam to fulfill the social responsibility of bearing witness of Allah before humanity as it is unimaginable to bear the faith of Islam and shamelessly acquire wealth while inflicting pain, injustice and indignity on others. It is so important that the first caliph, Abu Bakr (RA), against the objection of leading companions like Umar, had to wage war against those who refused to pay it or withheld even a mere piece of rope used to tie a camel from *Zakāh* during the time of the Prophet.

The above shows that *Waqf* and *Zakāh* are predicted on social justice, morality and the right of the people to economic well-being and human dignity. It also obliterates the mistaken notion and impression that Islam encourages begging, or those who are beggars must necessarily exist so that people can fulfill the obligation of *Zakāh*. This is a complete misconception of *Zakāh*. The Prophet totally prohibited begging as a profession and ordered all able-bodied persons to earn their livelihood. When a man came to him to beg for alms, the Prophet instructed him to get an axe and go into the bush to cut wood to sell. He also declared that the best Muslim is he who eats from his livelihood as alms is not meant for the sane and the healthy. Unfortunately, the way and manner the collection and distribution of *Zakāh* is carried out has helped to sustain the begging syndrome in many parts of the Muslim world. In the Muslim world, many Muslims are committed to paying the *Zakāh* that is due but though what is due represents huge and phenomenal amounts, there is no proper organization to direct and coordinate a careful and appropriate disbursement of the *Zakāh* dues. It appears as if *Zakāh* has no fundamental objective or that it is a mere charity or a widow's mite that people can give when, where and the way they want. But this is far cry from what *Zakāh* symbolizes in Islam. It has a fundamental objective and specific functions. *Zakāh*, in Islam, aims at a just distribution and utilization of wealth for development. It is to ensure that everybody has the means to be self-sufficient. That this is the goal of *Zakāh* attested to by the prescribed manner of collection and distribution as practiced by the early Muslims. For instance, during the time of the second caliph, the governor of Yemen, Mu'adh Ibn Jabal, brought the remnants of the *Zakāh* he collected in his domain to Caliph 'Umār because, according to him, all the citizens were financially empowered and no one was in need of *Zakāh* afterwards.

The incident is a clear proof that *Zakāh* is not meant for the provision of mere alms. *Zakāh* is not meant for the provision of occasional help to assist beggars, lazy and other poor people who are unwilling to work, but it is to empower hardworking poor people to escape poverty and economic dependence on others. If the goal of *Zakāh* were to encourage begging, people would not have been empowered so as not to need *Zakāh* any longer as mentioned by Mu'adh Ibn Jabal in the above narration. Islam therefore does not condone laziness and the attendant beggary and unnecessary dependence on the state or others by able-bodied and healthy individuals. No wonder 'Umār was sad when he found an old Jew begging and ordered that all who were too old to work should be given pensions henceforth from the public treasury.

Zakāh funds are consequently meant for income generating and development purposes. It is for this reason that hoarding of wealth is both prohibited and discouraged. Wealth can then be employed through *Zakāh* to invest in income generating and development projects that can in turn equip the poor. This will empower them to create provisions that bring their finances to the minimal taxable income, cover their needs for a year or their whole life respectively, as Muslim scholars, as stated earlier, are unanimous that the amount of *Zakāh* given to the poor must be sufficient to cover not only their basic needs but also the means to enable them to work (Al-Qaradāwī, 1986). They will therefore cease being in the category that receive *Zakāh* funds as successfully implemented by Mu'adh Ibn Jabal above.

The discussion shows vividly that the disbursement and distribution of the *Zakāh* funds are not to be done individually and erratically, hence we have the term 'those appointed to administer the funds'. It is the duty of all Muslims residing in a place to ensure that there is a statutory board legally and collectively appointed to collect and distribute the *Zakāh* funds. The job of this board is not to 'give people fish to eat every time they are hungry but to teach them how to fish'. It is also noteworthy that the Zamfara state of Nigeria, which started the re-introduction of the enforcement of the criminal aspects of Shari'ah, has given a practical example of how *Zakāh* funds can be used to teach them how to fish'. This was done through the provisions of micro loans to farmers and traders, Agricultural support services, health care services and scholarships to indigent students. By doing so, those who receive *Zakāh* funds in the state are not permanent recipients, but eventually are financially empowered so as not to continue to live in penury even if they are not rich enough to give *Zakāh* themselves. Therefore the

Muslim community in Nigeria must ensure that the *Zakāh* board does not divert the *Zakāh* funds to other uses or mismanage them. They must also assist unemployed graduates and other skilled labourers to establish profitable small-scale ventures that can provide income for their daily needs. *Zakāh* funds can also be used to provide scholarships or loans for indigent students until they complete their studies, and to provide gainful supports for released jailed Muslims to rehabilitate them and stop them from committing further crimes. This is the only way to redistribute the abundant wealth amidst the pervasive poverty in Nigeria, as well as to stop Muslims from being a community of beggars and social miscreants.

Conclusion

There is a need for Muslims to reinvent the golden age of Islamic economic empowerment; Muslim associations must rise beyond the prevailing specialties of building schools and mosques alone. These organisations must embark on projects that tackle the problems of economic disparities at its roots with the *Zakāh* dues. This is the path that must be trodden if Muslims are to leave the margins of today's society. Through economic empowerment, Muslims can reclaim their leading intellectual and moral position that will help move the world from the precipice of global economic exploitation.

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