

DESIGNING A MUSTAHIK EMPOWERMENT MODEL FOR PRODUCTIVE ZAKAT IN INDONESIA

Adi Tri Pramono^{1*}, Isna Yuningsih², Andi Martina Kamaruddin³

^{1,2,3} Department of Islamic Economics, Faculty of Economics and Business, Universitas
Mulawarman

Article Info

Research paper

Keywords:

Empowerment Model, Productive
Zakat; Magnanimity

Article history:

Received: July 2023

Revised: -

Accepted: August 2023

Available online: September 2023

Abstract

Using literature studies, this research designed an empowerment model for productive zakat programs in Indonesia, to optimize the purpose of zakat. This research is research with a descriptive-analytical approach, which reveals a problem. In general, the mustahik of productive zakat programs in Indonesia is still paradigmatic and mentally not ready to be empowered. As a result, the nature of the dependence of mustahik on the institution of amil zakat arises. Empowerment should be a collaborative process, therefore mustahik, muzaki, and the general public should work together as partners. The concept is designed in the magnanimity model. (1) The productive zakat process must place the community as competent actors; (2) Communities should see themselves as important agents; (3) Competence is acquired; (4) Solutions should be diverse and respect the diversity derived from the factors that exist in the problem situation; (5) Informal social networks are an important source (6) Communities should participate in their empowerment; (7) Empowerment involves access to resources and the ability to use these resources effectively. (9) The empowerment process is dynamic, synergistic, constantly changing, and evolutionary and problems always have various solutions. (10). Empowerment is achieved through parallel personal structures and economic development.

*Corresponding author: adi.tri.pramono@feb.unmul.ac.id

Introduction

Community empowerment is often difficult to distinguish from community development because they refer to overlapping concepts in their use within society. In this study, community empowerment and community development are intended as intentional efforts by the government and the community to facilitate local communities in planning, deciding, and

managing their resources so that they ultimately possess economic, ecological, and social capabilities and sustainability. Therefore, community empowerment is closely related to sustainable development, which requires prerequisites for the sustainable economic, ecological, and social independence of communities, always remaining dynamic.

Chamber (1995) explains that community empowerment is a concept of economic development that encompasses societal values to build a new paradigm in development that is people-centered, participatory, empowering, and sustainable. Furthermore, Chamber elaborates that the concept of development with a community empowerment model not only fulfills the basic needs of the community but also seeks alternative local economic growth. Although the concept of empowerment as an alternative strategy in development has been developed in various literature and ideas, its implementation has not yet been fully maximized in reality. Development and community empowerment are widely discussed in society because they are related to the progress and future changes of Indonesia, especially when connected to the insufficient skills of the community, which greatly hampers economic growth itself.

In Indonesia, the concept and definition of Islamic economic empowerment also face similar issues. The hope is that zakat, infaq, and shadaqah funds have economic value that, when managed properly, can empower the potential of the community. One of the benefits of giving zakat is to instill a work ethic, motivating individuals to earn a lawful income. According to the Ministry of Religious Affairs of Indonesia, the potential national zakat collection reached 223 trillion rupiahs in 2021. Such a significant amount makes zakat a significant solution to alleviate poverty and empower the community. However, the total amount of zakat collection, which reached only 14 trillion rupiahs or 6.8 percent, indicates not only the issue of ineffective zakat collection but also the indication of the inadequate eradication of poverty and community empowerment in Indonesia.

The National Board of Zakat (BAZNAS) as the official government institution responsible for collecting and distributing zakat funds (Law No. 23 of 2011) has its own program aimed at empowering the community, namely the productive zakat program. However, the distribution of productive zakat by zakat institutions has not been without problems and challenges. Achieving the target potential of zakat collection for recipients (mustahik) is not disconnected from the issue of the lack of trust in the official zakat institution to deliver their zakat. The shortage of human resources to handle such issues is also prevalent in zakat institutions, particularly in persuading the community to channel their zakat through reliable zakat institutions (Arif: 2012).

A classical problem that has occurred in the productive zakat program is the paradigm and mentality of mustahik not being ready for empowerment. Consequently, mustahik become dependent on zakat institutions. Addressing this issue, which has become a cultural aspect among the poor, is not an easy task. Rahman (2012) states that mustahik who desire to receive more assistance, receive less assistance in capital. This aligns with Sathiabama's research (2010), which explains that one of the challenges related to empowerment is the low entrepreneurial mentality of the aid recipients, resulting in the assistance being spent on urgent needs.

To address this, BAZNAS, as a social institution based on religion, screens mustahik based on the criteria of zakat recipients (asnaf zakat), competency, and having sufficient religious knowledge to deserve financial assistance and empowerment. Additionally, according to Muhyar (2022), the program's future challenge is that it usually lasts no more than a year due to an imbalance between the expenses and income managed by mustahik. Meanwhile, mustahik are confronted with a dilemma: they have to pay zakat on their trade income, while still being mustahik who are eligible to receive assistance because they are classified as poor recipients. From these issues, theoretical efforts are needed to design a framework for empowering mustahik based on productive zakat that needs to be implemented in Indonesia.

Literature Review

Poverty and income inequality continue to be major challenges faced by Indonesia. Some scholars argue that the economic development in the country has created a trade-off between economic growth and distribution. As a result, the number of poor populations has not significantly decreased over the past two decades. Similarly, income inequality in the country tends to worsen. Conventional distribution approaches seem to have failed in addressing both of these issues. Therefore, according to Beik (2013), the introduction of zakat mechanisms is essential as an alternative approach to solve these problems. This study examines the role of zakat economics in reducing poverty and income inequality in the country, taking a case study in DKI Jakarta Province. After analyzing 1,195 households as research respondents, this study found that zakat funds have increased the monthly household income by 8.94 percent. The presence of zakat programs has reduced the average poverty rate by 16.79 percentage points and the average income inequality by 0.57 percentage points.

Contemporary fiqh scholar Yusuf al-Qardawi defines zakat as a specific amount of wealth that Allah obligates to be delivered to those who are eligible. He also points out that zakat can mean the act of giving that specific amount of wealth itself. In other words, the act of giving the obligatory share from that wealth is also called zakat, and the specific portion taken out from that wealth is also called zakat. Meanwhile, Isnaini (2008) explains that combining the words zakat and productive means zakat distribution is done in a productive manner, as opposed to being consumptive. In other words, the term productive zakat is derived from the purpose of zakat distribution, which is "to be made productive," not from the classification of zakat, such as zakat mal or zakat fitrah, or from the types of wealth that are subject to zakat, such as zakat on livestock, money, gold and silver, trade, agriculture, and so on. In this research, productive zakat is a method of zakat fund distribution to targets in a broader sense, in accordance with Islamic law. The distribution method should be effective, efficient, and productive, aligned with the guidance of Islamic law and the socio-economic role and function of zakat.

From the distribution perspective, productive zakat, according to Thoriquddin (2015), is a zakat distribution model that enables mustahik (recipients) to continuously produce something using the zakat funds they have received. In short, productive zakat means that zakat funds given to mustahik are not spent or consumed but are developed and used to support their economic activities, enabling them to continuously fulfill their needs and even change their status from mustahik to muzaki (donors of zakat).

A similar concept is presented by (Arif: 2012), stating that productive zakat is zakat given to mustahik as capital for carrying out economic activities, namely by developing the economic level and productive potential of the mustahik. Additionally, productive zakat is expected to accelerate the economic growth of the community, transforming them from mustahik to muzakki. In practice, productive zakat has some shortcomings. Therefore, to ensure that zakat can improve socio-economic welfare, zakat managers (amil) must be "professional" and "innovative."

Methodology

The methodology used in this research is qualitative research with a literature approach. First, we adopted a systematic literature review method following Bowen's recommendations (2009). A systematic procedure was applied to review documents to establish the contextual meaning of the study. After that, specific criteria were determined to include materials in the review process by identifying the scope of the review.

Results and Discussion

From an economic and business perspective, the Qur'an offers principles of justice and purity in three aspects simultaneously. First, it prohibits the ownership or management of forbidden wealth. Second, it forbids acquiring or managing it through forbidden means and processes. Third, it prohibits the management and development of wealth if it harms others (involving oppression or exploitation). In Surah Al-A'raf verse 56, Allah says, *"And cause not corruption upon the earth after its reformation. And invoke Him in fear and aspiration. Indeed, the mercy of Allah is near to the doers of good."* This perspective also applies to business in Islam, where business is not solely meant for worldly profit but also holds principles and responsibilities that must be upheld. These principles and responsibilities include environmental conservation (Surah Al-Ma'idah verse 32), efforts to eradicate poverty (Surah Al-Hashr verse 7), prioritizing morally clean business over morally tainted ones, even if the latter may yield greater profits (Surah Al-Ma'idah verse 103), and practicing honesty and trustworthiness (Surah Al-Anfal verse 27).

Empowering the community is a series of efforts to assist the community in becoming more capable of improving human resources and optimizing those resources to enhance their capacity and ability to utilize their potential while simultaneously improving their economic capacity through self-help activities. Empowering the community is an effort to enhance the dignity of our society, particularly those unable to escape poverty and underdevelopment. In other words, empowerment enables and empowers the community.

From the above opinion, empowerment can also be interpreted as a continuous process of increasing the ability and independence of the community to improve their standard of living. This can only be achieved by awakening their empowerment, working towards improving their lives on their own strengths. The basic assumption is that every individual has the potential and capacity to improve themselves. Thus, humans are inherently active in the effort to enhance their own empowerment. This process involves improving education, health status, and access to economic resources such as capital, skills, technology, information, and job opportunities. Empowerment involves the development of basic physical and non-physical infrastructure. It is a continuous, dynamic activity that synergistically involves the participation of all existing community potentials. By doing this, it creates a diverse, sustainable, and interdependent community, where obligations and rights are respected, and no one is considered a stranger in their community.

Substantially, empowerment is a process of breaking down the subject-object relationship, emphasizing the recognition of the subject's ability or power possessed by the object. In broad terms, this process involves transferring power from the subject to the object. The end result of empowerment is the shift of an individual's role from being an object to becoming a subject (the new one), resulting in social relations characterized by interactions between subjects. Furthermore, empowerment in the context of society refers to the ability of individuals to assimilate into society and build the empowerment of the respective community. A society with a majority of physically and mentally healthy, educated, and innovative members certainly possesses high empowerment. Community empowerment consists of elements that enable the community to survive and, in a dynamic sense, develop and progress. Community empowerment is the source of what is referred to as national resilience in political terms at the national level.

Suharto (2009) explains that community organization and development are processes

that strengthen what is commonly referred to as community self-reliance. In this process, the community is assisted in analyzing the problems they face, finding alternative solutions to those problems, and demonstrating strategies to utilize various abilities they possess.

Magnanimity Model: An Empowerment Proposal

The Magnanimity Model is the author's idea to present a community empowerment model based on productive zakat. This is because every Muslim has the same responsibility towards their surroundings. Etymologically, magnanimity is an English word translated into Indonesian as "kemurahan hati" (generosity). In the Merriam-Webster dictionary, magnanimity is a noun with the meaning, "the quality of being magnanimous: loftiness of spirit enabling one to bear trouble calmly, to disdain meanness and pettiness, and to display a noble generosity." Therefore, magnanimous, in this context, means that this responsibility is not limited to material matters only due to legal requirements. It goes beyond that; the responsibility at its smallest level is the generosity of a person's heart, which can be accomplished through moral actions. Through these smallest responsibilities, humans can contribute to stimulating community development (CD). With the concept of the Magnanimity Community Development Program, the responsibility of giving productive zakat should not only apply to the mustahik but to all layers of society. Theologically, humans are accountable for their life's journey before God. Tawhid is the main factor that must be possessed by both mustahik and muzaki. In this context, Tawhid involves involving God in business, so whatever is done in business is oriented towards Allah and the life that Allah expects. Thus, Tawhid harmonizes the goals of various aspects of life.

If looked at further, moral values are actually the smallest part of the productive zakat program. This refers to the teachings of Ihsan, which is performing good deeds that can benefit others without expecting any rewards for those actions. Ihsan is beauty and perfection in community life. The benefits of Ihsan can provide beautiful and perfect results, filled with virtues that hold the values of truthfulness and honesty. From the discussion above, we can conclude that the Magnanimity Model includes two main aspects:

1. Self-managing, involving direct involvement and assistance from social foundations or organizations. Companies can establish their own management units within the company's structure or appoint program assistants.
2. Donor institutions (muzaki) provide support through several alternative patterns. The first pattern is partnering with other parties, such as professional institutions, NGOs, government agencies, universities, and mass media. The second pattern is joining or supporting joint activities, both short-term activities such as committees and long-term activities like consortiums.

Correlation of the Magnanimity Model with Productive Zakat

The main target of this productive zakat is society. Therefore, productive zakat programs should be based on local resources, sustainable, and linked to the core business of companies. This is essential to solve socio-economic problems by involving the participation of all members of society in all activity processes. When implementing productive zakat, both mustahik and muzaki must apply Islamic economic systems, with a focus on partnership as a stimulus for poverty alleviation in the local community. This is crucial to foster core businesses that can also benefit society indirectly, as their assets increase in line with the development of the empowerment they implement. The figure of this model can be depicted as follows:

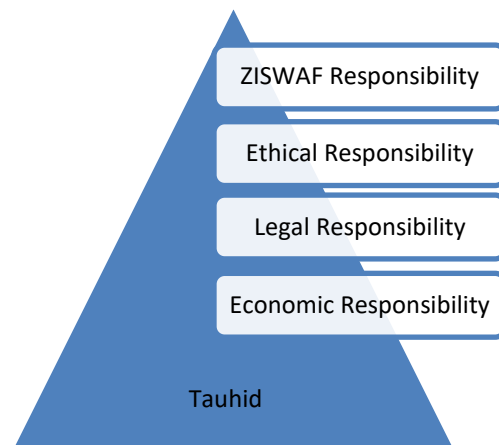


Figure 1. Magnanimity Model of Empowerment

From the figure above, it can be explained that the main focus is not on how much material is spent on productive zakat activities, but on how much monotheism and the practice of ethical values we can provide as our social responsibility towards the community. This approach will result in creating a company's image and indirectly increasing profitability as a multiplier effect of productive zakat programs, which are the actualization of the values of practice, namely the willingness to help the broader community in need and the principles of business ethics themselves.

According to the above opinion, empowerment includes two key understandings: power and the weak group. Power here is not only about political power in the narrow sense but the client's control over:

1. Personal choices and life opportunities, the ability to make decisions about lifestyle, housing, and work.
2. Defining needs, the ability to determine needs in line with aspirations and desires.
3. Ideas, the ability to express and contribute ideas freely and without pressure in a forum or discussion.
4. Institutions, the ability to reach, use, and influence societal institutions such as social welfare, education, and health institutions.
5. Resources, the ability to mobilize formal, informal, and community resources.
6. Economic activities, the ability to utilize and manage mechanisms of production, distribution, and exchange of goods and services.
7. Reproduction, the ability related to birth processes, child care, education, and socialization.

The above ideas imply two tendencies. First, the empowerment process with the primary tendency emphasizes the process of giving power or ability to the community so that individuals become more empowered. This process can be complemented by efforts to build material assets to support their empowerment through organizations. Second, the empowerment process with the secondary tendency emphasizes the process of stimulating, encouraging, or motivating individuals to have the ability or empowerment to determine their life choices through dialogue. Concerning empowerment, there are three powers that can strengthen community capacity:

1. Power to: The ability of someone to act, a series of ideas from the ability.
2. Power with: Collective action, the ability to act together. Based on mutual support, solidarity, and cooperation. Power with can help build bridges by reducing social conflicts and considering relational justice.
3. Power within: Individual or collective self-esteem and dignity. Power within is the ability to imagine and create hopes. It includes intentions, willpower, patience, spirit, and consciousness.

Furthermore, from the above powers, it can be extracted that empowering the community means enabling and empowering them. Within this framework, community empowerment can be pursued through three approaches:

1. Enabling: Creating an environment or climate that allows the potential of the community to develop. The starting point is the recognition that every individual, every community has potential that can be developed. Empowerment is an effort to build that power by encouraging, motivating, and raising awareness of their potential and striving to develop it.
2. Strengthening: Enhancing capacity by strengthening the potential or power possessed by the community. This strengthening includes tangible steps such as providing various inputs and opening access to various opportunities that can make the community more empowered.
3. Sheltering: Protecting interests by developing a protection system for the subject of development. In the empowerment process, the weak must not become weaker due to their weakness in dealing with the strong. Protection, in this case, is seen as an effort to prevent imbalanced competition and strong exploitation of the weak.

Principles of Community Empowerment Based on Productive Zakat

There are four principles often used for the success of empowerment programs: equality, participation, self-reliance, and sustainability. Here are further explanations:

1. Equality Principle: The main principle in the community empowerment process is the equality or equal status between the community and the institutions carrying out community empowerment programs, regardless of gender. The dynamics established are based on equality by developing mechanisms of sharing knowledge, experience, and skills among each other. Each party acknowledges their strengths and weaknesses, leading to a process of mutual learning.
2. Participation Principle: Empowerment programs that can stimulate community self-reliance are participatory programs, planned, implemented, monitored, and evaluated by the community. However, reaching this level requires time and a mentoring process that involves mentors committed to community empowerment.
3. Self-reliance Principle: The principle of self-reliance values and prioritizes the community's abilities rather than external assistance. This concept does not view the poor as helpless objects (the "have nots") but as subjects with limited capacity (the "have little"). They have the ability to save, in-depth knowledge of their business constraints, knowledge of their environment, workforce, willingness, and adherence to community norms. All of these should be explored and used as the basic capital for the empowerment process. Material assistance from others should be seen as support, so that assistance does not weaken their self-reliance level. The principle of "start from what they have" guides the development of community empowerment. Meanwhile, technical assistance should be planned to lead to capacity building so that eventually the management can be handed over to the community itself, who have become capable of organizing themselves to solve the problems they face.
4. Sustainability Principle: Empowerment programs need to be designed to be sustainable, even though initially the role of mentors is more dominant than the community itself. Gradually, the mentor's role will diminish and eventually be eliminated because the community has become capable of managing its activities independently.

Conclusion

Based on the above analysis, it can be concluded that there are several principles of the empowerment model in productive zakat programs. Empowerment should be a collaborative process, and thus the mustahik, muzaki, and the general community should work together as

partners. This concept is designed in the magnanimity model, with the following principles:

1. The process of productive zakat should place the community as competent actors or subjects who can access resources and opportunities.
2. The community must see themselves as essential agents who can influence change.
3. Competence is acquired or sharpened through life experiences, especially experiences that provide a sense of capability to the community.
4. Solutions, derived from case situations, must be diverse and respect the diversity that arises from factors present in the problem situation.
5. Informal social networks are an important source of support for reducing tension and increasing competence and the ability to control oneself.
6. The community must participate in their own empowerment: goals, methods, and results must be formulated by themselves.
7. Awareness level is the key to empowerment because knowledge can mobilize actions for change.
8. Empowerment involves access to resources and the ability to use these resources effectively.
9. The empowerment process is dynamic, synergistic, constantly changing, evolutionary, and problems always have various solutions.
10. Empowerment is achieved through personal structures and economic development in parallel.

It contains a conclusion and suggestion. The conclusion briefly illustrates the results that address the hypotheses and research purposes or findings. The summary of the research and discussion relevant to the findings, presented descriptively, not numeric. Suggestion provides things expected to conduct related to further ideas the research has proposed.

Author's Contribution

The research contributes to the literature on community empowerment and the utilization of zakat funds for poverty alleviation and socio-economic development. The "Magnanimity Model" provides a framework for implementing productive zakat programs that go beyond mere financial aid and focus on fostering self-reliance and sustainable growth within the community. It underscores the importance of empowering individuals and communities to take an active role in their own development, promoting social justice and positive change

Acknowledgements

The researcher would like to express gratitude to the National Zakat Agency of East Balikpapan City and the community of cattle breeders in Teritip Village, East Balikpapan District, Balikpapan City, East Kalimantan Province.

Declaration of Competing Interest

We, the authors of the research article titled "Designing a Mustahik Empowerment Model for Productive Zakat in Indonesia," hereby declare the following competing interests:

1st Author : Adi Tri Pramono

I declare that I have no competing interests regarding this research work. There are no financial or non-financial interests that may have influenced the design, conduct, analysis, or reporting of this study. I have no affiliations or financial involvement with any organization or entity that could be perceived as influencing the research outcomes.

2nd Author : Isna Yuningsih

I affirm that I have no competing interests concerning this research. There are no personal, financial, or professional associations that may have influenced the objectivity, integrity, or impartiality of this study. I have no involvement with any company or institution that could be perceived as a competing interest in the context of this research.

3rd Author : Andi Martina Kamaruddin

I attest that I have no competing interests that could have affected the outcome of this research. There are no financial or non-financial conflicts of interest that may have impacted the interpretation or presentation of the research findings. I have no affiliations or connections with any organization that might be considered as a competing interest in relation to this study.

We emphasize the importance of transparency and scientific credibility in scholarly publications. Hence, we disclose that there are no competing interests among the authors that could have influenced the conduct, analysis, or dissemination of this study on designing a mustahik empowerment model for productive zakat in Indonesia.

Reference

- Absalom, E., Chambers, R., Francis, S., Gueye, B., Guijt, I., Joseph, S., ... & Welbourn, A. (1995). Sharing our concerns and looking to the future. *PLA Notes*, 22, 5-10.
- Ahmad, F, A, A, Rahman, R,A,. Omar, O,.(2012). Zakat and Poverty Alleviation: Roles of Zakat Institutions in Malaysia. *International Journal of Arts and Commerce* Vol. 1 o. 7.
- Arif, Syafrudin. (2012). Redistribusi Hak Orang Miskin Melalui Zakat Produktif. *Iqtishaduna*, Volume III No. 1, Juni: 2012.
- Bowen, G. A. (2009). Document analysis as a qualitative research method. *Qualitative research journal*.
- Isnaini, (2008). Zakat Produktif Dalam Perspektif Hukum Islam. Yogyakarta: Pustaka Pelajar.
- Kartasasmita, Ginandjar. (27 Mei 1995). Pemberdayaan Masyarakat: Sebuah Tinjauan Administrasi; Pidato Pengukuhan Jabatan Guru Besar dalam Ilmu Administrasi pada Fakultas Ilmu Administrasi Pemangunan Universitas Brawijaya; Malang.
- Moh. Thoriquddin. (2015). Pengelolaan Zakat Produktif Perspektif Maqasid Al-syari'ah Ibnu 'Asyur. Malang : UIN-Maliki Press
- Mukhlis, A., & Beik, I. S. (2013). Analisis faktor-faktor yang memengaruhi tingkat kepatuhan membayar zakat: Studi kasus Kabupaten Bogor. *Al-Muzara'ah*, 1(1), 83-106.
- Sathiabama, K. (2010). Rural women empowerment and entrepreneurship development (No. id: 2475).
- Suharto, E. (2009). Membangun Masyarakat Memberdayakan Rakyat.