

Understanding the Challenges Leading to Ineffective Zakat Activities in Zanzibar. Do Political Ideology, Religious Sects, and Ethnicity Matter?

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Abstract--- *Zakat is a historical nonprofit, faith-based financial instrument, and charity institution for social-economic development and equitable distribution of wealth. Though it has a long history of existence in Zanzibar, zakat failed to deliver at its required level, and scholarly efforts to understand impediments resulting in this failure were imperceptible. This study intends to explore problems and challenges associated with the ineffectiveness of zakat activities in Zanzibar. It is a qualitative- multiple case study conducted through in-depth interviews with 12 executives from the five zakat organizations. Based on thematic analysis procedures, these study findings derived three main issues; namely, unsystematic zakat management and administration, lack of proper knowledge and understanding, and political and regulatory environment are the main impediments for the development and thrive of zakat activities in Zanzibar. With a lack of study in this context, the findings have significantly contributed to the existing body of literature, calling for more studies to elucidate the situation deeply*

Keywords--- *Challenges, Zakat, Politics, Ethnicity, Zanzibar.*

I. INTRODUCTION

Zakat is an essential religious financial instrument and economic development funds. It is a compulsory faithful payment for Muslims having specified and required levels of wealth (Retsikas, 2014). Zakat is a crucial social-economic empowerment mechanism for the poor and weak classes (Qardawi, 2009). It is a public finance instrument and natural fiscal policy for fair distribution of income and stimulation of economic activities (Saad and Farouk, 2019). In Zanzibar, zakat has a very long history traced back to the 8th century, where Islam entered the archipelago located within the Indian Ocean coast of East Africa (ZWTC, 2011; Suleiman and Hamad, 2016). With this long existence and 99 percent Muslims, zakat is expected to be well-established and systematically managed. However, as it is the case among many Muslim countries the impact of zakat utilization as a tool for poverty alleviation is very insignificant (Ali and Hatta, 2014; Mkuu and Yusoff, 2017). Notwithstanding with several efforts, zakat is still not functioning as expected. Hence, like other Muslim countries, this Muslim island suffers and experiences a high poverty level with an unequal distribution of income (Ali and Ariffin, 2016; Shaikh, 2017). While zakat has a very long history of existence, government official reports suggested that more than 30 percent of the Zanzibar population suffers from poverty (RGoZ, 2015).

Zanzibar government has instigated several strategies and programs to combat deprivation; nevertheless,

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achieving the intended targets continues to be a challenge (Ali and Ariffin, 2016). For example, the government has introduced three consecutive and comprehensive strategies and programs for poverty alleviation. These are the Zanzibar Strategy for Growth and Reduction of Poverty number one to three (ZSGRP I of 2007-2010, ZSGRP II of 2010-2015, and ZSGRP III of 2016-2020). All these strategic documents described zakat as a vital way for social protection. Either, the introduction of SUCCOS programs, women empowerment programs like WEZA in 2008 also attempted to fight poverty in these islands (RGoZ- ZSGRP, 2015). However, successful level of this poverty war is yet to be noticeable, and the social-economic trends show an increased gap between the rich and the poor (Makame and Mzee, 2014)

Hence it is time for zakat to take its position to help those deprived people. Zakat is a prominent Islamic institution for ensuring peace, brotherhood, and social-economic development (Wulandari and Kassim, 2016). It is a compulsory contribution for all eligible Muslims (Sohag, Mahmud, Alam, and Samargandi, 2015; Ali, Rashid, Johari, and Aziz, 2015). It is a useful social finance tool for poverty alleviation, equality in income distribution, justice, and social wellbeing of Muslim ummah in general (Qardawi, 2009). Historically, zakat was effectively utilized during the time of Prophet Muhammad (S.A.W) and that of his Caliphs (Ahemd, Mustafa, & Ogunbado, 2015), and honored to be the strongest and potential foundation for poverty and inequality reduction among Muslims (Yumna and Clarke, 2012).

However, scholarly efforts on understanding the utilization of zakat and the associated impediments are minimal (Farouk, Md Idris, and Saad, 2018). Importantly, most of the existing scholars' works concentrate in Asia with Malaysia leading the way. While the impediments for zakat vary with time and environment, few attempts are exploring these issues, particularly in countries with no active government involvement in Muslims affairs (Saad and Farouk, 2019). Hence, more studies to address this issue are required (Ummulkhayr, Owoyemi, Binti, and Cusairi, 2017). Specifically, scholarly attention on zakat practices in Zanzibar is unremarkable, which provides a literature gap for conducting this study.

II. LITERATURE REVIEW

2.1 An Overview of Zakat

Zakat is a third of the five pillars of Islam obliged to those meeting its requirements. The word zakat stands as a blessing, purification, increase, and goodness (Alim, 2015). From Shariah perspective, zakat is a determined right imposed by God on the wealth of Muslims, to the benefit of the categories mentioned in God's Book, like the poor and the needy (Qardawi, 2009). Again, Obaidullah (2016) designated it as an "owing right or a share on particular items of assets/properties, in specific amount with specified time from a particular described group (muzakki) to specified individuals (mustahiq)." It is a religious obligatory duty on every adult Muslim who owns more than a threshold wealth (Obaidullah, 2008) while Retsikas (2014) described zakat as the "obligatory payment by Muslims of a determinate portion of their lawful property for the benefit of the poor and other enumerated classes" Thus we describe zakat as an obligatory religious payment imposed by Allah (SW) through the wholly Quran from the wealth of those having a minimum required amount under specified categories distributed to those identified group of individuals described under Shariah

Zakat was instructed and made obligatory to the Muslims in the second year of the Hijrah calendar through the Holy Quran (Hossain, 2012). Allah (SWT) says in the Holy Qur'an:

"And establish regular Prayer and give Zakat, and bow down your heads with those who bow down (in prayer)."
(Quar. 2:43)

The payment of zakat is strongly emphasized through the saying of Prophet (PBUH) as narrated by Abu Huraira; Allah's Messenger (PBUH) said,

"Whoever is made wealthy by Allah and does not pay the Zakat of his wealth, then on the Day of Resurrection, his wealth will be made like a baldheaded poisonous male snake with two black spots over the eyes. The snake will encircle his neck and bite his cheeks and say, 'I am your wealth, I am your treasure.' "Then the Prophet (PBUH) recited the holy verses: 'Let not those who withhold... .' (to the end of the verse). (3.180)."

The principal objective of zakat is the redistribution of wealth and social steadiness (Saad and Farouk, 2019). Zakat stands as an essential and useful institution for wealth sharing and for ensuring a minimum standard of living for Muslims (Abu Bakar and Abd Ghani, 2011). It stands as a foundation for the Islamic social insurance system imposed to enhance both spiritual, psychological, moral, cultural cohesion, and cooperation aspects in the society (Qardawi, 2009). Zakat, as maintained by many Islamic economists is an effective and strong instrument to contest poverty and all its negativities (Johari, Ab-Aziz, & Ali, 2014; Saad and Farouk, 2019). Among the motive behind zakat is to decrease the gap between the 'haves' and the 'have not' by reducing the concentration of wealth in few hands, to ensure justifiable wealth redistribution, to enhance poverty-free society, to attain social sanctuary and notable economic affluence (Qardawi, 2009; Kaleem and Ahmed, 2010). Having a community that is conscious and actively engaged in the payment and distribution of zakat will result in a poverty-free generation and, more importantly, purifying souls and wealth of our people (Billah, 2016). Hence, having a strong zakat institution in Zanzibar is very crucial as the gap between the rich and poor is continuously widening and the islands experiencing an unequal distribution of wealth (Makame and Mzee, 2014)

2.2 Development and Management of Zakat in Zanzibar

With the absence of notable publicized researches related to zakat in Zanzibar, we on available reports to describe zakat background information in this study context. Though it has a very long history, the commencement of the zakat management system in Zanzibar has not been well studied and documented. However, a report from Zanzibar Waqf and Trust Commission (ZWTC) suggested that an orderly way for the administration of zakat in Zanzibar came in place during the presidential period of the honorable president - Alhaj Aboud Jumbe Mwinyi who initiated zakat and a sadaqah committee (ZWTC, 2011). The committee was inaugurated in the late 1970s and chaired by Zanzibar chief Kadh, where its members were religious scholars, business people, and other experts within the island. It was followed by the establishment of 'Waqf' and the Trust Commission through Revolutionary Council Decree No. 5 of 1980 as another critical step in the management of zakat in Zanzibar. With the same attitude and motivation on the reinforcement of zakat, Waqf, and other institutions of this nature, Act No. 2 of 2007 re-established the Waqf and Trust Commission. Section 60 and 61 of this Act, provide a mandate to the ZWTC to supervise all matters related to zakat collection and distribution in Zanzibar. However, other organizations can be

registered as agents to ZWTC for zakat collection. According to this report, registration of the non-governmental organizations for the collection and distribution of zakat inaugurated in 2011. Hence, the island involves multiple collectors and the distribution of zakat, which again create a big problem as described in the next sections of this study

2.3 Challenges Associated with Zakat Management and its Performance

Research for the impediments facing management and utilization of zakat as a poverty alleviation mechanism is not a new idea. However, the underlying challenges vary with time and environment (Saad and Farouk, 2019). Hence, challenges and problems associated with zakat activities are contextual, and more research to understand this field is required. Zakat activities have historically faced several challenges, even during the time of the prophet Muhammad (PBUH) and during the time of his companions. We have to recall what had happened immediately after the death of our beloved Prophet and during the caliphate of Abu Bakar (RA), where some societies within the territories of the Islamic State refused the payment of this religious obligation. Hence, understanding the existing barriers facing in Zanzibar is not the final and conclusively. However, findings from this exploratory study added to the current body of literature as it lacks any compressive study from Zanzibar that addressed the issue.

This part presents the review of the existing literature on the impediments facing zakat management and thus hinders its effectiveness and efficiency as a tool for poverty alleviation. The current study by Saad and Farouk (2019) conducted a compressive review of the barriers facing the management system of zakat in Nigeria. Their analysis categorically identified four barriers to that aspect. According to them, good governance involving law, management, and administration, lacking uniformity in guiding rules or Fatwah¹ and Islamic scholars, the absence of zakat accounting standard, and the non-compliance behavior are the main hindrances for systematic zakat management in the context of their study. Challenges differs from country to country and Muneeza (2017) maintained that the effectiveness and management of zakat in the Maldives, are hindered with the inadequacy of enough skilled personnel, weak coordination mechanism, limited payment methods, absence of sophisticated IT infrastructure, zakat payers awareness level as well as regulator and governance issues. Moreover, Haji-Othman and Fisol, (2017) contended that Islamic religiosity, attitude and moral obligation affect the compliance behavior and thus stand as hindrances in effective utilization of zakat as poverty alleviation tool in Islamic societies.

In the same direction, Suheera et al. (2015) upheld that zakat institution suffers as a result of Fiqh related problems, coverage of zakat, and zakat payment through non-official channels. They further described a decrease in the number of zakat payers, administration cost, and reduced readiness and thoughtless of people in paying zakat, macroeconomics, and regulatory policies as issues hindering the performance of zakat institutions. Additionally, Ibrahim (2015) reviewed zakat management and administration in Kano –Nigeria. His study revealed that weakness in faith, and obedience to the directives of Allah, desire to accumulate wealth, lack of full government support, lack of systematic zakat collection and distribution system. Importantly, awareness level and knowledge on the religious

¹In Islamic jurisprudence, *fatwah* means the opinion of a scholar (*mufiti*) based on that scholar's understanding and interpretation of the intent of the sources of Islam, combined with that scholar's knowledge of the subject in question and the social context that gave rise to the particular issue or question in hand (Angelo Venardos, 2006)

implication of zakat and its basic principles hinders zakat institutions in this locality.

Contextual differences on the issue raised as Lisa (2015) suggested that the zakat performance of Baitul Mal Aceh is hindered by several internal and external. Lacking enough human resources and work facilities stand as a big problem. Importantly, poor coordination and dissemination of relatively and orderly work rules and relatively low confidence of zakat payers. Concurrently, zakat knowledge is another crucial issue observed. As highlighted by Bachmid and Natsir (2015), people's ignorance regarding zakatable items, ignoring payment through official agencies, impede zakat activities.

Moreover, the trust level is very where people are not confident with zakat management. Additionally, a lack of mobilization on zakat payment is the standing challenge facing zakat activities. They further found that lack of trust and professionalism by zakat organization staff, zakat to be non-tax-deductible, and the fact that zakat has not significantly helped the poor people in Indonesia are the main challenges for its development.

Professionalism is very crucial, and Noor and Khairi (2014) highlighted that lack of professionalism among the workers in zakat institutions hinders their performance. As stated before, it is also imperative to clear all possible doubt and maintain public trust. Previously, the study by Ashraf and Hassan (2013), postulated that inefficiency and non-effective of zakat institution is a result of zakat payers to have their preferences on to whom they will pay their zakat, doubt on zakat management and more importantly lack trust on zakat management fund. This section not only reviewed existing literature to get an insight about the topic but also it has indicated a need for study in this setting as it lacks study to address the issue in its required detail.

III. METHODOLOGY

This study explored barriers associated with zakat activities based on experience and knowledge of executives within zakat organizations. Hence, doing qualitative research was an appropriate way of having a detailed understanding of the problem through direct conversation with people (Creswell, 2014). We conducted a multiple case study through in-depth interviews using a semi-structured protocol. Twelve executives from the five zakat managing organizations to include waqf and trust commission, JUZASA, MUZDALFAT, UKUEM, and JUMAZA were involved.

Thematic method of data analysis process as described by (Brun and Clarke, 2006; Clarke and Braun, 2013) was used to inductively identify, classify and present themes (patterns) directly related to the data. It provides a systematic trend to data analysis and very useful in extracting the meaning and concepts from the qualitative data. (Alhojailan, 2012; Javadi and Zarea (2016). This analysis method helps us in detecting, analyzing, and reporting the themes from data with a clear and systematic process. This method is commonly and widely from a variety of data, including interview transcripts, field notes, documents, pictures, and videos (Javadi and Zarea, 2016). The seven-stage analysis, as postulated by (Braun and Clarke, 2013), was adapted to include data transcription, reading, and familiarization, coding, themes searching, reviewing themes, defining and naming of themes, and finally, reporting.

Findings and Analysis

This section presents the findings of the study based on the interview data from executives from zakat

organizations. The findings revealed four main issues hindering the effective management and success of zakat activities in Zanzibar. These issues include the unsystematic zakat management and administration, lacking proper knowledge and understandings, and political and regulatory environment are the challenging barriers for the smooth execution of zakat activities in Zanzibar.



Figure 1: Barriers to Successful Zakat Activities in Zanzibar.

Source: Interview data

3.1 Unsystematic Management and Administration

Existing management is crucial for the performance of any organization. Interviews with executives revealed that zakat is managed chaotically. Here, three issues raised which include disorganized activities, unproductive zakat, and institutional incapacity

3.1.1 Disorganized Zakat Activities

While discussing the management and administration of zakat, the main focus was on who is responsible for its management and how they managed it. Study findings revealed that Zanzibar is experiencing a weak management system with multiple collectors and distributors of zakat. There is a government organization dealing with the collection of zakat together with other private registered and unregistered agencies. Also, study findings revealed the existence of individuals who pay zakat themselves based on their personal preferences. Unfortunately, study findings revealed a lack of precise control and coordination mechanism in place. All these organizations collect and distribute zakat with no established monitoring and coordination process. Saad & Farouk (2019) described three ways for the management and administration of zakat; with the existence of active government involvements the government agency managed zakat as it is the case in Malaysia; in the countries where Muslims are not in the majority but with

substantial number and or there are no active government involvements in religious aspect, private agencies take managerial role and in those places where Muslims are very minority individual's distribution are exercised. Zanzibar has 99 percent Muslims but lacks an active *zakat* organization, which according to the majority of participants, is very crucial if *zakat* activities to deliver expected impact. For example, Participant 6, a deputy executive secretary of organization 2, revealed that, with multiple collectors and distributors of *zakat*, the coordination process becomes more difficult. He said

"We lack a well-coordinated system for the distribution of zakat fund in Zanzibar as multiple collectors perform this without any coordination mechanism. You can see how not serious we are. I did not see any follow-up, and no one asks them for collection and distribution reports. No one. This is not the way we are supposed to operate. You can see how it is going" (Participant 6, Organization 2)

A well-designed and coordinated *zakat* system is very crucial, and its absences lead to an ineffective *zakat* system; thus, it becomes challenging to realize the intended target as it was previously described by (Lisa, 2015; Saad & Farouk, 2019). By instilling a well-established management system is where *zakat* activities can progress and achieve the intended target

3.1.2 Unproductive Zakat Activities

Several interviewees revealed that *zakat* activities are not progressing as they are exercised more on consumption purposes. Hence, it failed to realize its intended impact. According to interviewees, this situation is a result of several issues but mainly is due to the collection and distribution problem where the amount collected is minimal for initiating productive projects. Interviewees argued that the amount given to those individuals did not help them economically as they consume it for their few days' basic needs. Improper utilization by recipients is a considerable challenge. Executives interviewed revealed that once you gave money to these people to run a particular project, they did not operate the agreed plans. Hence, they become daily dependent on *zakat* funds. Concurrently, lack of entrepreneurial skills among recipients creates another problem as most of the projects initiated failed to survive. For example, participant 1 described this and commented

"Mhhhh, one issue gives us a headache. People who received zakat do not use it properly or accordingly to the intended project. Once you give them some money, they said it's theirs, and the way they are going to use it is none of our business. So, they did not use it the way they want. As a result, money was used unproductively with no impact was realized". (Participant 1, Organization 1)

While he pointed out misutilization by recipients, executive secretary of organization four highlighted that the unproductivity of *zakat* fund has resulted from a lack of know-how on managing projects by *zakat* recipients. In another language, entrepreneurial skills among recipients of *zakat* is a big problem. He commented

"But back to knowledge on recipients side. We gave them money and tell them to establish income-generating activities. Some of them do it, but it takes a short period before those activities collapsed. You know why? Hahaha. They do not know how to operate those business activities, sheikh. They open because you told them to do so. We did not train them, and that was a problem" (Participant 9, Organization 4)

The utilization of *zakat* funds for unproductive activities creates a severe problem. Interviewees revealed that *zakat*

payers and society failed to realize the impact derived from zakat funds leading to hesitation to pay zakat as required. Literature support this finding, and Muneeza (2017) commented that productive zakat is more beneficial than consumptive zakat. As previously suggested for zakat to become an economic empowerment mechanism, it must be well utilized in productive activities (Alim, 2015b; Furqani, Mulyany, & Yunus, 2018).

3.1.3 Institutional Incapacity

Ineffective management was related to an institutional incapacity. According to interviewees, zakat managing organizations failed to operate effectively due to human resources deficiency in both quantity and quality, where they mostly rely upon part-time employees who are busy with other responsibilities. Additionally, those few staff lack the potential required skills to run zakat activities efficiently. Either, lacking enough working equipment and failure to utilize modern technology, were also revealed to impinge another hindrance toward success. Participant 8, who is an executive secretary of organization 3, seems to be very disappointed with what is going on. He commented

"Capacity is a huge problem. We have nothing sheikh. Nothing. There is no institution in Zanzibar having a required capacity. All of our institutions are in terrible condition. Inferior condition. Poor because there is no institution here that can stand worth without having assistance from outside" (Participant 8, Organization 3).

Hence, another problem raised as they now rely on part-time workers and according to participant 10 relying on part-time staff is enormous as they are not available exactly when needed

"There is no special team of staff employed for undertaking zakat affairs, and the budget is meager. So things that build capacity do not exist. Ok, we have qualified people in the unit of zakah, but the question is, are they available?" (Participant 10, Organization 4).

Henceforth, they can only manage to open their offices during weekends, which is not suitable for effective zakat management. As a result, the public did not see any seriousness in the management of zakat activities, and their loyalty decreases. Lisa (2015) and Muneeza (2017) addressed institutional incapacity as a problem facing the management and utilization of zakat as a poverty alleviation institution. Hence it is very crucial to ensure a proper and sustainable solution.

3.2 Proper Knowledge and Understandings

Another significant finding was a lack of appropriate knowledge and understanding of issues related to zakat. Society lacks the required knowledge as they don't have a culture of reading and learning on matters about their religion. Importantly, the current situation where religious scholars ignored the Fiqh part related to zakat has contributed a lot. Religious discussions about zakat are very few. With this, interviewees revealed society lacks zakat basic knowledge, faith-related knowledge, with the existence of many differences or Khilafah among Muslims.

3.2.1 The Basic Knowledge of Zakat

According to interviewees, most people in the study context do not possess a basic understanding of zakat. Though they have an awareness that zakat is among pillars of Islam, they do not know what zakat is and how to go

through it. They are not aware of its categories, payment modalities, and most of them fail even to differentiate zakat from Sadaqah, and here is where a lot of mistakes occur. For example, Participant 1, who is ahead of a zakat unit from the organization, described that:

"Lack of knowledge and serious follow up on this issue are our main problems to be addressed. Most of our people understand nothing about zakat. Ok, we can say that we are Muslims, and we understand that there is an issue of zakat as a pillar of Islam. The issue is to know what zakat is and how to go through it" (Participant 1, Organization 1).

This finding concurred with that Muneeza(2017) and thus the provision of explicit knowledge to zakat payers, recipients, and society, in general, is very crucial. It is evident that all religious deeds require education, and with its absence, several problems could arise.

3.2.2 Faith Related Knowledge

In addition to the necessary knowledge, interviewees opined that faith-related knowledge is a big problem. According to them, engagement in the payment and administration of zakat requires people with religious faith as giving out someone's wealth is not an easy task. People are not aware of the benefits of paying zakat for their life here in the world and the life hereafter. Again, they are not aware of the consequences of their disobedience and rejection. While addressing this issue participant 7 said

"If people have a sense of fear for Allah, they could fulfill their religious obligation for the payment of zakah. Unfortunately, our faith is shallow, and we don't want to participate in the reading sessions that will build our faith" (Participant 7, Organization 2)

By nature, human beings love wealth accumulation, and without faith, zakat provision became difficult. Participant 12 and a deputy executive secretary of organization 5 revealed the need to change society concerning religious faith for them to fulfill their obligations. He commented

"Let me be clear on one issue. Our society is not religious conscious to that extent, and in fact, religious training is crucial to build people understanding and get them involved fully in zakat movements. We need to focus more on religious teachings and training as they have a great role in changing society and having people who have a fear of Allah" (Participant 12, Organization 5).

Hence, Islamic religious conscious society is very crucial in the fulfillment of zakat obligation. In support of this finding, Ibrahim & Shaharuddin (2015); Ibrahim (2015); and Haji-Othman and Fisol, (2017) depicted that Islamic faith is very significant for the progress of zakat activities.

3.2.3 Ethnicity and Muslims Differences (Khilafah)

The findings from this study revealed that religious sects and ethnic groups are among the crucial issues leading to underperformance and inactiveness of zakah activities in Zanzibar. Addressing this issue, participant 3 commented

"The division in our society is extremely high. You know for example Mr. Ally provides zakah, but you may observe he provides more to the society with people originated from Yemen. Also, others provide zakat more to Ibadh activities. When you look at ISQM, for example, they direct their zakah only to their areas of

interest. It is not bad, but we have to know that we have a well-described system for zakah, and with these habits, we will never achieve our targets” (Participant 3, Organization 1).

Hence, Muslims lack unity and solidarity among themselves. Addressing these issues, participant 11 commented on this with the following elaborations

“You know we Muslims here have no unity and solidarity. Society consists of several groups, and every group work based on their interests. So here we try to focus on the common interest of ummah and keep aside our ideologies. Some issues are not supposed to divide people from their nature. For example, the differences in conducting some ibadah, everyone performs it based on his/her beliefs and understanding” (Participant 11, Organization 4)

The effect of this tendency is that zakat did not go to the most vulnerable people. It is another new contribution to the study context though it is supported by Jones (2017), who found that giving behavior is influenced by a giver's and beneficiary ethnicity. Serious intervention is required as zakat intends to unite people irrespective of their races, origins or their group (Johari, Abdulaziz, Ibrahim, & Ali, 2014)

3.3 The Political and Regulatory Environment

Political and regulatory issues were among the exciting findings revealed in this study. Several interviewees opined that politics and existing deficiency impact the development of zakat activities in Zanzibar within the laws and regulations. Study findings revealed that guidelines and legal empowerment, destructive political culture, and the non-supportive government hinders the smooth implementation of zakat activities in this study context.

3.3.1 Guidelines and Legal Empowerment

Another finding from in-depth interview sessions conducted was the absence of supportive guidelines and legal enforcement. The study revealed the existence of Act Number 2 of 2007 that guides the supervision of zakat activities in Zanzibar. However, interviewees addressed that, existing laws are not strong enough to provide room for zakat managing organization to enforce zakat collection from those blessed rich people or permit payment of zakat from individuals' funds managed by other organizations. Interviewees pointed out areas like pension funds, salaries as employment income, and bank deposits as some areas where the enactment of laws and regulations are required to allow zakat collection from those funds. For example, Participant 6, a deputy executive secretary of organization 2, related this situation to the prevailing conventional system that did not take religious issues as their priorities. He stressed that:

“You know we are Muslims, but our country does not follow Islamic rules. We are ruled through common laws though we are Muslims for almost 100 percent. We face several difficulties as our legal system is not fully supportive of zakat activities” (Participant 6, Organization 2).

In the same direction, participant 1 highlighted that existing law is a hindrance as they failed to deal with zakat funds from some other government institutions. He said:

“For example, we have workers who save their money with Zanzibar Social Security Fund (ZSSF). If you go through their account, they deserve to pay for zakah; unfortunately, no zakat can be charged from

these funds before the retirement date. You can see people have their own money, but they can't use it to pay zakah under ZSSF regulations" (Participant 1, Organization 1)

Apart from the existing deficiency, compliance with existing laws was another problem. Most of these organizations did not fulfill the requirements of the law of being registered as agents for zakat collection and issuance of reports for whatever they are doing with zakat collection and distribution. Participant 12 revealed this situation by saying,

"Any institution that seeks to deal with zakah activities should request for permission and registration from the commission. But what I want to let you know here is most of us did not adhere to the requirements of this Act, and no one even takes care of this; as a result, zakah activities are managed in a very disorganized way" (Participant 12, Organization 5).

Government and stakeholders are supposed to take immediate actions as proper management of zakat; without having strong laws and regulations, it is challenging to implement this religious practice. Managing zakat effectively must have firm rules in place (Saad & Farouk, 2019)

3.3.2 Destructive Political Culture

Half of the participants mentioned politics as one of the severe problems facing zakah activities in Zanzibar. Interviewees described that people here have a sense of politicizing everything as everyone is a politician believing that his political ideology is the only correct way to be supported by all people. It is very destructive as people in this study context mixed everything with politics, even their religious issues like that of zakat. Participant 3, an executive secretary of organization one hit the point by explaining that society in Zanzibar is affected by politics where rich people have taken politics as one among their criteria in providing their zakah. He commented:

"There are some who are religious conscious, but others are very much affected by politics, and thus they are not ready to bring their zakah to a governmental institution. We try our level best to avoid the politics trap, but it is complicated in these islands. Everything in these islands is politics" (Participant 3, Organization 1)

Supporting this, participant 4 pointed out how politics has affected them as an organization as a society did not trust them at a required level due to their political ideology. He said:

"By starting with our organization, there are people who trust it, and there are people who do not trust it. And what led into that destruction is political myths. Politics contribute seriously to destroy the trust of our organization" (Participant 4, Organization 1)

Interviewees commented that. In this study context, everything is mixed with politics making it very complicated to deal with society. It is a shocking result, but Vaidyanathan, Hill, & Smith (2011) have previously concluded that active participation in politics could influence charitable giving. Hence as supported by Yen and Zampelli (2014), the influence of political ideology in religious, charitable giving should not be undermined. It is a surprising outcome as we expect religion to influence politics and all other aspects of life and not vice versa.

3.3.3 Non-Supportive Government

Government support is another challenge discovered during an interview with executives and stakeholders of zakat managing organizations. According to these findings, the government did not show severe consent and support for zakat activities in Zanzibar. Participants highlighted that the government has a crucial role in the enactments of laws and regulations but, more importantly, to the enforcement of the existing laws and regulations. More importantly, participants addressed the existence of an unfriendly tax system, and for them, the current tax system is a catalysis for noncompliance behavior among zakat payers. Hence, the government is required to see the way how to harmonize zakat with tax issues facing zakat payers on this island. Interviewees are in the opinion that zakat administration must be supported, empowered, and enforced by the government. For example, participant 10 from organization four addressed this issue by hinting out that:

“For Islam to be strong, the state must take care of these Islamic foundations. For the first pillar to be strong, it depends on the strength level of the other four pillars, and government involvement is very crucial. This is not taking place in Zanzibar because we don't have an Islamic state. Our government has not put much priority on the way how these pillars of Islam are managed.” (Participant 10, Organization 4)

Participant 6 pointed out that if the government is involved, those who misused zakat funds could face legal actions. He said

“We lack government involvement here is very crucial. How they can be involved is through legal enforcement. Let take all people who misutilized zakat funds or other religious offices to face legal actions. If people observed this their trust level would be high” (Participant 6, Organization 3)

Lacking government involvement goes against historical facts for *zakat* management. Government hand is required if we want to see the impact of zakat. These findings concurred with what maintained by Ibrahim (2015). Hence for zakat activities to meet its target, government involvement is very crucial. Historically and from shariah perspective, this how it is supposed to be as, from the time of Prophet Muhammad (PBUH), zakat was fully managed by the state.

IV. CONCLUSIONS

Management of zakat has not acquired its required scholarly position, and what has come out from this study as impediments for zakat activities in Zanzibar provided a starting point to zakat literature in this context. Hence, this study explored an under-research phenomenon to understand the barriers facing zakat activities in Zanzibar. The significant findings from this study include unsystematic management and administration, lacking proper knowledge and understandings, and political and regulatory issues. These findings have provided a highlight on how things are needed to change from both practitioners, government, and society in general.

The management of zakat is very unsystematic, and there is a need to learn from others who successfully managed their zakat organizations. In countries like Malaysia, zakat is well institutionalized at a state level (Abrahman, Alias, and Omar, 2012). Zanzibar has multiple uncoordinated collectors and distributors of zakat. As supported by Lisa (2015) and Saad & Farouk (2019) coordination mechanism is very crucial for the effectiveness of zakat activities. With a tiny island like Zanzibar and for the nature of its population, a comprehensive and a managed system that

could deliver at a required level. Unfortunately, efforts to reach that level are not convincing. Also, we found unproductive zakat practices as the amount distributed is very small and mostly misused by both organizations and recipients. With this, capacity building to recipients is required for zakat to be helpful in poverty alleviation. The approach used by Malaysia zakat authorities is an excellent example to learn from their experience. Unproductive zakat is also related to institutional incapacity, and this is supported in the study of Lisa (2015) and that of Muneeza (2017). However, the situation described here is very unusual. While some of these organizations have only one staff in their zakat unit, others rely entirely on part-time employees who cannot be actively engaged in zakat activities. Hence, they fail to have well-coordinated, monitored, and evaluated programs for zakat recipients to enhance the proper utilization of zakat funds. It is through well-coordinated activities where the effectiveness of zakat will be realized (Halimatusa'diyah, 2015).

Contrary to what Malaysians are now doing the internal capacity in Zanzibar is very challenging (Azman, Mohammad, & Syed Mohd Najib, 2012). With human and other working resources problem, the use of the- art-technology is something not there at all. Failure to utilize technology makes all aspects related to coordination, monitoring and evaluation very difficult.

Proper knowledge and understandings were a serious concern. The findings explored that society in the study context missed both the basic knowledge for zakat, but importantly they lack faith-related knowledge so, they will understand their role as Muslims Ummah and consequences they will face by their rejection of the payment of zakat. Supported by Ibrahim and Shaharuddin (2015), again, here we have addressed some issues. While religious scholars have ignored zakat unexpectedly in their scholarly programs. There is a lack of reading culture among the communities, and this has increased the deepness of the problem. Also, study findings revealed that political and regulatory environment stands as a negative catalyst for the effective utilization of zakat Zanzibar. Interestingly, society has been affected by politics to the extent that zakat activities are also restless due to the same. Vaidyanathan, Hill, & Smith (2011) and Yen and Zampelli (2014) agreed with this situation that the level of political engagement and the political ideology of the individuals might influence religious and charitable giving. Hence, politics, religious sects, and ethnicity impede the successful utilization of zakat as a social empowerment mechanism. However, for Muslims country like Zanzibar, we expect religion must shape politics and not the politics to shape the faith of our society

Conclusively, these study findings are very crucial for the development of zakat institution as an Islamic pillar and an exceptional tool for fighting inequality and poverty incidence in these islands. Zakat is a religious act and a pillar of Islam. Zakat should not be influenced by issues like politics or any other non-religious activity. Hence, government, zakat organizations, scholars, and society, in general, must realize this and take necessary actions to rectify the existing situation. Muslims under each level must be aware of their answerability and responsibility, while the government leaders must not overlook their religious obligations though the government has no religion. Importantly, the longitudinal study is required to trace findings over different time intervals. Furthermore, quantitative studies to affirm the findings explored from this study are needed.

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