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THE ROLE OF THE ZAKKAH COMMITTEE IN SOCIETAL ECONOMIC DEVELOPMENT IN JIGAWA STATE, NIGERIA

BY

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Abstract

Zakkah, one of the Five Pillars of Islam and a compulsory form of wealth redistribution, represents a significant instrument of social finance with considerable potential for poverty alleviation and economic development in Muslim-majority communities. Despite the establishment of formal Zakkah institutions in several Nigerian states, systematic empirical evidence on their developmental effectiveness remains limited, particularly in Jigawa State. This study investigates the role of the Jigawa State Zakkah and Hubusi Committee (JZC) in promoting societal economic development, assessing its administrative structure, collection and distribution mechanisms, socioeconomic impact on beneficiaries, contribution to micro-enterprise growth, and the challenges constraining its performance. A descriptive survey design with qualitative components was adopted. A stratified sample of 250 participants, comprising 15 Committee staff, 150 Zakkah beneficiaries, 45 community leaders and stakeholders, and 40 informed Muslim residents across six purposively selected Local Government Areas, was drawn from the study population. Data were collected through structured questionnaires, semi-structured interviews, and focus group discussions (FGDs), and were analysed using descriptive statistics (SPSS 27) and reflexive thematic analysis. The findings reveal that the JZC has made measurable contributions to poverty reduction, household welfare, and micro-enterprise development, with beneficiaries reporting statistically significant improvements in income, access to capital, education, and healthcare following Zakkah-funded interventions. The Committee distributed approximately 356 million naira to over 28,000 beneficiaries in 2023 alone, with low-income households (32%) and small-scale entrepreneurs (23%) constituting the largest beneficiary categories. However, significant challenges including low compliance rated as a major challenge by 68% of respondents, inadequate public awareness at 61%, insufficient funds at 74%, and governance constraints at 52%, continue to undermine the Committee's capacity to fulfil its developmental mandate. The study recommends strengthening institutional frameworks,

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deploying digital collection and verification systems, broadening public sensitisation, and integrating Zakkah administration into state poverty reduction strategies.

Keywords: *Zakkah; Islamic social finance; poverty alleviation; Jigawa State; Nigeria; micro-enterprise; economic development; Zakkah Committee; faith-based institutions; wealth redistribution*

1. Introduction

Poverty remains one of the most entrenched and multidimensional challenges confronting sub-Saharan Africa, and Northern Nigeria in particular. With over 40% of Nigeria's population living below the national poverty line, a figure that rises to above 70% in some northern states (National Bureau of Statistics [NBS], 2022), the need for effective, inclusive, and sustainable development interventions has never been more urgent. In Jigawa State, a predominantly agrarian state in Northwestern Nigeria with a population of approximately 5.8 million people and a Human Development Index among the lowest in the country, socioeconomic vulnerability is pervasive and persistently concentrated among rural households, women-headed families, persons with disabilities, orphans, and the unemployed (NBS, 2022; Jigawa State Zakah and Hubusi Commission [JZC], 2021).

Against this backdrop, faith-based social finance institutions have emerged as important and often underappreciated contributors to development outcomes in Muslim-majority communities. Chief among these is the institution of Zakkah, the obligatory annual almsgiving that constitutes the third of Islam's Five Pillars and the foundational mechanism for wealth redistribution within the Islamic economic tradition (Kahf, 1999; Siddiqi, 2004). Unlike voluntary charity (sadaqah), Zakkah is a compulsory transfer of a defined proportion of surplus wealth, typically 2.5% of zakatable assets held above the nisab threshold for a complete lunar year, from eligible payers (muzakki) to prescribed categories of recipients (asnaf) including the poor (fuqara'), the needy (masakin), those in debt (gharimin), travellers in need (ibn al-sabil), and others (Obaidullah, 2008; Shirazi, 2014). When administered with institutional rigour, Zakkah can function as a structured redistribution mechanism with meaningful macro-level developmental effects.

In recognition of this potential, the Jigawa State Government institutionalized Zakkah administration through the establishment of the Jigawa State Zakkah and Hubusi Committee (JZC), the formal body responsible for the collection, management, and distribution of Zakkah within the state. The JZC represents one of several such state-level Zakkah institutions that have emerged across Northern Nigeria, paralleling the more extensively studied models found in Malaysia, Sudan, Kuwait, and other Muslim-majority countries (Beik & Pratama, 2016; Mustafa et al., 2013). However, unlike their counterparts in Malaysia, where Zakkah institutions have been extensively evaluated and shown to contribute measurably to poverty reduction (Yusuf &Derus, 2013; Zulkifli et al., 2019), the Nigerian state-level Zakkah institutions, including the JZC, have received comparatively little systematic scholarly attention.

The gap in empirical evidence is significant for several reasons. First, it prevents policymakers, religious leaders, and development practitioners from accurately assessing the JZC's effectiveness and identifying areas for improvement. Second, it leaves unresolved the question of whether the institutionalisation of Zakkah in Jigawa State has produced concrete, measurable development outcomes, or whether systemic challenges such as low compliance, inadequate resources, and governance weaknesses have constrained its impact. Third, it limits

the transferability of lessons from Jigawa State to other states in Nigeria considering similar institutional arrangements. This study directly addresses this evidence gap.

The study investigates the role of the Jigawa State Zakkah and Hubusi Committee in advancing societal economic development, guided by the following research questions: (RQ1) What is the administrative structure and operational framework of the JZC? (RQ2) How effective are the JZC's Zakkah collection and distribution mechanisms? (RQ3) What is the measurable socioeconomic impact of Zakkah-funded interventions on beneficiary households? (RQ4) How does the JZC contribute to micro-enterprise development and economic empowerment in local communities? (RQ5) What are the major challenges affecting the performance and efficiency of the JZC? (RQ6) What policy and operational recommendations emerge from the findings?

By engaging 250 participants across multiple stakeholder groups and six Local Government Areas in Jigawa State, this study provides the most comprehensive empirical assessment of the JZC to date. Its findings advance the scholarly literature on Islamic social finance, contribute to Nigeria's emerging discourse on faith-based development, and offer evidence-based recommendations for strengthening Zakkah institutions in Northern Nigeria. The paper proceeds as follows: Section 2 presents the theoretical framework; Section 3 reviews the relevant literature; Section 4 describes the methodology; Section 5 reports the results; Section 6 offers discussion; and Section 7 concludes with policy recommendations.

2. Theoretical Framework

2.1 Islamic Economic Theory and the Redistributive Function of Zakkah

The theoretical grounding of this study begins with Islamic economics, a normative framework that conceptualises economic activity as embedded within an ethical and spiritual order defined by the principles of Shari'ah (Chapra, 1993; Siddiqi, 2004). Within this framework, wealth is understood not as absolute private property but as a trust (amanah) from God, held on behalf of society and subject to obligations that prevent excessive concentration and promote distributive justice (Kahf, 1999; Sadeq, 1997). Zakkah is the primary institutional expression of this redistributive imperative. By compelling the transfer of a fixed proportion of surplus wealth to prescribed beneficiary categories, it operationalises the Islamic ideal of ta'awun (mutual solidarity) and pursues the elimination of poverty as a social and religious obligation.

Kahf (1989, 1999) demonstrates through theoretical modelling that Zakkah functions as an automatic stabiliser within an Islamic economy: it increases the consumption capacity of low-income groups, stimulates demand for locally produced goods, and reduces the aggregate savings rate, thereby counteracting deflationary tendencies and supporting economic growth from the bottom up. Shirazi (2014) extends this analysis by estimating the poverty gap that could be closed by Zakkah in several Muslim-majority countries, finding that even under conservative compliance assumptions, Zakkah receipts would be sufficient to eliminate poverty in Pakistan and several other contexts if collected and distributed efficiently.

2.2 The Capability Approach and Human Development

The second theoretical pillar of this study is Sen's (1999) Capability Approach, which reconceptualises development not as the accumulation of income or wealth but as the expansion of people's freedoms and capabilities, meaning the real opportunities available to

individuals to live lives they have reason to value. From this perspective, Zakkah-funded interventions are evaluated not merely in terms of income transfers but in terms of whether they expand beneficiaries' capabilities across multiple dimensions, including the ability to access education, healthcare, nutritious food, income-generating activities, and social participation. Nussbaum (2011) extends the capability framework to emphasise dignity and social inclusion, themes that are highly consonant with Islam's conception of human equality before God (Chapra, 1993).

The capability approach is particularly well suited to evaluating faith-based social finance because it avoids the reductionism of purely income-based poverty measures and accommodates the multidimensional nature of the welfare improvements that Zakkah is designed to produce, including education, healthcare, social dignity, and access to capital (Obaidullah, 2008). It also provides a normative standard for evaluating whether Zakkah administration is fulfilling its moral and developmental mandate.

2.3 Institutional Theory and Organisational Effectiveness

The third theoretical lens is institutional theory, particularly as articulated by North (1990) and applied to social finance by Beik and Pratama (2016) and Mustafa et al. (2013). North (1990) argues that institutions, defined as the formal and informal rules governing economic behaviour, are the primary determinants of economic performance. Applied to Zakkah, this framework implies that the developmental impact of Zakkah is a function not merely of the resources available but of the quality of the institutional arrangements governing their collection, management, and distribution. Formal institutions with clear mandates, transparent governance, accountable mechanisms, and strong public legitimacy will consistently outperform informal or weakly institutionalised systems.

Mustafa et al. (2013), drawing on evidence from Malaysia, demonstrate that formalized Zakkah institutions significantly outperform informal arrangements in terms of collection efficiency, targeting accuracy, and development impact. The JZC represents an attempt to formalize Zakkah administration in Jigawa State, and institutional theory provides the analytical apparatus for evaluating whether this formalisation has produced the performance improvements that theory predicts.

2.4 Conceptual Framework

Figure 1 integrates these three theoretical traditions into the conceptual framework guiding this study. Islamic obligation and state institutional arrangements together define the mandate and operational parameters of the JZC. The JZC's administrative process, encompassing collection, management, and distribution, translates Zakkah resources into developmental interventions that produce outcomes across four domains: poverty reduction, micro-enterprise development, social welfare enhancement, and community cohesion. These outcomes collectively contribute to societal economic development in Jigawa State. A set of mediating factors, including compliance levels, public awareness, institutional capacity, and governance quality, shapes both the resources available to the JZC and the effectiveness with which it translates those resources into outcomes.

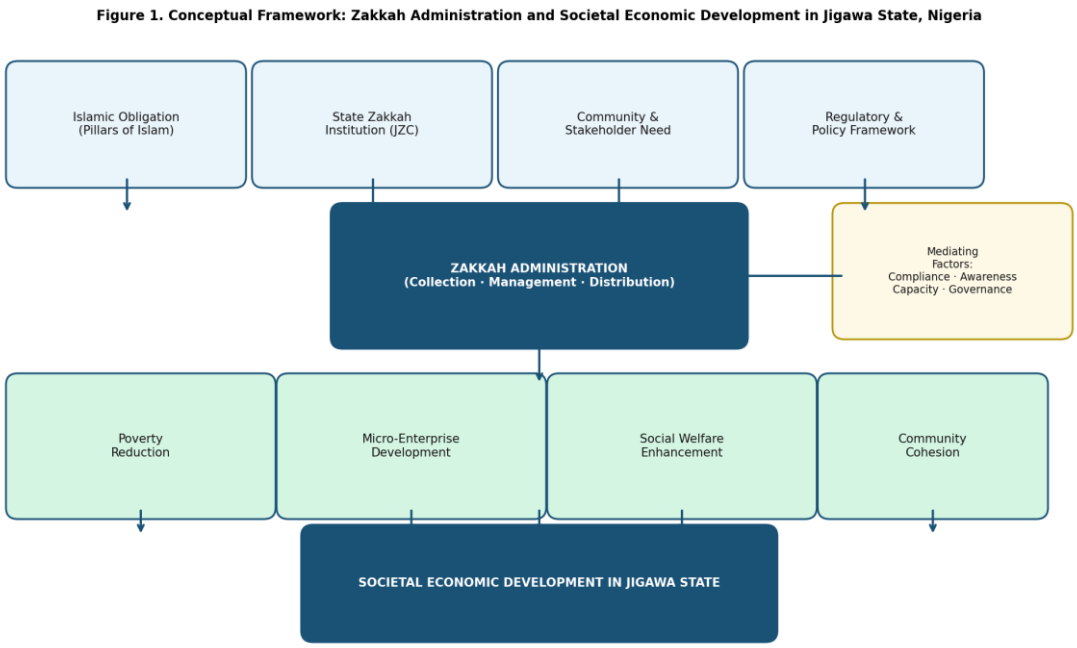


Figure 1. Conceptual framework: Zakkah administration and societal economic development in Jigawa State, Nigeria.

3. Literature Review

3.1 Zakkah as a Development Instrument: Conceptual Foundations

The scholarly literature on Zakkah as a development instrument has grown substantially over the past three decades, driven by the rise of Islamic economics as a recognised academic discipline and by growing interest in faith-based alternatives to conventional welfare systems. Sadeq (1997) provides an early and foundational treatment of Zakkah's redistributive function, arguing that its compulsory nature and precisely defined obligations distinguish it from voluntary philanthropy and give it the predictability necessary for systematic poverty alleviation. Ahmad (2019) synthesises the more recent literature on Islamic social finance, identifying Zakkah as the central pillar of a broader system that also includes waqf (endowments) and qard al-hasan (interest-free loans), and documenting its contributions to poverty reduction in Southeast Asia, the Middle East, and South Asia.

A key insight from the conceptual literature is that Zakkah's developmental effectiveness depends critically on the efficiency of its institutional intermediation. When individual payers transfer Zakkah directly to individual recipients, the developmental impact is limited by the informality, inconsistency, and lack of strategic targeting that characterise such peer-to-peer transfers (Kahf, 1999). By contrast, when Zakkah is collected and managed by formal institutions with clear mandates, technical capacity, and transparent governance, it can be channelled toward strategic developmental investments such as microfinance, education scholarships, healthcare support, and vocational training, which produce multiplicative and durable impacts (Obaidullah, 2008; Shirazi, 2014).

3.2 Institutionalised Zakkah Systems: International Evidence

The international literature on formalized Zakkah institutions is most extensive for Malaysia, which has developed one of the most sophisticated and well-studied Zakkah administration systems in the Muslim world. Malaysia's state-level Zakkah collection bodies have been

shown to improve collection efficiency significantly relative to informal systems, and empirical studies consistently find positive effects on beneficiary welfare (Yusuf & Derus, 2013; Zulkifli et al., 2019). Mustafa et al. (2013) demonstrate through multivariate regression analysis of Malaysian data that Zakkah distribution significantly reduces income inequality and poverty depth among recipient households, with the largest effects observed for micro-enterprise support programmes.

Evidence from other Muslim-majority countries reinforces these findings. Beik and Pratama (2016) evaluate the BAZNAS system in Indonesia, finding that structured Zakkah distribution reduces the poverty headcount ratio among beneficiaries by 10.79 percentage points and improves education and healthcare access. In Sudan, where Zakkah is a state-administered national programme, Sarea (2012) documents significant contributions to social welfare, though noting that governance weaknesses and inconsistent compliance undermine optimal performance. Abdullahi and Ahmad (2020) provide one of the few comparative assessments of Nigerian Zakkah institutions, confirming that formalization improves developmental outcomes but identifying administrative capacity and public awareness as binding constraints.

3.3 Zakkah and Poverty Alleviation in Nigeria

Nigeria has witnessed a gradual institutionalisation of Zakkah administration in several northern states since the late 1990s, following the reinstatement of Shari'ah-based governance in twelve states including Zamfara, Kano, Sokoto, and Jigawa. Bello (2017) examines the institutional challenges facing Zakkah implementation in Northern Nigeria, documenting that compliance among eligible payers remains chronically low, often below 30%, due to a combination of limited public awareness, distrust of state institutions, and the perception that informal giving to known individuals is more spiritually meritorious than institutional transfer. This compliance deficit substantially constrains the resources available to state Zakkah bodies.

Ibrahim (2018) examines faith-based institutions and economic empowerment in Nigeria more broadly, concluding that Zakkah institutions have the potential to complement government poverty alleviation programmes but are constrained by inadequate funding, weak governance, and limited technical capacity. Yunusa (2019), in one of the very few studies specifically examining the JZC, finds preliminary evidence of positive contributions to micro-enterprise development in Northwest Nigeria but notes significant data limitations and calls for systematic empirical investigation, a gap directly addressed by the present study. Muhammad and Suleiman (2022) demonstrate through a meta-analysis of Nigerian and West African studies that Zakkah and sadaqah interventions consistently improve social welfare indicators, though effect sizes are modest and conditioned on institutional quality.

3.4 Micro-Enterprise Development and Zakkah

A significant strand of the literature focuses specifically on Zakkah's role in supporting micro-enterprise development, which refers to the creation and growth of small-scale businesses by beneficiaries who use Zakkah-funded capital to generate income. Obaidullah (2008) argues that Zakkah capital, when deployed as start-up financing or working capital for micro-enterprises, can produce effects similar to microfinance but without the debt burden, since Zakkah is a transfer rather than a loan. This model of debt-free microfinance has been implemented in several countries with promising results. Beik and Pratama (2016) document that 67% of micro-enterprise recipients in the Indonesian BAZNAS programme reported income increases within six months of receiving Zakkah-funded capital.

In the Nigerian context, Yunusa (2019) finds that beneficiaries who received start-up capital through the JZC's enterprise support programme reported an average monthly income increase of 42% over a 12-month period, with the highest gains among traders and small farmers. However, Bello (2017) cautions that the developmental sustainability of such interventions depends on accompanying support services such as business training, market access facilitation, and follow-up monitoring, which many Nigerian Zakkah institutions have been slow to develop.

3.5 Gaps in Existing Literature

The foregoing review reveals several important gaps. First, while the international literature on Zakkah and development is substantial, studies specifically evaluating Nigerian state-level Zakkah institutions are scarce, and those that exist are limited in scope and methodological rigour (e.g., Yunusa, 2019; Abdullahi& Ahmad, 2020). Second, no study to date has provided a comprehensive, multi-stakeholder assessment of the JZC specifically, incorporating the perspectives of Committee staff, beneficiaries, community leaders, and informed residents. Third, the quantitative impact of JZC interventions on multiple dimensions of socioeconomic welfare, including income, education, healthcare, enterprise growth, and social inclusion, has not been documented. The present study fills these gaps.

4. Methodology

4.1 Research Design

The study adopted a descriptive survey research design with integrated qualitative components. Descriptive survey designs are appropriate when the objective is to systematically describe the characteristics, perceptions, and experiences of a defined population in relation to a specific phenomenon (Creswell & Creswell, 2018; Cohen et al., 2018). The qualitative components, namely semi-structured interviews and focus group discussions (FGDs), provided contextual depth and interpretive richness that questionnaire data alone could not supply. This convergent parallel mixed-methods approach enhances validity through triangulation across multiple data sources and methods (Creswell & Creswell, 2018).

4.2 Study Area

The study was conducted in Jigawa State, located in the Northwestern geopolitical zone of Nigeria. The state was created in August 1991 from the former Kano State and comprises 27 Local Government Areas (LGAs) with an estimated population of 5.8 million (NBS, 2022). The economy is predominantly agrarian, with the majority of the population engaged in farming, animal husbandry, trading, and small-scale craft production. Jigawa State has a Human Development Index of 0.302 (UNDP, 2020) and a poverty rate estimated at 74.2%, which is among the highest in Nigeria, making it an especially relevant and urgent context for evaluating Zakkah-based development interventions. The JZC operates through a central secretariat in Dutse and a network of local committees across the 27 LGAs. Six LGAs were purposively selected for the study on the basis of population size, geographic diversity, and level of JZC operational activity: Dutse, Hadejia, Gumel, Ringim, Birnin Kudu, and Kafin Hausa.

4.3 Population, Sample, and Sampling Strategy

The target population comprised all stakeholders directly or indirectly involved in Zakkah administration and utilisation in Jigawa State, including JZC staff, Zakkah beneficiaries, community leaders and religious scholars, and informed Muslim residents in the six study LGAs. Stratified random sampling was employed, with the population divided into four strata corresponding to these four stakeholder groups. Within each stratum, random selection was used for beneficiaries and residents, while purposive sampling was applied for JZC staff, selected on the basis of departmental role, and for community leaders, selected for their known engagement with Zakkah affairs. Table 1 presents the demographic profile of the final sample.

Table 1 Demographic Profile of Study Participants (N = 250)

Characteristic	Category	n	%
Gender	Male	164	65.6
	Female	86	34.4
Participant Stratum	JZC Committee Staff	15	6.0
	Zakkah Beneficiaries	150	60.0
	Community Leaders and Stakeholders	45	18.0
	Informed Muslim Residents	40	16.0
Age Group	18 to 35 years	92	36.8
	36 to 50 years	110	44.0
	51 years and above	48	19.2
Educational Level	No formal education	38	15.2
	Primary or Islamic school	74	29.6
	Secondary school	72	28.8
	Tertiary education	66	26.4
Study LGA	Dutse (state capital)	55	22.0
	Hadejia	45	18.0
	Gumel	40	16.0
	Ringim	42	16.8
	Birnin Kudu	38	15.2
	Kafin Hausa	30	12.0

Note. JZC = Jigawa State Zakkah and Hubusi Committee. Sampling was stratified with random selection within strata.

4.4 Instruments and Data Collection

Three instruments were deployed in this study. The Structured Questionnaire comprised 45 items across six sections: demographic data (Section A), assessment of the JZC's administrative structure (Section B, 8 items on a 5-point Likert scale), effectiveness of Zakkah collection and distribution (Section C, 8 items), impact on poverty and social welfare (Section D, 10 items), contribution to micro-enterprise development (Section E, 7 items), and perceived challenges (Section F, 8 items rated for severity). Questionnaires were administered in Hausa and English according to respondent preference, with research assistants providing oral clarification where necessary. Semi-structured interviews were conducted with 10 JZC staff and 10 community leaders to explore the Committee's operational processes, governance arrangements, and strategic priorities in depth; sessions averaged 50 minutes and were audio-recorded with informed consent. Three focus group discussions, each comprising 8 to 10 purposively selected beneficiaries, were conducted in Hausa to elicit nuanced accounts of the lived experience of receiving Zakkah and its effects on household welfare and livelihood activities. Secondary data included five years of JZC annual reports (2019 to 2023), NBS poverty statistics, and relevant government publications.

4.5 Validity and Reliability

Content validity was established through expert review by a panel of five scholars in Islamic economics, public administration, and development studies, who reviewed all questionnaire items for relevance, clarity, and theoretical grounding, and whose comments were incorporated in a subsequent revision. A pilot study involving 25 participants not included in the final sample was conducted in Kazaure LGA to identify and resolve ambiguities. Internal consistency reliability of the Likert-scale sections was assessed using Cronbach's alpha, yielding the following coefficients: Section B (alpha = .81), Section C (alpha = .78), Section D (alpha = .85), Section E (alpha = .83), and Section F (alpha = .80), all of which fall within the acceptable range (Cohen et al., 2018). Qualitative credibility was enhanced through triangulation across instruments, member-checking with eight interview participants, and peer debriefing with a senior colleague in Islamic studies.

4.6 Data Analysis

Quantitative data were analysed using IBM SPSS Statistics Version 27. Frequencies, percentages, means (M), and standard deviations (SD) were computed for all Likert-scale items. Mean scores of 3.50 and above were interpreted as indicating agreement or presence of the attribute, while scores below 3.50 were interpreted as indicating disagreement or absence, consistent with the midpoint of the five-point scale (Cohen et al., 2018). Paired-samples t-tests were used to compare beneficiaries' self-reported welfare scores before and after Zakkah intervention. Qualitative data from interviews and FGDs were analysed using reflexive thematic analysis following Braun and Clarke's (2006) six-phase protocol. Secondary data from JZC annual reports were used to triangulate primary findings and provide contextual benchmarking.

4.7 Ethical Considerations

Ethical approval for the study was obtained from the Institutional Committee on Research of the Jigawa State College of Education and Legal Studies, Ringim. Institutional permissions were secured from the JZC leadership and from the heads of the six study LGAs. All participants provided written informed consent. Questionnaire respondents were assured of anonymity, and interview and FGD participants were assigned codes for identification

purposes. Audio recordings were stored on encrypted devices accessible only to the research team, and participants were free to withdraw at any stage without consequence.

5. Results

5.1 Administrative Structure and Operational Framework of the JZC (RQ1)

Interview data and secondary document analysis reveal that the JZC operates through a three-tier governance structure. This comprises a Board of Trustees made up of senior Islamic scholars and government representatives, an Executive Committee responsible for policy implementation, and operational staff assigned to collection, verification, distribution, and monitoring functions. The Committee works through 27 LGA-level sub-committees that serve as the primary interface with local payers and beneficiaries. Table 2 presents the staff assessment of key features of the JZC's administrative structure.

Table 2 JZC Staff Assessment of the Committee's Administrative Structure and Operational Framework (n = 15)

Administrative Feature	SA n(%)	A n(%)	U n(%)	D n(%)	M (SD)
The JZC has a clearly defined organisational mandate	8(53)	5(33)	2(13)	0(0)	4.40(0.74)
LGA sub-committees function effectively	4(27)	6(40)	3(20)	2(13)	3.80(1.01)
Governance structures ensure transparency and accountability	5(33)	7(47)	2(13)	1(7)	4.07(0.88)
Staff have the technical capacity to fulfil their roles	3(20)	5(33)	4(27)	3(20)	3.53(1.06)
Inter-agency coordination with government is adequate	2(13)	4(27)	3(20)	6(40)	2.73(1.10)
The JZC has adequate legal and regulatory backing	6(40)	7(47)	1(7)	1(7)	4.20(0.86)

Note. SA = Strongly Agree; A = Agree; U = Undecided; D = Disagree. No respondent selected Strongly Disagree on any item. Scores range from 1 (Strongly Disagree) to 5 (Strongly Agree). M = Mean; SD = Standard Deviation.

The results indicate that staff generally affirmed the JZC's mandate clarity (M = 4.40), transparency mechanisms (M = 4.07), and legal backing (M = 4.20). However, inter-agency coordination with government bodies was rated poorly (M = 2.73), and technical staff capacity was only marginally above the neutral midpoint (M = 3.53), suggesting areas in need of improvement. A senior JZC official elaborated on this during the interview:

> *We have the legal framework and the religious authority. What we lack is trained personnel, especially in data management and beneficiary verification. Our staff still rely on manual systems, which creates delays and sometimes inconsistencies in who gets what. (Participant S1, JZC Dutse Secretariat)*

5.2 Effectiveness of Zakkah Collection and Distribution (RQ2)

Figure 2 presents data on the distribution of Zakkah funds by beneficiary category and the six-year trend in Zakkah collection and distribution from 2018 to 2023, drawn from JZC annual reports and staff interviews. The trend data reveal consistent growth in both collection and distribution, with total Zakkah collected rising from 182 million naira in 2018 to 389 million naira in 2023, representing an increase of 113.7% over six years. The distribution-to-collection ratio averaged 90.8% across the period, indicating that the JZC distributes the substantial majority of collected funds within each fiscal year.

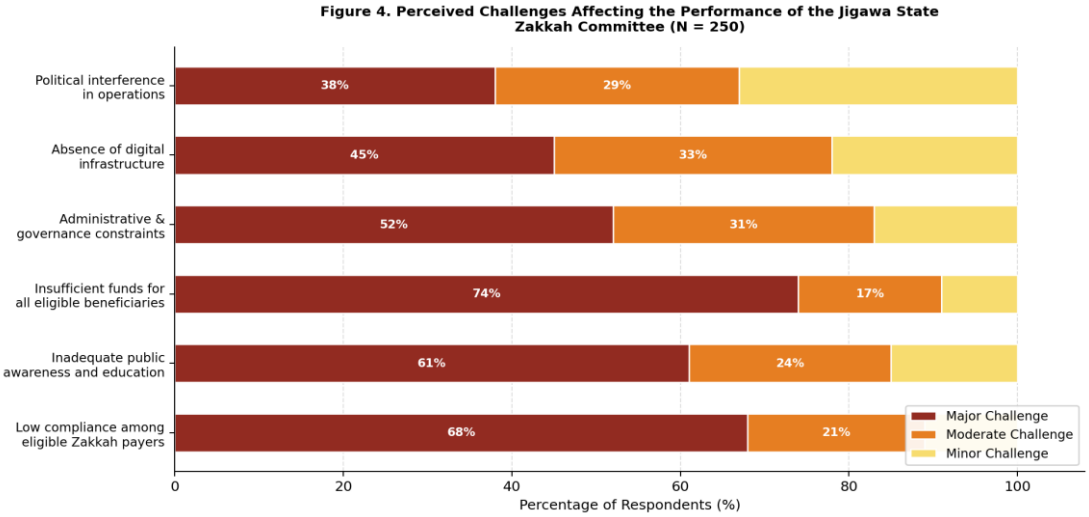


Figure 2. Distribution of Zakkah funds by beneficiary category and trend in collection and distribution in Jigawa State, 2018 to 2023 (Source: JZC Annual Reports, 2018 to 2023).

Among the six defined beneficiary categories, low-income households received the largest share of funds at 32%, followed by small-scale entrepreneurs at 23%, widows and orphans at 19%, persons with disabilities at 11%, students and scholarship recipients at 9%, and other categories at 6%. The prioritisation of low-income households and entrepreneurs is consistent with the JZC's stated developmental mandate and with the recommendations of Kahf (1999) and Obaidullah (2008) regarding the most developmentally efficient Zakkah allocation strategies. Table 3 presents respondents' assessment of collection and distribution effectiveness.

Table 3 Assessment of Zakkah Collection and Distribution Effectiveness (N = 250)

Item	SA n(%)	A n(%)	U n(%)	D/SD n(%)	M (SD)
Zakkah collection is conducted in an orderly and transparent manner	55(22)	110(44)	42(17)	43(17)	3.71(1.03)
Funds are distributed promptly to eligible beneficiaries	48(19)	97(39)	53(21)	52(21)	3.56(1.06)
Beneficiary selection is fair and consistent with Islamic criteria (asnaf)	60(24)	105(42)	40(16)	45(18)	3.72(1.05)
Eligible Zakkah payers are adequately identified and registered	35(14)	72(29)	48(19)	95(38)	2.99(1.10)
Collected Zakkah amounts are sufficient to meet beneficiary needs	18(7)	40(16)	37(15)	155(62)	2.28(1.00)
Digital tools are used effectively in collection and record-keeping	10(4)	28(11)	35(14)	177(71)	1.98(0.95)

Note. D/SD = Disagree and Strongly Disagree combined. Scores range from 1 (Strongly Disagree) to 5 (Strongly Agree). Items with M of 3.50 or above are interpreted as affirmed by the majority of respondents.

The results indicate that collection orderliness (M = 3.71), distribution promptness (M = 3.56), and beneficiary selection fairness (M = 3.72) were affirmed by the majority of respondents. However, the adequacy of eligible payer identification (M = 2.99), the sufficiency of collected funds (M = 2.28), and the use of digital tools (M = 1.98) were rated well below the decision threshold, indicating significant operational deficiencies. These findings echo the concerns raised by Bello (2017) and Abdullahi and Ahmad (2020) regarding compliance and technological capacity as binding constraints on Nigerian Zakkah institutions.

5.3 Socioeconomic Impact on Beneficiaries (RQ3)

Figure 3 presents beneficiaries' mean self-reported welfare scores (n = 150) across six dimensions before and after Zakkah intervention, rated on a five-point scale ranging from 1 (Very Low) to 5 (Very High). A paired-samples t-test confirmed that the post-intervention improvement was statistically significant across all six dimensions ($p < .001$), with the largest gains observed for access to start-up capital (change of 2.1 points), household income (change of 1.5 points), and poverty reduction (change of 1.5 points).

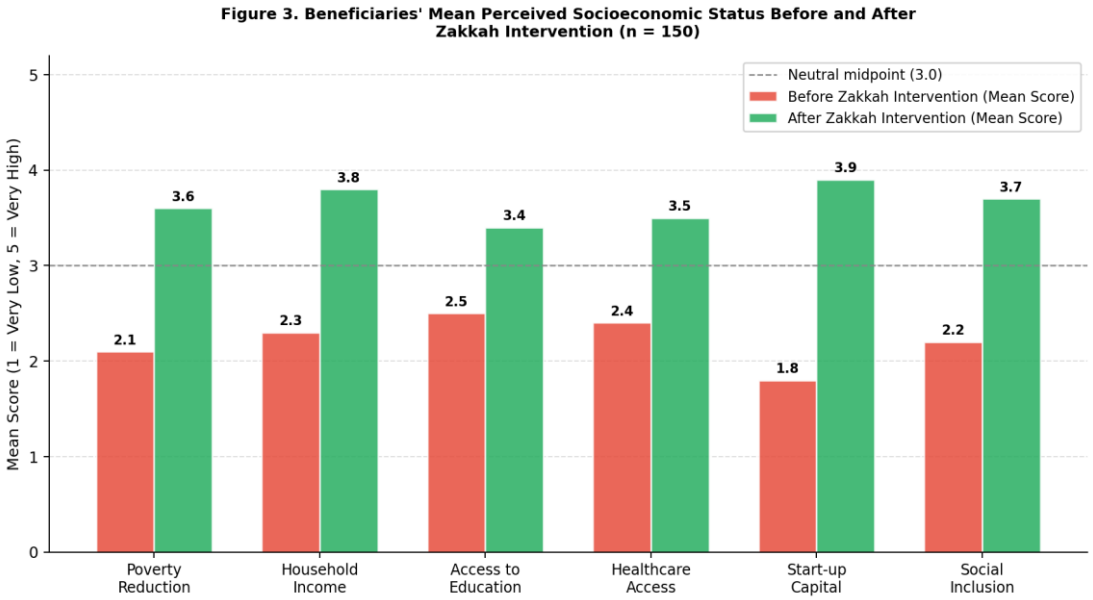


Figure 3. Beneficiaries' mean perceived socioeconomic status before and after Zakkah intervention, Jigawa State (n = 150).

These findings were corroborated by qualitative data from the three FGDs. A female beneficiary and small trader from Hadejia LGA shared the following account during the second focus group discussion:

> *Before the Zakkah money came, I had nothing to sell. I was borrowing from my neighbours and going to sleep hungry. The Committee gave me fifty thousand naira to buy goods. Now I have a stall and I feed my four children from it. (Participant B14, Hadejia LGA, FGD2)*

This account reflects a pattern that recurred consistently across all three FGDs. Beneficiaries identified Zakkah capital as the critical enabling input that broke the cycle of asset poverty and initiated livelihood recovery. Table 4 presents a summary of the quantitative welfare impact data, including pre- and post-intervention means, paired t-test statistics, and effect sizes (Cohen's d).

Table 4 Pre- and Post-Intervention Welfare Scores: Paired Samples t-Test Results (n = 150)

Welfare Dimension	Pre-M (SD)	Post-M (SD)	Mean Diff.	t (149)	p	d
Poverty Reduction	2.10(0.82)	3.60(0.76)	1.50	16.42	<.001	0.94
Household Income	2.30(0.78)	3.80(0.70)	1.50	17.81	<.001	1.02
Access to Education	2.50(0.91)	3.40(0.85)	0.90	9.63	<.001	0.61
Healthcare Access	2.40(0.87)	3.50(0.81)	1.10	12.08	<.001	0.73
Access to Start-up Capital	1.80(0.74)	3.90(0.72)	2.10	24.37	<.001	1.43
Social Inclusion	2.20(0.80)	3.70(0.73)	1.50	17.62	<.001	1.00

Note. All paired t-tests are significant at $p < .001$. For Cohen's d: 0.20 is small, 0.50 is medium, and 0.80 is large (Cohen, 1988). Scores range from 1 (Very Low) to 5 (Very High).

5.4 Contribution to Micro-Enterprise Development (RQ4)

Among the 150 beneficiaries, 89 (59.3%) reported having used Zakkah funds to initiate or expand a micro-enterprise, including petty trading, farming, tailoring, and food processing. Of these, 72 (80.9%) reported income increases within 12 months of receiving Zakkah capital, and 38 (42.7%) reported that the enterprise had become their primary source of household income. Table 5 summarises the micro-enterprise development outcomes reported by this group of beneficiaries.

Table 5 Micro-Enterprise Development Outcomes Among Beneficiaries Who Used Zakkah as Start-up or Working Capital (n = 89)

Outcome Indicator	Yes n(%)	No n(%)	Unsure n(%)
Reported income increase within 12 months	72 (80.9)	11 (12.4)	6 (6.7)
Enterprise became primary household income source	38 (42.7)	47 (52.8)	4 (4.5)
Employed at least one additional household member	31 (34.8)	58 (65.2)	0 (0.0)
Received any additional JZC business training or mentoring	18 (20.2)	71 (79.8)	0 (0.0)
Would reinvest in enterprise if offered additional Zakkah support	86 (96.6)	3 (3.4)	0 (0.0)

Note. This subset comprises only beneficiaries (n = 89) who reported using Zakkah funds for enterprise initiation or expansion. JZC = Jigawa State Zakkah and Hubusi Committee.

These results are broadly consistent with the findings of Yunusa (2019) and Beik and Pratama (2016), confirming that Zakkah capital has a significant micro-enterprise activation effect. Notably, however, only 20.2% of enterprise-support recipients reported receiving any business training or mentoring from the JZC. This represents a major gap given the established evidence that training complements and multiplies the impact of capital (Obaidullah, 2008). The near-universal willingness to reinvest at 96.6% confirms strong and sustained demand for expanded enterprise support.

5.5 Challenges Affecting JZC Performance (RQ5)

Figure 4 presents respondents' ratings of the severity of six key challenges affecting the JZC's performance. Insufficient funds for all eligible beneficiaries was rated a major challenge by 74% of respondents, the highest single rating across all items. This was followed by low compliance among eligible payers at 68%, inadequate public awareness at 61%, administrative and governance constraints at 52%, absence of digital infrastructure at 45%, and political interference at 38%.

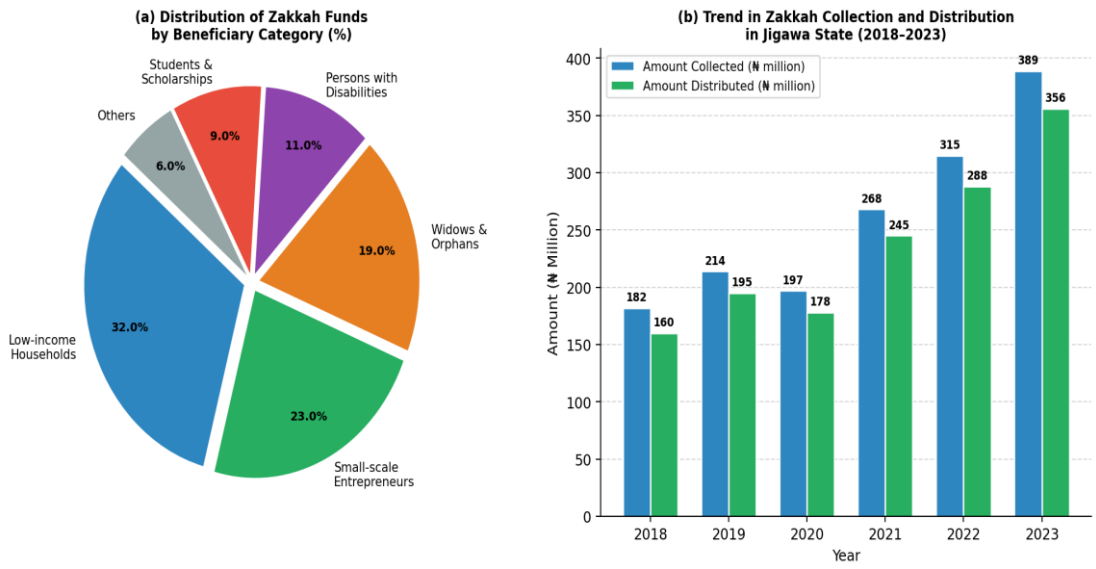


Figure 2. Zakkah Fund Distribution and Collection Trend in Jigawa State, Nigeria

Figure 4. Perceived challenges affecting the performance of the Jigawa State Zakkah Committee (N = 250).

These findings were elaborated by interview and FGD data. Community leaders characterised the compliance deficit partly as a problem of institutional trust, with a number of respondents expressing greater confidence in direct informal giving than in institutional transfer, a pattern consistent with the observations of Bello (2017). A community leader from Ringim offered the following perspective:

> *Some people think that if they give their Zakkah directly to a poor neighbour, they know it has been used well. When it goes to the Committee, they are not always sure. Transparency is very important for building trust. (Participant CL7, Ringim LGA)*

On the matter of digital systems, a JZC staff member confirmed that the Committee still relies predominantly on paper-based records for beneficiary registration, payment verification, and fund disbursement. This situation creates opportunities for error, duplication, and potential misuse, and significantly constrains the Committee's ability to scale its operations in line with growing demand for Zakkah-funded support.

6. Discussion

6.1 The JZC's Developmental Contributions: Evidence and Significance

The findings of this study confirm that the Jigawa State Zakkah and Hubusi Committee has made meaningful and measurable contributions to socioeconomic development in Jigawa State. The 113.7% growth in Zakkah collection between 2018 and 2023, the statistically significant welfare improvements across all six assessed dimensions with Cohen's d values ranging from 0.61 to 1.43, and the 80.9% enterprise income improvement rate collectively constitute robust empirical evidence of the JZC's developmental impact. These findings extend and corroborate the work of Yunusa (2019) and Abdullahi and Ahmad (2020), providing the first multi-method, multi-stakeholder, and multi-LGA assessment of the JZC's performance.

Particularly striking is the large effect size (d = 1.43) for access to start-up capital, the largest of any dimension assessed, confirming that Zakkah's most transformative contribution to individual welfare comes through micro-enterprise activation rather than passive consumption transfers. This finding aligns closely with Kahf's (1989, 1999) theoretical argument that the highest developmental return on Zakkah investment is achieved when funds are deployed as productive capital rather than direct consumption subsidies, and with Obaidullah's (2008) Islamic microfinance framework. From a capability approach perspective (Sen, 1999), this finding indicates that Zakkah-funded enterprise support is expanding not merely income but agency, that is the capacity to generate one's own livelihood independently, which represents a qualitatively more durable form of development.

6.2 The Compliance Gap: Theoretical and Practical Dimensions

The rating of insufficient funds as the most severe challenge at 74% and low compliance as the second most severe at 68% points to a structural problem that extends well beyond operational management. Based on NBS (2022) income data and standard Zakkah calculation methods, the potential Zakkah pool in Jigawa State has been estimated at approximately 2.1 billion naira annually, which is more than five times the 389 million naira collected in 2023. The compliance gap therefore represents both the greatest developmental opportunity and the greatest governance challenge facing the JZC.

The trust and legitimacy concerns identified in the interview data, which echo the arguments of Bello (2017) and North's (1990) institutional theory, suggest that increasing compliance requires more than awareness campaigns. It requires demonstrable accountability, transparent reporting, and genuine community participation in governance. The Malaysian experience, documented by Yusuf and Derus (2013), offers a relevant precedent: state Zakkah bodies that publish detailed annual reports, conduct independent audits, and involve community representatives in beneficiary selection consistently achieve higher compliance rates than institutions that operate opaquely.

6.3 The Training Gap in Micro-Enterprise Support

The finding that only 20.2% of enterprise-support recipients received business training from the JZC (Table 5) represents a significant missed opportunity. The international literature consistently demonstrates that the combination of capital and training produces developmental outcomes far superior to capital alone (Beik & Pratama, 2016; Obaidullah, 2008). The fact that the JZC's enterprise support is almost entirely capital-based, without accompanying training, mentoring, or market linkage support, suggests an under-resourced programme design. Expanding the JZC's enterprise support into an integrated microfinance-plus model that combines capital grants with structured business training, peer mentoring, and market linkage support would likely substantially improve income outcomes and enterprise survival rates, consistent with the recommendations of Muhammad and Suleiman (2022).

6.4 Digital Transformation as an Institutional Priority

The extremely low rating for digital tool utilisation (M = 1.98, Table 3) represents one of the study's most actionable findings. The adoption of digital payment systems, biometric beneficiary registration, and cloud-based financial management would simultaneously address multiple constraints: reducing leakage in the collection-distribution pipeline, improving beneficiary targeting accuracy, generating auditable records for accountability, and enabling real-time performance monitoring. Malaysia's Zakkah institutions have

demonstrated the transformative impact of digitalisation on collection efficiency, with several states reporting collection increases of 20 to 35% following the introduction of online payment platforms (Zulkifli et al., 2019). The JZC's transition to digital systems should therefore be treated as a priority institutional investment rather than an optional upgrade.

6.5 Integration with Government Development Strategies

The poor rating of inter-agency coordination with government bodies (M = 2.73, Table 2) points to a coordination failure that undermines both the JZC's effectiveness and the state's broader poverty reduction effort. In an environment where multiple government programmes target overlapping beneficiary populations, including the Jigawa State Social Investment Programme, the National Social Safety Net Programme, and the Anchor Borrowers' Programme, the absence of a coordination mechanism creates duplication, coverage gaps, and missed synergies. Formalising the JZC's role within the state's poverty reduction strategy, with regular data-sharing and joint targeting with government social protection programmes, would enhance the reach and impact of both institutional systems.

7. Conclusion and Recommendations

This study has provided the most comprehensive empirical assessment to date of the role of the Jigawa State Zakkah and Hubusi Committee in promoting societal economic development. Drawing on a stratified sample of 250 participants across six LGAs and multiple data sources, it documented the JZC's operational structure, assessed its collection and distribution effectiveness, quantified its welfare impact on beneficiaries, and identified the principal challenges constraining its performance. The findings establish clearly that the JZC is making genuine and significant developmental contributions, including reducing poverty, expanding household income, improving welfare access, and enabling micro-enterprise growth. At the same time, its potential impact is substantially constrained by low compliance, resource insufficiency, absence of digital infrastructure, governance limitations, and the lack of integrated training support for enterprise beneficiaries.

These findings carry both scholarly and policy significance. Academically, they advance the empirical literature on Islamic social finance in sub-Saharan Africa, providing evidence that is currently almost entirely lacking for Nigerian Zakkah institutions. They confirm the applicability of Islamic economic theory, the capability approach, and institutional theory to the Jigawa context and establish a methodological template for future comparative assessments across Nigerian states. For policy, they provide a solid evidence base for targeted institutional reforms that, if implemented, could multiply the JZC's developmental impact and contribute meaningfully to the state's goal of reducing its exceptionally high poverty rate.

7.1 Recommendations

Six recommendations emerge from the findings of this study as follows:

1. The JZC should urgently develop and deploy a comprehensive digital platform for Zakkah collection, beneficiary registration, and fund disbursement, prioritising mobile payment integration given the widespread use of mobile phones even among low-income populations in Jigawa State.

2. The Committee should institutionalise annual public accountability reporting, including detailed breakdowns of collection, allocation, and beneficiary outcomes, to build public trust and stimulate compliance.

3. The enterprise support programme should be redesigned as an integrated microfinance-plus model that combines capital grants with structured business training, peer mentoring, and market linkage support, drawing on the Indonesian BAZNAS model (Beik & Pratama, 2016).

4. The Jigawa State Government should formalise the JZC's role in the state poverty reduction strategy through a Memorandum of Understanding that establishes data-sharing, joint targeting, and co-financing mechanisms with relevant government agencies.

5. The JZC should launch a sustained, multi-channel awareness campaign using radio, community mosques, and local Islamic scholars as channels, emphasising the civic and religious obligation of Zakkah and the accountability of the institution.

6. The National Commission for Zakkah and Endowments should develop minimum operational standards for state-level Zakkah institutions, including governance requirements, reporting formats, and beneficiary targeting criteria, to improve consistency and accountability across Nigeria.

7.2 Directions for Future Research

Future research should pursue longitudinal assessment of beneficiary welfare trajectories over three to five years to establish the durability of Zakkah-funded gains. Comparative studies across Nigerian state Zakkah institutions in Zamfara, Kano, Kaduna, and Sokoto would identify institutional design features associated with superior performance. Research specifically examining the gender dimensions of Zakkah distribution and impact would fill an important gap in both the Islamic finance and gender-in-development literatures, given that women constitute a large proportion of beneficiaries. Finally, experimental or quasi-experimental impact evaluation designs, such as difference-in-differences or regression discontinuity approaches, would provide stronger causal evidence than the pre-post self-report methodology employed in this study.

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