

The Effectiveness of Zakat in Breaking the Chain of Poverty (Case Study of Class of 2007 Etos Scholarship Recipients)

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ABSTRACT

This research is to analyze the effectiveness of zakat in breaking the chain of poverty in a case study of recipients of the 2007 Etos scholarship in Indonesia. This research focuses on the role of zakat in breaking the chain of poverty. Research data comes from observations and interviews with respondents. Analyzed by descriptive qualitative. The results of the study show that the scholarship program's from zakat funds is able to break the chain of poverty for scholarship recipients.

Keywords: Effectiveness; Zakat; Poverty Chain; Etos Scholarship.

INTRODUCTION

In 2007 the number of poor people in Indonesia was 37.17 million people or 16.58 percent of the total population of Indonesia decreased to 26.1 million people or 9.54 percent in 2022 (BPS, 2022). The distribution of poor people in 2022 is 5.74 million or 21.9 percent of the island of Sumatra, 13.8 million people or 52 percent in Java Island, 0.98 million people or 3.73 percent in Kalimantan, 2.07 million people or 7.9 percent in Bali and Nusa Tenggara, 2 million people or 7.6 percent in Sulawesi and 1.5 million or 5.7 percent in Papua island (BPS, 2022). The largest distribution of poor people is in Java and Sumatra with 19 million people or 74 percent. In March 2022 the per capita income for the poor is 505 thousand per month. From the income, 74 percent was spent on food and 26 percent on non-food items. The poverty line in 2007 was much lower, namely 152 thousand Rupiah per month which was used for food and non-food consumption (sagiman, 2012).

Poverty according to the United Nations poverty is defined as a condition of severe deprivation of basic human needs such as food, water, health facilities, protection, education and information (<https://id.wikipedia.org/>, 2023). Not much different from the definition of poverty in the Islamic concept, which means that poor are people who are comforted by

poverty, because they cannot move because they do not have anything, or it can also be said as a person who is unable to make ends meet (Cahya, 2015).

Being poor is not a choice for individuals, but it happens because of one's social environment. For example, being born in an area with limited resources, or being born into a poor family or it could be that an area is still regulated to remain poor for a certain interest. What is clear is that the poor are always limited in meeting their primary needs, let alone secondary needs.

Poor people will always be in a vicious circle of poverty as long as they are still in the circle until intervention is carried out by the government or the private sector. The vicious circle of poverty from the supply side, namely low income causes low savings, redundant capital and low productivity. While from the demand side, namely low income, limited purchasing power, low investment, low capital stock, low productivity. Or nationally resulting in a lack of capital used for investment in a country, where self-capital comes from public savings due to low income (Nurkse, 1964). Low income is caused by low productivity, low productivity is caused by low capital in the past. This cycle will continue until productivity increases and capital increases. Poverty is influenced by the value of a person's religious tradition (Lepianka, 2010). Base on his research poverty in europe.

In the variable human development index with three indicators, namely the economy, education and health. This vicious cycle of variables is important to explain because they are highly correlated with one another. Economic variables have been explained in the previous paragraph, then the vicious cycle of education and health is explained next. Poor people have low incomes so that purchasing power in education is low causing knowledge and skills to be low which has implications for low productivity. In terms of health, the poor have low incomes limiting them to consumption of nutritious food causing low health and performance.

The Poverty Program carried out by the government in 2022 is in the form of the Family Hope Program (PKH), basic food social assistance and social protection through BLT village funds (BPS, 2022). Apart from government programs, Dompot Dhuafa is a non-governmental organization that is actively involved in poverty alleviation with various programs that have been implemented.

Dompot Dhuafa is a philanthropic and humanitarian organization that works to empower people (Empowering People) and humanity. Empowerment is rolling through the management of zakat, infaq, alms and waqf (Ziswaf) funds, as well as other social funds that are managed in a modern and trustworthy manner. In its management, it puts forward the concept of compassion or compassion as the root of the philanthropic movement which puts forward five program pillars, namely Health, Education, Economy, Social, and Dakwah and Culture (Dompot Dhuafa, 2022).

Dompot Dhuafa has a program on human development index indicators, namely the economy, health and education. In the economic program for the poor, namely smallholder farming, healthy agriculture, creative SMEs, social trust funds, livestock centers, social trust funds, agro-industry, cash for work, family food gardens and others (Dompot Dhuafa, 2022). The Dompot Dhuafa health program is health services for the poor with derivative programs, namely the Regional Health Program, Family Healthy Gardens, Reproductive Health, Maternal and Child Health Network, Floating Ambulance, Healthy Indonesian Children, TBC Partnership, Corona Blocked Villages, and Healthy Post. (Dompot Dhuafa, 2022). The Dompot Dhuafa education program is managed by the Human Development Institute (LPI) with the following programs: devotion to the nation, Id Etos, smart excellence, e-tahfizh, Indonesian

literacy schools, Indonesian teachers' schools, learning media communities and educational institutes. (Dompét Dhuafa, 2022).

The Dompét Dhuafa program completely depends on the amount of collection received from the muzakki. Meanwhile, the tendency of muzakki to give zakat is influenced by the level of education and level of religious understanding, not the level of wealth. This is based on research (Budiyo, 2018).

Overall, the program above is expected to break the poverty chain with three approaches, namely the economy, health and education aimed at increasing productivity. In the economic sector to increase people's income, in the health sector to make people healthier so that productivity can be better and in the education sector to increase the ability and competitiveness of beneficiaries.

In this research the author focuses on educational programs, namely the ID Etos. Etos ID is a scholarship program given to outstanding dhuafa students who will continue their education at state universities recommended by Dompét Dhuafa. Etos ID is the name of the newest program at this time. At the beginning, the ID Etos program was called Anugrah scholarship, then changed to Etos and now it is ID Etos.

The problem of this research is the effectiveness of zakat in breaking the poverty chain with a case study of the 2007 Indonesian Etos scholarship program. The research objective is to determine the effectiveness of zakat in breaking the poverty chain in the 2007 Indonesian Etos scholarship program.

METHOD

This research was conducted in Indonesia with reference to the etoser province of origin. The provinces of etoser origin (recipients of Etos beasiswa) are South Sulawesi, West Java, Central Java and East Java. This type of research is descriptive quantitative research. The type of data is primary data sourced from interviews via Google form on the class of 2007 etoser. The reason for determining the class of 2007 etoser respondents is because the alumni of the class of 2007 are considered established and have completed their studies 12 years earlier.

This research uses primary data obtained from completing a questionnaire by etoser class of 2007. The data that has been collected is the etoser's province of origin, university origin, etoser's parents' income when registering to become an etoser, the etoser's family financial condition, current type of etoser's work, etoser's income currently, etoser education level and suggestions for program development.

The research data were analyzed using the effectiveness formula. Effectiveness is defined as a condition that shows how far a target has been achieved (Syam, 2020). In measuring the effectiveness of using poverty alleviation as a target. Poverty alleviation in question is etoser's success in getting out of the vicious circle of poverty by using the current income level variable. If the current income level is higher than the poverty line, it can be concluded that the poverty alleviation target has been achieved or it can be concluded that the Etos scholarship program is effective in alleviating poverty.

RESULTS AND DISCUSSION

Etoser Conditions Before Being Accepted as Etos Scholarship Recipients.

The recipients of the 2007 Etos scholarship are the poor who are spread across Indonesia, including West Java, Central Java, East Java, DKI Jakarta and South Sulawesi. Spread over 11 universities namely the University of Indonesia, Bandung Institute of Technology, Padjadjaran University, Dipanegoro University, Airlangga University, Brawijaya University, Surabaya Institute of Technology and Hasanuddin University.

The condition of the etosers who passed the scholarship came from poor families. Based on the results of the study, the following conditions were found, namely being orphaned since childhood, parents only working as farmers who had difficulty meeting their daily needs, parents working as public transportation drivers with erratic income and not meeting daily needs, low income, entangled in loan sharks, no owns a house, the number of siblings 14 people, parents parents traveling salad traders low income, selling vegetables and various other parent professions.

The income of etoser parents from the data collected when registering to be etosers was 0-500 thousand by 37%, 500-1 million by 50% and 1-2 million by 12.5% of the 20 respondents who were sampled. Disability was also greatly influenced by the number of children of the respondent's parents (Etoser) at that time.

Etoser's current condition as an Etos Scholarship Recipient.

Scholarships given in 2007-2010 accompanied by coaching have a very significant impact on etosers. Guidance takes the form of religious coaching, visiting figures, writing training, leadership training, and various other coaching content.

Massive coaching changed the mindset of the Etos scholarship recipients to have dreams that were much higher than the achievements of their previous parents. Etos scholarship elevates the degree of the recipients. The following is the current work of the Etos scholarship recipients in 2007-2010 based on the results of a survey conducted.

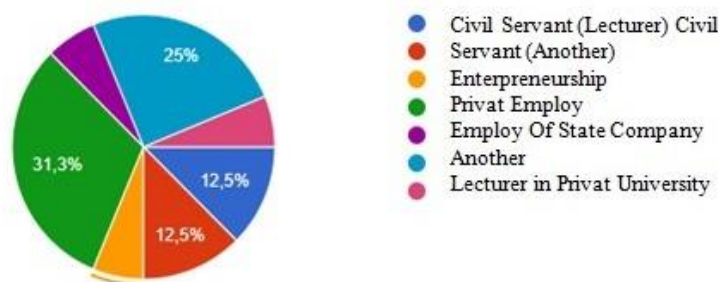


Figure 1. The Current Work Of The Etos Scholarship Recipient Class Of 2007

Source: Author Research Data.

From the data above, it was found that 12.5% were civil servant lecturers, 31.3% private employees, 12.5 ministry civil servants, 6.25% BUMN employees, 6.25% self-employed, and 25% others (not optional).

The current income of the Etos scholarship recipients is based on the following research results:

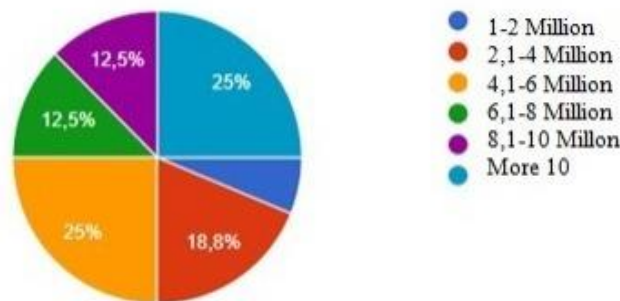


Figure 2. The Current Income Of The Etos Scholarship Class Of 2007

Source: Author Research Data.

75 percent of the class of 2007 have income above 4 million Rupiah, 50 percent have income above 6 million and 25 percent have income above 10 million. While income under 2 million is only 6.2 percent. In general, the cultural Etos is able to elevate the etoser's family from poverty.

Based on the results of the research, it was found that 25 percent had completed the master's program and 75 percent had not completed the master's program. The findings found that only those who continued their master's education were involved in academia. Meanwhile, those who have been involved in the world of professionalism have not continued with the master's program.

The Influence of Etos Scholarship Supports Recepients Success

Following are some of the results of interviews about the influence of the Etos Scholarship as a support for the success of the etoser, namely first, the Etos Scholarship changes the mindset to be more empowered and confident, that everyone has the opportunity to live a better life. Second, the cultural Etos encourages us to work with faith. The three etosers were encouraged to become committees of successful Indonesian people and have a high spirit to continue to excel. Fourth, Etoser is given various kinds of non-regular training and education that can improve individual abilities academically, spiritually and emotionally. Fifth, Etos Scholarship has many Islamic characters, is independent, disciplined and has good morals. Sixth, Beastudi's Etos teaches entrepreneurship and has the courage to take on a role.

The Effectiveness of Zakat in Breaking the Chain of Poverty

Effectiveness is measured by the extent to which targets can be achieved (Syam, 2020). The target of this research is to break the etoser poverty chain. In 2023 poverty is measured by a poverty line of Rp. 505,000/month (BPS, 2022).

By submitting to the poverty line of Rp. 505,000/month. And the average etoser income is currently at least an average of 1.5 million and a maximum of above 10 million.

There is no longer any income below Rp. 505,000/month. Of the total respondents who were selected from various regions, the number of respondents was 17 people from 115 etosers. From these respondents it was found that overall they had income above the predetermined poverty line and even had 20 times the value of the poverty line.

If calculated mathematically, with an income target above the poverty line of 510,000/month. While the average etoser income at this time from the data collected by researchers is 7.2 million Rupiah. This means that the realization of achieving poverty alleviation is 1,416 percent with reference to the poverty line.

From the above data analysis it is concluded that zakat in the Etos scholarship program is very effective in breaking the chain of poverty with case studies of Etos scholarship recipients in Indonesia in 2007-2010. This effectiveness is influenced by the selection method which is very strict and only selects students who come from the poor and excel. While receiving an Etos scholarship, you are required to take part in self-development coaching as previously discussed on the influence of ethical ethics in supporting etoser success.

Referring to the theory of the poverty chain (Nurkse, 1964), the poor have low income so that purchasing power in education is low causing knowledge and skills to be low which has implications for low productivity. The scholarship Etos program originating from zakat breaks the chain of poverty through instruments to increase the purchasing power of education by means of payment of tuition fees, living expenses, dormitories and coaching. This has a very significant impact in increasing productivity and income.

The Etos Scholarship program breaks the chain of poverty and has an impact on three aspects, namely education, economy and health. High enough income makes etoser able to invest and choose adequate health facilities. With the final estuary, namely high productivity in the three sectors above.

The success of the Etos Ethics program is effectively due to the ability of the program and the instruments that follow it to ensure that the Etos Ethics program can achieve the desired target, namely breaking the chain of poverty. Determination of mustahik is one of the keys in carrying out poverty alleviation programs so as to reduce the depth and severity of poverty through empowerment (Kasri, 2016).

Research (Siectio Dicko Pratama, 2020) and (Jumi Herlita, 2021) found that zakat of 16.1 T in DKI Jakarta can reduce poverty by 0.75%. By making the mosque a basis for empowerment and In research (Hafas Furqani, 2018), (Anggoro Sugeng, 2022), (Nur Kholisa, 2021), (Wicaksono, 2019), (Rini Rinia, 2020) and (Imron Mawardi, 2023) regarding the impact of productive zakat on people's welfare found that the average income of mustahik increases as much as after receiving productive zakat from zakat institutions in Indonesia.

Zakat in Muslim countries that have the ability to pay zakat tends to have lower poor communities as stated in research results (Amin, 2009) and (Niyazi Gümüſ, 2019). Niyazi Suggested the government to seriously make zakat as an instrument of poverty alleviation.

While research (Maghfira, 2022), (Mujiatun, 2018) and (Basuki, 2021) found that zakat is not effective for poverty alleviation because zakat is temporary and short-term

assistance, only meets basic needs, has not been well organized, productive programs are still low and productive programs do not go through comprehensive review.

The ineffectiveness of research results (Maghfira, 2022) is a reference and evaluation to make programs better and more organized. The different potential of zakat from one region to another makes it less effective in alleviating poverty (Hayati, 2011). This is due to the low acceptance of zakat causing low poverty alleviation programs from zakat. One of the factors that influence high and low is the level of trust in the leadership of the institution or the level of personality as found by (Abdul Kholiq Syafa, 2020) in his research.

This opinion is also supported by the results of research showing the failure of Europe to make poverty alleviation policies. This was caused by too little relief support, job difficulties, and Europe's level of dependence on other countries (Chiara Mussida, 2022).

Based on the results of this study it was found that zakat is very effective in alleviating poverty through productive programs, while zakat is not effective in alleviating poverty in temporary programs and only to make ends meet. Therefore, a good program is one that is able to elevate the degree of mustahik through productive programs. One of them is the etos scholarship by Dompot Dhuafa.

Conclusion

Based on the results of the research and discussion, it is concluded that zakat is very effective in breaking the poverty chain in general and in particular the 2007 Etos scholarship program. The success of breaking the poverty chain is through intervention in the education sector.

From the results of the research, it is suggested to the government to create a program accompanied by coaching. The suggestion to the poor wallet is to continue to maintain a program similar to the Etos for effective poverty alleviation.

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