ZAKAT AS A SUSTAINABLE AND EFFECTIVE STRATEGY FOR POVERTY ALLEVIATION: From The Perspective of a Multi-Dimensional Analysis
Background

- Poverty is a persistent and multi-dimensional problem
- The government has attempted to implement various programs in order to reduce poverty but progress is tends to decline and slow down
- The potential zakat funds volume in Indonesia is quite high (Rp.217 trillion)
- Zakat is not only a means to improve the welfare of the poor, but it has also evolved as a sustainable practical mechanism to manage the socio-economic gap in any society
- Research on zakat is many but most of them are based on a single criterion, not sufficient to explain about effectivitas of zakat
- By comparing the performance of the zakat to the government programs and CSR based on comprehensive attributes altogether will be known effectiveness of zakat
The Number of People Poverty in 2004-2015

<table>
<thead>
<tr>
<th>Year</th>
<th>Total population (in million)</th>
<th>% of poor people</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>241.45</td>
<td>16.6</td>
</tr>
<tr>
<td>2005</td>
<td>218.87</td>
<td>15.97</td>
</tr>
<tr>
<td>2006</td>
<td>222.05</td>
<td>17.75</td>
</tr>
<tr>
<td>2007</td>
<td>224.9</td>
<td>16.58</td>
</tr>
<tr>
<td>2008</td>
<td>227.78</td>
<td>15.42</td>
</tr>
<tr>
<td>2009</td>
<td>230.63</td>
<td>14.15</td>
</tr>
<tr>
<td>2010</td>
<td>237.64</td>
<td>13.33</td>
</tr>
<tr>
<td>2011</td>
<td>236.66</td>
<td>12.49</td>
</tr>
<tr>
<td>2012</td>
<td>245.43</td>
<td>11.96</td>
</tr>
<tr>
<td>2013</td>
<td>258.2</td>
<td>11.47</td>
</tr>
<tr>
<td>2014</td>
<td>250.6</td>
<td>11.37</td>
</tr>
<tr>
<td>2015</td>
<td>253</td>
<td>11.25</td>
</tr>
</tbody>
</table>
Research Purpose

- Determine the effectiveness of zakat program as poverty alleviation compared with the pattern of government and CSR programs.
- Determine the key leverages factors.
METHODOLOGY

APPROACH
- Multi-criteria decision analysis
- Rappoverty

PARAMETERS
30 attributes consist of input, process, and output dimensions

SOURCE OF DATA
- Focus Group Discussion - World Cafe Method
- Questionnaire

OBJECT
11 pattern government programs
3 pattern zakat programs
2 pattern CSR programs
Ordination of the Input Dimension

![Graph showing ordination of input dimension with axes labeled as Alleviation Program Performance and Other Distinguishing Features. Points are marked with symbols for Real Programs, References, and Anchors. Notable labels include Antam, MAZ, DD, BAZ, UP, GD, and DOWN.]
Leverage Attributes of Input Dimension

- The understanding of the program
- The capacity of the personnel
- The stability of the regulation
- The character of the program
- The difference with other program
- Program unsuitability with the need
- Inaccuracy of targeted data
- Data Availability
- Fund Availability
- Fund Sources
- The complex requirement
- The criteria of the recipients
Leverage Atribut of Process Dimension

- Good governance
- Evaluation and Monitoring
- Reduction of funds received by the recipient
- Inappropriate distribution time
- Cost of management
- Organization
- Socialization and education
- Coordination between institutions
- Approach of program
- Consistency in implementing the rule
- Community involvement in targeting / program
- Planning mechanism
<table>
<thead>
<tr>
<th>Attribute</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>The sustainability of the program</td>
<td></td>
</tr>
<tr>
<td>Society institution existence</td>
<td></td>
</tr>
<tr>
<td>The increase of recipients welfare</td>
<td></td>
</tr>
<tr>
<td>The Increase of the recipients amount</td>
<td></td>
</tr>
<tr>
<td>Not achieved program target</td>
<td></td>
</tr>
<tr>
<td>Inappropriate distribution</td>
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</table>
The Kite Diagram of the Performance of Poverty Alleviation Government Pattern, Zakat and CSR
### Conclusion and Implication

#### Performa of Zakat

Compared with the pattern of poverty alleviation programs of the government and CSR, zakat programs overall show a good performance on the dimensions of input, process and output.

#### Leverage Factors

The leverage factors mainly: the suitability of the program to the needs of the target communities, socialization and education, inter-agency coordination, consistency in the implementation of the rules, the existence of public institutions to carry out and support the program, improvement of welfare recipients, as well as an increase in the number of beneficiaries.

#### Zakat as Raw Model

The results of this study have important implications for determining the poverty alleviation policy. It is important to consider the pattern of zakat as a raw model for the development of poverty alleviation programs.

#### Comprehensive Policy

In designing poverty alleviation programs, it is necessary to develop a complete and comprehensive system comprising both ex-ante and ex-post indicators as illustrated by the dimensions of input, process, and output in his research.
Thank You!

Dr. Nafiah Ariyani
Fakultas Ekonomi Universitas
Sahid Jakarta