

ISLAMIC ECONOMIC SYSTEM AS PANACEA FOR SOCIAL SECURITY IN NIGERIA

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Abstract

Human life is full of contingencies, acute conditions requiring immediate relief for satisfying elementary wants. What constitute an elementary want depends upon the social status of the individual, the stage of economic development of the community of which one belongs to, as well as the accepted norms and conventions of that community. Thus indigence is as much a social malaise as it is an individual affliction. Perhaps, this social problem is as old as the history of mankind and society, whatever the stage of its civilisation or economic development, has always tried to keep some sort of balance in the inequalities of incomes to maintain equality and fellow feelings. Social security is a scheme to provide relief to the victims of social contingencies. Islam places high premium on the extension of hands of benevolence and fellow feelings. There is no denial to the fact that survival of a man without the basic necessities of life is a serious social problem. One cannot survive without food; clothing and shelter. They are essentially required for man's existence. The system dealing with such necessities of life and ensuring its provisions is termed as the social security system. This paper seeks to highlight the Islamic framework that provides a complete code of conduct for the present as well as in future. Islamic framework of social security has been the most progressive of all in its early years. It provides a complete code of conduct for the present as well as the future generations. Islamic system is germane in addressing socio economic problems.

Keywords: Social Security; Islam; Modern States;

Introduction

Meaning and Concept

There is no unanimous and uniform definition for the concept of Social Security agreed upon worldwide. Many descriptions by a number of international organizations have attempted to explain the concept. Noor M. G (1989), states that, most of

these descriptions have focused on a common range of vulnerabilities or risks that may pose a threat to the survival of individuals against which they would require external assistance. It was stated in the International labour review (1967). That this assistance may be provided through public policies or programs focusing on income security accompanied by the extension of essential services. For instance, the International Social Security Association (ISSA) defines social security as “any program of social protection established by legislation, or any other mandatory arrangement, that provides individuals with a degree of income security when faced with contingencies of old age, survival, incapacity, disability, unemployment or rearing children. It may also offer access to curative or preventive medical care. Along the same line, the International Labor Organization (ILO) has set a baseline of “Minimum Standards” Convention No 102 of 1952, an international document which establishes worldwide-agreed minimum standards for basic social security principles. The document covers eight categories of vulnerabilities resulting from sickness, unemployment, injury, aging, nursing, maternity, survivorship, and caring of dependent children.

M, S, Hamdi, (2004). in his work entitled “*Nazariyyat al-Istikhlāf al-Amwālfi al-Iqtisād al-Islāmī*” has differentiated between the three terms: (i) *al-Takaful al-Ijtima’i*, (ii) *al-daman al-Ijtima’i* and (iii) *al-Ta’min al-ijtima’i* which seem to be similar at the first glance. According to him, *al-Takaful al-Ijtima’i* denotes the mutual cooperation and protection between the individuals, groups and government, based on their faith in taking positive stance towards others in the society by helping each other and avoiding bad manners in order to create a better society.

This was described by Khan. F, (2018), as *al-Daman al-Ijtima’i* is the guarantee and indemnity provided by the government to the citizens – Muslims or non-Muslims. *al-Ta’min al-Ijtima’i* refers to the scheme where the beneficiaries have to provide contributions in order to enjoy the benefit of mutual protection. Based on the definition, (IRTI, 2018) observed that social security system or *Nizam al-takaful al-Ijtima’i* is indeed one of the vital components of an Islamic socio-economic system in protecting the well-being and survival of the *Ummah*. The scheme is designed to protect the real needs and consumption of individuals and families in the long-term as well as short-run phenomena with the involvement of government, society and individuals altogether.

The Islamic social security system also consists of varying beneficiaries and responsible parties at various levels. Islam is abounded with various instruments of social security. Islamic social security system could be analysed from several viewpoints. This work shall analyse the nature and levels of social security in Islam.

The concept of *Al-Takāful Al-Ijtima’i*

Takaful Ijtima’i is the most common terms being used by the Islamic scholars to refer to the modern social security system. However, there are also other terms that may

be used for the same purpose such as *Daman Ijtima'ior Ta'minIjtima'i*. *Takaful* literally means mutual indemnity and *Ijtima'* refers literally to society and public. *Takaful Ijtima'* refers to the mutual assistance between members of society, be it a person, a society, an institution or a government. Thus, the term *Takaful Ijtima'* is general in nature. It refers to any kind of assistance without specifying a specific responsible party.

On the other hand, it is observed that the social security term in the modern conventional economy, usually refers to the assistance provided by the government. Thus, it could be defined as “any system of government that provides monetary assistance to people with an inadequate or no income” or “a government program that provides economic assistance to social security system that deals with the provision of fundamental needs of man, covering disability, sudden sickness, unemployment, disease, flood, fire, drowning, storm, traffic accidents and the financial losses caused due to these reasons. The sufferers of these events consequently face poverty and require financial assistance for themselves and their families.

Smith, J, (2021). Provides an in-depth analysis of the Social Security variations of Social Security systems across the different dimensions. Thus states, Social Security may vary from country to country, from time to time, and from economic system to economic system. In general, however, “when earnings have stopped because the worker has retired, or died, or is disabled, benefit payments are made from the Social Security Funds to replace the part of the earnings, the family has lost.” Sihombing, R. P. (P. 127, 2021). Explores the concept of the term “Basic Necessaries” which provides a comprehensive understanding in different ways. Generally, it is restricted to things which are required to maintain bare existence. Sometimes it covers the things to maintain a standard of living with dignity and honour. The concept of social security enshrined in the UDHR Article 22 speaks as:

Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

Historical Background

Adema, W. and Rojas, R. H. (2015) see social security as a recent phenomenon, though the concept has a long history particularly concerning the reliefs of the poor and needy. Until late 1960s one hardly ever heard of the rights of the poor or of those who are in need of relief or welfare. But since then “poverty has developed into a separate branch of constitutional, statutory, and administrative law. Today, all industrialized countries as well as many developing nations have a social security system”.

Social Security System in Islam

The social security in Islam is based on the principles of dignity of person, equality of man and the welfare of humanity. In connection with that, it is the legal and moral obligation of the individuals, society and the government to take care and fulfil the needs of the poor and needy sections of the society irrespective of their faith and relationship with honour. (M. Dedu. 2020.)

According to Y. Al-Qaradawi (1999. P. 21). In Islam, it is the responsibility of the state to provide basic necessities of life to its subjects irrespective of their creed, colour, and religion. According to Ahmed, S. (2021). Islam has paved a way to extend a helping hand to the old people, unemployment, sudden calamity, hereditary deformity as it also provides a complete umbrella and shelter to address all the misfortunes and eventualities. Islamic rights from its inception has extra ordinary conscious of fulfilling the basic necessities of life of the subjects.

In Islam poor relatives have the right to sue his wealthy relatives for the provisions of basic necessities of life, in case they are unable to meet them.

The Glorious Qur'an and Sunnah of the Messenger (S.A.W) are replete with the instructions given to the believers in this regard. The Glorious Qur'an speaks on the subject as:

Add the Arabic text

It is not righteousness that ye turn your faces Towards east or West; but it is righteousness- to believe in Allah and the Last Day, and the Angels, and the Book, and the Messengers; to spend of your substance, out of love for Him, for your kin, for orphans, for the needy, for the wayfarer, for those who ask, and for the ransom of slaves; to be steadfast in prayer, and practice regular charity; to fulfil the contracts which ye have made; and to be firm and patient, in pain (or suffering) and adversity, and throughout all periods of panic. Such are the people of truth, the Allah-fearing. Surah 2: 177

Islam is excessively mindful of financially depressed sections of the society and it regards the help to the poor and needy sections of the society as a true yard stick of a believer's piety and righteousness. The Glorious Qur'an states: Arabic text?

You shall never attain righteousness unless you spend from what you love. Whatsoever you spend, Allah is fully aware of it. Surah 3: 92

In the light of the teachings of Qur'an and Sunnah it's an obligation upon the *Ummah* to provide social security to their fellow brothers and sisters. *Suratul-Baqarah* Glorious Quran states as:

They ask you as to what they should spend. Say: Whatever good you spend should be for parents, kinsmen, orphans, the needy and

the wayfarer; and whatever good you do, Allah is all aware of it. Surah 2: 215

Domar, E. D. (1946). raises concerns on the inability of interest-based economic system to attain full employment and eradication of poverty has been pointed out in unmistakable terms by renowned economists like John Maynard Keynes, Samuelson and Domar. On the contrary, Islamic economists maintain that *Zakah* performs major functions of modern public finance that deals with social security entitlements, social assistance, grants for childcare, food subsidy, education, health care, housing, and public transportation in a welfare state. *Zakah* mitigates social inequalities incurred as result of exploitative economic behaviour of man. Al-Rashid, K. (2017, P. 98).

This study aims at analysing the common features and differences between the Zakat system and the social security system of the modern welfare state of today. To this end, it attempts to compare some of the theoretical and administrative aspects of both institutions. The principal objective is to highlight the primary principles underpinning each system, which formulate the objectives each system sets out to achieve.

The overall analysis suggests that one distinct feature of the Islamic approach to social security is putting more emphasis on the role of the whole society in easing social ills and providing social security than on the role of the State as is the case in the social security systems of today's modern welfare state.

There are many Quranic verses and Prophetic Traditions which encourage Muslims to do good deeds towards one's immediate, families and relatives. The main instrument at this level are *Nafaqah*, *'Aqiqah*, *Tanahud*, *Mirath Diyyah* and many more. This entails the concept of mutual protection and assistance are beyond individual but it encompasses a wider sense of responsibility toward the entire *Ummah*. In this regard, Islam insists on the mutual protection and assistance between the communities especially the neighbours, poor and needy people. Islam has provided several reasons for a person to provide foods to the poor and needy people. Social security system was practiced throughout the history of Islamic civilizations beginning from the Prophet Muhammad (SAW) till today. Al-Ghosh M. (2014).

Islamic Social Safety

K. Fayosal. (2011, P, 81) illustrates that, the vital idea of social security is for the fulfilment of the elementary wants of every inhabitant, incapable to get his wants. Realization of the elementary requirements of life, irrespective of class and belief, is important. It is vital to identify the viewpoint of social security in Islam. Many conventional programs have failed for the fact that, the concept of social Security in Islam does not exist in secular economic system. It is rather, a pleasant mixture of quantifiable and spiritual needs. Other perceptions of social systems are the product of human awareness, but then the Islamic social security system, is heavenly in attractiveness and built entirely on Qur'an and Sunnah. (A. M. Subhi, 2010).

The responsibilities ordered in the following verse have to be fulfilled by a Muslim as Qur'an spots huge importance to provide solid support for the deprived of the society. Thus, watchful is Qur'an of dejected classes of the society; it demands every earning participant of the civilization to be kind to servants of Allah. It can be understood by this verse of Qur'an:

Arabic text?

By no means shall ye attain righteousness unless ye give (freely) of that which ye love: and whatever ye give, Allah knoweth it well (Surah 3: 92)

Human Rights in Islam, (1980), upholds that, Social security, stands as the major task of an Islamic Government. It means, provision of food, shelter, and comfort to its peoples. Besides this, generally, all persons are responsible for the welfare of the other people of the society. Noble Prophet Muhammad (peace be on him) has sensibly elucidated this viewpoint by saying:

Everyone is a keeper unto every other and responsible for the welfare of all" **Reported by Bukhari and Muslim**

The following two verses of the Glorious Qur'an further elaborate the social security system of Islam. The wealthy people of an Islamic society cannot be neglectful of their destitute community. Qur'an says "capital is not to move only between the rich, 59:7; and in verse 4:29 "Wealth should be benefit able and must be increased, by trade and circulation.

Apparently, another notable point is the institution of poor due, which gears the social safety notion in Islam, by obligatory *Zakah*, maintained by *Infaq fi Sabilillah* and obligation charity (*Nafaqat al-Wajibah*) and the prevention of Usury (*Riba*). The perception of Islamic social security is grounded upon ethics, teaching of Unity of Allah, Prophethood of Muhammad, PBUH, and Hereafter. A, H. Habib and Yussuf, I. (2019). These precepts are wisely interwoven to inspire feeling of association along with devoutness for others, to seek the pleasure of Allah, in moral actions. This conduct promises the wellbeing of others, treats social evils and egoism. Similarly, the primary concern of divine law is to deliver social justice by giving others their due. Thus, no fellow of the society is left deprived. In an Islamic economic system, communal social security and welfare are prime financial responsibility of government. State is responsible to give comfort to citizen in anguish, and respond to demands rising in calamities. Al-Mawardi, A. (2015). Furthermore, Al-Mawardi (2015), added that, the state should depend on its own incomes to meet these responsibilities; i.e., institutions, proprietors, regime, should tolerate in fulfilling due rights. *Zakah* capital, of industrialists and businessmen should match other dealings of social refuge.

Social Security and Crime Prevention

As indicated in ADB report (2013), crime is often considered a major impediment to economic growth and development because it tends to increase economic uncertainty, discourage long-term investment and new employment opportunities and erode the rule of law. At the same time, lack of economic growth in connection with high economic and social inequality tends to increase levels of crime and violence.

Berman, E. (2015), Illustrates that Socioeconomic conditions and social inequality play an important role influencing whether or not certain individuals engage in criminal behaviour. The 13th UN Crime Congress drew attention to the need to protect children and youth from social marginalization and exclusion and to reduce their risk of becoming victims or offenders.

The UN General Assembly has adopted resolutions expressing its conviction about the importance of preventing the involvement of children and youth in criminal activities by supporting their development and strengthening their resilience to antisocial and delinquent behaviour. Berman, E. (2015)

Conclusion

Conventionally, Social Security refers to “an insurance system for human beings without any discrimination and in all situations of their lives, aimed at protecting the members of society against any contingencies during their life time (health, housing, retirement, maternity, employment injuries, invalidity, family charges, unemployment, vocational training, recreation and death.

Based on this, it is observed that social security system or *Nizam al-Takaful al-Ijtima'i* is indeed one of the vital components of an Islamic socio-economic system in protecting the well-being and survival of the *Ummah* in any society including our dear Country Nigeria. It is designed to protect the real needs and consumption of individuals and families in the long-term as well as short-run phenomena with the involvement of government, society and individuals altogether. The Islamic social security system also consists of varying beneficiaries and responsible parties at various levels. Islam is abounded with different instruments of social security such as *Zakah, Waqf, Sadaqah, Hibah, Kaffarah, Diya Fay, Mirath and Ghanimah*..

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