

**HARNESSING ISLAMIC PRINCIPLES FOR ECONOMIC RESILIENCE: FAITH-BASED EMPOWERMENT STRATEGIES FOR INTERNALLY DISPLACED PERSONS  
IN NORTHERN NIGERIA**

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**Abstract**

*The escalating humanitarian crisis in Northern Nigeria driven by conflict, insurgency, and environmental degradation has displaced millions. Internally Displaced Persons (IDPs) face extreme poverty, limited livelihoods, and dependency on aid. This paper examines how Islamic economic principles specifically Zakat (obligatory almsgiving), Waqf (endowment), Sadaqah (voluntary charity), and Islamic microfinance can serve as culturally appropriate and sustainable strategies for empowering Muslim IDPs. Using a qualitative methodology, the study draws on doctrinal analysis of Fiqh al-Mu'amalat, case studies from Borno and Kano, and content analysis of reports from Islamic NGOs and public institutions. Lessons from other Muslim-majority countries are also incorporated. Findings reveal that although Islamic social finance mechanisms align with community trust and values, they remain underutilized due to weak institutional frameworks, limited public awareness, and lack of policy support. Nonetheless, pilot initiatives especially in Zakat-based support and Islamic microfinance have shown success in improving livelihoods, particularly for displaced women and youth. The role of Imams and religious leaders in mobilizing these tools is critical but often overlooked. The study focuses on Northern Nigerian states such as Borno, Yobe, Zamfara, and Katsina, addressing IDPs in both camps and host communities. Thematically, it explores Islamic economic tools for long-term livelihood restoration rather than emergency relief. The paper recommends institutionalizing these faith-based mechanisms through policy reforms, capacity-building for religious actors, and inter-sectoral collaboration. It concludes that Islamic principles, if properly implemented, can restore dignity and foster economic resilience among IDPs.*

**Keywords:** Internally Displaced Persons (IDPs), Islamic Economic Principles, Faith-Based Strategies, Resilience

**Introduction**

For more than a decade, the Northern region of Nigeria has been at the heart of some of the most profound humanitarian challenges in Sub-Saharan Africa. Communities across this region have

endured the devastating impacts of armed insurgency, communal conflicts, environmental degradation, and the far-reaching consequences of climate change. These crises have forced millions of individuals to flee their homes, abandon their farmlands, and relinquish their livelihoods. According to recent estimates by the International Organization for Migration (2023), over 3.5 million people are currently living as Internally Displaced Persons (IDPs) in Northern Nigeria. For these individuals and families, displacement is not just a loss of shelter it is an ongoing struggle with economic insecurity, food shortages, and social marginalization.

Despite the earnest efforts of government agencies and humanitarian organizations, most interventions remain short-term in nature and often fail to address the deeper, long-term needs of displaced populations. Many of these programs do not fully consider the cultural and religious backgrounds that shape the daily realities of Muslim-majority communities in the region. As a result, there is a growing recognition that conventional aid models may fall short in fostering genuine self-reliance and sustainable economic integration for IDPs. In this context, the social and economic teachings of Islam offer a promising, yet largely untapped, resource for empowerment. Islamic economic philosophy is built on principles of wealth redistribution, social justice, and collective responsibility. Instruments such as *Zakat* (compulsory almsgiving), *Waqf* (charitable endowment), *Sadaqah* (voluntary charity), and Islamic microfinance have long served as practical tools for alleviating poverty and promoting social development in Muslim societies. If thoughtfully adapted and institutionalized within the Nigerian context, these mechanisms could significantly enhance the resilience and dignity of displaced populations.

This study explores the potential of faith-based economic strategies, rooted in Islamic teachings, as culturally relevant and sustainable models for empowering IDPs in Northern Nigeria. Employing qualitative methodologies including doctrinal analysis of Islamic jurisprudence, case studies of ongoing faith-based initiatives, and content analysis of reports from both Nigerian and international organizations the research also draws on comparative experiences from other Muslim-majority countries to identify best practices that could be replicated or adapted.

The focus of this study is on the Northern Nigerian states most affected by displacement Borno, Yobe, Zamfara, and Katsina. It examines the experiences of Muslim IDPs living in both formal camps and host communities, with a particular emphasis on long-term economic empowerment rather than immediate humanitarian relief. Findings from this research reveal both the opportunities and the obstacles inherent in leveraging Islamic economic tools for the benefit of displaced persons. Initiatives such as *Zakat* distribution and Islamic microfinance have demonstrated tangible benefits, especially for women and youth. However, persistent challenges including weak institutional frameworks, gaps in legal structures, and limited public awareness continue to hamper broader impact. The study ultimately advocates for a systematic integration of Islamic economic mechanisms into displacement response strategies, arguing that such an approach holds significant promise for fostering sustainable empowerment and restoring dignity to those most affected by crisis.

### **Contextualizing Displacement in Northern Nigeria**

Internal displacement in Northern Nigeria stands as one of the most profound humanitarian crises of our time, reshaping the fabric of communities and altering the destinies of millions. This crisis is not merely a matter of numbers it is a deeply human story marked by loss, resilience, and the search for dignity amidst adversity. The interplay of armed conflict, communal strife, and environmental pressures has triggered waves of population movement, leaving indelible socio-economic scars across the region. To craft meaningful and sustainable empowerment strategies, it

is vital to understand not only the origins and mechanisms of displacement but also its far-reaching impacts on individuals and communities.

### **Drivers of Displacement**

Some drivers of displacement include:

**Armed Conflict and Insurgency:** The specter of violence looms large over Northern Nigeria, with the Boko Haram insurgency ignited in Borno State in 2009 emerging as the most devastating force of displacement. The conflict has rippled across the Lake Chad basin, engulfing Adamawa, Yobe, and even parts of neighboring Niger. The consequences have been catastrophic: families torn apart, homes and infrastructure reduced to rubble, and entire communities uprooted in search of safety and hope (International Organization for Migration [IOM], 2023). The rise of splinter groups such as ISWAP, coupled with the surge in armed banditry across Zamfara, Katsina, and Sokoto States, has intensified insecurity, fueling a relentless cycle of internal migration.

**Communal and Ethno-Religious Clashes:** Beyond insurgency, Northern Nigeria is also scarred by recurring communal and ethno-religious conflicts. Farmer-herder clashes particularly acute in the Middle Belt and North-Western zones have displaced thousands, as competition over dwindling resources escalates into violence. These confrontations, often rooted in longstanding grievances and exacerbated by environmental stress, have forced entire villages to abandon their ancestral lands (National Commission for Refugees, Migrants and IDPs [NCFRMI], 2022).

**Environmental and Climate-Induced Displacement:** Nature, too, has played a formidable role in reshaping lives. The relentless advance of the Sahara Desert, cycles of drought, and devastating floods have rendered vast tracts of land uninhabitable and unproductive. States such as Yobe, Jigawa, Kebbi, and Sokoto have borne the brunt of these climate shocks, pushing families to migrate in search of more stable environments and livelihoods (UNHCR, 2023). For many, displacement is not only a response to violence but a last resort in the face of environmental collapse.

### **Socioeconomic Conditions of IDPs**

The lived realities of internally displaced persons (IDPs) are marked by profound vulnerability and uncertainty:

**Loss of Livelihoods and Economic Inactivity:** Before displacement, many IDPs were self-reliant, engaged in farming, trading, herding, or skilled crafts. Displacement has stripped them of access to land, markets, and the means to earn a living, often relegating them to a state of enforced idleness and dependency.

**Dependency on External Aid:** Life in IDP camps or informal settlements is frequently characterized by reliance on government relief and donor support. Yet, such aid is often sporadic and insufficient, failing to address the deeper, long-term needs of displaced families.

**Educational Disruption and Poor Health Access:** The upheaval of displacement has interrupted the education of countless children, jeopardizing their futures. Health services are typically scarce, with maternal and child health particularly neglected, leading to heightened risks of disease and malnutrition.

**Psychosocial and Social Integration Challenges:** The trauma of displacement extends beyond material deprivation. Many IDPs grapple with emotional distress, loss of identity, and a sense of exclusion. Strained relations with host communities can further deepen social isolation and hinder efforts at integration and recovery.

### **Roles in Faith-Based Systems**

Amidst these formidable challenges, faith emerges as a vital source of strength and cohesion for displaced communities. For many Muslim IDPs, religion is not only a spiritual anchor but also a

practical framework for navigating hardship. Mosques and Islamic clerics are often seen as pillars of trust more accessible and relatable than distant government agencies or international NGOs. Islamic organizations and networks frequently serve as first responders, mobilizing food distributions, shelter, and psychosocial support. Their deep roots in local communities foster a sense of belonging and solidarity, helping to restore hope and dignity. This high level of trust highlights the unique potential of Islamic economic principles such as *Zakat*, *Waqf*, and *Sadaqah* as culturally attuned mechanisms for economic empowerment and collective recovery.

The scale and complexity of displacement in Northern Nigeria call for more than conventional humanitarian responses. Given the strong cultural and religious identity of affected populations, integrating Islamic social finance tools grounded in justice, compassion, and redistribution offers a promising and contextually resonant pathway toward resilience and sustainable economic empowerment for IDPs. By drawing on the strengths of faith-based systems, interventions can become not only more effective but also more meaningful to those they are intended to serve.

### **Islamic Economic Principles and Social Justice**

Islamic economic principles are deeply rooted in the pursuit of equity, social responsibility, and ethical stewardship. In contrast to conventional economic models, which frequently prioritize profit maximization and individual gain, the Islamic economic framework places a premium on community welfare (*maslahah*), distributive justice (*adl*), and the responsible, ethical use of wealth. These values are particularly salient in the context of Northern Nigeria, where faith not only shapes individual behavior but also underpins collective resilience and solidarity especially among Internally Displaced Persons (IDPs) facing acute socio-economic vulnerabilities. The Islamic worldview regards wealth as a trust (*amanah*) from Allah (SWT), to be utilized and redistributed responsibly. Economic justice is achieved through a careful balance between personal ownership and communal obligation. Central tenets of this system include: **Prohibition of Riba (Interest)**: Islamic finance forbids exploitative gains through interest, instead promoting risk-sharing and fairness in all financial transactions, Allah (SWT) says:

الَّذِينَ يَأْكُلُونَ الرِّبَا لَا يَقُومُونَ إِلَّا كَمَا يَقُومُ الَّذِي يَتَّجَبَّطُهُ الشَّيْطَانُ مِنَ الْمَسِّ هَذِهِكَ بِأَكْثَمٍ  
 قَالُوا إِنَّا أَبْيَعُ مِثْلَ الرِّبَا وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَمَ الرِّبَا هَفَّمَ جَاءَهُ مَوْعِظَةٌ مِنْ رَبِّهِ فَانْتَهَى فَلَمْ  
 مَا سَلَفَ وَأَمْرُهُ إِلَى اللَّهِ وَمَنْ عَادَ فَأُولَئِكَ أَصْحَابُ النَّارِ هُنْ فِيهَا حَالِدُونَ ﴿٢٧٥﴾  
 يَمْحُقُ اللَّهُ الرِّبَا وَيُرِي الصَّدَقَاتِ هَوَاللَّهُ لَا يُحِبُّ كُلَّ كَفَّارٍ أَئِيمَ﴾ ٢٧٦﴾ إِنَّ الَّذِينَ آمَنُوا  
 وَعَمِلُوا الصَّالِحَاتِ وَأَقَامُوا الصَّلَاةَ وَآتَوْا الزَّكَاةَ هُنْ أَجْرُهُمْ عِنْدَ رَبِّهِمْ وَلَا حَوْفٌ عَلَيْهِمْ وَلَا هُنْ  
 يَكْرَنُونَ ﴿٢٧٧﴾ يَا أَيُّهَا الَّذِينَ آمَنُوا اتَّقُوا اللَّهَ وَدَرُوا مَا بَقِيَ مِنَ الرِّبَا إِنْ كُنْتُمْ مُؤْمِنِينَ  
 ﴿٢٧٨﴾ فَإِنْ لَمْ تَفْعَلُوا فَأَذْوَأُوا بَحْرَبٍ مِنَ اللَّهِ وَرَسُولِهِ وَإِنْ تُبْتُمْ فَلَكُمْ رُءُوسُ أَمْوَالِكُمْ لَا  
 تَظْلِمُونَ وَلَا تُظْلَمُونَ ﴿٢٧٩﴾

(275) *Those who eat Riba (usury) will not stand (on the Day of Resurrection) except like the standing of a person beaten by Shaitan (Satan) leading him to insanity. That is because they say: "Trading is only like Riba (usury)," whereas Allah has permitted trading and forbidden Riba (usury). So whosoever receives an admonition from his Lord and stops eating Riba (usury) shall not be punished for the past; his case is for*

*Allah (to judge); but whoever returns [to Riba (usury)], such are the dwellers of the Fire - they will abide therein. (276) Allah will destroy Riba (usury) and will give increase for Sadaqat (deeds of charity, alms, etc.) And Allah likes not the disbelievers, sinners. (277) Truly those who believe, and do deeds of righteousness, and perform As-Salat (Iqamat-as-Salat), and give Zakat they will have their reward with their Lord. On them shall be no fear, nor shall they grieve. (278) O you who believe! Be afraid of Allah and give up what remains (due to you) from Riba (usury) (from now onward), if you are (really) believers. (279) And if you do not do it, then take a notice of war from Allah and His Messenger but if you repent, you shall have your capital sums. Deal not unjustly (by asking more than your capital sums), and you shall not be dealt with unjustly (by receiving less than your capital sums) (Qur'an 2:275–279).*

**Islam promotes Charity and Mutual Assistance**, wealth is meant to circulate within society, benefiting all especially the most vulnerable, Allah (SWT) states:

مَا أَفَاءَ اللَّهُ عَلَىٰ رَسُولِهِ مِنْ أَهْلِ الْفُرْقَانِ فَلَلَّهُ وَلِرَسُولِهِ وَلِذِي الْقُرْبَىٰ وَالْبَيْتَانِيِّ وَالْمَسَاكِينِ وَإِنِّي  
السَّيِّلُ كَيْنَيْ لَا يَكُونُ دُولَةً بَيْنَ الْأَعْبَيَاءِ مِنْكُمْ وَمَا آتَيْكُمُ الرَّسُولُ فَخُذُوهُ وَمَا نَهَاكُمْ عَنْهُ  
فَانْتَهُوا وَلَا تَغُوَّلُوا إِنَّ اللَّهَ شَدِيدُ الْعِقَابِ ﴿٧٩﴾

What Allah gave as booty (Fai') to His Messenger (Muhammad ﷺ) from the people of the townships - it is for Allah, His Messenger ﷺ, the kindred (of Messenger Muhammad ﷺ), the orphans, Al-Masakin (the poor), and the wayfarer, in order that it may not become a fortune used by the rich among you. And whatsoever the Messenger (Muhammad ﷺ) gives you, take it; and whatsoever he forbids you, abstain (from it). And fear Allah; verily, Allah is Severe in punishment. (Qur'an 59:7).

**Islam also preserves Human Dignity**, Islamic Economic systems are required to uphold the dignity of every individual, with special concern for the poor and displaced, Allah (SWT) says:

وَلَقَدْ كَرَّمْنَا بَنِي آدَمَ وَحَمَلْنَاهُمْ فِي الْبَرِّ وَالْبَحْرِ وَرَزَقْنَاهُمْ مِنَ الطَّيِّبَاتِ وَفَضَّلْنَاهُمْ عَلَىٰ كَثِيرٍ مِنْ  
خَلْقِنَا تَفْضِيلًا ﴿٧٠﴾

And indeed We have honoured the Children of Adam, and We have carried them on land and sea, and have provided them with At-Tayyibat (lawful good things), and have preferred them above many of those whom We have created with a marked preferment. (Qur'an 17:70).

These principles underpin a suite of practical instruments designed to alleviate poverty and advance social justice within Muslim societies.

### **Zakat (Obligatory Almsgiving)**

The term *Zakat* refers to the act of placing a specific amount of wealth in the possession of someone who deserves such wealth given the fulfilment of certain conditions. What this means is that those who possess the minimum amount of wealth required in order for one to be obliged to pay *Zakat* must give a certain percentage of their wealth to the poor and other unfortunate people who are worthy of receiving it (Al-Jaziri, A (2009). *Zakat* constitutes a religious obligation, requiring eligible Muslims to donate 2.5% of their accumulated wealth annually to designated beneficiaries,

including the poor (*al-masakin*), the needy (*al-fuqara*), and travelers or displaced persons (*ibn al-sabil*) (Qur'an 9:60). In the context of IDPs, Zakat offers:

- A structured, sustainable mechanism for income support.
- Funding for micro-capital to launch small businesses, educational support for displaced children, or direct cash transfers to vulnerable households.
- Enhanced transparency and accountability when distributed through state Zakat boards or reputable Islamic NGOs.

Yet, despite its transformative potential, Zakat in Nigeria is largely informal and under-institutionalized, limiting its reach and systemic impact.

### ***Sadaqah (Voluntary Charity)***

In Islamic terminology, *sadaqah* has been defined as an act of "giving something... without seeking a substitute in return and with the intention of pleasing Allah." Meanwhile, according to Ar-Rageeb al-Asfahaani "*Sadaqa* is what the person gives from what he possesses, like Zakat, hoping to get closer to Allah." *Sadaqah*, the voluntary act of giving, complements Zakat and reflects the spirit of generosity that is central to Islamic ethics. Unlike Zakat, *Sadaqah* is not obligatory and can take many forms monetary donations, food, clothing, services, or even words of kindness (*Hadith – Sahih Muslim*). In displacement settings, *Sadaqah*:

- Can be mobilized swiftly during emergencies.
- Fosters communal solidarity and encourages local ownership of aid processes.
- Can be institutionalized through regular community campaigns and mosque-led initiatives, strengthening the social fabric.

### ***Waqf (Endowment)***

The word 'Waqf' (plural *awqaf*) is an Arabic verbal noun, derived from *wa-qa-fa*, which means to tie down, to stop or to prevent (Wakili, and Sabo, 2020). *Waqf* can be defined as an arrangement whereby a property which is privately owned by a Muslim is endowed for some charitable purposes. It is a particular type of philanthropic deed that has no defined time limit, and it can be applied to any non-perishable, intangible or tangible property through beneficiaries who are designated to benefit from the revenues or usufructs generated by the property (Abu Zayd, 1996). *Waqf* refers to a perpetual charitable endowment, where assets such as land, buildings, or funds are dedicated for public benefit. Historically, *Waqf* has been instrumental in establishing schools, hospitals, orphanages, and water systems in Muslim societies (Mohsin, 2013). For IDP empowerment, *Waqf* can be leveraged to:

- Establish vocational training centers on endowed property.
- Construct durable housing for displaced families.
- Generate revenue through investments, with proceeds funding welfare programs for IDPs.

However, in Nigeria, the lack of legal recognition and regulatory frameworks for *Waqf* remains a significant barrier to its widespread application.

### ***Islamic Microfinance***

Islamic microfinance offers *Shari'ah*-compliant financial services tailored to the needs of the poor and unbanked. It eschews interest-based lending in favor of ethical contracts such as:

- ***Murabaha***: Cost-plus financing for goods or services.
- ***Mudarabah***: Profit-sharing partnerships.
- ***Qard Hasan***: Benevolent, interest-free loans.

In IDP communities, Islamic microfinance:

- Enables displaced persons to restart businesses, invest in livestock, or learn skilled trades.
- Promotes self-reliance while upholding religious values.

- Has demonstrated success in pilot projects across Northern Nigeria, particularly in empowering women within displacement camps (Sulaiman & Kabiru, 2021).

### **Faith-Based Empowerment Strategies for Internally Displaced Persons (IDPs)**

While humanitarian relief provides essential immediate support to Internally Displaced Persons (IDPs), the challenge of their long-term economic reintegration demands sustainable strategies deeply rooted in local culture and values. In Northern Nigeria, where religion profoundly shapes social life, the integration of Islamic social finance mechanisms offers a uniquely powerful and culturally resonant approach to empowering displaced populations. This section explores practical faith-based strategies grounded in Islamic principles—specifically *Zakat*, *Waqf*, *Sadaqah*, and Islamic microfinance that hold promise for helping IDPs rebuild livelihoods and restore their dignity.

#### **Institutionalizing Zakat for IDP Economic Empowerment**

*Zakat*, as a compulsory form of almsgiving, has the potential to function as a community-based social security system when systematically collected and transparently administered. However, in Nigeria, *Zakat* practices remain largely informal and fragmented, limiting their impact. To harness *Zakat*'s full potential for IDPs, key strategies include:

- **Establishment of State-Level Zakat Boards:** These bodies should be endowed with legal authority to collect, manage, and distribute *Zakat* funds efficiently, prioritizing IDPs who fall within the *Qur'anic* categories of eligible recipients (Qur'an 9:60).
- **Community-Based Zakat Committees:** Operating within IDP-hosting areas, these committees can collaborate with mosques and Islamic organizations to identify beneficiaries, assess needs, and coordinate fair disbursement.
- **Linking Zakat to Income-Generating Projects:** Rather than one-off donations, *Zakat* funds can be invested in skill acquisition programs, seed capital for microenterprises, and provision of tools to artisans among displaced populations.

**Case Example:** In 2022, the Borno Zakat and *Waqf* Commission piloted a project providing seed capital to 200 displaced women engaged in poultry farming, resulting in a 67% income increase within six months (Borno ZWC, 2022). This illustrates the transformative potential of structured *Zakat* deployment.

#### **Revitalizing Waqf for Long-Term Sustainability**

Historically, *Waqf* perpetual charitable endowments have been a cornerstone of Islamic social infrastructure, funding schools, hospitals, and public utilities. Reviving and modernizing *Waqf* in Nigeria could provide asset-based, sustainable solutions to displacement challenges. Proposed applications include:

- **Endowment of Land for Agricultural Cooperatives:** Displaced farmers can cultivate *Waqf*-donated land collectively, sharing profits while enhancing food security.
- ***Waqf*-Funded Education and Health Centers:** Establishing schools and clinics for IDPs, managed by Islamic NGOs or local communities.
- **Income Generating Enterprises:** Developing rental properties or businesses under *Waqf* whose revenues support ongoing welfare programs for displaced populations.

**Challenges:** Weak legal recognition of *Waqf* and limited public trust in its management hinder its effectiveness. Addressing these requires legislative reform and promotion of transparent public-private partnerships for *Waqf* governance.

#### **Mobilizing Sadaqah as a Mechanism for Community Solidarity**

*Sadaqah*, voluntary charity, is a vital complement to *Zakat*, embodying the spirit of generosity central to Islamic ethics. Its flexibility and widespread practice make it an effective tool for

immediate relief and community-driven support. Faith-based strategies to mobilize *Sadaqah* include:

- Mosque-Based *Sadaqah* Drives: Utilizing Friday sermons to encourage targeted giving cash, food, shelter materials for IDPs.
- Digital Platforms: Leveraging mobile apps and social media to facilitate crowd funding campaigns, enhancing transparency and broadening reach.
- Encouraging Small, Regular Giving: Promoting habitual, modest donations within communities that collectively fund education, food distribution, and vocational tools for displaced families.

Religious leaders play a pivotal role in framing *Sadaqah* as a moral duty and ensuring its equitable distribution.

### **Expanding Access to Islamic Microfinance for Livelihood Restoration**

Islamic microfinance provides Shariah-compliant financial services that avoid exploitative interest, aligning with the ethical and religious values of conservative Muslim communities. It is particularly suited to IDPs seeking to rebuild livelihoods. Faith-based strategies include:

- Establishing Microfinance Cooperatives in IDP Camps: Offering *Murabaha* (cost-plus financing) and *Qard Hasan* (interest-free loans) to support small enterprises such as tailoring, trading, or livestock rearing.
- Training and Mentorship: Delivering financial literacy, business development support, and group saving schemes consistent with Islamic ethics.
- Partnerships with Islamic Financial Institutions: Collaborating with banks like Jaiz, Taj, or Al-Barakah Microfinance to design IDP-specific products and strengthen institutional linkages.

**Evidence:** A 2021 study in Bauchi State found that displaced women accessing Islamic microloans experienced a 40% income increase and enhanced household resilience within eight months (Sulaiman & Kabiru, 2021).

### **Case Studies and Best Practices**

To illustrate the practical application and tangible impact of Islamic faith-based empowerment strategies for Internally Displaced Persons (IDPs), this section presents selected case studies from Northern Nigeria and other Muslim-majority contexts. These examples underscore how Islamic economic principles *Zakat*, *Waqf*, *Sadaqah*, and Islamic microfinance have been effectively mobilized to enhance economic resilience and social well-being among displaced and vulnerable populations.

#### **Case Study 1: Zakat Empowerment Program – Borno State, Nigeria**

In 2022, the Borno State Zakat and *Waqf* Commission initiated a targeted Zakat Livelihood Program aimed at vulnerable widows and displaced persons in Maiduguri and Jere Local Government Areas. Through a structured beneficiary identification process, 200 displaced women received grants of ₦50,000 each to establish microenterprises in poultry farming, food vending, and soap-making.

#### **Outcomes:**

- Over 60% of participants reported sustainable monthly incomes within six months.
- Several beneficiaries reinvested profits and began employing fellow IDPs.
- Religious leaders played a pivotal role in beneficiary selection and ensuring transparency.

**Best Practice Insight:** This program demonstrates that community-managed Zakat initiatives, when transparent and well-targeted, can transcend one-time charity to become micro-investment models fostering economic independence.

### **Case Study 2: *Waqf*-Funded Skill Centre – Kaduna State, Nigeria**

An Islamic NGO, supported by private donors, established a *Waqf*-based vocational training center in Kaduna North in 2021. The endowment included a building and essential equipment dedicated exclusively to training displaced youth and women in tailoring, information technology, and shoemaking.

#### **Outcomes:**

- Over 180 IDPs completed vocational training within two years.
- Graduates received start-up kits funded through *Sadaqah* and local Zakat contributions.
- The center sustains itself by renting facilities for evening classes to other community members.

**Best Practice Insight:** *Waqf* projects that integrate skills training with income-generating activities provide sustainable empowerment and reduce reliance on external aid.

### **Case Study 3: Islamic Microfinance for IDPs – Bauchi State, Nigeria**

In 2020, a faith-based microfinance institution partnered with a mosque-based IDP support committee to pilot a Qard Hasan (interest-free loan) program targeting displaced small-scale traders. Each participant received a ₦30,000 loan repayable over six months without interest.

#### **Outcomes:**

- Repayment rates exceeded 85%, reflecting strong communal accountability.
- Many participants expanded or diversified their businesses.
- The success inspired replication of similar micro-lending schemes by other mosques.

**Best Practice Insight:** Shariah-compliant microfinance rooted in community trust, combined with mentorship, can effectively support IDP business reintegration.

### **Case Study 4: *Sadaqah* -Based Food Security Initiative – Zamfara State**

During Ramadan 2023, a coalition of Islamic organizations launched a *Sadaqah* food bank serving two IDP camps in Zamfara State. Weekly donations from local businesses and individuals provided staple foods such as rice, beans, and cooking oil.

#### **Outcomes:**

- Over 1,500 families received weekly food packages.
- Surplus Ramadan funds established a women-led cooking cooperative.
- The initiative fostered community ownership and strengthened bonds between host and displaced populations.

**Best Practice Insight:** Regularized voluntary giving through *Sadaqah* can evolve from emergency relief into structured empowerment when coordinated effectively.

### **International Model: *Waqf*-Based Microenterprise – Khartoum, Sudan**

Islamic Relief Worldwide (IRW) launched a *Waqf* enterprise project in Khartoum, allocating rental property profits to fund livelihood initiatives for refugees and IDPs. Beneficiaries received equipment for carpentry, tailoring, and farming.

#### **Transferable Lessons:**

- Long-term sustainability is achievable when *Waqf* functions as a self-replenishing fund.
- Transparent governance and community trust are critical.
- Partnerships with financial institutions enhance outreach and accountability.

### ***Atta'awanu Majalisin Juma'a*, Katsina State**

*Atta'awanu* Islamic Foundation Katsina was founded over twenty-seven years (27) ago in 1997 in Katsina State with the aim of promoting unity amongst Muslim *umma*, preaching against social ills and vices, propagating Islamic virtues and cultures in the society within Katsina state, Nigeria

as a whole and neighboring Niger republic (At-Ta'awun publication, n.d). Major activities of Atta'awanu Islamic Foundation include but not limited to:

- a. Preaching of correct Islamic ways of life to individuals and communities through preaching, guidance on various Islamic lessons in many places, public campaigns and awareness, this is to ensure and preserve good characters of Muslim *Umma* in their communities.
- b. Atta'awanu Islamic foundation engaged in Da'awa in nooks and crannies of the country for better Islamic social life.
- c. Atta'awanu also engage and encourage self and community supports for better life of orphans, IDP's, less privileged, new converts amongst others.

*Majalisin Juma'a* is an Islamic forum for learning every Friday at Bilal Bin Rabah mosque, New Layout Katsina. The idea was conceived during one of such lesson when issues of persistent security challenges in the country as a whole, the northern region and Katsina state in particular. It was discovered that. Thousands of families especially women and children are rendered homeless thereby roaming about streets with no definite or particular destination or place to sleep, thus a lot of unhealthy interactions with outside people leading to ill vices (At-Ta'awun publication, n.d).

There are many agitations and calls to the then government, communities and wealthy people to come to their rescue but all to no avail. It was during the Friday lesson in November 2022 (*Majalisin Juma'a*) the issue was raised by concern individual. The congregation propose to form a committee that will look in the occurrences and advice on the best possible ways to curtail the situation. Donation was solicited for the take up and the committee was mandate to report their findings and recommendations during the following *Majalisi* (i.e. Friday) (At-Ta'awun publication, n.d).

The committee report on the need to establish a standing committee that will set up agenda to assist not only the IDP's, but desperate orphans and less privilege citizens. The committee met and decide that *Majalisin Juma'a* foundation be formed under Atta'awanu Islamic Foundation Katsina to look at ways to assist in accommodating and addressing such distress needs. The *Majalisin juma'a* agrees to seek Muslim *Umma* to donate moderately towards the project. The aim is to build 400 houses, mosque, school (Islamic and conventional type) skills acquisition centre, offices, shopping centre, Date palm plantation and other economic trees farm, fish farm and other business investments to sustain the project and train the IDP's, Orphans and less privilege in the centre to achieve the desired *umma* in the society (At-Ta'awun publication, n.d).

The executives committee of *Majalisin Juma'a* has come up with strategic plans not only in building the centre but also have investments that will be used in day to day running of the centre. Some of these investments are with standard cooperative organization, economic trees, irrigation farming, fish farming, date palm plantation and products from *Majalisin Juma'a* skills acquisition centre amongst others, this is a part from donations from *Umma*, NGO's, Governments and wealthy individuals. This will help in maintaining the centre without going back to the *Umma* for financing (At-Ta'awun publication, n.d).

### **Outcomes:**

- More than forty (40) houses were constructed.
- More than three hundred IDPs and Orphans reside in their houses.
- Providing the IDPs and Orphans with three square meals daily.
- Empowerment programs such as fishery, tailoring etc. are being taught for self-reliance.

### ***Khairat Islamic Trust (KIT) Kano***

*Khairat Islamic Trust (KIT)*, as religious institution or foundation was established in 2015 and registered with Corporate Affairs Commission on 10<sup>th</sup> July, 2017 with registration number CAC/IT/N09893 (A publication of *Khairat Islamic Trust (Mujalla)*. 2021, vol. 1). The aim of establishing the institutions is to:

- 1- *Waqf* activities
- 2- Support services

### **Outcomes**

- Taking care of forty (40) orphan, males and females from Borno who are victims of Boko Haram insurgent that lost their parents.
- Construction of *Waqf* School in 'Yar Akwai (*Waqful Khairat* College
- Trained orphans of *Darul Abrar* on entrepreneurial activities (A publication of *Khairat Islamic Trust (Mujalla)*. 2021, vol. 1).
- Provided support to orphans in entrepreneurial skills.

### **Challenges in Implementation**

Despite the promising potential of Islamic economic principles to address the socio-economic vulnerabilities of Internally Displaced Persons (IDPs) in Northern Nigeria, their practical implementation encounters a complex array of structural, institutional, legal, and sociocultural challenges. These multifaceted obstacles significantly impede the effective mobilization, management, and scaling of faith-based empowerment strategies such as *Zakat*, *Waqf*, *Sadaqah*, and Islamic microfinance, limiting their capacity to deliver sustainable impact.

**Weak Institutional Frameworks:** Although some states have established *Zakat* and *Waqf* boards, these bodies frequently suffer from inadequate legal autonomy, insufficient funding, and a lack of technical expertise necessary for efficient collection and equitable distribution of resources. The predominance of informal and private *Zakat* payments further complicates efforts to channel funds systematically toward IDP programs. Moreover, Nigeria lacks a unified national policy or regulatory framework to guide the administration of Islamic social finance, resulting in fragmented and inconsistent practices that undermine effectiveness (Saad & Farouk, 2019; Raimi et al., 2024).

**Lack of Public Awareness and Education:** Widespread gaps in knowledge and understanding of Islamic social finance principles among both potential donors and beneficiaries present another significant challenge. Many Muslims conflate *Zakat* with *Sadaqah*, leading to confusion and suboptimal allocation of charitable giving. Additionally, Islamic clerics and community leaders who are pivotal in mobilizing faith-based resources frequently lack formal training in financial literacy, institutional governance, and project management, limiting their capacity to effectively champion and oversee these initiatives (Sulaiman et al., 2024; Al Jaffri & Farouk, 2019).

**Cultural and Gender Barriers:** Sociocultural dynamics within Northern Nigeria further complicate inclusive implementation. Patriarchal norms often restrict the economic participation of displaced women and limit their involvement in leadership roles within empowerment programs. Stigmatization of IDPs by host communities can engender social exclusion and tensions, particularly where perceptions of unequal aid distribution prevail. (Baital Zakat, 2023; NCFRMI, 2022).

**Limited Financial Infrastructure and Shariah-Compliant Products:** Access to Islamic microfinance remains constrained by the limited presence of financial institutions offering Shariah-compliant products tailored for poor and displaced populations. Existing Islamic banks predominantly serve urban, middle-class clientele, leaving IDPs who often lack formal identification, permanent addresses, or collateral effectively excluded from financial services. Furthermore, the development

and availability of key Islamic finance instruments such as *Qard Hasan* (benevolent loans), *Murabaha* (cost-plus financing), and *Mudarabah* (profit-sharing) within microfinance remain at an embryonic stage among providers targeting vulnerable groups (Emerald Insight, 2018; Sulaiman & Kabiru, 2021).

### Recommendations and the Way Forward

In addressing these challenges requires concerted efforts to strengthen institutional capacities, enhance public awareness and education, reform legal frameworks, and foster inclusive cultural practices. Doing so will be critical to unlocking the full potential of Islamic economic principles as culturally grounded and sustainable pathways for empowering IDPs in Northern Nigeria. Some of the recommendations include:

1. There is an urgent need for national and state-level laws that formally recognize, register, and regulate Islamic public finance assets. Such legislation should safeguard endowed properties, clarify trusteeship responsibilities, and establish transparent governance and reporting mechanisms to ensure accountability and public trust.
2. State Zakat boards require legal authority, adequate human resources, and sufficient funding to operate effectively. The creation of a national Zakat council could provide oversight, harmonize standards, and foster collaboration across states, enhancing the systematic collection and distribution of Zakat funds.
3. Islamic mechanisms such as Zakat, *Waqf*, and Islamic microfinance should be formally incorporated into national strategies for IDP protection, social welfare, and poverty alleviation, ensuring coherence and sustainability in programming.
4. Imams, scholars, and mosque committees should receive specialized training in managing Zakat funds, administering *Waqf* properties, and coordinating Islamic microfinance initiatives, aligned with Shari'ah principles and modern accountability standards.
5. Islamic financial institutions should develop flexible, collateral-free *Qard Hasan*, *Murabaha*, and *Mudarabah* schemes that accommodate the realities of IDPs, emphasizing group lending and risk-sharing to enhance accessibility.
6. Connect Islamic organizations with humanitarian agencies, civil society, and government bodies to collaboratively design, implement, and monitor faith-inspired IDP programs.

### Conclusion

The humanitarian crisis of internal displacement in Northern Nigeria presents a profound challenge that calls for solutions deeply attuned to the region's cultural, religious, and socio-economic realities. While emergency relief efforts by government agencies and international organizations have been vital in addressing immediate needs, the enduring challenge remains: how to foster sustainable economic empowerment and restore dignity to Internally Displaced Persons (IDPs). In this regard, Islamic economic principles offer a uniquely relevant and morally compelling framework that resonates with the lived experiences and values of affected communities. This paper has illustrated that Islamic instruments such as **Zakat** (obligatory almsgiving), **Waqf** (charitable endowment), **Sadaqah** (voluntary charity), and **Islamic microfinance** transcend their spiritual mandates to serve as effective socio-economic tools for poverty alleviation, social cohesion, and community development. When thoughtfully and strategically implemented, these mechanisms have the capacity to transform IDPs from passive recipients of aid into active economic agents, capable of rebuilding their livelihoods and contributing meaningfully to society.

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