

It was tropical cyclones, starvation and loans that shaped the lives of 450 families of fishermen of Mohora fishing village three years ago. When cyclones used to hit Mohora, a village on the coast of Chittagong, it would sweep away the fishing boats and equipment, the villagers' main source of livelihood, and the inhabitants would have to starve for days on end. Then under the guise of rescuing the starving villagers, the *mahajans* (usurers) and local NGOs used to appear on the scene with loans, charging very high interest rates. To survive, the poor villagers had no choice

2014 when prominent Bangladeshi conglomerate A K Khan Foundation decided to spend their zakat to bring about sustainable development in the poverty stricken fishing village. The Centre for Zakat Management (CZM), a non-profit organisation which has pioneered an institutionalised approach to zakat management in Bangladesh, came forward to implement this poverty alleviation project with the help of zakat funds of BDT 90 lakh. To disburse the zakat, CZM formed 15 groups, each comprising 30 members. Every group, headed by a woman, was

Prior to receiving the money, the members of these families were trained by CZM workers so that they could understand the programme's activities and be better equipped at handling the fund. Mia Muhammad Ayub, the General Manager of CZM, says, "We don't interfere with what these beneficiaries do with their zakat money. Zakat money is their right. What we do is provide them some skill development training. Furthermore we provide support to those families to manage the revolving funds to ensure continuity and sustainability of the programme."

Dr Rahman has also devised a three year exit plan for the CZM officials to ensure sustainability of the programme when CZM officials leave Mohora. "In these three years, villagers will be trained to solve different kinds of problems that they might face while managing the collective funds. And, gradually CZM's involvement with the villagers will be reduced to zero but in a way that will not affect the villagers," argues Dr Rahman. CZM runs many programmes like this all over the country. But the potential resource from zakat is so huge in Bangladesh that it is very difficult to

ENDEAVOUR

WHEN ZAKAT CAN BREAK THE CYCLE OF POVERTY

MD SHAHNAWAZ KHAN CHANDAN



PHOTOS: COURTESY

except to take loans. With their meagre income from fishing, a fisherman could not even pay the interest properly, let alone the borrowed amount. As a result, the 450 families of Mohora were living a life enslaved by their debt to the *mahajans* and NGOs. "We could not purchase any property; our children could not continue their education as we were forced to send them to work in the fishing boats of the *mahajan*. It was as if we were the subjects of the *mahajan*," says Abdus Salam, a fisherman of Mohora village. Such tragic stories of suppression can be found in most fishing villages located in the coastal areas of Bangladesh. But not in Mohora, no anymore. The institutionalised implementation of zakat has changed the lives of these poor fishermen. With the zakat funds, they have freed themselves from torturous loans; now they have their own funds with which they are running their own businesses and receiving education, healthcare and vocational training at their doorsteps. This story of financial empowerment started three years ago in

donated BDT 6 lakh from the zakat funds, which was to be maintained collectively. By utilising this collective fund, these poor villagers have been running their independent businesses without having to worry about repaying the loans with high interest. This concept of a collective revolving fund is very innovative and quite similar to social business. A group member, Abdus Salam, shares his experience: "From our fund of BDT 6 lakh, I have drawn BDT 40,000 for my business. I invested it in my businesses—to build fishing nets and produce bamboo furniture. I share 10 percent of my profit with our collective fund, which is actually ours. When all the 30 members of our group share their profit, the fund increases and we share it equally among ourselves. If anyone suffers loss in his/her business, he/she can take money from the fund as the fund has increased over the years." "Here we have our own capital and we manage it on our own. We don't need to borrow money anymore," states a confident Salam.

For the last three years, eminent economist and researcher Dr Hossain Zillur Rahman has been studying the socio-economic development that took place in Mohora village. Dr Rahman says, "While working on the project, I have discovered that zakat is an effective instrument for poverty alleviation. Income per capita of the inhabitants of Mohora village has increased up to 83 percent. Now these poor villagers know how to manage a collective fund and how to run their own businesses which has given them a sense of financial empowerment." According to Dr Rahman's findings, a family in Mohora who used to earn BDT 7,000 per month in 2014 now earn BDT 13,000 at least. Their household economy has improved a lot. "By utilising zakat, these villagers themselves have been successfully fighting poverty. The initial fund has also increased. Primarily BDT 9 million was provided to 450 families then after three years with the profit of the beneficiaries the total fund has increased up to BDT 1.38 crores," adds Dr Rahman.

manage it by only one single organisation. According to research done by Islamic Relief Worldwide in 2014, each year BDT 25,000 crore of zakat can be obtained from Bangladesh and, if distributed properly, each extremely poor family can get two million taka from this huge fund. So along with CZM, many more organisations especially the government should come forward to utilise zakat's huge potential. Eminent industrialist Salahuddin Kasem Khan, the trusty secretary of AK Khan Foundation, says, "CZM has been doing an exemplary job by introducing the true aspect of zakat. But this effort has to be decentralised. I have suggested disseminating the activities of CZM to the district, upazila and right to the ward level." For a country like Bangladesh zakat is an opportunity, a possibility to break free from the vicious cycle of poverty. Bangladesh will not remain a poor country anymore, if we give zakat in such a way as to ensure the livelihood of at least one person. *The writer can be contacted at shahnawaz.khan@thedailystar.net*

SPOTLIGHT

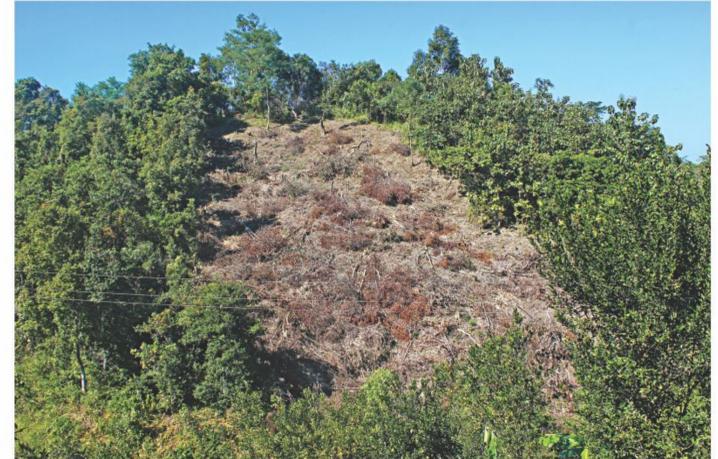


PHOTOS: RONGRUNG CHAKMA

ZYMA ISLAM

As the landslides wreaked havoc over Chittagong division in the last two weeks, there was one thing that everyone was at a consensus about – this was a man-made disaster. Years of news reports, legal notices, and research papers on hill-cutting and deforestation all point to one thing. The losses might not have been so catastrophic if only there was better governance. Take Cox's Bazar district. Mohammad Selim and his 3-year-old daughter Tishu Moni were killed in a landslide near Teknaf last week. This very district is currently pursuing approximately 150 lawsuits against hill-cutters. Sardar Shariful Islam, the assistant director of the Cox's Bazar Department of Environment (DoE), cites that number. "These cases were filed since 2012, and it's not just the labourers who are being sued. For every incident of illegal earthmoving that came to our notice, we try to include the owner of the land in the lawsuit," says Islam. "There were also cases of hill-cutting on government property, in which case we try to get the land-grabbers convicted."

"Try" is the operative word here. With the department being run only by three people—including Islam himself—the number of cases they have so far completed is a grand total of zero. "We have finished the investigation of only 25 cases I'd say. We are now waiting for hearing dates," Islam adds, resignedly. Following a 2012 writ petition by Bangladesh Environmental Lawyers' Association (BELA), the Supreme Court directed that steps be taken to ensure that mountain-moving does not happen without environmental clearance. The DoE assistant director Islam's experience shows that hill-cutters are routinely making a mockery of the directive with no repercussions. Added to that is the fact that up until a year or so back, no local inspector could sue hill-cutters without divisional clearance from the top bosses, according to Islam. "No independent lawyer or legal association can file a lawsuit under the environment law on behalf of victims," says Manzill Murshid, the president of Human Rights and Peace for



Bangladesh, an organisation that filed several cases against hill-cutting. "We can only file cases referring to section 102 of the Constitution." A case under section 102 simply calls on the court's power to intervene and order that a certain hill-cutting be stopped. "We cannot sue perpetrators to punish

them or stop them from repeating the act again," argues Murshid. The lawyer can only file petitions urging action to be taken. His frustrations cannot ring more true in a context where hundreds of cases filed