

THE ANALYSIS DISTRIBUTION OF FUNDS BY THE AGENCY BAITUL ZAKAT MAL AND FACTORS INPUT THE LEVEL PRODUCTION AND UNEMPLOYMENT IN THE DISTRICT NORTH ACEH

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ABSTARCT

The purpose of this research is to know about the impact of the flow of incoming capital in Indonesia's moneter condition. Using moneter theory and from the previous research, then the variable we observed in this research is the flow of incoming capital formed in production (PRD), unemployment (PGG), education of labor (PDDTK), amount of labor (JTK), zakat (ZKT). This research uses time series data analyzed by using vector autogression method (VAR). All the variable and contribute in long, middle, and short term.

Keywords: Production (PRD), unemployment(PGG), education of labor (PDDKT), amount of labor (JKT), zakat(ZKT)

INTRODUCTION

Indonesia is a big country that has a wealth of natural resources and human resources which is quite abundant. The availability of natural resources and human resources is of capital that can support the implementation of the development. But unfortunately with the availability of abundant natural resources are not put to their best, or redirect appropriately. Haven't used the abundant natural resources that may be caused by poor community's ability to develop and exploit the natural resources on the one hand and on the other side is the limited science and technology at their disposal.

As well as human resources, economic development, human resources workforce is in the process of production and development that has a very important role. In this case the role is determined by quantity and quality of available labor. Quality workforce with expertise and good skill is required in the development process to be able to increase the production of subsistence and national production.

However all these factors endowment has not been optimally, efficiently and effectively so that most of its people still live in poverty and backwardness compared to the level of life of the people in some other countries. Especially during this time, still weak level of economic growth and even briefly became negative in nine years ago as well as high rates of inflation impact still be felt to this day, namely the fragility of the various orders of life social, political and economic as well as increasing poverty and unemployment.

Related to the unemployment rate, that the higher amount the population hence excelsior also level of the workforce, but if employment or job availability is getting smaller it will cause unemployment.

According to economic theory, that the demand for labor is derived, meaning that the growth of employment opportunities depends on economic growth. The higher the economic growth is expected to further open employment. But then if the growth of employment opportunities

are not able to offset the increase in the number of people entering the workforce then comes the so-called unemployment.

LITERATURE REVIEW

The dictionary Mu'jam al Wasith Zakat etymologically has some sense among others, namely *Al Barakātu* (blessing), *Al Namā* (Growth and Development), *Al Ṭahāratu* (Purity) and *Al Ṣhulhu* (Truth). So worship it is called zakat because it can develop and purify as well as keep the treasure from harm while Zakat has been issued. While in terminology, zakat is removing some treasures that have certain eligible to receive it with certain conditions also.

The obligation of zakat to Muslims recently ordered expressly and clearly on the verses were revealed in Madinah in the second year of hijrah and later reinforced by the Sunnah of Prophet Muhammad, both regarding the nisab, amount, terms, types, kinds and shapes the concrete implementation. The main purpose of zakat is to prove and test one's faith on the one hand, and on the other hand, relieving her of wealth and enhance the sense of pity to the poor (Yasin Ibrahim. 2004 : 47).

For a muslim, Zakat is worship staple in the field of property and is one of the pillars of the Islamic tenets of five, and also became one of the building of the Islamic religion, as expressed in various Hadith of the Prophet, therefore its existence for Muslims is besides being a binding religious doctrine and even considered *Ma'lum minad-Diin bid-darūrah* or known automatically the presence of absolute and is part of one's Islamic (Ali Yafie. 1997:227).

The Qur'an also stated that without the zakat, a human being will not obtain mercy from Allah, not entitled to getting help from Allah, from his Messenger and from people of faith, and without the zakat, a man cannot obtain defense of Allah already promised. So that the Qur'an gives appreciation to men who are really seriously pay zakat. And on the contrary, the Qur'an provides the threat for people who deliberately left off. Thus the importance of zakat in Islam so the Caliph Abu Bakr is raring to fight people who pray but do not want to fulfil zakat.

As for the main characteristics of the zakat, among others, are the only people who are Muslim and independent diwajibkan zakat, as well as having wealth that reached niṣab, provided such wealth is entirely self-owned after deducting debt, excess of primary needs which are necessary, in the disposal during the year calendar qamariyah (past hawl) and are productive as well as owners of property obtain profit therefrom (Yasin Ibrahim. 2004:55).

While the wealth of the compulsory zakat (zakat object) include: cattle (cows, camels, Buffalo, sheep, horses), gold and silver, the wealth of Commerce (Commerce), agriculture, animal production and honey, goods mining and seafood, plant investment, investment building, quests and professions as well as stocks and bonds (Yusuf Qardawi 2007:122-497). As for the fare set 2.5 percent, also set the recipient zakat categories (asnaf) contained in the Qur'an Surat At-Taubat paragraph 60: Poor, Amil, Reverts, Ibnu sabil, the person who owes the people of liberty, slaves and Sabilillah.

For an object of Commerce, payment of zakat zakat by zakat of the object is muzakki, economically in no way give effect on ATC (*Average Total Cost*) which means also no influence on the resulting profit as well as no effect against MC (*Marginal Cost*), which means do not give effect on the supply curve (Karim Adiwarmar, 2002:108). So thus attempts to maximize profit means a surplus producer and simultaneously maximize means maximizing the zakat to pay, or with other languages that can be simplified with the

imposition of zakat of Commerce, attempts to maximize the profit maximizing behavior aligns with zakat.

Funds Are Zakat, Factor Inputs And Production Level

Regarding the distribution of income, in terms of Economics is distinguished into two: first, the distribution of income between factors of production that are customarily called a functional distribution of income and distribution of income between the second person or the distribution of the size of income. The distribution of income between the factors of production, in the economic analysis are always variables requiring those types of factors of production, absorption and utilization of methods or counting fee. But if his analysis on the income of a person or entity from the community the additional variable element then that should be included is income transfers, such as the allowances from the Government, tax breaks and so on.

While the distribution between people, which is often referred to as the distribution of wealth is one of the main concepts in statistics in analisisnya function to find out indicators of inequality or equitable distribution of income size sturdiness or wealth in a country. As for one of the difficulties in the analysis of the distribution of wealth in any society is a set of definitions of wealth itself, because economically the term wealth has many variations and meanings. There is a richness that can be reproduced or marketed traded and there is also a wealth that cannot be reproduced or marketed are traded like academic degree, experience, adventure and so on.

A striking income disparity between people who berhartu with the poor which now occur among Islamic society can be reduced and the rate can be compared with how to turn the optimally functioning zakat institutions to manage, disburse the funds accumulates zakat. Based on the study of the static simulation, carried out to know the comparative influence of zakat towards the gap between rich and poor residents. Monzer Kahf (1991) in his research found that during the ten year gap between the rich and the poor in some muslim countries have been drastically reduced from 9 points into 6.1 points, while Anas Zarqa (Monzer Kahf, 1991:106) have found that the amount of revenue from 10 per cent of the poor are living in some Islamic countries has increased by two-fold as the positive consequences of distributing zakat from the rich to the poor.

The zakat funds have been gathered up by an agency collecting zakat Islamic Treasury, Agency similar in distribution will result in optimum and in accordance with the purpose of disariatkan, that is right on target in channelling funds to zakat is a thing that's undoubtedly right. Further, according to scholars, the zakat can be distributed to a group of eight classes of recipients of Zakah, even Abu Hanifah allow distributed to one individual from one of the recipients of the zakat that is channeled to the people most in need (Ibnu Abidin. 1966.308).

Eight of the recipients of zakat mentioned in Qur'an Sura al-Tawba paragraph 60 is applicable to explain the categories entitled to receive zakat, does not mean everything should be involved receive zakat. In terms of konsepsional, zakat demanded take precedence where the more need, because the intention is to close the zakat needs. As well as al Qurtubi in the tafsirnya draw the conclusion that there is no certain way and still, even since the time of the Prophet Muhammad, al Khulafaa period nor attended the wisdom of system priorities (al Qurtubi. TT 108).

Described in the Hadiths Sahih from the companions of the Messenger of Allah, that sent him Muadz to Yemen, and ordered him to take tithes from the rich who are among them, then handed it over to the poor that existed between them and any companions orders Messenger

Muadz who then disburse funds collected tithes from Yemen to the citizens of Yemen (al-Bukhari, tt. 462).

Production Levels and Unemployment

Production is a process of changing the input into output making the value of the goods increases (Sudarsono. 1995:57). In economics, a production is distinguished into two kinds, namely production economically and technically. The production is economically as the activity to raise the added value in an item, whether through additions to forms, to time and to the place.

Whereas the production of technically means the relationship between factors of production with production results. So the notion of production includes the purpose of the activities of producing output as well as characters that are attached to it. Some economic experts give different understanding of Islam on the production even though its substance is the same, namely:

1. *Monzer Kahf*, that the production is a human effort to improve not only the physical condition of his material but also morality, as a means to achieve the objectives as outlined in the Islamic religion, namely, the happiness of the world and the hereafter.
2. *M.A Manan*, that the production activities Islamic is stressing the importance of altruistic motives (religious) so he carefully addressing the concept of Pareto Optimality and Hypothesis Given that much used as a basic concept in the production of conventional economics.
3. *Tim P3EI UII Yogyakarta*, that production is the process of searching for, allocating and processing resources into outputs in order to improve goodness for humans, so the means of production to cover all aspects of activities of interest to produce outputs and code attached to the process and the purpose.

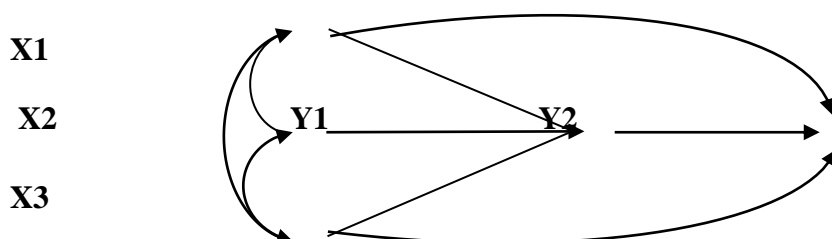
The Framework of Thought

The framework in this study to follow the linkage concept in the study. There are three important concepts in this study are: charity, production and unemployment. First, zakat is the Shari'a commands one of the main goals is to distribute the wealth of the people have for the underprivileged. Second, additional capital as a result of the distribution of zakat funds used by mustahik who have the skills or education sufficient for productive activities will automatically affect the increase in production is cultivated. This is in accordance with the formula that factors of production Capital (C) and Labor (L) greatly affects the production level. Third, the tendency of increasing production levels as a result of additional capital disbursement of zakat, pushing mustahik doing business expansion of productive activities that eventually will open up employment opportunities or to create new jobs that will be filled by people who are still unemployed.

The paradigm of this study can be explained as follows that the variable distribution of zakat (X1) and variable production inputs that are built based on the theory of functions of production consists of the workforce (X2) and human capital in the form of workforce education (X3) will be positively related directly or indirectly to the level of production (Y1), it can simply be formulated: $Y = f(X, X, X)$. Similarly, the variable distribution of zakat funds (X1) and the level of production (Y1) will be positively related directly or indirectly to the unemployment rate (Y2), it can simply be formulated:

$$Y_2 = f(Y_1, X_1).$$

Or possible relationship variables X1, X2 and X3 will also positively related directly to the variable Y2. More details framework in this study can be described as follows :



HYPOTHESIS

The hypothesis in this study are:

1. Distribution of Zakat funds by the National Baitul Mal and factor inputs (labor and education) are directly or indirectly associated positively with the level of production in North Aceh.
2. The level of production and distribution of zakat funds will be positively related to the level of unemployment in the district of North Aceh.

RESEARCH METHODS

This research is descriptive-correlation, a study that indicates that the purpose of this study was to describe the relationship that exists between a given variable and using known relationships between variables to predict one another (Jacobs.D. Ary & A . Razavieh. 1990: 45). This study was designed to see and know the relationship directly or indirectly between independent variables and the dependent variable through this paradigm jalur.Penelitian analysis using secondary data obtained from the coherent time that the annual report in the disbursement of zakat funds by the Agency for North Aceh district Baitul Mal from various sources income.

Model Analysis

According to Sims (Manurung, 2005) if the simultaneity between several variables correctly it can be said that the variables which can not be distinguished where the endogenous variables and exogenous variables. Testing simultaneous relationships between variables and the degree of integration in the long term macroeconomic stability variables using the VAR method. This test was conducted to determine whether there is a simultaneous relationship between variables as exogenous and endogenous variables by incorporating elements of time (lag). Testing VAR formula :

$$\begin{aligned}
 PRD_t &= PRD(PGG_{t-p}, PDDKTK_{t-p}, JTK_{t-p}, ZKT_{t-p}, e_{1,t}) \\
 PGG_t &= PGG(PR D_{t-p}, PDDKTK_{t-p}, JTK_{t-p}, ZKT_{t-p}, e_{1,t}) \\
 PDDKTK_t &= PDDKTK(PGG_{t-p}, PR D_{t-p}, JTK_{t-p}, ZKT_{t-p}, e_{1,t}) \\
 JTK_t &= JTK(PGG_{t-p}, PDDKTK_{t-p}, PR D_{t-p}, ZKT_{t-p}, e_{1,t}) \\
 ZKT_t &= ZKT(PGG_{t-p}, PDDKTK_{t-p}, JTK_{t-p}, PR D_{t-p}, e_{1,t})
 \end{aligned}$$

Where: PRD= Production (IDR), PGG = Unemployment (IDR)
 PDDTK = Education Labor (IDR), JTK = Total Workforce (People)
 ZKT= Zakat (IDR), e_{1,t} Shocks= random (random disturbance)
 t = time series, p= long lag

Variable Operational Definition

To facilitate understanding of the terms and variables used in this study should be given operational constraints as follows:

- a. Distribution of Zakat Fund is the amount of funds collected from muzakki and distributed by the National Baitul Mal to mustahik.
- b. Input factors are some of the factors that affect the production process are among others the amount of labor and workforce education levels.
- c. The education level of the workforce, is the level of formal education attained by workers who carry out economic activities. But in this study only a proxy for the level of education high school level.
- d. Number of labor, is a little or a lot of work into the labor force that is absorbed in the business field of economic activity, which is measured in the number of digits.
- e. Production levels, high and low is the result of the activities carried out labor in economic activity in the form of coffee that is calculated in tones.
- f. Unemployment, is a person who does not perform economic activities but are actively in search of work, which is calculated in the number of digits.

Unit Root Test Results

Stationarity test results variables in the study are shown in Table 1 below :

Table 1. Unit Root Test Results

Variable	Description
SBI	Stationary at first difference
KURS	Stationary at first difference
INF	Stationary at first difference
M1	Stationary at first difference
AMM1	Stationary at first difference
AMM2	Stationary at first difference
AMM3	Stationary at first difference

Source: Data processed by Eviews

Based on the test results roots units in Table 1, it is known that all the variables stationary at 1st stage Difference.

Co integration Test

Based on the results of such calculations are presented in Table 2, indicating that for each equation, there are three cointegration rank on the real level of five percent.

Table 2. Co integration test

Date: 01/26/10 Time: 14:24					
Sample: 1 32					
Included observations: 30					
Series:	PRD	PGG	PDDTK	JTK	ZKT
Lags interval:	1 to 1				
Data Trend:	None	None	Linear	Linear	Quadratic
Rank or	No	Intercept	Intercept	Intercept	Intercept
No. of CEs	No Trend	No Trend	No Trend	Trend	Trend
<i>Selected (5 persen level) Number of Cointegrating Relations by Model (columns)</i>					
Trace	3	3	3	3	3
Max-Eig	3	3	2	2	1

Source: Data processed by Eviews

Vector Model Estimation Results Auto Regression

Results of stability testing VAR system with lag of one indicates that all the roots of the unit has a modulus smaller than one as shown in Table 3. Therefore, VAR system with lag 1 is a VAR system that meets the conditions of stability. In addition, the VAR system stability test results can also be shown in Figure 1.

Table 3. Value Modulus Whole Root Unit

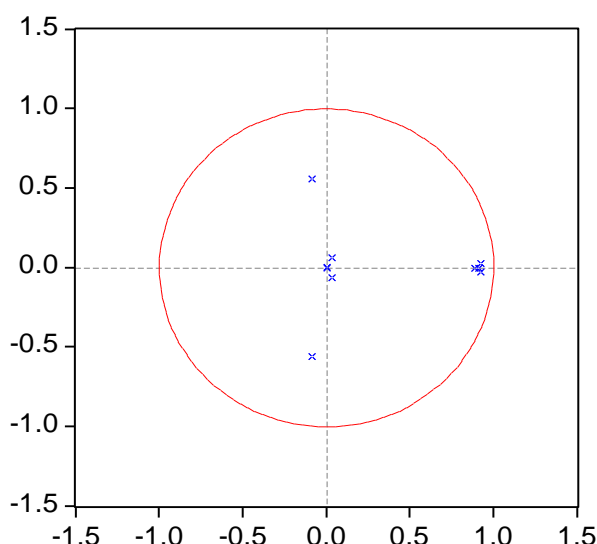
Root	Modulus
0.923120 + 0.025335i	0.923468
0.923120 - 0.025335i	0.923468
0.908777	0.908777
0.887307	0.887307
-0.089432 - 0.561609i	0.568686
-0.089432 + 0.561609i	0.568686
0.030804 + 0.063275i	0.070375
0.030804 - 0.063275i	0.070375
0.000159 + 0.004560i	0.004562
0.000159 - 0.004560i	0.004562

No root lies outside the unit circle.
 VAR satisfies the stability condition.

Source: Data processed by Eviews

Figure 1. Value Modulus Whole Root Unit

Inverse Roots of AR Characteristic Polynomial



Based on Figure 1 above note that the specifications of the model is formed by using the Roots of Characteristic Polynomial and Inverse Characteristic Roots of AR polynomial obtained stable results, it can be shown that all units are in the loop picture Roots Inverse Characteristic of AR polynomial. The estimation results of VAR with lag 1 shows the estimation results shown in Table 1. could be viewed that the relationship between AMMI

PRD PGG PDDTK JTK ZKT with a lag of one, it can be concluded that the observed t-statistic of each coefficient, reciprocity between endogenous and exogenous variables.

Table 4. VAR Estimation Results

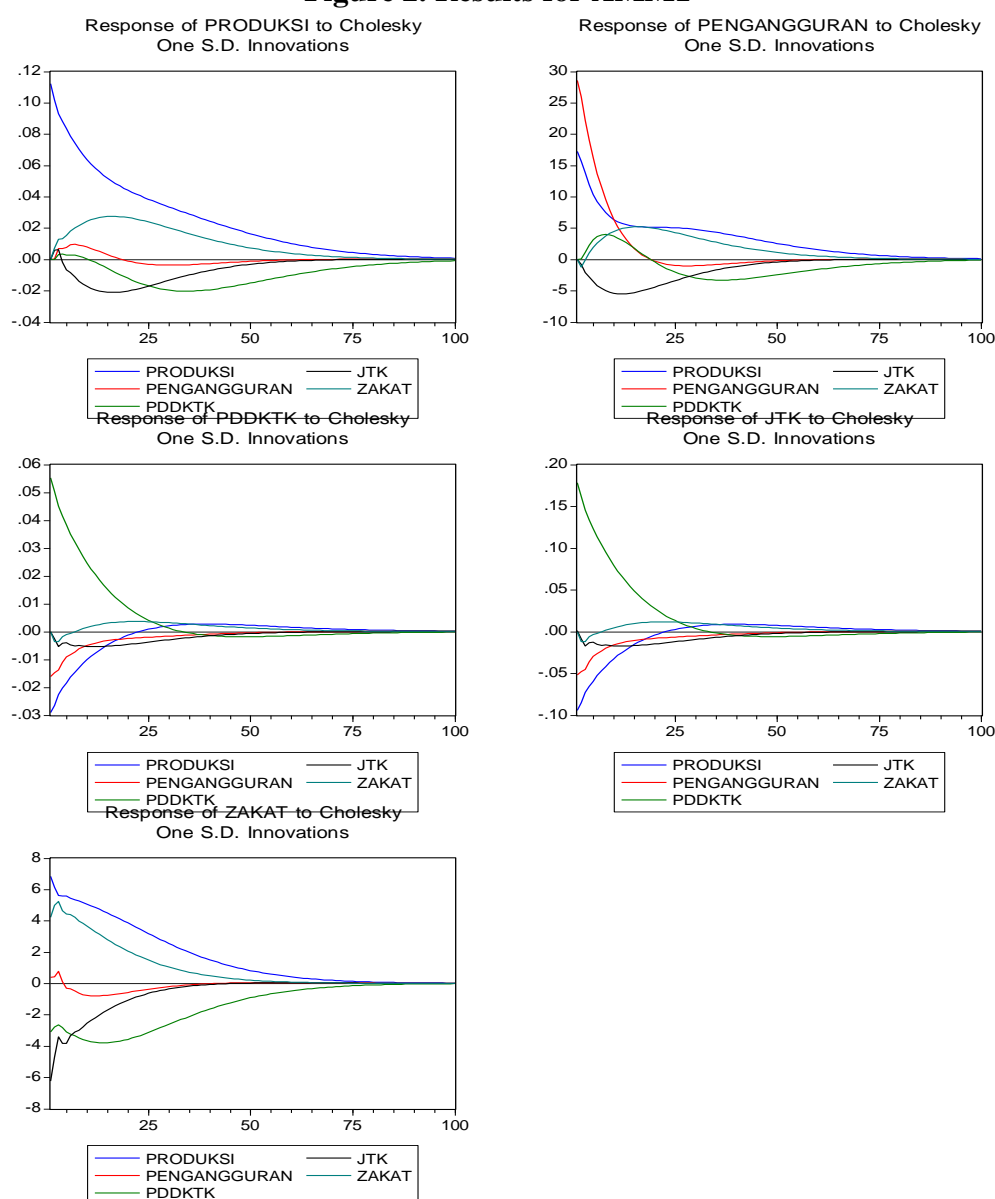
Vector Auto Regression Estimates					
Date: 04/15/14 Time: 10:51					
Sample(adjusted): 2013:03 2014:12					
Included observations: 58 after adjusting endpoints					
Standard errors in () & t-statistics in []					
	PRD	PGG	PDDTK	JTK	ZKT
PRODUKSI(-1)	0.801482 (0.27216) [2.94484]	16.86240 (80.9170) [0.20839]	0.052562 (0.15658) [0.33570]	0.175269 (0.50519) [0.34693]	-17.66796 (25.8134) [-0.68445]
PRODUKSI(-2)	-0.123977 (0.25275)	-0.766030 (75.1440)	0.032434 (0.14540)	0.106449 (0.46915)	-15.74720 (23.9717)
PENGANGGUR	8.85E-05 (0.00060) [0.14649]	0.897575 (0.17958) [4.99822]	-3.82E-05 (0.00035) [-0.10995]	-0.000137 (0.00112) [-0.12187]	0.014744 (0.05729) [0.25736]
PENGANGGUR	0.000533 (0.00076) [0.69975]	-0.069815 (0.22663) [-0.30806]	-0.000147 (0.00044) [-0.33556]	-0.000479 (0.00141) [-0.33843]	0.056083 (0.07230) [0.77574]
PDDTK(-1)	-75.33889 (124.232) [-0.60644]	11808.54 (36935.3) [0.31971]	37.83855 (71.4702) [0.52943]	122.8089 (230.601) [0.53256]	-12374.74 (11782.8) [-1.05024]
PDDTK(-2)	-53.59345 (91.0111) [-0.58887]	918.9140 (27058.4) [0.03396]	19.29511 (52.3583) [0.36852]	63.33713 (168.936) [0.37492]	-9747.345 (8631.93) [-1.12922]
JTK(-1)	23.37895 (38.5534) [0.60640]	-3664.546 (11462.3) [-0.31970]	-11.46014 (22.1796) [-0.51670]	-37.20119 (71.5633) [-0.51984]	3840.070 (3656.59) [1.05018]
JTK(-2)	16.64519 (28.2384) [0.58945]	-273.5293 (8395.51) [-0.03258]	-5.981321 (16.2454) [-0.36819]	-19.63443 (52.4163) [-0.37459]	3022.159 (2678.26) [1.12840]
ZAKAT(-1)	0.001720 (0.00376) [0.45735]	-0.291021 (1.11833) [-0.26023]	-0.000874 (0.00216) [-0.40375]	-0.002875 (0.00698) [-0.41172]	1.188963 (0.35676) [3.33266]
ZAKAT(-2)	0.000999 (0.00292) [0.34245]	0.327009 (0.86714) [0.37711]	0.000179 (0.00168) [0.10687]	0.000566 (0.00541) [0.10450]	0.087944 (0.27663) [0.31791]
C	-0.344311 (0.46999) [-0.73260]	-44.48623 (139.732) [-0.31837]	0.287358 (0.27038) [1.06279]	0.937340 (0.87240) [1.07444]	-30.79066 (44.5759) [-0.69075]
R-squared	0.951412	0.861098	0.871050	0.871073	0.965216
Adj. R-squared	0.941074	0.831544	0.843613	0.843642	0.957815
Sum sq. resids	0.591308	52267.23	0.195702	2.037359	5319.131
S.E. equation	0.112165	33.34770	0.064528	0.208202	10.63828
F-statistic	92.03120	29.13678	31.74814	31.75475	130.4194
Log likelihood	50.69156	-279.6052	82.75806	14.81643	-213.3385
Akaike AIC	-1.368674	10.02087	-2.474416	-0.131601	7.735810

Schwarz SC	-0.977901	10.41164	-2.083642	0.259172	8.126583
Mean dependent	1.753862	191.6162	2.229546	7.193483	133.3319
S.D. dependent	0.462066	81.24992	0.163173	0.526532	51.79561
Determinant Residual		2.79E-07			
Log Likelihood (d.f. adjusted)		26.12768			
Akaike Information Criteria		0.995597			
Schwarz Criteria		2.949466			

Source: Data processed by Eviews

From the estimation of the above along with the description turns out there is a reciprocal relationship between the variables. Thus the hypothesis of the reciprocal relationship between the PRD PGG PDDTK JTK ZKT as many variables as observed in this study proved and the maximum lag length of each variable can be viewed on Akaike AIC and Schwarz SC. Analysis Response Impulse Function (IRF) IRF Assessments.

Figure 2. Results for AMM1



From Figure 2 it can be seen that all the variables converge in the long run and reach a point of equilibrium.

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