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Zakat Distribution Program on Human Development in South Sumatra Province

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Abstract

The purpose of this study is to test and analyze the role of zakat distribution on human development in South Sumatra Province. The research was conducted at BAZNAS South Sumatra through survey and questionnaire to 200 mustahik households who received zakat assistance program. The analysis method uses Two Stage Least Squares (TSLS). There are two structural equations formed, namely human development structural equation and zakat distribution structural equation. The originality of this research is that it focuses on the aspects of zakat distribution and human development, including education, health, economy and adding the social aspects of humanity and piety. The result shows that first, zakat distribution, education, health, social humanity, economy, piety and pious South Sumatra significantly affect human development, and second, human development, smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra, and pious South Sumatra significantly affect zakat distribution.

Keywords: *Structural Equation, Zakat Distribution, Human Development, Zakat Institution*

INTRODUCTION

The United Nations Development Program (UNDP), in 1990 introduced the concept of the Human Development Index (HDI) as a measure of development. However, in 1994, Anand and Sen took issue with this measure of development which only looked at the economic side, such as GDP (Gross Domestic Product) and GDP per capita. Anand and Sen emphasized more on human capabilities (Anand & Sen, 1994). While other opinions from (Haq, 1995) and (Fukuda-Parr, 2003) explain that development measures cover broader aspects, namely economic, social, cultural and political.

HDI as a measure of human development achievements is based on a number of basic components of quality of life, linked to several basic dimensions, namely long and healthy life, knowledge and decent living standards. (Badan Pusat Statistik, 2022). These three measures serve as a guide to the welfare of society. For most Muslim countries, there is the institution of zakat, as part of the socio-economic framework that can play a role in improving the welfare of the community. (Nurzaman, 2010; Shirazi, 2006).

The HDI value of South Sumatra Province from 2019 to 2023 is in the high category, which is above 0.70, on the other hand, from 2015 to 2018 it is in the medium category, which is less than 0.70. (Badan Pusat Statistik Provinsi Sumatera Selatan, 2024). The HDI value that has increased can be seen from the measuring instruments used in the HDI assessment, including the Life Expectancy Rate, Expected Years of Schooling and Average Years of Schooling, each describing health and education indicators (Ichwan et al., 2021). Education and health are basic needs to improve human quality. If public health is good, they will be able to achieve higher education. Conversely, if public health is low, then achieving higher education will not be achieved. (Muhyiddin et al., 2021)..

It is important to analyze human development as an indicator of community welfare. A society that is not prosperous starts with a reduced income so that purchasing power also decreases, the ability to meet basic needs also decreases, cannot undergo good education, and access to proper health. Islam prohibits its adherents

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from leaving their descendants in a weakened state, either religiously, scientifically or economically (welfare) (Prasetyoningrum & Sukmawati, 2016). Islam has an instrument in improving welfare, namely *zakat*, with the main target being the poor and needy. The provision of *zakat* aims to fulfill the basic needs of the poor and needy.

Studies on the effect of *zakat* distribution on welfare have been conducted by (Beik, 2011; Mintarti et al., 2012), where *zakat* can improve welfare. Studies on the impact of *zakat* distribution on HDI show a positive and significant impact have been conducted by (Akmal et al., 2020; Murniati & Beik, 2014; Nurzaman, 2017). Studies on *zakat* distribution for education have been conducted by (Abdullah et al., 2015; Miah, 2017; Suhaib, 2009; Suprayitno et al., 2017). The study of *zakat* distribution for health has been conducted by (Kanbur, 2010) and for the economy was conducted by (Bakar & Ghani, 2011; Johari et al., 2013; Saidurrahman, 2015). According to (Sastraningsih et al., 2020), *zakat* distributed for education, health, and economy significantly affects people's welfare.

Efforts to improve the welfare of the community through the distribution of *zakat*, for most Muslim countries the need for institutions to manage the *zakat*. *Zakat* institution is an institution for collecting and distributing *zakat* funds. Funds collected by *zakat* institutions are obtained from *zakat* payers (*muzakki*), then the *zakat* funds will be distributed and utilized for *zakat* recipients (*mustahik*). The Amil Zakat Agency (BAZNAS) is the official and only agency established by the government based on Presidential Decree No. 8 of 2001 which has the task and function of collecting and distributing *zakat, infaq, and shadaqah* (ZIS) at the national level. BAZNAS also has representatives in every province, district / city in Indonesia, one of which is BAZNAS South Sumatra Province (South Sumatra).

The distribution of *zakat* by BAZNAS South Sumatera is organized based on 8 groups of *asnaf,* including the poor and needy*, amil*, *mualaf*, *riqob*, *gharimin*, *fi sabilillah* and *ibnu sabil*. The largest proportion of *zakat* distribution is for the poor, where the proportion exceeds 50 percent of the total zakat (Table 1). This shows that the poor *are* more focused on being alleviated, with the aim of improving their welfare.

Table 1. Distribution of Zakat BAZNAS South Sumatra Based on *Asnaf* (in Rupiah)

Asnaf	2019	2020	2021
Poor and Needy	2.877.911.736	2.325.723.263	2.073.396.689
Amil	500.063.030	736.397.217	929.895.045
Mualaf	24.200.000	12.000.000	12.000.000
Riqob	0	0	0
Gharimin	0	5.200.000	20.150.000
Fi Sabilillah	1.077.138.503	1.017.939.472	977.002.950
Ibnu Sabil	1.850.000	1.856.700	1.262.000
TOTAL	4.481.163.269	4.099.116.652	4.013.706.684

Source: (Badan Amil Zakat Nasional, 2019, 2020, 2021)

For the field of distribution, BAZNAS South Sumatra has five programs, including smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra and pious South Sumatra. Smart South Sumatra is the distribution of *zakat* in the field of education, Healthy South Sumatra is the distribution of *zakat* in the field of health, Caring South Sumatra is the distribution of *zakat* in the field of social humanity. Prosperous South Sumatra is the distribution of *zakat* in the field of economy. Pious South Sumatra is the distribution of *zakat* in the field of *da'wah*. The proportion of social humanitarian field is greater than other fields, which ranges from 28 to 48 percent (Table 2). The distribution of the social humanitarian field is an emergency, so it needs immediate action, such as disaster response or assistance for victims of natural disasters.

Table 2. Distribution of Zakat BAZNAS South Sumatra Based on Fields (in Rupiah)

Field	2019	2020	2021	2022
Education	571.811.150	851.866.243	913.396.919	1.124.668.669
Health	274.820.545	406.746.856	330.641.856	219.293.396
Social Humanity	2.150.965.482	1.568.936.336	1.470.281.214	1.306.561.220
Economy	18.967.000	6.319.000	0	79.549.460
Da'wah	964.536.062	528.851.000	369.491.650	878.325.421
Amil Operations	500,063,030	736.397.217	929.895.045	933.667.730
TOTAL	4,481,163,269	4.099.116.652	4.013.706.684	4.542.065.896

Source: (Badan Amil Zakat Nasional, 2019, 2020, 2021, 2022)

Studies conducted by (Nurzaman, 2017) looks at three aspects in the role of *zakat* towards human development, namely education, health and economy / income. He measured these three aspects by calculating the value of each index, namely the education index, health index and income index. The result is that education index and income index are significant while health index is not significant, meaning that health index cannot be used as an indicator to measure human development in health sector. The study of five dimensions in *zakat* distribution, including religion, economy, social humanity, health and education whether it affects HDI or not has been conducted, the results are social humanity and education significantly affect HDI and three other fields such as religion, economy and health do not significantly affect HDI (Rusanti et al., 2023). HDI is used as a measuring tool for human development achievements, including the health index, education index and income index, each of which is an indicator to measure human development in the fields of health, education and income. Meanwhile, human development in Islam adds social justice and human rights (Oladapo & Rahman, 2016).

Based on several previous studies that have been conducted related to zakat distribution and human development, it is done partially. This research will test and analyze the relationship between *zakat* distribution and human development as a whole in a simultaneous model by using determining variables based on each variable, where the determining variables of *zakat* distribution are smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra and pious South Sumatra. The determinant variables of human development are education, health, social humanity, economy and piety.

RESEARCH OBJECTIVES

1. Test and analyze the effect of *zakat* distribution, education, health, social humanity, economy, piety and pious South Sumatra on human development in South Sumatra Province.

2. Test and analyze the influence of human development, smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra and pious South Sumatra on zakat distribution in South Sumatra Province.

LITERATURE REVIEW

Human Development

Human Development is a process of increasing human choices. This theory was coined by the UNDP to improve the previous concept of Human Resources (HR) analysis based on GDP or average per capita income. Average income does not in detail describe the condition of HR in a region. This is because the gap between rich and poor people tends to be higher, so that people who are basically poor will be recorded as having higher welfare (United Nations Development Program, 1990). The measurement of Human Development uses a concept called HDI. There are three index values consisting of life expectancy index, education index and purchasing power index. (Anand & Sen, 1994).

Human Development in Islamic Perspective

Human development in the Islamic perspective is more comprehensive, not only covering aspects of economics and morality, but seen from two different aspects of human life, namely the worldly and the afterlife. This human development paradigm focuses on improving individual lives through the fulfillment of basic needs, namely protecting the intellect/intellect, protecting life / soul, protecting the family/offspring, protecting property and protecting religion. The five elements of human development from an Islamic perspective, namely health, education, income, social justice and human rights are contained in the following model, the *Islamic Human Development Model* (Figure 1):

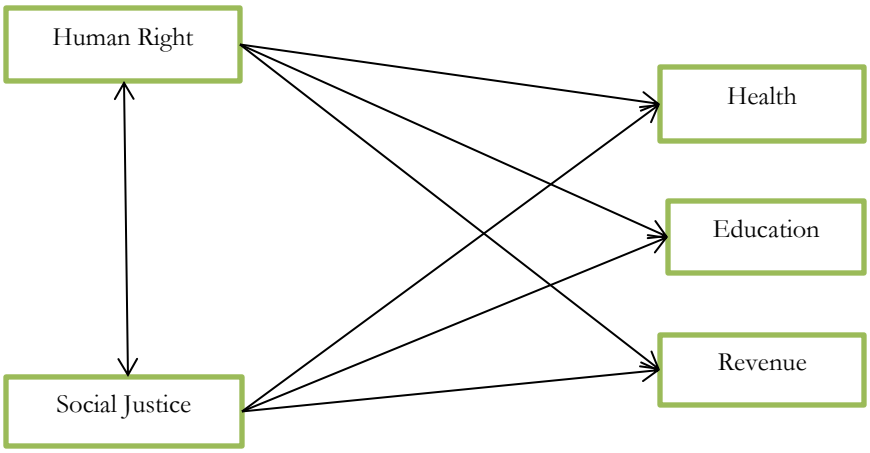

Figure 1. Human Development Model in Islamic Perspective

Source: (Oladapo & Rahman, 2016)

Three of the five elements contained in this human development model are related to the objectives of *Shariah*, namely health, education and income. These three elements are considered the rights of every individual without exception. Everyone participates in education and training, has access to health facilities and earns income in the form of employment. The other two elements, human rights and social justice, have a direct influence and play a significant role in realizing people's welfare through the provision of education, health and income. The elements of human rights and social justice are interrelated, as human rights will be realized through the implementation of social justice. Conversely, when there is social justice, human rights will be protected.

Concept of Zakat

Zakat is one of the pillars of Islam that must be implemented by Muslims. *Zakat* paid by *zakat* payers (*muzakki*) to *zakat* recipients (*mustahik*) is not only used for consumptive needs but also for the purpose of increasing business which in turn is expected to improve the welfare of the *mustahik*. In the next period, the success of *mustahik in* improving their welfare which is marked by increasing income will spur *mustahik to* become *muzakki* (Figure 2).

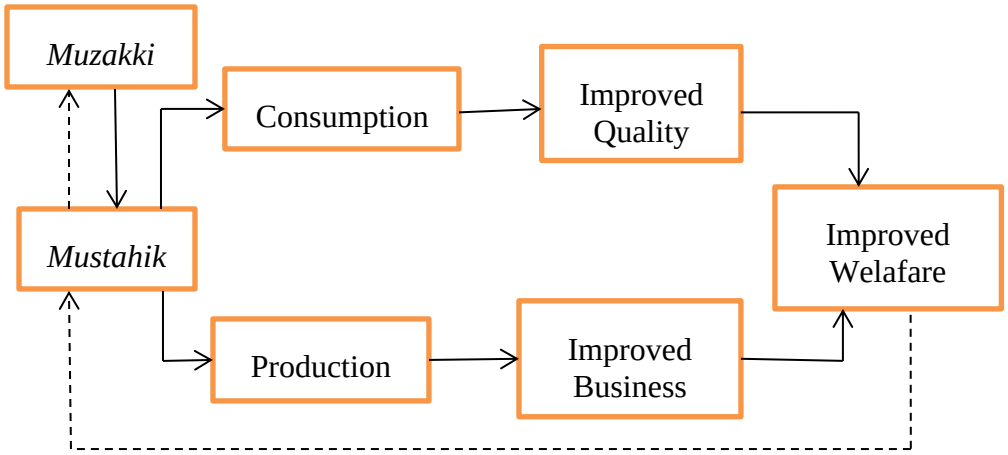

Figure 2. Flow of *zakat* from *Muzakki* to *Mustahik* and back to *Muzakki*

Source: (Muhyiddin et al., 2021)

The fundamental purpose of *zakat* is to solve social problems, such as poverty, through its allocative and stabilizing functions in the economy. The allocative function is to allocate the wealth owned by the wealthy to the poor. This fund allocation is not only consumptive but also productive, so that in the future the *mustahik are* expected to shift their role to become *muzakki.* Meanwhile, the stabilizing function distributes some of the wealth from the rich to the poor, so that social inequality can be reduced, and the welfare of the poor can be improved. *Zakat* is now increasingly playing a role as one of the instruments in human development. The concept of *zakat* according to (Beik, 2011) has three main dimensions, namely the spiritual dimension, social dimension, and economic dimension. *Zakat* is a means of worship and purification of one's soul. By giving zakat, individual productivity (*mustahik*) will increase, because *zakat* encourages a person to have a high work ethic. In the economic dimension, *zakat* has two main concepts, namely equitable economic growth and sharing mechanism in the economy. If examined more deeply, the three dimensions above have a positive relationship with human development parameters (Beik & Arsyianti, 2019).

RESEARCH METHODS

This research was conducted to test and analyze the role of *zakat* distribution on human development. This research was conducted at BAZNAS South Sumatra in 2023. This research was conducted with quantitative analysis method, which includes descriptive statistics and inferential statistics. The type of data in this study used primary data and secondary data. Primary data through a structured questionnaire, based on 5 likert scales, namely strongly disagree (1); disagree (2); neutral (3); agree (4); and strongly agree (5) (Pranatawijaya et al., 2019). The questionnaire will be tested for validity and reliability. Meanwhile, secondary data is obtained through a second party, in the form of data documentation issued by related institutions. (Muhyiddin et al., 2021). Sample selection will be carried out using the stratified random sampling method. The sample taken in this study amounted to 200 respondents, using the following calculation (Krejcie & Morgan, 1970).

The distribution of *zakat* in this study is the distribution of *zakat* by BAZNAS South Sumatra to *mustahik* based on five programs, namely smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra and pious South Sumatra.

Human development in this study is a measure of *mustahik* welfare level assessed from the benefits of zakat received based on five aspects, namely education, health, social humanity, economy, piety.

The data analysis method in this study uses a simultaneous model, which is a model consisting of more than one independent variable and more than one equation, where the independent variable in one equation can be an independent variable in another equation (Gujarati & Porter, 2012). The simultaneous equation method to be used in this study is the limited information method with TSLS. There are two forms of structural equations

in this study:

1. Structural Equation of Human Development

$$PMi= \alpha_{10}+\alpha_{11}DZi+\alpha_{12}PNi+\alpha_{13}KSi+\alpha_{14}SKi+\alpha_{15}EKi+ \alpha_{16}KTi+\alpha_{17}STi+\varepsilon_{1}i \quad \ldots\ldots (1)$$

2. Structural Equation of Zakat Distribution

$$DZi = \beta_{20}+\beta_{21}PMi+\beta_{22}SCi+\beta_{23}SSi+\beta_{24}SPi+\beta_{25}SMi+ \beta_{26}STi+\varepsilon_{2}i \quad \ldots\ldots (2)$$

Before entering the simultaneous analysis stage, the stage that must be done is to identify the simultaneous equation with the identification method, which is a method that can quickly determine whether a simultaneous equation can be estimated or not. (Falah et al., 2016). The identification rules of the simultaneous equation model are carried out in two ways, namely by order and rank conditions. (Misno, 2019).

Simultaneity test is conducted using Hausman test to determine whether there is simultaneous bias or not in the simultaneous equation system. While the exogeneity test is used to ascertain whether the endogenous variables used in the simultaneous equation model can (or not) be treated as endogenous variables or as exogenous variables.

After obtaining the results of the simultaneous equation test through the simultaneity test and the exogeneity test, the exogenous variables are then tested. Testing is done to see if there is a significant effect on the endogenous variables, through the model fit test, overall significance test and parameter significance test. (Basuki & Yuliadi, 2015).

RESULTS AND DISCUSSION

Respondent Characteristics

Table 3. Respondent Characteristics

Demographics	Category	Number of Respondents	(%)
Gender	Male	163	81,5
	Female	37	18,5
Education	Not in School	3	1,5
	Elementary school	51	25,5
	Junior high school	35	17,5
	Senior high school	87	43,5
	Diploma/University	24	12
Age	15-45	73	36,5
	46-64	114	57
	>64	13	6,5
Number of Dependents (Family Member)	No dependents 1-3 people	4	2
		88	44
	4-6 people	100	50
	7-9 people	7	3,5
	10> people	1	5
Marriage Status	Marry	163	81,5
	Not Married	37	18,5

Source: data processed, 2023

Table 3 illustrates that the majority of *mustahik* receiving zakat funds are men with 81.5%, while women amount to 18.5%. This shows that the head of the family is dominated by men, except when the husband has died, the head of the family shifts to women, besides the cause is also due to divorce. The education level of the *mustahik* receiving zakat funds, the highest data is senior high school which is 43.5%. There are also *mustahik* who did not go to school, which amounted to 1.5%. Based on the division of age groups, the 46- 64 years age group dominates the *zakat* recipients, with a total of 57%. This shows that the *mustahik* recipients of *zakat* have a productive age, which has more experience and knowledge than the age below or above. *Mustahik* recipients

of *zakat* funds are households with the most family members ranging from 4-6 people, totaling 50% and the next family members are 1-3 people, totaling 44%. For family members of more than 10 people, there are 5%. And those who do not have dependents are about 2%. *Mustahik* who are married are 81.5% while those who are not married, due to death, divorce, widow / widower or single amount to 18.5%.

Description of Questionnaire Results

Descriptive analysis is carried out to see the distribution of data that has been done through distributing questionnaires to respondents. The form of questions asked is in the form of closed questions with answer categories using five likert scales, namely strongly disagree (1), disagree (2), neutral (3), agree (4) and strongly agree (5).

Table 4 below presents the results of the average value of each question in the questionnaire. The questions asked are related to the zakat distribution program from BAZNAS South Sumatra which is followed by *mustahik*. includes five programs, including smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra and pious South Sumatra.

Table 4. Average Value of Zakat Benefits Based on Field

Zakat Distribution Program	Average Value
Smart South Sumatra	3,11
Healthy South Sumatra	3,15
Caring South Sumatra	3,24
Prosperous South Sumatra	2,97
Pious South Sumatra	3,19

Source: data processed, 2023

When compared between the average value for each *mustahik's* attitude towards the zakat distribution program that they participate in, the highest average value is 3.24, which is the average value of *mustahik*'s attitude towards the zakat distribution program in the social humanitarian field.

Table 4 below presents the results of the average value of each question in the questionnaire The question asked is the benefits obtained by *mustahik* after receiving zakat from BAZNAS South Sumatra based on the field.

Table 5. Average Value of Zakat Benefits by Field

Field	Average Value
Education	3,90
Health	3,94
Social Humanity	4,11
Economy	3,46
Piety	3,71

Source: data processed, 2023

When compared between the average value for each field of zakat benefits obtained by *mustahik* households, the highest average value is 4.11, which is the average value of zakat benefits in the social humanitarian field. This means that *mustahik households* get more benefits in the social humanitarian field compared to other fields. This is in line with the term *gift economy* coined by (Bell, 1991), states that the essence of economic activity is not through market mechanisms, but through individual relationships manifested in attention, acceptance, appreciation, friendship, kinship and hospitality. Actually, what Bell said is almost in line with the concept of zakat in Islam, which contains the meaning of helping in goodness and piety, so that the relationship between individuals also contains elements of worship. This means that the relationship established between *muzakki*

and *mustahik* through distributed zakat can encourage human development from the aspects of social humanity and piety.

According to (Suprayitno et al., 2017), *zakat* encourages social behavior and avoids accumulating personal wealth. This opinion is in line with what is stated by (Beik & Arsyianti, 2019), that the relationship between individuals is carried out by developing an attitude of mutual help, mutual assistance, mutual friendship, mutual complementarity and synergy. The factors put forward by Beik and Arsyanti are a source of welfare for individuals and the wider community (Ariyani, 2016).

On the other hand, the lowest mean value is 3.45, which is the mean value of the benefits of *zakat* in the economic field. This means that it is necessary for BAZNAS to further optimize the distribution of *zakat* in this economic field, with the hope that in the future the *mustahik* can shift their role to become *muzakki*. This is in accordance with the function of *zakat*, namely the allocative function and stabilizer in the economy.

Structural Equation Model

The simultaneous model is a model that explains endogenous variables together. The simultaneous model has one variable that has two roles at once. In the simultaneous model, an endogenous variable will become an exogenous variable in another equation so that the possibility of correlating with errors is quite large (endogeneity occurs). Therefore, a method is needed to overcome the endogeneity problem. The use of TSLS method is the right method, because this estimation method can be used in identified and unidentified conditions.

Identification of the simultaneous equation model begins with identifying the order and rank conditions. According to the order condition, the structural equation of the simultaneous equation model is said to be identified if the number of exogenous variables that are not included in the equation must be at least as many as the number of endogenous variables contained in the model minus one. Furthermore, the identification of *rank* conditions is carried out. According to the rank condition, the simultaneous equation model is said to be identified if a non-zero determinant can be formed from the variable coefficients that are not contained in the equation, but are contained in other equations in the simultaneous equation model. The result of problem identification by using the test of order condition and rank condition, it is concluded that the structural equation model of human development and *zakat* distribution is too identified, meaning that the two structural equation models can proceed to the parameter estimation stage using TSLS approach.

Simultaneity problems arise when the endogenous independent variables in the structural equation are correlated with the disturbance variables (residuals). Simultaneity problem can be well solved by TSLS. Simultaneity problem detection uses Hausman error specification test. In the structural equation with no simultaneity problem, zakat distribution and human development are mutually independent.

Test the exogeneity of endogenous variables in structural equation by using F statistical test from Hausman. If the probability of $F < 0.05$ or significant at $\alpha = 0.05$ level, then H0 is rejected, meaning that zakat distribution, human development and poverty are endogenous. Conversely, if the F test result, the probability is > 0.05, then H_0 is accepted, meaning that the distribution of zakat and human development is not endogenous (exogenous).

There are two endogenous variables in this study, namely zakat distribution and human development. While there are 10 exogenous variables, namely smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra, pious South Sumatra, education, health, social humanity, economy and piety.

The analysis used in this study is simultaneous equation analysis, using two structural equations, namely: First, to see the effect of *zakat* distribution and the determinant variables of human development on human development. Second, to see the effect of human development and the determinant variables of *zakat* distribution on *zakat* distribution.

The structural equation model of human development expressed in equation (1) has been estimated and can be rewritten in the form of the following equation:

PMi = 74.73410 + 5.539526DZi + 0.867554PNi + 0.238489KSi +

se (17.87266)* (2.381640)* (0.402850)* (0.491110)

0.528723SKi + 0.246228EKi + 0.088922KTi + 1.937127STi + e1i . . . . . (4)

(0,476576) (0,331584) (0,661663) (1,143159)**

R^2 = 0.113668 Adjusted R^2 = 0.081354

Significance of t test (*at α=5%; **at α=10%)

Based on the coefficient of determination (R^2) of 0.113668, which means that all variations of exogenous independent variables (including endogenous) in the structural model of human development are able to explain variations in human development by 11.37 percent. Some independent variables, such as zakat distribution, education and sumsel taqwa have significant influence on human development. It is proven from the probability of t test which is significant at α=5 percent and 10 percent level. The constant of 74.73410 means that if all independent variables are zero or none, then human development is 74.73.

The result of simultaneous system estimation shows that all independent variables have real effect at α=5 percent level, meaning that the variables of zakat distribution, education, health, social humanity, economy, piety and pious South Sumatra affect human development.

Based on the analysis of the influence of *zakat* distribution, education, health, economy, piety and pious South Sumatra on human development, it has been explained that only the variables of *zakat* distribution, education and pious South Sumatra have an influence on human development. *Zakat* distribution for consumptive and productive purposes, categorized in five sectors, namely education, health, humanity, economy and religion. The study conducted with OLS, only the distribution of zakat for social humanity and education sectors has an impact on HDI, while the distribution for religion, health, and economic sectors has no impact. (Rusanti et al., 2023). The result of this study is different from Rusanti's study.

The structural equation model of *zakat* distribution stated in equation (2) has been estimated and can be rewritten in the form of the following equation:

DZi = 6.263074 + 0.017845PMi + 0.227400SCi + 0.202767SSi +

se (0.411789)* (0.006048)* (0.019370)* (0.030657)*

0.107180SPi + 0.017014SMi + 0.061638STi + e2i ……..(5)

(0,021861)* (0,015848) (0,025632)*

R^2 = 0.595337 Adjusted R^2 = 0.582757

Significance of t test (*at α=5%)

Based on the coefficient of determination (R^2) of 0.595337, which means that all variations of exogenous independent variables (including endogenous) in the structural model of *zakat* distribution are able to explain the variation of *zakat* distribution by 59.53 percent. All independent variables have significant influence on *zakat* distribution, except for the prosperous South Sumatra variable. It is proven from the probability of t test which is significant at α=5 percent level. The constant value of 6.263074 means that if all independent variables are zero or none, then zakat distribution is worth 6.26.

The result of simultaneous system estimation shows that all independent variables have real effect at α=5 percent level, meaning that each variable of human development, smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra, and pious South Sumatra affect *zakat* distribution.

The determinants of *zakat* distribution, namely human development, smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra, and pious South Sumatra have been tested for

statistical significance. Smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra, and pious South Sumatra are five *zakat* distribution programs conducted by BAZNAS South Sumatra, associated with *maqashid al-syariah*. The greater the fulfillment of the five elements of *maqashid al-syariah,* the greater the efficiency of *zakat* distribution. *Zakat* institutions need to formulate strategies related to these five elements to ensure competent distribution of *zakat* to *zakat* recipients (*mustahik*) (Zakaria et al., 2019). Meanwhile, according to (Zaman, 2018), focuses more on aspects, namely spiritual and social in the distribution of *zakat*. The concept of *zakat* contains the meaning of helping in goodness and piety, so that the relationship between individuals also contains elements of worship. Relationships that are established between individuals are carried out by developing an attitude of mutual help, mutual assistance, mutual friendship, complementarity and synergy. (Beik & Arsyianti, 2019).

There are differences in zakat distribution programs, depending on the amount of *zakat* collected. The negative relationship means that if one of the *zakat* distribution programs increases, it will reduce other *zakat* distribution programs, due to the low amount of *zakat* collected. Meanwhile, the positive relationship shows that an increase in one *zakat* distribution program can also increase the distribution of *zakat* in other programs, because of the large amount of *zakat* funds collected. (Sastraningsih et al., 2020).

CONCLUSIONS

This study was conducted to see the role of *zakat* distribution on human development of *mustahik* households after receiving *zakat* assistance from BAZNAS South Sumatera in 2023. Analysis of relevant data provides evidence that *zakat* distribution has contributed positively to human development. Human development is significantly proven to be influenced by *zakat* distribution, education, health, social humanity, economy, piety and pious South Sumatra. While *zakat* distribution is significantly proven to be influenced by human development, smart South Sumatra, healthy South Sumatra, caring South Sumatra, prosperous South Sumatra, and pious South Sumatra.

The positive role of *zakat* distribution in improving human development is seen from five areas, improving basic education skills such as reading and arithmetic (education), concern for maintaining cleanliness (health), prohibition of alcohol/drug use, gambling and anti-social behavior (social humanity), having income/income (economy) and the ability to pray and fast regularly (piety).

It needs optimal efforts from BAZNAS South Sumatra in distributing zakat, with the hope that in the future the *mustahik* can shift their role to become *muzakki.*

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