African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

Mobilizing Zakat for sustainable old-age poverty: Potential evidence from Morocco.

Auteur 1 : Hamida LAHJOUJI.

Hamida LAHJOUJI, (ORCID 0000-0002-4456-6765, PhD in Economic Sciences)
1Pluridisciplinary Research and Innovation Laboratory (LPRI), Moroccan School of Engineering Sciences (EMSI), Casablanca, Morocco

Déclaration de divulgation : **L'auteur n'a pas connaissance de quelconque financement qui pourrait affecter l'objectivité de cette étude.**

Conflit d'intérêts : **Les auteurs ne signalent aucun conflit d'intérêts.**

Pour citer cet article : **Hamida LAHJOUJI (2026) « Mobilizing Zakat for sustainable old-age poverty: Potential evidence from Morocco », African Scientific Journal « Volume 03, Num 38 » pp: 001 – 018.**

DOI : 10.5281/zenodo.23922631.
Copyright © 2026 – ASJ

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

Abstract

This paper provides an exploratory assessment of the potential role of Zakat as a charitable and redistributive mechanism in addressing old-age poverty in Morocco, in a context of demographic ageing, labor market informality and limited contributory pension coverage.

The study adopts a mixed-methods, deductive design combining a qualitative and descriptive analysis of the Moroccan pension landscape, a conceptual examination of Zakat grounded in the Islamic moral economy literature, and an exploratory quantitative simulation based on secondary data from the World Bank and the Moroccan High Commission for Planning (HCP). Potential Zakat resources and redistribution scenarios are estimated through the equation $B = \alpha Z/N$.

The estimated annual Zakat collection in Morocco is equivalent to approximately 1.67% of GDP. Under conservative allocation scenarios, the average monthly income of elderly poor individuals could rise from about USD 193 to USD 491, while the cost of a Zakat-based charitable pension fund is estimated at only 0.33% of GDP, well below the potential Zakat mobilization capacity.

The paper offers one of the first simulation-based assessments of a Zakat-based charitable pension fund for Morocco, reconceptualizing Zakat as a non-contributory old-age income support instrument that complements, rather than replaces, existing pension systems.

In the absence of an institutionalized Zakat fund in Morocco, the simulations rely on secondary data and simplifying assumptions; results are indicative orders of magnitude rather than predictions.

The findings inform policymakers on the financial feasibility, governance requirements and institutional design options of Zakat-based old-age income support in Morocco and comparable African contexts.

Keywords : Old age poverty – Islamic Economics – Zakat institution – Sustainability – Morocco

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

Introduction

Poverty among older persons is considered a major global challenge, against a backdrop of an ageing population and persistent limitations in social protection systems. Despite progress in extending retirement benefits, a significant portion of the world's population reaches old age without a regular income. According to the International Labour Organization (ILO), more than 165 million people past retirement age receive no pension, exposing them to a high risk of poverty and economic dependence (ILO, 2023).

Public spending on pensions reveals significant regional disparities. Globally, it averages 7.6% of GDP, but this average masks considerable heterogeneity. While Europe and Central Asia spend approximately 10.6% of GDP on pensions, Africa allocates only an average of 1.7% of GDP, reflecting a structural underinvestment in income security in old age (ILO, 2023).

In Africa, poverty among older adults is exacerbated by the prevalence of the informal economy and the low coverage of pension systems. Only 9.1% of the working-age population aged 15 and older contribute to a pension scheme, meaning that the vast majority of workers grow older without entitlement to a contributory pension (ILO, 2023). This situation is reflected in extremely low coverage rates at retirement age: 49.9% of older adults in North Africa receive a contributory pension, compared to only 11.4% in sub-Saharan Africa (ILO, 2023). Furthermore, 91% of workers in sub-Saharan Africa have no savings for old age, exacerbating their economic vulnerability in later life (United Nations, 2023).

Nationally, approximately 30% of older adults in Morocco received no pension in 2020, while among those who did receive a pension, nearly 50% received a monthly benefit of less than USD 200 (ISSA, 2023). These figures reveal a twofold vulnerability: the complete exclusion of a portion of the elderly population from any form of retirement income, and the inadequacy of benefits for a large proportion of recipients. This vulnerability is set to deepen, as the number of Moroccans aged 60 and over is expected to more than double between 2020 and 2050 (UNFPA, 2020).

In this global, African and national context, characterized by population ageing, informality and inadequate contributory pension systems, the fight against poverty among older adults cannot rely solely on traditional social protection mechanisms. It calls for the exploration of complementary, non-contributory and socially legitimate instruments capable of guaranteeing a minimum income in old age. It is in this context that reflection on the potential of value-based redistribution

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

mechanisms, such as Zakat, takes on its full significance. Zakat, the third pillar of Islam, obliges Muslims whose wealth exceeds a defined threshold to transfer 2.5% of their accumulated wealth annually to specified categories of beneficiaries, chief among them the poor and the needy. As such, it constitutes a structural instrument of wealth redistribution embedded in the religious and social values of Muslim-majority societies (Chapra, 2000; Lahjouji & Rouggani, 2016).

Accordingly, this article aims to provide an exploratory assessment of the potential role of Zakat as a charitable and redistributive mechanism in addressing old-age poverty in Morocco. Three questions guide the analysis: (i) what are the structural limits of the Moroccan pension system in protecting older persons against poverty? (ii) how can Zakat be conceptualized as a non-contributory old-age income support instrument within the Islamic moral economy framework? and (iii) what orders of magnitude of poverty reduction could a Zakat-based charitable pension fund achieve, and at what cost?

The remainder of the paper is organized as follows. The next section reviews the literature on old-age poverty, inequality and the Islamic moral economy, with a particular focus on the theory and practice of Zakat. The methodology section presents the mixed-methods design and the simulation framework. The results and discussion section documents the Moroccan pension landscape, presents the simulation results and discusses their policy implications, institutional challenges and recommendations. The final section concludes.

1. Literature review

1.1. Old-age poverty and the limits of contributory pension systems

Old-age income security has traditionally been organized around contributory social insurance, in which pension entitlements are earned through formal employment and payroll contributions. This model performs well where formal labor markets dominate, but it structurally excludes workers in the informal economy, who represent the majority of the labor force in most African countries. As a result, effective pension coverage in Africa remains among the lowest in the world, and public pension expenditure, at 1.7% of GDP on average, is far below the global average of 7.6% (ILO, 2023). The gap is also gendered: worldwide, pensions provide basic income security to 82.6% of older men but only 77.2% of older women (ISSA, 2023), and women's longer life expectancy combined with interrupted contribution histories exposes them to deeper old-age poverty.

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

The policy literature has therefore increasingly turned toward non-contributory instruments, so-called social or citizen pensions, financed from general revenues and allocated independently of contribution histories. While such schemes have proven effective in reducing old-age poverty in several middle-income countries, their expansion in low- and lower-middle-income contexts is constrained by narrow fiscal space, competing budgetary priorities and weak tax mobilization. This constraint motivates the search for additional, socially embedded financing sources for old-age income support, of which Zakat is a prominent candidate in Muslim-majority societies (Machado, Bilo & Helmy, 2018).

Three features of old-age poverty in developing countries are particularly relevant for the design of such complementary instruments. First, old-age poverty is persistent: unlike working-age poverty, it cannot be alleviated through labor market re-entry, so only regular and predictable transfers, rather than episodic assistance, can durably secure a minimum living standard. Second, it is concentrated among former informal workers, who are invisible to contributory records and therefore difficult to reach through conventional social insurance administration; community-based and faith-based networks often have superior information about these populations. Third, it interacts with health-related expenditure and declining capacity for self-support, which amplifies the welfare value of even moderate income supplements in later life (Islam, M. R., 2016). These features imply that an instrument aspiring to address old-age poverty must be stable in its resource base, decentralized in its targeting capacity and legitimate in the eyes of both contributors and beneficiaries, criteria against which Zakat performs remarkably well in Muslim-majority contexts (Furqani, H., et al., 2025).

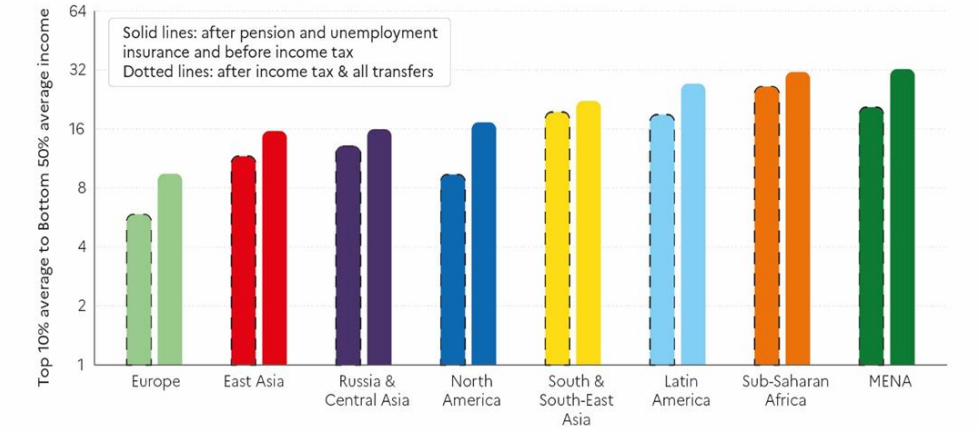
1.2. Inequality, redistribution and the case for value-based mechanisms

Old-age poverty is not only a social protection problem; it is also a manifestation of a broader wealth distribution problem. Piketty (2014) shows that wealth inequality tends to increase structurally when the rate of return on capital exceeds the rate of economic growth, while Milanovic (2016) documents that, although between-country inequality has declined with globalization, within-country inequality has grown.

The World Inequality Report, indicated in Figure 1, demonstrates that in sub-Saharan Africa the bottom 50% of the population earns 31 times less than the top 10% before income tax, and still 28

times less after taxes and transfers, revealing the limited redistributive capacity of existing fiscal systems (Chancel, Piketty, Saez & Zucman, 2022).

Figure 1. Inequality across the world, 2018 – 2021: The uneven impact of redistribution on inequality



Source : World Inequality Report 2022

These findings have revived interest in complementary redistribution mechanisms rooted in social and moral values. As Piketty himself argues, rethinking the distribution of wealth is a collective responsibility that extends beyond conventional tax policy. Value-based instruments, such as religiously mandated almsgiving, present two distinctive advantages in this respect: they enjoy strong social legitimacy among payers, and they are explicitly targeted at the poor and vulnerable rather than mediated through general budgets (Lahjouji H, 2026).

1.3. Islamic moral economy and the institution of Zakat

The Islamic moral economy (IME) offers a conceptual framework in which such value-based redistribution is not an ad hoc correction but a constitutive feature of the economic system (Asutay M & Yilmaz I, 2021). Chapra (2000) defines the moral economy as an alternative economic paradigm rooted in ethical principles, aiming to promote social justice, equity and human well-being by integrating moral values into economic behavior, institutions and policy. Grounded in the Qur'an, the Sunnah and juristic reasoning (ijtihad), the IME regulates consumption, production, financing and distribution, and explicitly prohibits the concentration of wealth among a few, an objective operationalized through Zakat. Historically, the IME developed in three phases: the emergence of Islam and the foundations of the system between the 7th and 11th centuries; the

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

analytical contribution of Ibn Khaldun in the 15th century, whose Muqaddimah articulated the interdependence between justice, prosperity and the sustainability of the state (Ibn Khaldun, 1967); and the contemporary application of IME principles since the late 20th century, materialized in a global Islamic finance industry of some 1,871 institutions and USD 4.5 trillion in assets, including USD 788 billion in sukuk and USD 90 billion in takaful (Hassan, 2022).

Within this framework, Zakat is the principal instrument of compulsory redistribution. It is an obligation for Muslims who possess wealth exceeding a threshold (nisab, equivalent to roughly USD 6,000) for one lunar year, requiring them to donate 2.5% of their accumulated wealth annually to assist those in need (Kahf, 1989; Lahjouji & Rouggani, 2016). Beyond its spiritual dimension, Zakat is a wealth distribution instrument that ensures the less fortunate have access to basic necessities and promotes social equity. Its eight canonical categories of beneficiaries, foremost among them the poor and the needy, naturally include elderly persons without income, making old-age income support a legitimate and doctrinally grounded use of Zakat proceeds.

1.4. Zakat in contemporary practice

Contemporary states manage Zakat under diverse institutional arrangements. In some countries payment through state-led mechanisms is compulsory, as in Sudan and certain Nigerian states, while in others, such as Algeria, Egypt and Libya, state-organized Zakat is voluntary (IPC-IG & UNICEF, 2022). Empirical work confirms that institutionalized Zakat can constitute a significant pillar of social protection: in Sudan, Zakat resources fund about 87% of the government's social safety net interventions excluding subsidies, and the Zakat fund reached some 2.6 million households in 2016 (Machado, Bilo & Helmy, 2018; Bilo & Machado, 2020). At the macroeconomic level, Shirazi and Amin (2009), applying Kahf's (1989) estimation method to 38 OIC member countries, find that potential Zakat collection ranges between roughly 1% and 2% of GDP under conservative definitions of the Zakat base, and that in about half of the countries it would suffice to cover the resource shortfall for poverty elimination. Hassan and Khan (2007) reach similar conclusions for Bangladesh, and Shirazi (2014) advocates integrating Zakat and waqf into national poverty reduction strategies. The development community has also recognized this potential: the UNDP notes that Zakat aligns strongly with numerous Sustainable Development Goals, including no poverty (SDG 1), zero hunger (SDG 2) and reduced inequalities (SDG 10),

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

while collaboration with Zakat institutions reflects the spirit of partnership for the goals (SDG 17) (UNDP, 2018).

The literature nevertheless emphasizes that the developmental impact of Zakat is conditional on institutional quality. Sadeq (1996) conceptualizes Zakat as an ethico-economic institution of self-reliance and sustainable grassroots development, but only insofar as proceeds are channeled into regular and productive support rather than dispersed in small, one-off handouts. Wahab and Rahman (2011) propose a framework for analyzing the efficiency and governance of Zakat institutions, showing that collection performance, distribution efficiency and payer trust are tightly interlinked: weak governance depresses institutional collection, which in turn confines Zakat to informal, fragmented giving with limited redistributive reach. These insights are directly relevant to the design question addressed in this paper, since converting Zakat into a sustainable old-age income support mechanism presupposes precisely the institutional features, transparency, professional fund management and predictable disbursement, that the governance literature identifies as critical.

1.5. Research gap: Zakat and old-age income support in Morocco

While the literature has extensively examined Zakat's aggregate poverty-alleviation potential, few studies have linked Zakat to the specific challenge of old-age poverty, and none, to the author's knowledge, has quantified the potential of a Zakat-based charitable pension fund for Morocco, a country that has no institutionalized Zakat fund despite strong popular attachment to the practice (Lahjouji, 2020). This paper addresses that gap by reconceptualizing Zakat as a non-contributory old-age income support mechanism and by providing exploratory simulations of its redistributive capacity in the Moroccan context.

2. METHODOLOGY

This study adopts a mixed-methods research design, combining qualitative and quantitative approaches to explore the potential role of Zakat as a charitable and redistributive mechanism in addressing old-age poverty in Morocco. The analysis follows a pragmatic epistemological logic and a deductive reasoning approach, moving from a descriptive assessment of existing pension systems and old-age poverty conditions toward an exploratory, simulation-based evaluation of the potential redistributive role of Zakat.

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

2.1. Qualitative and descriptive component

The qualitative and descriptive component focuses on analyzing the current pension landscape in Morocco and the socioeconomic conditions of older people, particularly those exposed to poverty and income insecurity. This stage examines the structure and coverage of existing contributory pension schemes, their limitations in a context characterized by labor market informality, and the extent of exclusion among elderly populations. It also documents the prevalence and depth of old-age poverty, highlighting gaps in income adequacy among pension beneficiaries and the vulnerability of older individuals without any pension coverage. This component is complemented by survey evidence on Moroccans' Zakat payment practices and attitudes toward the institutionalization of Zakat funds (Lahjouji, 2020).

2.2. Conceptual component

Building on this contextual analysis, the study conducts a conceptual examination of Zakat grounded in the literature on Islamic moral economy, social protection and value-based redistribution. Zakat is reconceptualized as a potential non-contributory income support mechanism, capable of complementing existing pension systems rather than replacing them. In this framing, a charitable pension fund is defined as an institutionalized vehicle that collects Zakat resources and converts a share of them into regular, predictable income transfers to elderly poor individuals, thereby moving Zakat from episodic charity toward sustainable social protection.

2.3. Quantitative component and simulation framework

The quantitative component is exploratory and prospective in nature. Since Morocco does not currently have an institutionalized Zakat fund, the empirical analysis relies on secondary data from the World Bank (World Bank, 2025) and the Moroccan High Commission for Planning (HCP, 2025), complemented by prior estimates of Zakat potential in Morocco (Lahjouji & Kahf, 2021) and of the cost of a charitable pension fund (Loumghari, 2024). A simulation framework is used to estimate potential Zakat resources and assess different redistribution scenarios targeting elderly poor individuals. The individual benefit is defined by the following redistribution equation:

$$B = \alpha Z / N \qquad (1)$$

where B denotes the monthly benefit per beneficiary, Z the total annual Zakat resources mobilized, α the share of those resources allocated to elderly poor individuals, and N the number of eligible beneficiaries. Scenarios vary the allocation share α and the beneficiary coverage N, holding the

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

estimated Zakat pool constant. Beneficiaries are identified as persons aged 60 and over living below the national poverty line, based on HCP poverty statistics. The results are indicative rather than predictive and aim to illustrate policy-relevant orders of magnitude, given the assumptions on Zakat compliance, the Zakat base and targeting efficiency that the absence of an operating fund makes unavoidable.

The simulation proceeds in three steps. In the first step, the total potential Zakat pool Z is taken from prior estimation work on Morocco (Lahjouji & Kahf, 2021), which applies the standard 2.5% levy to estimated Zakatable wealth above the nisab threshold; the resulting figure is expressed both in absolute terms and as a share of GDP to allow comparison with the cross-country estimates of Shirazi and Amin (2009). In the second step, the target population N is delimited using HCP poverty and demographic statistics on persons aged 60 and over living below the national poverty line, and their average pre-transfer monthly income is computed as the simulation baseline. In the third step, alternative redistribution scenarios are constructed by varying the allocation share α within a deliberately conservative range, reflecting the doctrinal requirement that Zakat serve all eight canonical categories of beneficiaries and not the elderly poor alone. For each scenario, equation (1) yields the implied monthly benefit per beneficiary, the post-transfer income of the target population, and the aggregate cost of the scheme expressed as a share of GDP, which is then compared with the independent cost estimate of a charitable pension fund provided by Loumghari (2024).

2.4. Methodological limitations

Three limitations should be borne in mind when interpreting the results. First, in the absence of an institutionalized Zakat fund, actual collection depends on voluntary compliance and on the share of currently informal, person-to-person Zakat flows that an institution could capture; the simulations assume the potential pool as the upper bound and conservative allocation shares as the operative constraint. Second, the estimates of Zakatable wealth rely on aggregate secondary data rather than household-level wealth microdata, which are not available for Morocco; the resulting figures are therefore orders of magnitude rather than point estimates. Third, the simulations are static: they do not model behavioral responses of payers or beneficiaries, general-equilibrium effects, or administrative costs beyond those embedded in the cost estimate of Loumghari (2024).

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

These limitations are consistent with the exploratory purpose of the study, which is to establish whether the policy option is worth institutional investment, not to forecast its exact fiscal trajectory.

3. The Moroccan pension landscape and old-age poverty

Morocco is undergoing a rapid demographic transition. The number of persons aged 60 and over, estimated at 4.3 million in 2022, is projected to reach 6.4 million by 2030 and about 10 million by 2050, more than doubling between 2020 and 2050 (UNFPA, 2020). This demographic shift is unfolding on top of an already fragile old-age income security architecture. Approximately 30% of older Moroccans received no pension or transfer at all in 2020, and among those who did receive a pension, about 50% received less than USD 200 per month (ISSA, 2023). Poverty in old age is widespread, affects women disproportionately, and coexists with a national poverty headcount of about 1.42 million people (HCP, 2021). The combination of low contributory coverage, driven by pervasive labor market informality, and inadequate benefit levels among the covered population implies that the contributory system alone cannot close the old-age income gap within any realistic time horizon.

At the same time, survey evidence indicates a strong social foundation for value-based redistribution in Morocco. In a 2018 survey on Zakat payment practices, the vast majority of respondents reported paying Zakat, primarily out of religious obligation and gratitude, directing it toward the poor, orphans and the sick; a large majority, about 87%, supported the creation of institutionalized Zakat funds in Morocco, and roughly 62% of non-payers declared their intention to pay Zakat in the future (Lahjouji, 2020). This suggests that an institutionalized, well-governed Zakat fund would build on, rather than conflict with, existing social practice.

The findings highlight the significant potential redistributive capacity of Zakat-based charitable pension funds in addressing old-age poverty in Morocco, even under conservative assumptions. Using the redistribution equation (1), where the individual benefit B is defined as the share of total Zakat resources allocated to elderly poor individuals (αZ) divided by the number of beneficiaries (N), the simulations yield three key insights.

First, the estimated annual Zakat paid in Morocco amounts to approximately USD 5.18 billion, representing around 1.67% of national GDP (Lahjouji & Kahf, 2021). This order of magnitude is fully consistent with cross-country estimates of potential Zakat collection of 1% to 2% of GDP under conservative definitions of the Zakat base (Shirazi & Amin, 2009). Even when only a fraction

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

of these resources is allocated to elderly poor individuals, the potential impact remains substantial: allocating a limited share of total Zakat revenues to a charitable pension fund could significantly raise the income of older individuals living in poverty.

Second, the results show that the average monthly income of elderly poor individuals, estimated at around USD 193 per month before redistribution, could increase to approximately USD 491 per month after Zakat-based transfers, depending on the allocation share and beneficiary coverage. This represents more than a twofold increase in monthly income, sufficient to lift a large proportion of elderly beneficiaries closer to a minimum income threshold and above the USD 200 per month level below which half of current pensioners fall.

Third, the findings suggest that the cost of such a charitable pension fund is estimated at around 0.33% of Moroccan GDP (Loumghari, 2024), well below the potential Zakat mobilization capacity of 1.67% of GDP. This indicates that a Zakat-based pension mechanism could be financially feasible without placing pressure on public budgets. Beyond poverty reduction, the redistributive effect would also compress overall inequality: the Gini index is estimated to decline from 34.4% to 26.6% following the creation of charitable pension funds (Loumghari, 2024). Table 1 summarizes the key parameters and results of the simulation.

Table N°1 : Key parameters and simulation results of the Zakat-based charitable pension fund

Indicator	Value	Source
Estimated annual Zakat potential (Z)	USD 5.18 billion	Lahjouji & Kahf (2021)
Zakat potential as a share of GDP	1.67%	Lahjouji & Kahf (2021); World Bank (2025)
Average monthly income of elderly poor, before transfers	USD 193	Simulation baseline (HCP, 2025)
Average monthly income of elderly poor, after transfers	USD 491	Simulation result, equation (1)
Estimated cost of the charitable pension fund	0.33% of GDP	Loumghari (2024)
Gini index, before / after redistribution	34.4% / 26.6%	Loumghari (2024)

Source : Author's elaboration based on Lahjouji & Kahf (2021), Loumghari (2024), HCP (2025) and World Bank (2025).

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

3.1. Discussion: from charity to sustainability

Taken together, these results demonstrate that Zakat, if institutionalized and partially redirected toward regular income support, could play a meaningful complementary role in reducing old-age poverty and income vulnerability in Morocco. They echo the international evidence: in Sudan, state-collected Zakat already finances the bulk of the social safety net (Bilo & Machado, 2020), and OIC-wide estimates confirm that Zakat pools of the magnitude found here are attainable (Shirazi & Amin, 2009). The distinctive contribution of the present exercise is to show that a narrowly targeted use of these resources, elderly poor individuals, requires only a small fraction of the potential pool, which strengthens the case for institutional feasibility.

The comparison between the cost of the scheme (0.33% of GDP) and the potential Zakat pool (1.67% of GDP) deserves emphasis: the charitable pension fund would absorb only about one-fifth of estimated Zakat resources, leaving the remaining four-fifths available for the other canonical categories of beneficiaries, orphans, the sick, the indebted and other vulnerable groups toward whom Moroccan payers already direct their giving (Lahjouji, 2020). The proposal therefore does not divert Zakat from its traditional uses; it institutionalizes and regularizes one strand of it. This is also what distinguishes a charitable pension fund from episodic charity and justifies the framing "from charity to sustainability": by converting irregular almsgiving into predictable monthly transfers, the mechanism addresses the persistence of old-age poverty in a way that one-off assistance cannot, and it does so through an instrument that aligns with several Sustainable Development Goals (Lahjouji, A. & Lahjouji, H, 2024), notably no poverty (SDG 1), reduced inequalities (SDG 10) and partnerships for the goals (SDG 17) (UNDP, 2018).

Nevertheless, moving from potential to practice raises three sets of institutional challenges. The first concerns the choice of fund management: state-led versus charity-led administration, and voluntary versus compulsory payment. Cross-country experience shows that both models can work, but that legitimacy and trust are decisive; in Morocco, the strong popular support for Zakat funds suggests that a voluntary, state-supervised model could be a realistic starting point. The second challenge is fiscal: the potential confusion between tax and Zakat, and the perceived impact on the overall contribution burden, must be addressed through clear legal separation and, possibly, tax incentives for declared Zakat payments. The third challenge relates to governance and transparency: the willingness of payers to channel Zakat through an institution depends critically

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

on credible guarantees that funds reach their intended beneficiaries (IPC-IG & UNICEF, 2022; Machado et al., 2018).

Several policy recommendations follow. Regarding fund management, a public–private partnership structure with codified good-governance procedures, cost optimization and financial independence of the fund would combine state legitimacy with managerial efficiency. Regarding collection and allocation, communication campaigns and digital payment channels (ICT), tax incentives for donors, sustained donor engagement and regionally differentiated fund allocation would maximize both collection and targeting efficiency. Finally, partnerships with existing pension institutions such as the Caisse Marocaine des Retraites (CMR), with universities and research centers for monitoring and evaluation, and with the Ministry of Solidarity, Social Integration and Family and the Ministry of Finance for regulatory anchoring, would embed the charitable pension fund within the broader social protection architecture rather than leaving it as a parallel structure.

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

Conclusion

This paper set out to provide an exploratory assessment of the potential role of Zakat as a charitable and redistributive mechanism in addressing old-age poverty in Morocco. Drawing on a mixed-methods design, it first documented the structural limits of the Moroccan contributory pension system in a context of informality and rapid ageing, then reconceptualized Zakat, within the Islamic moral economy framework, as a non-contributory old-age income support instrument, and finally simulated the redistributive capacity of a Zakat-based charitable pension fund.

The results indicate that the potential annual Zakat pool in Morocco, approximately USD 5.18 billion or 1.67% of GDP, is large relative to the cost of eliminating extreme old-age income insecurity, estimated at 0.33% of GDP. Allocating even a limited share of Zakat resources to elderly poor individuals could raise their average monthly income from about USD 193 to USD 491 and compress the Gini index from 34.4% to 26.6%. A Zakat-based charitable pension fund therefore appears financially feasible without burdening public finances, and socially legitimate given the strong popular support for Zakat institutionalization.

While these findings are indicative rather than predictive, they underscore the relevance of value-based redistribution mechanisms as sustainable policy options in contexts characterized by demographic ageing and limited pension coverage. Future research should refine the estimates using microdata on wealth distribution and Zakat compliance, examine behavioral responses of payers to institutionalization, and extend the simulation framework to other African countries where the combination of informality, ageing and Muslim-majority populations makes Zakat-based old-age support a promising avenue for moving from charity to sustainability.

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

BIBLIOGRAPHY

1. Asutay M, Yilmaz I (2021), Constituting an Islamic social welfare function: an exploration through Islamic moral economy. International Journal of Islamic and Middle Eastern Finance and Management, Vol. 14 No. 3 pp. 524–540, doi: https://doi.org/10.1108/IMEFM-03-2019-0130
2. Bilo, C., & Machado, A. C. (2020). The role of Zakat in the provision of social protection: A comparison between Jordan and Sudan. International Journal of Sociology and Social Policy, 40(3/4), 236–248. https://doi.org/10.1108/IJSSP-11-2018-0218
3. Chancel, L., Piketty, T., Saez, E., & Zucman, G. (2022). World Inequality Report 2022. Paris: World Inequality Lab.
4. Chapra, M. U. (2000). The future of economics: An Islamic perspective. Leicester: The Islamic Foundation.
5. Furqani, H., Paizin, M. N., & Hanifa, A. (2025). Zakat As An Instrument For Social Security System: Justification And Framework. Indonesian Conference of Zakat - Proceedings, 287–297. https://doi.org/10.37706/iconz.2024.835
6. Hassan, M. K., & Khan, J. M. (2007). Zakat, external debt and poverty reduction strategy in Bangladesh. Journal of Economic Cooperation, 28(4), 1–38.
7. Haut-Commissariat au Plan (HCP). (2021). Note sur la pauvreté au Maroc. Rabat: HCP.
8. Haut-Commissariat au Plan (HCP). (2025). Statistiques démographiques et sociales. Rabat: HCP.
9. Ibn Khaldun. (1967). The Muqaddimah: An introduction to history (F. Rosenthal, Trans.). Princeton, NJ: Princeton University Press. (Original work written 1377).
10. International Labour Organization (ILO). (2023). World social protection data: Effective pension coverage and public pension expenditure. Geneva: ILO.
11. International Policy Centre for Inclusive Growth (IPC-IG) & UNICEF. (2022). Overview of Zakat practices and state-led Zakat payment mechanisms. Brasília: IPC-IG.
12. International Social Security Association (ISSA). (2023). Social security and pension adequacy indicators. Geneva: ISSA.
13. Islam, M. R. (2016). Ageism and Age Discrimination in Old Age: An Overview. Philosophy and Progress, 55(1-2), 91-108. https://doi.org/10.3329/pp.v55i1-2.26392

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

14. Kahf, M. (1989). Zakat: Unresolved issues in the contemporary fiqh. Journal of Islamic Economics, 2(1), 1–22.
15. Lahjouji, A. Lahjouji, H. (2024). Achieving sustainable development goals (SDGs) in Morocco: The role of Zakat, The Economics and Management Review, ISSN: 2820-7610, N°2, 2024.
16. Lahjouji, H. (2026). Réflexions économiques sur la répartition des richesses : une analyse critique. African Scientific Journal, 3(34), 1712. https://doi.org/10.5281/zenodo.18862750
17. Lahjouji, H. (2020). Analyse sur le comportement de paiement de la Zakat au Maroc. Revue Repères et Perspectives Economiques, 4(2), 283–300.
18. Lahjouji, H., & Kahf, M. (2021). Poverty alleviation through potential Zakat collection: Case of Morocco. International Journal of Islamic Economics, 3(2), 164–176. https://doi.org/10.32332/ijie.v3i2.3509
19. Lahjouji, H., & Lahjouji, A. (2024). Achieving Sustainable Development Goals in Morocco: The role of Zakat. Economics & Management Review.
20. Lahjouji, H., & Rouggani, K. (2016). Zakat and distribution of wealth in Islamic economy: Case of Morocco. International Journal of Islamic Economics and Finance Studies, 2(3).
21. Loumghari, G. (2024). The cost and distributive impact of charitable pension funds in Morocco. [Reference to be completed by the author].
22. Machado, A. C., Bilo, C., & Helmy, I. (2018). The role of zakat in the provision of social protection: A comparison between Jordan, Palestine and Sudan (Working Paper No. 168). Brasília: International Policy Centre for Inclusive Growth (IPC-IG).
23. Milanovic, B. (2016). Global inequality: A new approach for the age of globalization. Cambridge, MA: Harvard University Press.
24. Piketty, T. (2014). Capital in the twenty-first century. Cambridge, MA: Harvard University Press.
25. Sadeq, A. H. M. (1996). Ethico-economic institution of Zakat: An instrument of self-reliance and sustainable grassroots development. IIUM Journal of Economics and Management, 12(2).
26. Shirazi, N. S. (2014). Integrating Zakat and Waqf into the poverty reduction strategy of the IDB member countries. Islamic Economic Studies, 22(1), 79–108.

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 38 Octobre 2026

27. Shirazi, N. S., & Amin, M. F. (2009). Poverty elimination through potential Zakat collection in the OIC-member countries: Revisited. The Pakistan Development Review, 48(4), 739–754.
1. United Nations. (2023). World social report: Leaving no one behind in an ageing world. New York: United Nations Department of Economic and Social Affairs.
2. United Nations Development Programme (UNDP). (2018). Financing the Sustainable Development Goals through Zakat. New York: UNDP.
3. United Nations Population Fund (UNFPA). (2020). Population ageing in Morocco: Projections 2020–2050. Rabat: UNFPA.
4. Wahab, N. A., & Rahman, A. R. A. (2011). A framework to analyse the efficiency and governance of zakat institutions. Journal of Islamic Accounting and Business Research, 2(1), 43–62.
5. World Bank. (2025). World development indicators. Washington, DC: World Bank. Retrieved from https://data.worldbank.org