

Initiating The Integrated Cash Waqf Model Among OIC Countries

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Waqf is a very valuable asset in the development of human's social life. Its role in wealth distribution and poverty alleviation are the target that to be achieved by waqf. To achieve this role, the government has created several real productive waqf innovation programs, for instance cash waqf linked sukuk, insurance waqf, waqf-based palm factory, waqf-based office towers and insurance policies. This study aims to initiate the integrated cash waqf model among OIC countries and to know the development trend of waqf model research published by leading journals on Islamic economics. The data analyzed consisted of 118 indexed research publications. The data is then processed and analyzed using the VoS viewer application to find out the bibliometric map of the waqf model research development. Lastly, we would like to provide an offering in developing cash waqf model among OIC country members.

Keywords: Waqf; Innovation; Bibliometric; VoS Viewer

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INTRODUCTION

The Organisation of Islamic Cooperation (OIC) was established 25 September 1969 in Morocco. As the second largest international organizations after United Nation (UN), OIC has 57 members which spread over four continents. The establishment of OKI has some objectives, among others is to increase the Islamic solidarity and cooperation among member countries (OIC, 2019). Although the OIC is 50 years now, it is cannot be denied that there is a big gap in economic and social matters among members countries is still happening. For instance, currently Qatar is the 3rd richest country in the world with USD 50,805.464 GDP per capita. However, from 25 the poorest country in the world, 14 OIC country members are included in the list. The poorest country number four is Mozambique with USD 455.01per capita, followed by Afghanistan, Sierra Leone, Niger, and Chad is the 7th, 9th, 10th and 12th respectively (IMF, 2021).

Therefore, in 2011 OIC has been developed a project namely 'Innovative Social Assistance Strategies in Poverty Alleviation' to fight and help the specific OIC country members in alleviating the poverty (OIC, 2011). OIC not only try to resolve this kind of matter, but also it has several projects regarding the agriculture, food security, environment, water, social finance, microfinance, education, etc. (OIC, 2020). These huge projects above indicate that OIC needs to find more fund to run and manage the project. One of the possible source funding is from cash waqf.

Throughout Islamic civilization, waqf has played a significant role in improving people's welfare, such as supporting the improvement of worship facilities and infrastructure, education, hospitals, and reducing social problems such as poverty and others (Gustina & Ihsan, 2018). However, it is enjoyable for many Muslims who do not participate in the waqf program because of the wrong perception among Muslims, namely the understanding that waqf is only through the land, not in cash. They do not believe that land can fulfill the three conditions of waqf, such as immortality, irrevocability, and inviolability. However, land can experience destruction due to natural disasters, and waqf will only last until it has value (Mohammad, 2008).

Along with the development of understanding and ijtihad of the ulama. Currently, there is a priority for donations and other consumables as waqf following what is permitted by scholars as a form of revitalizing inactive waqf properties (Khan, N.A. & Jareen, 2018). One form of this revitalization is cash waqf. This has become a waqf phenomenon based on its flexibility that can be used in exploring the potential uses of waqf, including in terms of financing, the public sector, and reductions (Alpay, S. & Haneef, 2015).

Cash waqf is a charitable waqf established with cash capital. What distinguishes them from real estate waqf is the nature of their wealth. a Muslim who usually

donates his real estate and diverts his income to alms, in the case of cash waqf, the community can give cash to the parties then the proceeds from this cash investment are then channeled to charity (Murat Cizakca, 2004). Cash waqf can only be allocated for things that do not conflict with Sharia Law. Cash waqf is a type of philanthropic fund that can be an alternative instrument for alleviating poverty throughout the world, especially in Islamic countries. In the concept of cash waqf, Nazhir collects funds from waqf and invests these funds in the real sector and various sharia-based investment opportunities (Kahf, 2000).

Through proper cash waqf management, it is straightforward to maintain value and increase the value of waqf. People who do not own land can participate in cash waqf. In addition, nowadays, people have more options for waqf by putting cash into waqf. Furthermore, cash waqf has an essential role because it is more productive than land, buildings, books, livestock, etc. In fact, in cash waqf, the amount or value of the waqf is not an important issue. Still, it is appropriate for the entire community to be involved in the waqf process so that everyone, regardless of the financial condition, can be applied by contributing according to their abilities. Because waqf does not only belong to the rich (Chowdhury et al., 2011), anyone who complies with specific Sharia requirements can become an al-waqif (donor) through cash waqf.

Research related to the Cash Waqf Model in OIC countries has been carried out. However, it is also necessary to research the development of the literature. The development of literature is a challenge in facing the current development of Islamic economics. So far, no research has tried to comprehensively review and evaluate the literature on Islamic Financial Planning, especially using bibliometric analysis. Therefore, to fill this gap, this study aims to explore the Islamic Financial Planning literature status using bibliometric analysis. In addition, this paper tries to develop a model in integrating the cash waqf among the OIC countries. Because cash waqf is a solution to find more fund resources and waqf is an instrument to develop Muslim characters that release their wealth for the interests of others for an extended period and without gaining reciprocal (Qardhawi, 2000).

LITERATURE REVIEW

Definition of Waqf

The word waqf comes from the root of the Arabic verb "waqafa," which means "to cause something to stop and "stop" besides that, it can also mean "custodial," "hold," or "guard." Waqf can be applied to non-perishable property whose benefits are taken without consuming the property itself. Specifically, in the Qur'an, waqf has a strong connection with the concept of wealth distribution (Chowdhury et al., 2011). Furthermore, if viewed from a sharia point of view, waqf can be defined as holding maal (wealth) and

preventing its consumption from extracting the results repeatedly in the context of philanthropic activities.

Furthermore, technically, waqf can be interpreted as holding specific properties and storing them for philanthropic purposes and preventing them from being used other than the intended purpose (Gustina and Ihsan, 2018). Many scholars agree that waqf is the same as sadaqah jariyah, which has continuous rewards for the giver. Waqf is intended for the public interest. Nadzir/manager (person who is trusted to manage waqf) must prevent the use of waqf assets other than the purpose of the donor. Ownership of waqf property may not be transferred; only the benefits of the property can be taken (Sadeq, 2002). Although most of the waqf property given by the community is in the form of immovable property such as land and buildings, (M. Kahf, 1998) revealed that waqf could be provided in various forms such as; books, agricultural tools, livestock, stock, and assets, and cash.

Cash waqf began in ancient Mesopotamia, Greece, and the Roman Empire. In fact, in the eighth century, Imam Zufar had approved cash waqf in the Islamic world for the first time. According to him, the cash waqf will be invested through Mudarabah, and the profits will be used for charity. However, cash waqf did not develop until the 16th century, then after that century, cash waqf became popular, especially among the Ottomans. Although there is controversy regarding the legality of kaswaqfa among Sharia scholars, cash waqf continues to be carried out, especially cash waqf supported by the Ottoman Sultan to finance Islamic expansion in Europe (Cizacka, 2004, 2010).

Concept Of Cashwaqf

Many scholars who allow cash waqf believe that money does not run out of benefits after investment. In this regard, in Indonesia, the MUI has issued fatwa number 29 of 2002 concerning Cash Waqf, which contains the following: 1) Money Waqf (Cash Waqf / Waqf al-Nuqud) is a waqf carried out by a person, group of people, institutions, or legal entities in the form of cash; 2). Included in the definition of money are securities. 3). Cash waqf is legal; 4). Cash waqf can only be channeled and used for things that syar'i permits; 5). The principal value of Cash Waqf must be guaranteed for its sustainability. It may not be sold, donated, or inherited. So, referring to the MUI stipulation above, it appears that cash/money waqf is more flexible to be used as long as it does not violate the restrictions made by sharia.

Cash waqf is a charitable waqf established with cash capital. What distinguishes them from real estate waqf is the nature of their wealth. a Muslim who usually donates his real estate and distributes his rental income to alms, in the case of cash waqf, the community can give cash to the manager then the proceeds from this cash investment are then channeled to charity (Murat Cizacka, 2004). Cash waqf can only be distributed and allocated for things that do not conflict with Sharia Law.

This form of waqf provides opportunities for facilitating its participation in social development (Tanim Laila, Undated). a) Mass Participation: Providing opportunities for all segments of society Muslims and wealthy Muslims provide every interested Muslim the chance to participate in cash waqf even with the most modest amount; b) Utilization Rights: cash waqf schemes can collect scattered waqf and then maximize their use rather than spending only for consumer consumption. Furthermore, an efficient management scheme from the modern financial system is needed in managing cash waqf. It aims to protect the value of waqf; c) Social and Economic Development: Wakafuang enhances the national development plans for poverty alleviation and social services.

Dunya mentions the importance of cash waqf as (a) Compared to immovable property; many community members have cash. (b) cash waqf is the best way for joint waqf to attract financing for the development of various and large projects. (c) cash waqf can be invested in diversified economic activities to expect higher income. (d) It can be used for any social purpose that is not against the Shari'a. (e) The opportunity to develop cash waqf is more significant because it is easier to liquidate than real estate.

Furthermore, Ammar mentioned the benefits of cash waqf. Namely: (i) currency as a benefit or a substitute for coins as a medium of exchange for goods. (ii) Currency may be substituted with a similar one. (iii) cash waqf allows everyone to donate as waqf, where the poor and needy can benefit from the abundant resources. (iv) cash waqf can create more economic stimulus and become a welfare fund used to sponsor many educational, social, and health projects.

RESEARCH METHOD

This research utilises qualitative method, where the data will be analysed with its own meaning by the author (Denzin & Lincoln, 1954). This relates to the typology of this research, which is descriptive, so the data that the authors obtain are more data to explain and requires an in-depth analysis of the problem. This research will produce a descriptive analytical research result, which provides an overview and a model in integrating cash waqf among OIC country members.

To support the cash waqf model, this paper uses Bibliometric mapping. Bibliometric mapping is a research topic in the field of bibliometrics (Borner et al., 2003). This research make use of other research journals from 2005-2021 related to the waqf model. These journals can be obtained or accessed online from published journals. Two distinct bibliometric aspects are the construction of the bibliometric map and the graphical representation of the map. In the bibliometric literature, the greatest concern is with the construction of bibliometric maps. Research related the effect of differences on similarity measures (Ahlgren et al., 2003), and they were tested with different mapping techniques

(Boyack et al., 2005). This study uses published data in the form of papers sourced from the Scopus database with the theme of waqf model research. From the search results obtained 118 articles obtained.

RESULT AND DISCUSSION

The following table shows the collection of documents used in this research which has theme the waqf model in Islamic economic research. From the total 118 documents used, they are divided into 4 types of documents, including journal articles (93 documents), anthology/book chapters (4 documents), Conference Papers (11 documents) and Review (10 documents).

Table 1: Types of Document

No	Document Types	Number of Articles
1	Journal article	93
2	Book chapter	4
3	Conference paper	11
4	Review	10
	TOTAL	118

Utilizing VOSViewer, it can also find bibliometric mapping of the most widely used keywords in waqf model themes related to Islamic economics. The bibliometric mapping of the keywords used can be seen in the image below. Keywords that have a larger form indicate that the word is used more in journals related to the waqf model.

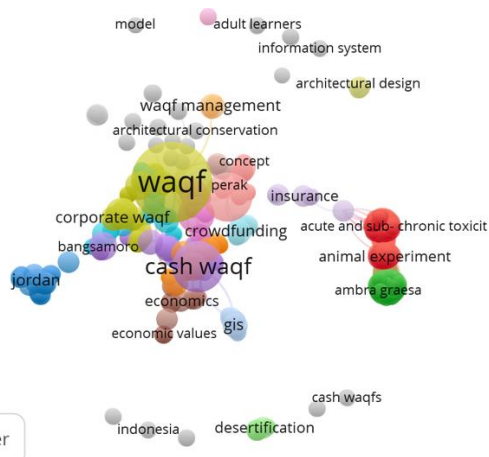


Figure 3.1 Co-occurrence map of waqf model

Based on the results of the analysis using VOSviewer with keywords themed waqf model, there are many clusters and interrelated with other keywords. Keywords that have the same color indicate a very close relationship. The most widely used keyword in the waqf model-themed journal is Waqf, followed by the words Cah Waqf, Islamic Finance, Endowment and Malaysia.

Cash waqf has special advantages, it is different from ordinary real estate waqf which the capital consists of cash (Cizakca, 2013). The huge potential of cash waqf can be collected from various resources of the society. Sabit (2011) stated that the advantages of cash waqf as follows: (1) society own more cash than immovable assets; (2) the best way of waqf (*waqf mushtarak/waqf juma'at*), so that it attracts the financing for the development of various large projects; (3) it can be invested in various economic activities with high return as expected; (4) it can be used for any purposes, and any social purposes; (5) it has big room to be developed; and (6) easy to liquidate compare to real asset.

According to Cizakca (2011), during the Ottoman period, cash waqf was utilized as a source of microfinance. Recently, there have been effort to revive the cash waqf as a social instrument. Mannan (1998) tried to socialize cash waqf in Bangladesh through Social Investment Bank Limited (SIBL). SIBL has been issued cash waqf certificates to collect funds from the rich people, then the nazhir will manage the fund to get the return that will be distributed to the poor (Masyita et al. 2005).

In the contemporary context, cash waqf seems to be one of the most preferred waqf methods due to the liquidity. It is easy to manage, more practical to distribute, still able to generate more funds and relevant means for the development of the society (Nadwi & Kroessin, 2013; Saduman & Aysun, 2009; Kahf, 1999). Cash waqf is used to finance various activities, for instance education, constructing school, hospital, bridge, roads, ports, mosque maintenance, social services, clean water and workers (Jalil, 2020; Johari et al., 2015; Mohsin, 2009; Cizakca 2013).

5. DISCUSSION & PROPOSED MODEL

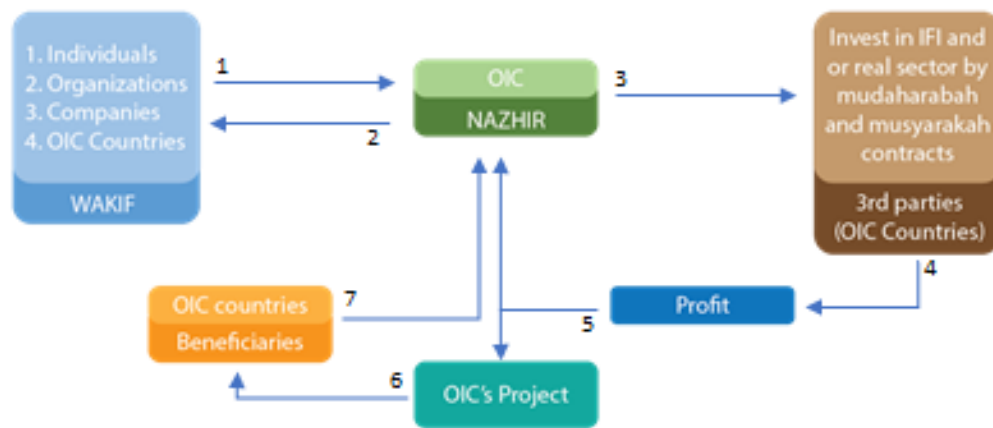


Figure 4.1 OIC's Cash Waqf Scheme

Furthermore, we would like to offer the cash waqf model that is able to apply among OIC country members in the future. As shown on the paragraph, OIC should establish one department first as nazhir to manage the cash waqf collected from OIC country members. Then, the modus operandi will be:

1. Wakif register them self and deposit for cash waqf to OIC as a nazhir.
2. Wakif will receive cash waqf certificate as a proof.
3. OIC as a nazhir then invest the cash waqf fund in IFI through mudharabah or musyarakah contract. OIC should had an agreement in each OIC country members through their respect minister of finance, foreign investment department, waqf board etc.
4. OIC gains income from the investment.
5. Income is channelled to the Nazhir as covering operational cost. Nazhir also distributes the profit into specific project that operated by OIC.
6. OIC countries received the fund to operate the project in the respect OIC countries. In this point, nazhir will make a contract with mauqud 'alaih or beneficiaries; the contract could be hibah, qard, murabahah, and or musyarakah mutanaqhisal, depend on the projects. In addition, the targeting OIC countries should be the lower income country or OIC need to prioritize the country based on the need.
7. Beneficiaries make a report and installment to finalize the contract (if there is).

Based on the result of bibliometric mapping, it is a right decision if OIC run the cash waqf model. It is supported by the research that have been done, many of them are discuss and recommend the cash waqf.

CONCLUSION

The integrated cash waqf model among OIC country members will help the OIC in funding their projects. The cash waqf is also a solution for long term

planning and projects, because the nature of cash waqf is forever. The choice of cash waqf is also supported by many papers that have been published in the scopus journal. As for the recommendation, OIC needs to take further steps in promoting the corporation among the OIC country members through the cash waqf and OIC need to do a feasibility study for it.

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