A treatise on socioeconomic roles of waqf

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Abstract
Promotion of socioeconomic security peaks as state policy drive especially in developing and emerging economies. Waqf as a socioeconomic tool emphatically forms part of the ethical values of Islam and is seen as a primary vehicle for financing Islam as a society. This paper analyses the socioeconomic roles that Waqf institution in tackling social security challenges for upliftment of the Muslim Ummah. The paper employs a non-experimental qualitative research methodology based on deductive method of analysis of jurisprudential and literature based-evidences. A socioeconomic framework was intuitively developed by the paper for logical analysis. It was found that socioeconomically, Waqf institutions across the Islamic world have played immeasurable roles in the areas of provision of social and economic infrastructures, lessening the burden of tax and budget deficits, closing the short fall in tax revenues, tackling poverty and income inequality, boosting economic growth, promoting independent provision of public goods and development of active civil society bonded by spirit of compassion and communalism as against that apathy and individualism. The paper strongly urges the Muslim Ummah to reestablish and reassert the roles Waqf institutions to free itself from socioeconomic misadventures.

Keywords: Socioeconomic security, Islam, Waqf/Awqaf, income inequality, poverty

JEL Classification: L31, L32, I31 and Z12.

1.0 INTRODUCTION
Provision of economic and social security continue to occupy center stage in policy design and development initiatives across both the developed and developing nations of the world. These take the form of access to basic needs and/or socioeconomic infrastructure in terms of education, health, dwelling, information, food, social protection, as well as work-related security. As a distinct socioeconomic gap filler in Islam, Waqf reflects the level of ethical and moral mileage and an imitable heritage of an Islamic society as well as the barometer of its religious consciousness. Commitment to Waqf signals emergence of a balanced society marked socially by love, affection and compassion; industrially and economically vibrant. The institution embodies the level of tolerance, generosity, solidarity and interdependence among people (Elasrag, 2010). As an outcome of the religion of Islam, Waqf marks a clear demonstration of kindness, love and care towards the
vulnerable members of the society through the concept of Al-birr\(^1\), that is, gratuitous assistance to the vulnerable group. This is further reinforced by the famous tradition of the Holy Prophet (PBUH) on sadaqatul-jariya\(^2\), that is, perpetuitous sadaqah. The jurists have unanimously agreed that it is a fard al kifāyah (collective duty) of Muslim society to take care of the basic needs of the poor and destitute.\(^3\)

Waqf (singular of Awaqf) is one of the key institutions in the Islamic religion. It is a continuous charitable act for the sake of God and augmented by the prevailing spirit of altruism, which forms an integral part of the Islamic way of life (Khan, 2014). Generally, Waqf institution is for the furtherance of humanity and Muslim historians have traced the first Waqf in the Islamic world to be the mosque of Quba built in the outskirt of Al-Madinatul Munawwara. Afterwards, Waqf involves provision of dilated access to variety of socioeconomic infrastructure for betterment of the society. According to Ahmed (2007), these includes socioeconomic relief to the needy segment, the poor, provision of religious services, education, scientific, environmental, and other purposes. Khan (2014) reports that a number of humanitarian projects today are operated through the institution of Waqf such as building houses for the needy people, springs development for providing water for public consumption, helping the handicapped and the poor, building bridges, financing orphanages and homes for the elderly and financing the marriage of young people in need.

Therefore, Waqf is multidimensional instrument composing of economic, social, religious, cultural and political cum humanitarian, aspects of human life. It is embedded with the characteristic of piety, kindness and social justice and or positive values (Brown and Holloway, 2006 and Martin, Chau, & Patel, 2007). Further, Brown (2008) opines that Waqf operates as a distinct ethical capitalism. Further, Babacan (2011) posits citing Hodgson (1974) and Kuran (2001) that Waqf system is the most dominant economic actor outside the government in the Islamic States and deemed it to be the primary “vehicle

\(^1\) The Holy Qur’an states “… and give away wealth out of love for Him to the near kin and the orphans and the needy and the wayfarer and the beggars and for emancipation of the captives, and keep up prayer and pay the poor-rate (zakah)... these are they who are true (to themselves) and these are they who guard (against evil)”, Al-Baqara, 177. See also: Al-Baqara, 267, Al-Imran, 92, Anfal, 2-4 and Al-Qasas, 52-54.

\(^2\) The Prophet of Allah (PBUH) said: When a man dies, all his acts come to an end, except three: recurring charity (sadaqah jariyyah), or knowledge by which [people] benefit, or a pious offspring who prays for him (Sahih Muslim, Book of Wills, Hadith No. 4005).

for financing Islam as a society”. Thus, Waqf provides the basic needs of the poor, such as clothing, food, shelter and a wide range of public goods and services such as education and health that have direct bearing on economic security (Elasrag, 2010).

This paper is premised on the fact that the stereotype neoclassical economics ‘conflict’ models, private and public sectors; have failed to usher sustainable development in view of their value-free stance. Over the years, this has led to pathetic economic conditions in many Muslim countries especially those in Africa, Nigeria inclusive, in terms of massive infrastructure deficit, lack of good healthcare system, high rate of unemployment and widespread poverty that could hardly be surmounted by revenue in the government coffers. Shaikh, Ismail and Shafiai (2017) opine that Muslim-majority countries are generally income-poor, and the governments are generally weak in their tax collection, effective governance and capacity for development spending. Expediently, through integration of values and ethics into economics, Waqf institutions proved to be an indispensable third sector in Islamic economics capable of pulling independent resources for socioeconomic development.

Against this background, this paper seeks to unveil the roles Waqf institution can play in mitigating socioeconomic problems of our society. We employ a non-experimental qualitative research methodology based on deductive method of analysis of jurisprudential, conceptual and empirical literature based-evidences. Consequently, the paper is organized into five sections. Following the introduction in section one, section two reviews conceptual and theoretical issues on the concept of Waqf and socioeconomic variables and or indicators. Section three reviews roles of Waqf in building social and economic security. Section four identifies specific channels through which Waqf impacts on socioeconomic indicators in the society and finally, section five presents conclusion and recommendations.

4 Arshad and Haneef (2016), for instance, argue that values and ethics have never been part of the principal elements of modern day economics although they might have made a brief historical hallmark when they were part of the moral philosophy discussions in the 16th and 17th centuries. That over the centuries, the importance of values and ethics have been played down, thus giving way to the domination of a ‘value-free’ technical, positive economics.

5 To mitigate the effects of these problems arising from the state and market failures, it is common thing to find non-governmental organizations, foundations, nonprofit organizations, civil society organizations, operating all over the world with welfare as their main agenda and altruism as their main driving value (Najam, 2000; Molla & Alam, 2011).
2.0 CONCEPTUAL AND THEORETICAL ISSUES

2.1 Concept of Waqf

Waqf or in a plural sense Awqaf\(^6\) literally means to hold, confinement or prohibition or forbidding movement, transport or exchange of something (Raissouni, 2001; and Lahsen & Raghibi, 2018). It is in English known as an ‘Islamic trust’ or a ‘pious foundation’ (Kuran, (2001). In traditional sense, it is defined as holding of an asset transferred by an asset provider (waqif)\(^7\) and delivering its usufruct to the benefits of the public (Ismail, Muljawan, Chalid, Kashoogie and Sastrosuwito (2015). This definition is in line with Kahf (1998) and Pirasteh and Abdulmaleki (2007). Waqf is an endowment made by the rich to benefit the poor. It is one of the important elements in Islam in alleviating poverty through providing basic needs to increase general welfare of people and or has strong economic power to move the society towards the path of growth and prosperity (Kahf, 1998; Sadeq, 2002; and Yalawae & Tahir (2003).

The Shari’ah scholars; Imam Hanafi, Imam Shafi’i and Imam Hanbali concur on perpetual\(^8\) Waqf while in the Imam Maliki’s view, it could be temporary. The Maliks\(^9\), for instance, support that the Waqif has the right to define a certain period for the contract, which by its end, the property returns to him.

\(^6\) The term Awqaf was literally derived from wuquf which means stands still or remains. The term was then absorbed into the financial term to represent the responsibility of an economic agent to maintain the value of the man dated asset.

\(^7\) A famous Hadith worth mentioning at this juncture relates to Umar bin al-Khattab (RA) where ibn Umar (RA) reported that: Umar Ibn al-Khattab gained possession of a piece of land in Khaibar; so he went to see the Holy Prophet (PBUH), to consult him about it. He said, O Messenger of Allah! I have got a piece of land in Khaibar of which I have never obtained more valuable property than this, (Although I aspire to reach out to Allah Azza wa Jalla) what is your advice or suggestion about it and the best course of action to take? The Messenger of Allah (PBUH) said: ‘If you wish, make the property itself to remain inalienable, and give (the profit from) it to charity. So ‘Umar ibn al-Khattab made it a charity on the condition that it shall not be sold, nor given away as a gift, nor inherited, and made it a charity among the needy and the relatives and to set-free slaves and in the way of Allah and for the travellers and to entertain guests, there being no blame on him who managed it if he ate out of it and made (others) eat, not accumulating wealth thereby’ (Sahih Muslim).

\(^8\) According to Imam Hanafi, Waqf is to keep a property as owned by Allah and give aims from its returns; Imam Shafi’i, Waqf is to keep the wealth that can give benefit, and keep it remaining in the same form while the original owner cannot consume it while the Imam Hanbali states that Waqf is to keep a capital and consecrate returns.

\(^9\) That Waqf is to give the returns or usufruct of something as long as it is existent and it has to be owned by the endower even if pre-supposedly.
Further, jurists differ on permissibility of cash Waqf\(^{10}\) where the Hanafis and Shafi’is posit that cash Waqf is not permissible, the Malikis and Hanbalis say it is permissible. In its fifteenth meeting, Al-mujamma’ al-fiqhi (Islamic Fiqh Academy) issued a statement No. 140, that endorses the permissibility of cash Waqf. Similarly, on May 11 2002, the Indonesian Ulama Council issued a fatwa allowing cash Waqf (endowment cash/Waqf al-nuqud) on condition that the principal value of endowments must be guaranteed sustainability. For instance, Cizakca (1998) reveals that during the Ottoman Empire, cash Waqf played an important role in infrastructure development.

An Awqaf asset management is depicted in Figure 1. The Awqaf asset originates when a Waqif transfers asset in his real possession to an Awqaf manager (Nadir) accompanied with specific prescription on how to manage the asset. The Figure shows that any economic excess generated from the Awqaf asset is solely meant for the society’s welfare. Although the Waqif is not entitled to any return from the surplus generated by the Waqf asset, the Nadhir is however entitled to certain reward/percentage as management fee for his services.

2.2 Socioeconomic Factors/Indicators

Socioeconomic refers to issues that pertain to society and economy and or more broadly, sociology and economics. Sociologically, these include factors that include religion, family status, family size, quality of neighborhood, food or nutritional intake, etc. Economically, factors like income, employment, education, poverty, inequality, etc., shape the economic status of people in the society. According to McLeod (2018) socioeconomic factors include financial viability and social standing, health status, income and assets, education, environment and quality of neighborhood.

Figure 2 depicts a conceptualized virtuous interface between socioeconomic factors and an Awaqf institution that manages pool of Waqf assets. The Figure shows how on one hand, Awaqf institution socially improves access to education, health status, food/energy intake, shelter/housing, social profit and environmental sanitation/protection. According to

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\(^{10}\) Cash Waqf money is one form of innovation that allows the management of Waqf endowments to be more flexible. The model provides the possibility of participation of Muslims in wider charity in view of the fact that the nominal cash for a given Waqf project can be broken down into small amounts accessible by all people. That separate cash Waqf can be raised for each individual Waqf activity (Nurrachmi, 2012).
Figure 1: Waqf Arrangement – Waqif and Nadhir Relationship

Source: Adapted from Ismail, et al. (2015). Awqaf linked sukuk to support the economic development, Bank of Indonesia.

Mubyarto (1988) cited in Farid (2016), for instance, Waqf caters for welfare indicators; sufficient food, clothing, shelter, health maintenance, educational achievement of children, feeling of being treated fairly in life. That the use of Awqaf concept in supporting the educational system was a common practice during the periods of caliphs (Cizakca, 1998). Further, Waqf not only serves as a mechanism for providing the basic needs to the needy but addresses socioeconomic inequities, eases financial burdens at individual and public levels and enhances the quality of life in the society in accordance with the requirements of the Shari’ah (Zakaria, Samad and Shafi’i, 2013).

Economically, Waqf promotes economic growth and development, raises household income and employment and mitigates against incidence of
poverty, inequality in the society and deepens Islamic capital market fund mobilization. In this regard, Bello (2010), for instance, posits that the institution of Waqf can be used to support our contemporary socioeconomic set-up and the program relating to poverty alleviation. That when managed productively, Waqf assets can be key pillars in dealing with the economic slumps in the society and an alternative way to reduce poverty (Kementerian, 2010 cited in Farid, 2016). Accordingly, this paper adopts the proposed framework in its analyses.

![Figure 2: Framework on impact of Waqf on socioeconomic indicators](source: Author's own intuition, 2018.)

3.0 REVIEW OF EVIDENCES ON SOCIOECONOMIC IMPACT OF WAQF

3.1.1 Waqf as a Social Security Builder

No doubt, Waqf is a religious cum social institution in Islam which has direct bearing and functional relevance in mitigating social problems and engendering peaceful coexistence in the society. Waqf endowments played important roles in achieving a just social order (Ali and Ali, 1995). That prosperous human life yields security, peace and ability to meet the needs of life. Mubyarto (1988) cited in Farid (2016), opines that welfare indicators are; sufficient food, clothing, shelter, health maintenance, educational
achievement of children, feeling of being treated fairly in life, all of which could be effectively catered for by Waqf institution.

In this regard, Ahmed (2004) opines that the historical role of Waqf is very rich and played essential role in developing various aspects of the society and the economy. Cajee (2007) cited in Zuki (2012) opines that Waqf served as a powerful force at community level that supported institutions through provision of infrastructure, social, health and educational programmes. Explicitly, the use of Awqaf institution to support the educational system was a common practice during the periods of caliphs (Cizakca, 1998). Many lands and school buildings were committed by prominent persons as Awqaf assets. According to him, the practice during the period had allowed the Islamic schools to provide non-profit oriented education programs. Furthermore, expounding the all-encompassing nature of Waqf during the Ottoman Empire, Baskan (2002) reveals that the financing of health, education and welfare was entirely left to the Waqf system so much so that the following expression holds true:

"Thanks to the Waqf during the Ottoman Empire, a person would have resided in a Waqf house, slept in a Waqf cradle, ate and drank from Waqf properties, read Waqf books, taught in a Waqf school, received his salary from a Waqf administration, and eventually when he died, put into a Waqf coffin and buried in a Waqf cemetery" (Baskan, 2002).

Further, Bello (2010) opines that leveraging on the past history Waqf, there is no doubt that it can be used for the poor sections of the society by mobilizing additional resources to address socioeconomic issues like: education, healthcare and care for HIV/AIDS infected persons, skills and micro entrepreneurial development, and water and sanitation facilities in rural areas. According to Zuki (2012), Waqf provides a number of humanitarian projects that include among others; development of springs to provide water for public consumption, building houses for the needy, building bridges, helping the poor and the handicapped, financing the marriage of young people in need, and financing orphanages and homes for the elderly. Additionally, Kuran (2012) posits that Waqf services could be anything legitimate under Islamic law. Waqfs were commonly established to support mosques, schools, fountains, hospitals, soup kitchens, bathhouses, and inns. That whatever are its particular services, the endowment of a Waqf would be expected to support the maintenance of not only its physical structures, but also its operational expenses, including staff salaries.

In area of provision of healthcare services, the impact of Waqf is highly noticeable. Well to do members in the society especially caliphs/rulers, built hospitals and health centres as Waqf and some of them donated their
properties and cash as endowments and the revenues generated from these endowments were used for running expenses and maintenance costs of the hospitals (Nagamia, 1992). In addition, Kahf (1998) found that construction of hospitals, health centres and their maintenance, purchase of medical equipments and drugs, salaries to physicians and medical staff were entirely financed by Waqf institutions throughout Islamic cities. That the entire health, education and welfare budget during the Ottoman Empire based in Istanbul, came from its charitable foundations (Cizakca, 2000).

Waqf institutions are equally famous in provision of direct services in form of food, clothing, social services, and the like (Abattouy & Al-Hassani, 2013). Khan (2014) reports that when the famous traveller Ibn Battuta visited Damascus, he was surprised by the wealth and variety of local Waqf institutions he saw. That there were endowments for supplying wedding outfits to girls of poor families unable to provide them and others for the freeing of prisoners. There were endowments for travellers, for giving them food, clothing, and including expenses of conveyance to the needy. There were endowments for the improvement and paving of the streets.

Summing up, evidences show that Waqf played significant role in the provision of social goods (education, health etc.), public goods (roads, bridges and national security), commercial business, utilities (water and sanitation), religious services (building and maintenance of mosques and, grave yards), helping the poor and the needy, creating employment, supporting agricultural and industrial sectors (Cizakca, 2000; Sadeq, 2002 and Kahf, 1998 & 2003). For instance, it was estimated that there were 50 hospitals in Cordoba alone which were built and financed by Waqf, while in Egypt by 1913, Waqf institutions had more than 11 hospitals which treated over a million patients (Ahmed, Mohammed, Faosiy and Daud, 2015). As a matter of fact, Moreover, Waqf has played an immense role in the field of the protection of the five essentials (Al-Daruriyaat al-Khams); protection of the religion and religious activities; protection of life on the essentials; protection of the human intellect with sound and harmonious development of mind, body, and soul through educational services; protection of orphans and widows; and protection of wealth and reallocation of wealth and income through economic and financial activities (Alam, Shahriar, Said and Elahi, 2018).

### 3.1.2 Waqf as an Economic Security Provider

In theoretical Islamic economics literature, Sadeq (1987) posits that the Islamic concept of human welfare is more comprehensive than economic
welfare alone. As the most outstanding instrument of deploying welfare in Islam, Waqf plays a matchless socioeconomic roles. Its very essence entails dedication of economic resources, to perpetuity, in cash or kind, for multidimensional uses by members of the society. The institution of Waqf promotes wealth creation, generates employment opportunities, supports infrastructure development, human capital, deepens Islamic financial intermediation, reduces income inequality and tackles the thorny issue of poverty, among others. The success of Waqf as a source of socioeconomic financing in Islamic history by providing the social and public goods to the society is indelible till today (Zuki, 2012 & Atan and Johari, 2017).

Cizakca (1998) argues that the Waqf system can significantly contribute towards the ultimate goal of every modern economy; massive reduction in government expenditure which leads to a reduction in the budget deficit, reducing the need for government borrowing...that as a matter of fact, Waqf could assist modern governments to eradicate interest as well as promote better distribution of income. It is a reliable source of funds from the public and intended for the general public (Mubyarto, 1988). Blessedly, Waqf had provided social welfare services that many current states struggle to offer (Cizakca, 2002 & Chapra, 2008).

Pirasteh and Abdolmaleki (2007) contend that Waqf sector promotes provision of public services and socioeconomic development as a benevolent, nongovernmental and non-profit sector in the economy. Further, Cizakca (2000 & 2011) opines that Waqf was instrumental to the delivery of public goods at no cost to governments. This has caused significant reductions in government expenditure and borrowing, which invariably results in unsustainable debt levels, and significantly reduces the level of tax burden. This provides alternative uses of tax revenues for provision of additional public goods. Accordingly, the reduction in public borrowings leads to an increase

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11 The Islamic economic system recognizes two obligatory and voluntary mechanisms in the distribution of income and wealth. These are: functional distribution of income and wealth and income (re)distribution through transfer payment institutions (Pryor, 1985). The former is achieved through the market system while the latter, according Tohirin (2010) is achieved through the instruments of zakah, infaq, sadaqah, and Waqf.

12 Within the realm of conventional public finance theory, this reduces what Peacock and Wiseman (1961) described as the concentration effect, that is, a conditions when large government spending account for greater share of the gross domestic product (GDP) in the economy. Furthermore, additional revenue from Waqf helps to effectively contain the expected shortfall postulated by the Peacock and Wiseman (1961) hypothesis between desired level of government spendings for provision of public goods and its expected revenue from taxes.
in savings and private investment potentials, thus promotes economic growth (Zuki, 2012; Mohd, Abdul and Zaini, 2012; & Khan 2014).

In his characterization of _Waqf_ as a dominant actor\(^\text{13}\) outside the government, Kuran (2001) posits that the rich can avoid the arbitrary power of the state on their capital or resources by investing in _Waqf_ for provision of infrastructure without the watchful eyes of the state. This results in the development of an active civil society, assists in redistributing resources and reduction in income inequality in the society (Zuki, 2012). Khan (2014) and Bello (2010) opine that solution to problem of poverty, among others, lays in the establishment of Islamic _Awqaf_. Thus, Abdul, Muhammad and Hakimi (2013) contend that _Waqf_, among other philanthropic tools in Islam, is able to realise a welfare economy. That unlike conventional motivation of tax exemption, the Islamic concept of philanthropy (_Waqf_) has spiritual and social justice motivation. Earlier on, Mubarok (1998) describes the spiritual and social motivations as vertical and horizontal dimensions of _Waqf_; the former relates to seeking the pleasure of the Almighty Allah (SWT) whereas the latter refers to extending benefits to members of the society.

In a detailed assessment of the contributions of Islamic _Waqf_ in poverty reduction, Khan (2014) provides very rich theoretical and empirical evidences on how _Waqf_ tackles seven different dimensions of poverty identified in his paper; hunger or nutrition (shortage of food leading to ill-health); health (inadequate levels of health due to less food, lack of medicine and sanitation and non-hygienic life); lack of education (literacy, knowledge) educational opportunities; lack of shelter, clothing, empowerment; lack of economic opportunity, economic resources; lack of water (for drinking sanitation and irrigation), public utilities, social welfare; and deficient social relations, poor social and cultural life. In addition, the paper showcased a number of interventions of _Awqaf_ institutions pertaining to each of the dimensions during the Caliphate period until the 19\(^\text{th}\) century in countries like Algeria, Syria, Tunisia, Turkey, Iraq, Iran, Egypt, Morocco, Bangladesh, etc.

Atan and Johari (2017) conduct an extensive review of literature on impact of _Waqf_ on poverty alleviation between 2006 and 2016, a period of 10 years. The researchers used a descriptive research approach, that is, content analysis. They found that out of 365 citations on impact of _Waqf_ on poverty, a total of 289 research articles were published in journals across the globe with highest concentration in Malaysia, Indonesia and Turkey among others.

\(^{13}\) In same vein, Arshad and Haneef (2016) construct an economic model that incorporates the third sector, otherwise known as the voluntary sector (_Waqf_ as the indispensable institution of the sector), alongside the public and private sectors and argue that the model is not only the most economically viable, but ethically superior in achieving socioeconomic development.
Further, a total of 14 subject areas or issues were identified in the 289 publications and out of these, top trending issues are: cash Waqf (19.4%) Waqf property (13.8%) and Waqf concept (12.5%). Specifically issues that dwell on poverty and poverty alleviation, microfinance and corporate Waqf also gained popularity among the researchers and throughout the period under the review. The authors posit that transfer of prosperity from individuals to the society through Waqf reduces income inequality and poverty, enriches quality of life, inspires spirit of brotherhood, rejects pure materialism and individualism and uplifts the well-being of the Ummah.

4.0 WAQF INFLUENCE ON SPECIFIC SOCIOECONOMIC INDICATORS

4.1 Influence of Waqf on Social Indicators

Based on the evidences expounded in sections 2 and 3, the model intuitively developed by the paper, Waqf intuitions have practical implications on the following social indicators:

4.1.1 Waqf and Educational Development

The use of Waqf funds in educational development is second only to construction of mosques in the history of operations Waqf institutions. Invariably, education, water supply and health are basic infrastructures largely consumed by the poor with education serving as a veritable instrument for breaking out of yoke of poverty. Waqf had been instrumental in establishing schools for both religious and non-religious knowledge, printing of books, establishing libraries, provision of scholarships, etc., particularly during the period of Ottoman Empire (Cizakca, 1998, 2000; Kahf, 1998; Baskan, 2002; Mubyarto, 1988; Cajee, 2007; Farida, 2016). That the Waqf’s non-income approach include provision of such things like education and health; and increasing access to physical facilities (Sadeq, 2002; Magda, 2015). For instance, the University of Oxford and Merton College according to Sadeq (2002) was founded on Waqf. Similarly, the University of Al-Azhar founded in Cairo in 972 was financed by Waqf revenues until the government of Muhammad Ali in Egypt took control over from the Awqaf in 1812 (Kahf, 2014). In Nigeria, the Darul Hadith Foundation based in Kano built a mosque, primary, secondary and Islamiyah schools while the Katsina Islamic Foundation, in addition to other endowments, established Al-Qalam University in Katsina State, the only Islamic University in Northern Nigeria.

4.1.2 Health and Nutrition
Health is wealth and the poor are often near the brunt of poor quality healthcare. In many jurisdictions, Waqf revenues had been used for provision of health services that cover things like construction of hospitals and spending on physicians, apprentices, patients, and medicines (Ahmad, 2015). In this regard, the Al-Noorie Hospital in Damascus founded through Waqf in 1145AD is, among other features, the first that was able to establish medical school which trained eminent physicians, including Ibn Nafis, a scholar who discovered the theory of the respiratory system in the human lung (Ahmad, 2015). Further, example of health Waqf is the Al Shishli Children Hospital in Istanbul which was founded in 1898 (Kahf, 2014). In Nigeria, the Kano Islamic Foundation had, for the past three decades, established and been managing the Al-Nour Hospital. Further, the Jaiz Bank Charity Foundation provides support for those having challenges in paying their medical expenses or for treatment of expensive ailments requiring corporate assistance. Subai (cited in Nuruddeen, 2016) asserts that apart from providing places of worship and religious schools, Awqaf have served as welfare mechanisms establishing “mobile hospitals moving from village to village.

4.1.3 Food, Nutrition and ease in the Discharge of Religious Obligations
It is a known fact that Waqf promotes construction of mosques and or rehabilitation of existing ones, provision of toilets facilities, Madrasas, religious books, provision of water, food for breaking of fast, and so on. All these provide great ease and comport in the discharge of religious obligations. Kahf (2007) posits that the first Waqf established in the Muslim world was the mosque of Quba14. Further, Mizanur (2013) reveals that out of about 200,000 mosques in Bangladesh, a total of 123,006 are Waqf properties. That Waqf played significant roles in the provision of utilities (water and sanitation), religious services (building and maintenance of mosques and, grave yards), helping the poor and the needy, creating employment opportunities (Cizakca, 2000; Sadeq, 2002 and Kahf, 2003). On the social aspect, Kuran (2001) says “by the end of the eighteenth century, in Istanbul, with an estimated population of 700,000 made it the largest city in Europe, up to 30,000 people a day were being fed by charitable complexes (imarets) established under the Waqf system.” In Nigeria, the Jaiz Bank Charity Foundation provide amenities and community support services for the Muslims for building mosques, sinking of bore holes, roads rehabilitation.

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14 According to Sedar (2015) Waqfs are as old as the history of humanity and that Islamic history reveals that the oldest Waqf is the Holy Qa’aba in the city of Makkah which was built by Prophet Ibrahim (AS).
equipping learning centers and providing interventions for capital projects for wellness and welfare of the community (Raimi, Shuaib, Shokunbi and Akosile, 2016).

4.1.4 Shelter and Housing
Lack of access to good shelter is one of the three painful assaults of poverty onto the poor; others are food and clothing. The World Bank (2012), for instance, posits that poverty is severe lack of food, shelter and basic amenities. In addition to providing positive social benefits to household stability, shelter shapes household’s characteristics including health, wealth, education, moral values, faith, as well as the negative characteristics of crime, violence and insecurity (Shirazi, Nasim, Zulkhibiri and Ali, 2012). In addition to provision of worship places, Waqf has been instrumental in providing shelter to the needy and poor. That during the Ottoman Empire, several people were forced to migrate to Istanbul and they are housed in houses which were built by Waqfs (Barkan and Ayverdi, 1970). Baskan (2002) eloquently states that “thanks to the Waqfs that flourished during the Ottoman Empire, a person would have resided in a Waqf house”. Furthermore, Khan (2014) reveals that many humanitarian projects today are operated through the institution of Waqf such as building houses for the needy people, springs development for providing water for public consumption, helping the handicapped and the poor, building bridges, financing orphanages and homes for the elderly and financing the marriage of young people in need (Khan, 2014). That the Turkey’s Waqf system is so progressive that it had created 4,400 mosques, 500 university hostels, 150 hotels, 5,348 shophouses and 2,254 housing projects. It is heartening that the Waqf system has been the Turkey’s ‘bread and butter’ since the Uthmaniyyah Caliphate era (Ali, Noor, Johari, Fauzi, Chuweni and Ismail, 2016).

4.1.5 Social Profit and Environmental Protection
Waqf institution provides opportunities for maximization of social profit, that is, improvements in both human as well as environmental wellbeing rather than maximization of pure economic profit which is the cornerstone of a mundane oriented capitalist system. That Waqf endowments played important roles in achieving a just social order (Ali and Ali, 1995). Equally, Waqf funds are applied in the area of sustainable human and environmental development; investment in human capital, land reclamation, desert control, afforestation, environmental protection, etc. Kuran (2012) opines that Waqfs could have turned the Middle East into a region rich in “social capital,” that is, an area
hospitality to initiatives requiring social organization. That social justice, quest for sustainable security and equitable redistribution of income could be achieved through Zakah, Waqf and interest-free loan systems (Ahmed, 2007; Cizakca, 2004; Raimi et al., 2013).

Thus, the system of Awqaf system has served the public for a variety of purposes that outline an endless list: protecting the unfortunate, meeting the need of wayfarers and pilgrims, raising orphans, helping the bankrupt or those with excessive debt,...taking care of the environment, paving roads, enlightening streets, paying a neighborhood’s taxes, supporting retired sailors, organizing picnics for a designated guild, subsidizing the cultivation of rare roses, lending to small businesses, helping prisoners, and providing toys to children of poor families...(Senkaya, 2012). Furthermore, the independent approach through which Waqf finances education facilitates creation of an educated class beyond the rich and ruling class of society... scholars go round the downtrodden segments of society and the situation creates an extremely significant process of dynamic social change in Muslim society that was unprecedented in the history of humanity (Kahf, 2012 & Alam, Shahriar, Said and Elahi, 2018).

4.2 Influence of Waqf on Economic Indicators
Zakah, Waqf and other charitable spendings constitute an important third and indispensable sector in an Islamic economy (Koran, 2001; Molly and Aslam, 2011 and Arshad and Haneef, 2016). This section substantiates on the contributions of Waqf on economic indicators independent of the public and the private sectors.

4.2.1 Impact of Waqf on Economic Growth
Economic growth is measured as the annual increment in the value of final national output of a country. In multitude of ways, Waqf facilitates transfer of wealth from Waqif to the caretaker (Mutawalli), especially through cash Waqf, for promotion of activities in the real sector of the economy; creation of employment opportunities, production and consumption. All these impact positively on economic growth of a country. Broadly, Waqf builds infrastructures that invariably are lifelong. These are regarded as social overhead capital (SOC) in conventional economic literature and they play complimentary roles in the development of industry, economic growth and development. At macro level, Islamic economists argue that reduction in public spendings for provision of public goods leads to a fall in the tax burden on the citizenry which in turn increases the potential for savings in the economy, private investment and growth (Cizakca, 2011 and Seder, 2015). Recently, Elasrag (2017) posits that Awqaf can be used not only for provision
of immediate necessities to the poor, but also for creation or strengthening business support institutions that can lower the cost of doing business for the poor. Securitization of Waqf funds through Islamic capital market also provides long term capital for financing economic growth and development. For instance, Ismail et al (2015) explore the potentials of a sovereign Sukuk linked to Waqf assets for the development of massive local Waqfs that are underdeveloped in Indonesia. Moreover, Alam et al (2018) opines that Waqf creates a permanent, cumulative, and continuously increasing capital base that sustains growth, as well as expands the scope of benevolent activities apart from Zakah and charities.

4.2.2 Income and Employment Generation
The Islamic economic system promotes circulation of wealth by discouraging its concentration through the instruments of Zakah, Waqf and other form of benevolent spendings\textsuperscript{15}. In particular, establishment of Waqf management board for administration of Waqf assets creates employment opportunities to teaming number of people and avenues for career development along different lines; health, education, roads, housing, orphanages, environmental protection, agriculture, water supply and sanitation, etc. Waqf institutions for instance, during the Ottoman Empire was known to own numerous hospitals, schools, houses, etc., that provide employment opportunities to numerous people in the state. Sedar (2015) postulates that being an omnipresent in both inherited and founded cities within the Islamic world, Waqf endowments literally touched every socioeconomic sector within urban centers as well as, to a certain extent, within rural environments, and in particular, it had positive impact on employment in regions in which they were active. That cash Waqf and securitization of Waqf endowments can also raise capital for short and long term project financing that can create employment opportunities in the economy.

4.2.3 Waqf and Poverty Alleviation
Poverty remains a predominant feature of modern societies which arise due to widening gap in incomes and opportunities between the rich and the

\textsuperscript{15} The Holy Qur’an states: “Whatever Allah has restored to His Apostle from the people of the towns, it is for Allah and for the Apostle, and for the near of kin and orphans and the needy and the wayfarer, so that it may not be a thing taken by turns among the rich of you, accept it, and from whatever he forbids you, keep back, and be careful of (your duty to) Allah; surely Allah is severe in retribution (evil)”. Q59:7 Furthermore, the Holy Qur’an states: “Alms are for the poor and the needy, and the officials (appointed) over them, and those whose hearts are made to incline (to truth) and the (ransoming of) captives and those in debts and in the way of Allah and the wayfarer; an ordinance from Allah; and Allah is knowing, Wise”. Q9:60
poor. Regardless of the perspective one talks about, poverty is seen generally as an alienation of people from socially adequate or decent living standards. This encompasses a wide range of deprivations or access to basic human needs; food, safe drinking water, sanitation, health, shelter, education and information as well as access to other essential services. For instance, Aziz (2013) posits that cash Waqf provides a source of social fund that is economically and politically free of charge which is expected to become one of the instruments for the poverty reduction programs worldwide mostly in Islamic countries. Khan (2014) conducts a detailed review on how Waqf institutions impact on seven key dimensions of poverty viz: hunger and nutrition, health, education, shelter, clothing economic opportunities, safe drinking water and mutual respect/dignity/social relations. That Zakah as well as Waqf today have the potentials of serving as effective tools for poverty alleviation and attainment of sustainable development in the Muslim community (Saifuddin et al., 2014; Theodossiou, 2015). Other approach to poverty reduction include Waqf’s non-income approach which is in form of provision of such things like education, health and increasing access to physical facilities (Sadeq, 2002; Magda, 2015). In Nigeria, the Sokoto Zakah and Endowment Foundation in 2015, for instance, reports that the sum of N927.6 million was expended on the wellbeing of 7,000 physically challenged persons and indigents to reduce incidence of poverty and tackle unemployment in the State (Mani, 2015).

4.2.4 Waqf and Income Inequality
As a forerunner to poverty, income inequality speaks of lopsided distribution of income and opportunities in the society. Inequality leads to sufferings, poor economic conditions and causes disillusionment in the society. These not only retards economic progress but also threaten the sheath of stability and social cohesion as well. Waqf institution serves as a strong antidote of income inequality along with other in-built mechanisms, Zakah, Sadaqa, Kaffara and the like. The institution provides opportunities for wealthy individuals in the Muslim society to deploy part of their wealth, without necessarily being practically involved, for provision of infrastructure and services that are often consumed by the poor and needy in the society. Evidences abound in the literature that the poor people often spend large proportion of their income on food, education, healthcare, and the like. Cizakca (2000, 2011) argues that these infrastructures, otherwise public goods, are often provided at no cost to either the government or the citizens by way of incurring debt or payment of taxes, respectively. This ultimately reduces income inequality in the society. For instance, Khan (2014) reports that during the Ottoman period,
the number of schools for higher education built by the Waqf totalled more than 500 after conquering Constantinople (Istanbul) until the 19th century. Further, the famous Al-Azhar University founded in 972 in Cairo (Egypt), is another classical example Waqf in educational support until 1812 when government of Muhammad Ali in Egypt took control over from the the Awqaf institutions (Khan, 2014).

4.2.5 Securitization of Waqf Assets
Waqf endowments are for lifetime and often, these are allowed to decay over passage of time. Majority Waqfs were built and donated for hundreds of years and as such the buildings are now dilapidated and therefore need renovations and or reconstruction to derive better benefits from them (Umar and Aliyu, 2018). That despite serving as abode of huge assets, Waqf institutions in Muslim countries globally face many challenges such as lack of financing, of efficient management teams and of legal consultation (Maghbub and Alhajam, 2018). Therefore, the emergence of Islamic capital market paves way for effective utilization of these assets leading to sustainable economic development. Hamouche (2007) cited in Khan (2014) posits that endowed assets occupy strategic position within the economic networks, generate capitals through economic vocations and leases, and insuring financial fluidity in the local markets. Further, issuance of sovereign Waqf-linked sukuk is beneficial for healthy economic growth by providing opportunities to investors and deepening the Islamic capital markets (Ismail et al., 2015). Moreover, cash Waqfs during the Ottoman Empire acted as a financial system in economy. An entrepreneur, for instance, finds an opportunity to invest and the profits of Waqfs (after use of funds for investment or consumer purpose) were used for the main aim of the Waqf (Sedar, 2015).

5.0 CONCLUSION AND RECOMMENDATIONS
Against the backdrop of the pathetic economic conditions in many Muslim countries especially those in Africa, Nigeria inclusive, massive infrastructure deficit, lack of good healthcare system, high rate of unemployment, wide spread poverty; this paper analyses the unique roles of Waqf institutions in tackling the socioeconomic misadventures for upliftment of the Muslim Ummah. The paper employs a non-experimental qualitative research methodology based on deductive method of analysis of jurisprudential and literature based-evidences. A socioeconomic framework was intuitively developed by the paper for logical analysis. From a detailed analyses,
jurisprudentially, Waqf is rooted in the Shari’ah – issues of differences of opinion among schools of thoughts aside, and its primary essence is promotion of ethical and moral values of brotherhood, cooperation, love and compassion. Socioeconomically, it was found that Awqaf institutions across the Islamic world have played immeasurable roles in areas of provision of social and economic infrastructures. Specifically, Waqf institutions helped in lessening the burden tax and budget deficits, mitigated against short fall in tax revenues, promoted independent provision of public goods, addressed inequality and poverty and promoted the development of active civil society bonded by spirit of cooperation as against that of individualism.

In view of these, the paper strongly recommends that to address the high incidence of poverty in our society, unemployment, skewness in the distribution of income, poor access to basic infrastructures – water, food, education, healthcare, the Muslim Ummah should reestablish and reassert the unique roles Waqf institutions to free itself from socioeconomic misadventures.

Specifically, the Ummah should:

i) Encourage formation of formal Waqf institutions in our local communities and at state levels;

ii) Encourage religious organizations to sensitize the Muslim ummah to be alive to the rich Islamic values as embodied in the Awqaf institutions; and

iii) Promotes aggregated cash Waqf for provision of socioeconomic services in our communities.

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