# **European Proceedings of Social and Behavioural Sciences EpSBS**

www.europeanproceedings.com

e-ISSN: 2357-1330

DOI: 10.15405/epsbs.2023.11.02.25

#### **ICMC 2023**

The 3<sup>rd</sup> International Conference on Management and Communication

# REVIVING WAOF IN HIGHER EDUCATION INSTITUTIONS: A COMPARATIVE REVIEW OF SELECTED COUNTRIES

Nurul Huda Abdul Majid (a)\*, Abdul Majid Omar (b), Mujahidin (c), Lydiawaty Hassan Busry (d) \*Corresponding author

- (a) Islamic Business School, Universiti Utara Malaysia, Kuala Lumpur Campus (UUMKL) Kuala Lumpur, Malaysia, nurul@uum.edu.my
- (b) Universiti Selangor Malaysia, Faculty of Business and Accountancy, Shah Alam Campus 40300 Shah Alam Selangor, Malaysia, majidomar40@gmail.com
- (c) Institut Agama Islam Negeri Palopa, Kota Palopo, South Sulawesi Indonesia, mujahidin@iaianpalopo.ac.id
  - (d) Universiti Islam Pahang Sultan Ahmad Shah, Kuantan Pahang Malaysia, lydiawaty@kuipsas.edu.my

### **Abstract**

Studies found that the potential of waqf in developing the education level of Muslim society is very significant, especially in emerging countries. History also proves the success of waqf in managing and upgrading higher education institutions in countries like Maghribi and Egypt. Waqf education in other countries like Singapore, Indonesia, and Turkeye also greatly contributes to the talents. With good governance and efficient management, waqf can contribute to the development of the education system, while administration structure and community engagement are also among the factors. Sustainability of the waqf education thus, may have contributed from all the above factors which was discussed in this paper. Objective of this review is to highlight some success stories of waqf in higher education. Five countries represented the Asia and Africa region are briefly reviewed on their waqf education history and development. The revival of this type of waqf education shows that it does not need to be independent by itself but needs support by the countries' culture and political system.

2357-1330 © 2023 Published by European Publisher.

Keywords: Higher Institutions, Review Countries, Waqf Education

### 1. Introduction

Educational waqf is not a new concept particularly in higher education. Among others in Malaysia, waqf institutions that were established were HUM Endowment, Kolej Universiti Islam Melaka (KUIM) Cash Waqf Fund, and UPM Dana Waqaf Ilmu. Educational waqf is a religious endowment that has gained popularity in Malaysian higher education, especially when private institutions enter the system (Mujani & Yaakub, 2017; Sani et al., 2022; Usman & Ab Rahman, 2023). It is vital in meeting the requirements of those who cannot afford education particularly as well as in managing and administering the operation of the Higher Education Institution. UNESCO has supported the Education for Sustainable Development (ESD) with the aims in bridging the global and local in ensuring that no one is left behind. For that, by advancing human rights and gender equality, and in addressing economic, social, and environmental sustainability while preserving cultural variety, education is the utmost focus to the nations.

Recognizing the significance of waqf to the growth of higher education institutions, in 2016, Ministry of Higher Education (MOHE) particularly in Malaysia highlights the UniTP Purple Book publications entitles 'Enhancing University Revenue Production, Endowment, and Waqf' with an objective among others are to provide universities with funds and to implement the waqf model for long-term financial sustainability (MOHE, 2017). This study attempts to review examples from five countries which have successfully managed the educational waqf via institutions of higher learning which have generated the talent that contributes to the country themselves. Realising the fact that comparative study is hardly found compared to waqf study in general (Chizakca, 201; Zuki, 2012) this study would focus on education waqf. However this review only touches on the institutions of waqf that are outstanding in the countries selected and may contribute to the knowledge on best practices in place.

First, the overview of countries is examined in Section 2.0. begins with waqf development. Section 3.0 discusses the method. Next, section Section 5.0 provides an overview of the five countries and waqf background in general. Then section 6.0 discusses the specific institution of higher learning incorporated from the waqf fund which are Madrasal Al-sagoff Al Arabiyah Singapore, Al Azhar University Egypt, University al-Qarawiyyin Maghribi, Al Fateh University of Turkey and the Pondok Modern Darussalam Gontor Ponorogo Indonesia. The last section provides conclusions from the review of these five countries.

### 2. Waqf Development

The notion of endowment for higher education institutions was practised for so long notable for the prominent university in western countries among others for Harvard, Stanford, Cambridge, Oxford, and Yale endowment. Cambridge's University endowment is known to be the largest in the United Kingdom. Oxford's endowment Fund was among the most substantial while the Yale of US (Yale Endowment) is among the oldest. Endowment arises starting with donations which provides another perspective of charity called Waqf.

Educational waqf or endowment fund for education serves variety of functions in the school, college at tertiary or higher institutions. Providing an opportunity for community members to participate

and benefits students to acquire the knowledge as in the following Hadith by Ibn Majah "*The best charity for Muslim is to give something via teaching it to other Muslims*". However, the community will be more interested in donating more dollars rather than paying the fees for others thus in order to reap the benefits of multiple rewards, involvement in waqf is notably demanding.

Nooraini (2015) gave the relations by highlighting endowment can be any fund that are dedicated based on religion which is other than Islam. Waqf on the other hand meant especially for the worship of Allah. For that, she gave the different aspects of an endowment to relate with trust and waqf as presented in Table 1.

**Table 1.** Duration, Objective and Fund

Column Heading	Trust	Waqf	Endowment
Duration	Limited/Perpetual	Perpetual	Perpetual
Objective	Law/For the author	Shariah/Charity	Law/For the author
Fund	Capital	Income	Income

(Source: Nooraini, 2015)

Supporting this fact, in the following famed hadith as mentioned by Muslim; the Prophet (PBUH) said: "When a human being, his work for God comes to an end except for three: a lasting charity, knowledge that benefits others and a prayer that forwarded for parents" This Hadith depicts that muslims are encouraged to donate, and donation is not in fund charity but providing educational services. Donations that are both long-lasting and continuous in nature like waqf would assist future generations.

The important features of waqf compared to zakah is the flexibility of funds given. The beneficiary is not limited to Muslims and the institutions of waqf are utilised for the welfare of unlimited beneficiaries. Looking back at the history where endowment funds similarly used in the western country for higher education, similarly in Egypt, the establishment of the University of al-Azhar in 359 AH was one of the results of the efforts to develop waqf assets in a planned manner. At the time of the Fāṭīmīyah caliphs under al-'Azīz Bi Allah (365-386H) a more organised waqf system was practised. He had made investments by purchasing business buildings and agricultural fields using state treasury resources to serve as investment assets. The profits earned from the investment assets have also been used as waqf assets to finance all activities in Al-Azhar University (Cizakca, 2011; Ramli et al., 2008). Even admitted by all, the waqf assets were more than the assets owned by the countries fund contributed in waqf are able to help countries in one time when needed.

### 3. Methods

Five countries namely: Indonesia, Egypt, Maghribi, Turkey and Singapore. Several written documents were employed which consists of various journals, articles, reports, books and newspaper. The authors managed to visit and collect the brochure place in the university in Singapore, Cairo and Fes in the country of Maghribi. Data from the sources physically explored may help to achieve a deeper understanding to supports readings from the secondary data. Authors may also able to analyze the current situation the institutions from these countries and their role to the community besides access the informations from the readings available from these five jurisdictions.

# 4. Countries Background

It is widely known that the practise of waqf has been in existence at the early time it is believed that this practise has been in existence since the end of nineteenth century. Reviewing the countries is a focus in this paper, Table 2 provides an institution of waqf of the countries and the beginning of waqf education with institutions that the paper refers to.

Table 2. Countries and the Waqf Education

Countries	Singapore	Maghribi	Turkeye	Indonesia
Governing Body	Islamic Religious	Ministry of	Ministry of	Ministry of Awqaf
	Council Singapore	Awqaf and	Awqaf	and Religious
	(MUIS)	Religious Affairs		Affairs
Year of	1912	975	859	1470
Establishment				
Institutions	Madrasah Alsagoff	Al-Azhar	University	Fatih Sultan
	Al-Arabiah	University	Al_Qawariyyin	Mehmet Waqf
				university

Singapore and Indonesia both situated in Southeast Asia but the different is in term of development level where Singapore known as developed country while Indonesia is developing with the most muslims population. Even though muslim considers as a minority in Singapore, the government of Singapore since 1960s provides grants and subsidies to support the development of Waqf schools in the country. The government together with Ministry of education of Singapore fully supports waqf education for instance the effort in introducing policy of integrating the Waqf schools into the national education system and the setting up of Waqf Education Board in governing the development of Waqf education. Indonesia is said to be the most generous country. This can be seen from the area of waqf land in Indonesia around which constitutes more than 500 thousand square feet in acre size. Various parties have endowed the waqf land, especially in ensuring the Islamic education system is highly preserved in the countries. Thus, the waqf land was managed to provide most Islamic education in Indonesia.

For countries in the Middle East like Egypt, the wealthy residents there provide substantial land that does not only for the institution itself but the return from the land is used to finance the administrations of the higher institutions and helps the country when there is a shortage of funds. It is also recorded that one over eight of the country's land which constitutes good soil has been gazetted as waqf land.

In Turkeye and Maghribi, to what extent an institution which since earlier established through waqf would be able to sustain is evidenced until today. During that time when the European Continents were left behind and human civilization was underdeveloped, one of this higher education established from waqf in Maghribi was the center of knowledge that is known for producing great scholars at that time. It is also proven in the history that Al-Fateh University of Turkeye once is the successful institutions fully funded from waqf. The example of higher institutions at one time in history produced Islamic scholars that is administered by waqf fund in this country and are they still sustained until today may not be highlighted. Their existence as the oldest university in the century represented by waqf and the most successful one not be highlighted as compared to Harvard and Oxford. The other unique things to be

highlighted for example these institutions were not colored by religious ideology or political sentiments but cooperation spirits, knowledge and respects. The next section will be discussion on the selected higher education institution as mentioned which represented by each of the countries.

## 5. Waqf Institutions of Higher Learning in Selected Countries

### 5.1. Madrasah AlSagoff Al-Arabiyah of Singapore

The establishment of the Syed Mohamed Ahmed Wakaf Fund after the death of Syed Mohamed bin Ahmed Alsagoff is a significant milestone to the development of schools which nowadays offer pre-university education. Earlier, this Islamic school began as one place where he and his wife taught Islamic education informally in their house. The growing enrolment over the years has made this waqf institutions become successful. When formal education by the mainstream has taken the education of Indonesia, this institution is governed under MUIS and becoming private institutions. However history of the Islamic education in this country has once been one of the centres of Islamic education as Arabic dominates and brings an emphasis of Islamic education in pre-World War II.

Funding issues are among the contributing factors due to higher cost of living and land value which then makes the waqf education institutions not sustaining enough. Even though private Mutawalli such as Syed Mohammed Ahmed Wakaf Fund established by the Alsagoff family still exist, when a formal education system is established, the government feels that waqf education of higher institutions is then centralised with more structured governance. Currently six madrasah where some of them including Madrasah AlSagoff became private and opened to donation and under MUIS as governing body. With that, there are no specialities to the donor on waqf given, and all treated as sadaqah without tax exemptions. Karim (2010) highlighted since 1970s, no evidence of new awqaf establishment in which among the reasons are lack of promotion of institutionalised waqf funds in Singapore,

### 5.2. Al-Azhar University of Egypt

For more than 800 years, al-Azhar University has produced Islamic scholars from all corners of the world. Various parties have donated and endowed it to ensure the sustainability of the educational system of this leading university and oldest university in Egypt. The university is fully funded from waqf donations. The sixth Fatimid Caliph, al-Hakim Bin Amar Allah, was responsible for making al-Azhar a systematic educational institution since 380H. He has updated the waqf system founded by the previous Caliph by establishing a waqf institution named Dar al-Qurb or Dar al-Kharq al-Jadidah. Among the centers of scientific activity funded by al-Azhar University, Dr. al-Ilm and the Jamik al-Rashi Jamik al-Rashidah Mosque (Shuib, 1995).

Then, the next Caliph, Al-Aziz Bi Allah, was the caliph who realised the waqf system by purchasing commercial buildings for the fields to finance Al-Azhar University. This effort is an example of an Islamic waqf fund for higher learning institutions and went on to become a model for many Western universities. Various parties have donated and endowed to ensure the preservation of the Islamic education system in this leading university in which outside factors believed the institution of Islamic studies were seen from some eyes to be perished.

However history has proven, notable scholars born from the one, Al Azhar which established as the oldest education institutions such as Hadith experts Ibn Haitham, an astronomer Ibn Yunus, A Historian Al-Musabbihi and several others. Notable those study Master degrees in this university, have named it among the lowest as stated in the fees structure of the university that the fees are incredibly

inexpensive (nearly free).

5.3. University of Qarawiyyin at Morocco/Maghribi

Universiti Al\_Qarawiyyin plays a leading role in the cultural and scientific exchange between Muslims and Europeans. Located in Fes Morocca within the western continent, the Guinness World Record has established this university as continuously award diplomas for centuries in the world. The university is also recognised as the oldest university started operation in 859 M. It is began after the woman named Fatimah Al\_Fehli that is based in Tunisia endowed the amount of fund for religious purposes, developing into knowledge centers and the madrasah was then expanded in giving educational

certificates to those acquiring knowledge in religious, politics and sciences.

Several countries have sent students to study Al-Quran and Feqah, grammar, medicine, mathematics, astronomy, history and music. The old manuscripts owned by the university has been kept in the library that was founded by Sultan Abu Inan Faris in 1349. Under the King of Maghribi administration during the early 21<sup>st</sup> century, the structure of Al-Qawariyyin university transformed from the governance by the Ministry of Higher Education to the Ministry of Waqf. The successful of this university currently prove the waqf institutions can be independently stand without support of government, and the perpetual duration and contribution from waqf sustained with good management. University of Qarawiyyin is currently known as the centre that keep highly valued manuscripts among others are the famous volume, Al\_Muatta by Imam Malik and the original copy of Ibn Khaldun book,

5.4. Al Fateh University of Turkeye

Over five centuries, supporting waqf institutions, the university at one time was the leading of education in the Ottoman era. Since then, the establishment of this university has been the landmark of higher education institutions in and even the existence of educational institutions that take over the non-Islamic kingdoms to serve as religious and intellectual centres such as in Iznik, Turkeye. It is proven on the capability of waqf fund in running the education institutions notably where about 142 universities are operated. Since the era where Sultan Muhammad II (Muhammad Al\_fateh bin Murad), they made the decree that learning institutions be funded by waqf fund. Thus waqf fund established in Turkeye to be the prime mover to the countries/ economy seen to the eyes of the Turkeye population as an engine of growth and be the spirit of cooperation, righteousness and the rise of donations.

A lot of transformation of waqf in higher education which changed the structure of higher learning institutions in this country, Sultan Mehmed University is among other the one based on waqf however contemporary types of institutions under waqf currently has been established. It is also argued that there is a decline of the educational system in the Otoman era parallel with the prevailing deterioration in its

342

Al\_Ibar.

### 5.5. Pondok Modern Darussalam Gontor Ponorogo Indonesia

The Gontor Waqf originated from the waqf of the founders of the lodge (Trimurti). This fund was succeeded in raising funds not limited in establishing the institutions of education but covers cash waqf raised by public and students guardian. The public include alumnis who voluntarily want to serve the institutions. Trimurti fund originally donated by the founder who donate their lodge (as property) for educational administration of the institution that formally named by Badan Waqf Pondok Modern Darussalam Gontor (Hakim, 2006). Than the business sustained and expanded to several business units and shopping centers.

It is recorded the lodge and originally cottage -owned business units reaching 50 units which were scattered in the area. Other than a cottage, there are also rice milling factories, ice factories, printing houses bookstores pharmacies and various operations that being set up. To finance the education institutions, Zarkasyi (2005) highlighted that the income reach more than 15 billion which was used to facilitate the lecturers, employees, academic activities as well as scholarships for students.

The empowerment of waqf for education thus, successfully give an impact to the community in Ponorogo at the same time provide the employment and upgrade their socio-economic level. From the source of waqf money which was believed an *infaq* of not small number of fund that was received from individuals named as Wali Santri, the number grows cumulatively from year to year (Rohmaningtyas, 2018).

### 6. Conclusions

From the review of countries waqf education for higher institutions, it can be seen that education waqf contributes substantially to the nations in several aspects from human capital and education, to the level where wealth creations. However, the design of countries administrations and origins are also other factors to ensure sustainability of the waqf education. Even the glory made in some country like Turkeye but without the support of the government, the institution may not be lasting for so long. As in Indonesia, the education institutions based on waqf was strengthen through communities and that the higher survivals contributed largely from the neighbourhood nearby. Compared with Singapore, through modernisation of the education system, the sustainability of waqf education might be affected as the structure of ministry may not support due to funding capabilities.

## References

Cizakca, M. (2011). Waqf in History and Its Impplication for Modern Islamic Economics. M. Kahf, & S. M. Mahmood, (Ed.), *Essential Readiings in Contemporary Waqf Issues*.

Hakim, M. A. (2006). *Profil Pondok* [Profile Pondok]. Ponorogo. Darussalam Press.

Karim, S. A. (2010). Contemporary shari'a compliance structuring for the development and management of waqf assets in Singapore. *Kyoto Bulletin of Islamic Area Studies*, 3(2), 143-164. http://etheses.dur.ac.uk/778/

- Ministry of Higher Education. (2017). Enhancing University Income Generation, Endowment & Waqf. https://www.moe.gov.my/menumedia/media-cetak/penerbitan/university-transformation-programme/1467-unitp-purple-book-enhancing-university-income-generation-endowment-and-waqf/file
- Mujani, P. D. W. K., & Yaakub, P. D. D. N. I. (2017). Waqf for Higher Education in Malaysia: Overview on Challenges. *European Journal of Multidisciplinary Studies*, 5(1), 455. https://doi.org/10.26417/ejms.v5i1.p455-461
- Nooraini, M. (2015). *Waqf Development in Malaysia and Singapore: A comparative* Study. [Doctoral Thesis, University of Durham]. http://etheses.dur.ac.uk/11118/
- Ramli, A. H., Ismail, C. Z., Sulaiman, K., & Daud, N. M. (2008). *Wakaf Pengurusan dan Sumbangannya Terhadap Pendidikan Islam Di Malaysia* [Waqf Administration and Contributions towards Islamic Education in Malaysia]. Pusat Penerbitan Universiti (UPENA).
- Rohmaningtyas, N. (2018). Pengumpulan Wakaf Berbasis Pesantren: Studi Kasus Di Pondok Modern Darussalam Gontor Dan Pondok Modern Tazakka. Ponorogo [Case Study of Pondok Modern Darussalam Gontor Dan Pondok Modern Tazakka. Ponorogo] Darussalam Press.
- Sani, A. i. A., Saidin, A., Abd Samad, K., Bustamam, K. S., Adanan, S. A., & Mamat, S. N. (2022). Modelling Waqf Performance and Governance for Public Universities in Malaysia. *International Journal of Academic Research in Business and Social Sciences*, 12(10). https://doi.org/10.6007/ijarbss/v12-i10/14951
- Shuib, F. (1995). *Kecemerlangan Ilmu Dalam Sejarah dan Tamadun Islam: Penginstitusian Ilmu di Zaman 'Abbasiyyah* 750-1258 M. [The Brilliance of Science in Islamic History and Civilization: Institutionalising Science in the 750-1258M]. Pustaka Warisan.
- Usman, M., & Ab Rahman, A. (2023). Funding higher education through waqf: a lesson from Malaysia. International Journal of Ethics and Systems, 39(1), 107-125. https://doi.org/10.1108/ijoes-12-2021-0217
- Zarkasyi, A. S. (2005). *Gontor & Pembaharuan Pendidikan Pesantren* [Gontor & the Renewal of Pesantren] Education Jakarta: Rajawali.
- Zuki, M. S. M. (2012). Waqf and its Role in Socio-Economic Development. *ISRA International Journal of Islamic Finance*, 4(2), 173-178. https://doi.org/10.12816/0002755