



CASH WAQF IN ECONOMIC DEVELOPMENT ISLAMIC ECONOMIC PERSPECTIVE (LITERATURE REVIEW)

Eka Melinda¹

¹ Postgraduate Program, Islamic State University of Maulana Malik Ibrahim, Malang
Corresponding Author : Eka Melinda (ekamelinda.rf@gmail.com)

Abstract :

This article discusses the potential of cash waqf in economic development and cash waqf from an Islamic economic perspective. This research is a qualitative study using a literature study approach, and data is obtained from literature that serves as a reference for the researcher. Society certainly desires a prosperous life, meaning a life of sufficiency, such as sufficient clothing, food, shelter, health, and education. The welfare of the people of a region or country can be pursued through economic development. Economic development can increase per capita income, because economic development is closely related to poverty. Material needs in achieving community welfare can be met through Islamic philanthropy (zakat, waqf, and infaq). The waqf sector in Indonesia has experienced extraordinary growth, and if waqf is managed and empowered productively and professionally by the government and society, it can contribute to the economic development of the community. The potential of waqf is enormous for economic growth because waqf, as a fiscal instrument other than zakat, can be an alternative in addressing social problems such as social inequality and poverty. This research is expected to provide broader knowledge and insight for individual institutions regarding the importance of understanding and the potential of cash waqf in the economic development of the community and can be a contribution of thought for readers and additional references for further researchers.

Keywords : Cash Waqf, Economic Development, Islamic Economic

Abstrak :

Artikel ini membahas tentang potensi wakaf tunai dalam pembangunan ekonomi dan wakaf uang perspektif ekonomi Islam. penelitian ini merupakan penelitian kualitatif dengan menggunakan pendekatan studi literatur dan data diperoleh dari literature-literature yang menjadi referensi bagi peneliti. Masyarakat tentunya mendambakan kehidupan yang sejahtera dalam artian yakni kehidupan yang berkecukupan seperti tercukupinya sandang, pangan, papan, kesehatan dan pendidikan. Kesejahteraan masyarakat suatu daerah maupun negara dapat diupayakan dengan pembangunan ekonomi. Dengan pembangunan ekonomi, dapat meningkatkan pendapatan per kapita. Karena pembangunan ekonomi berkaitan erat dengan kemiskinan. Kebutuhan materi dalam mencapai kesejahteraan masyarakat salah satunya dapat dipenuhi melalui filantropi Islam (zakat, wakaf, dan infaq). Sektor wakaf di Indonesia mengalami peningkatan yang luar biasa dan apabila wakaf dikelola dan diberdayakan secara produktif dan profesional oleh pemerintah dan masyarakat maka dapat memberikan kontribusi dalam pembangunan ekonomi umat. Potensi wakaf sangat besar bagi pertumbuhan ekonomi karena wakaf sebagai instrumen fiskal selain zakat yang dapat menjadi alternative dalam mengatasi masalah-masalah sosial seperti kesenjangan sosial dan kemiskinan. Penelitian ini diharapkan dapat memberikan pengetahuan dan wawasan yang lebih luas bagi lembaga yang individu mengenai pentingnya memahami dan potensi wakaf tunai dalam pembangunan ekonomi umat serta dapat menjadi sumbangsih pemikiran, bagi pembaca dan tambahan referensi bagi peneliti selanjutnya.

Kata Kunci: Ekonomi Islam, Pembangunan Ekonomi, Wakaf Tunai

INTRODUCTION

This economic problem has a negative impact on the social life of the community. the negative impact of this is that there is a gap in social status which can even lead to other problems such as increasing unemployment, crime, increasing poor families and decreasing people's purchasing power (Lestari and Ainulyaqin, 2022).

The community certainly wants a prosperous life in the sense that an adequate life such as adequate clothing, food, shelter, health and education. In fact, one verse in the Al-Qur'an explains welfare indicators, namely:

فَلْيَعْبُدُوا رَبَّ هَذَا الْبَيْتِ (۳) الَّذِي أَطْعَمَهُمْ مِنْ جُوعٍ وَآمَنَهُمْ مِنْ خَوْفٍ (۴)

It means :

(3) So let them worship the Lord (owner) of this house (Kaaba).

(4) Who has given food to them to relieve hunger and secure them from fear." (Indonesia, 2005).

From the verse above, it can be understood that there are three indicators of welfare, namely human dependence on God who owns the Kaaba (Allah SWT), which in this case is in the form of worship to Him, hunger that disappears in the sense of fulfilling consumption needs that are in accordance with needs and not excessive. in accordance with the teachings of Shari'a, the fear that disappears in this case is the realization of a sense of security, peace and comfort such as an environment that is free from various kinds of crimes that can occur. However, there are still many people who have not been able to realize their welfare. One of the reasons is that people do not have jobs that can fulfill their daily lives and skills and knowledge are inadequate. This makes it difficult for people to find work.

The welfare of the people of a region or country can be pursued by economic development. Economic development (economic development) is usually associated with economic growth in developing countries. This is interpreted by some economists as " economic development is growth plus change " or economic development is economic growth followed by changes in the structure and style of economic activity. (Fitria, 2016).

With economic development, per capita income can increase. Because economic development is closely related to poverty. Where poverty is one of the causes of economic development efforts. Poverty is a problem faced by many countries, especially underdeveloped countries and developing countries which are ensnared by a situation called the vicious circle of poverty (Zainuddin *et al.*, 2020). This is interpreted as a series of forces that act and react to each other so as to place an area in a state of poverty, such as the poor do not have enough to eat, due to lack of food, their health is poor, their ability to work becomes limited, so their income increases. low.

The Islamic economic system adheres to the basic values of ownership, balance and justice. Islam views humans as representatives of Allah SWT or caliphs on this earth. Where the Islamic economic system is based on the Qur'an and hadith which aims to meet human needs in the world and in the

hereafter (*falah*) (Huda, 2008). Balance and justice in the economy can be realized one of them by empowering the economy through philanthropy (Linge, 2017).

In overcoming the problem of inequality, especially economic inequality, in Islam there are principles, namely justice, helping each other, and increasing awareness of the importance of Islamic philanthropy in the context of strengthening Islamic *ukhuwah* and economic inequality (Syarifuddin and Sahidin, 2021). As Philanthropy I Islam is able to be a solution to the problem of poverty that occurs in society, like when countries were affected by the Covid-19 pandemic yesterday (Rizal and Mukaromah, 2020).

Waqf is one of the instruments in Islamic philanthropy. In the Law of the Republic of Indonesia no. 41 of 2004 concerning Waqf articles 15-16 covers waqf assets consisting of immovable objects and movable objects including productive waqf, one of which is in the form of cash waqf which is widely used both for the establishment of places of worship and social religion (BWI, 2018). Cash waqf currently has an important role in the economy. In fact, it has a significant influence on alleviating poverty because cash waqf has a multiplier effect, that is, cash waqf investment returns are provided in the form of assistance in both the economic and non-economic sectors (Al Arif, 2012).

Several studies discussing cash waqf, among others, were carried out by M. Hasan Ubaidillah which resulted in the finding that cash waqf has great potential in empowering the real sector and strengthening economic fundamentals and as a challenge to change the preferences and consumption patterns of the people with a moral filter of awareness of social solidarity . so that the pareto optimum concept between the rich and the poor no longer applies in achieving prosperity (Ubaidillah, 2012).

the role of waqf above, this mini research will discuss the role of productive waqf in which the authors focus on cash waqf in economic development from an Islamic economic perspective.

RESEARCH METHOD

The type of research used in this study is by means of a literature study. What is meant by literature study is a series of activities related to collecting library data, taking notes and reading, and managing research materials (Kartiningrum, 2015). In this analysis technique, the emphasis is on references or literature used as a reference in conducting research. Researchers analyzed some of the literature in order to find gaps and seek inspiration or ideas in conducting research. Library research is a technique of collecting data by studying literature obtained from various sources such as books, journals, websites, the internet that are relevant to the object under study (Fadillah, Rahmayanti and Fairuz Syifa, 2021). The data in this mini-research were obtained from theoretical studies and other reference sources related to cash waqf such as information from the Indonesian Waqf Agency

and previous studies discussing the implementation of waqf in an Islamic economic perspective.

FINDINGS AND DISCUSSION

Definition of Waqf

Waqf according to language has the meaning of holding. Meanwhile, according to syara', waqf is holding something whose substance is eternal to be taken advantage of for the good and progress of Islam (Yazid, 2017). Meanwhile, according to the Law of the Republic of Indonesia No. 41 of 2004 concerning Waqf is understood as a legal act of wakif or a person who endows his assets to separate and or surrender part of his property to be used forever or for a certain period of time in accordance with his interests such as for worship and or for general welfare according to sharia (BWI, 2018).

Waqf has a function, namely for worship of Allah and also for fellow human beings (Fuadi, 2018). Waqf in its function as worship means that waqf is expected to be a provision for life for the giver of waqf or what is called wakif in the hereafter because the reward of waqf will continue to flow as long as the waqf property is utilized. Whereas waqf for social fellow human beings means that waqf is an asset that plays a role in accelerating the development of a country.

The elements of waqf according to the Law of the Republic of Indonesia Number 41 of 2004 concerning Waqf are as follows:

- a. Waqif, an individual/organization/legal entity that donates their assets.
- b. Nazhir, the party receiving the waqf property to be managed and developed according to its designation.
- c. Waqf assets, including immovable objects such as land rights, buildings and other objects related to land and movable objects such as money, securities, vehicles, precious metals, and other movable objects in accordance with sharia provisions and applicable laws and regulations .
- d. Pledge of waqf, made by the waqif to Nazhir both orally and in writing before PPAIW and witnessed by two witnesses
- e. Allotment of waqf assets, both for worship facilities, improving the people's economy and for the advancement of general welfare that is not contrary to sharia and statutory regulations.
- f. Waqf period

Potential of Cash Waqf in Economic Development.

In Indonesia there are institutions that play a role in the development and management of waqf assets. This institution is the Indonesian Waqf Board which is an independent institution needed in order to foster nadzir in developing and managing waqf assets both nationally and internationally (Aziz, 2017).

In this era, waqf assets are not only fixed on immovable objects such as land, but according to Law no. 41 of 2004 concerning waqf, the scope of waqf assets is wider and is divided into two parts, namely (BWI, 2018):

a. Immovable property

Waqf immovable assets such as land, buildings or parts of buildings, plants, rights to flats and other immovable objects in accordance with sharia provisions and applicable laws and regulations.

b. Movable property

What is meant by movable property is property that cannot be used up for consumption. Examples of movable property include precious metals, money, vehicles, securities, IPR or Intellectual Property Rights, rental rights and other movable property in accordance with sharia provisions and applicable laws and regulations.

In economic development, waqf is a fiscal instrument other than zakat where waqf has great potential and the development of waqf in social institutions can assist people's activities in overcoming social problems such as social inequality and poverty. The waqf sector in Indonesia is experiencing extraordinary growth.

Based on information from the 2022 National Waqf Index, the acquisition of cash waqf reached IDR 1.4 trillion as of March 2022 and this figure has increased from the remaining cash waqf earned throughout 2018-2021, which amounted to IDR 855 billion (Indonesia, 2022). Waqf that is managed and empowered through synergy between the government and the community can contribute to the economic development of the people (Zainuddin *et al.*, 2020).

Cash waqf is the transfer of cash as a movable waqf asset. Cash waqf is seen as a solution that can help waqf to be more productive. Because in this case, waqf money is not only used as a medium of exchange, but is seen as capable of generating a number of results, one of which is investing (Fatahuddin *et al.*, 2018). In addition to reviewing waqf models in several countries, the potential for waqf in Indonesia is very large and several countries have shown success in managing waqf funds so that they can provide benefits to society (Fuadi, 2018).

The Potential of Cash Waqf from an Islamic Economic Perspective

In achieving social welfare, the Islamic economic system chooses the path of justice. As for welfare in the Islamic economic system, namely the fulfillment of material and non-material needs, the world and the hereafter based on public and personal awareness to obey the law desired by Allah SWT which is shown through the Al-Qur'an and through the example of Rasulullah SAW and through the *ijtihad* of the scholars (Takhim, 2016). One of the material needs in achieving community welfare can be fulfilled through Islamic philanthropy (zakat, waqf, and infaq).

It is through this Islamic philanthropy that people's welfare can be achieved. With the Law no. 41 of 2004, is a new opportunity and a breath of fresh air for Indonesian Muslims to develop and manage the large potential of community funds productively and professionally. Islamic Philanthropic Funds which are consumptive in nature can increase demand and purchasing power of the people so that people can be more prosperous. As for Islamic philanthropic funds which are productive in nature, they can increase the productivity of business and investment activities so that they can improve people's welfare. This can be a solution to the problem of poverty that occurs in society (Rizal and Mukaromah, 2020).

In fact, cash waqf can be an alternative that can release this nation's dependence on multilateral creditor institutions and stimulate Indonesia's economic growth, especially the Islamic economy (Medias, 2010).

CONCLUSION

The conclusion in this study is that the Indonesian Waqf Board is an independent institution that plays a role in the development and management of waqf in Indonesia. The waqf sector in Indonesia has increased, especially cash waqf. Which is currently the scope of waqf is getting wider and not only fixated on immovable waqf assets. However, currently the scope of waqf assets is increasingly diverse after Law no. 41 of 2004 concerning Waqf. The potential for waqf is very large for economic growth because waqf is a fiscal instrument besides zakat which can be an alternative in overcoming social problems such as social inequality and poverty. Prosperity in the Islamic economic system is the fulfillment of material and non-material needs, this world and the hereafter. One of the material needs in achieving community welfare can be fulfilled through Islamic philanthropy (zakat, waqf, and infaq). Thus the implementation of cash waqf as one of Islamic philanthropy can improve people's welfare. This can be a solution to the problem of poverty that occurs in society. The results of this study are expected to provide broader knowledge and insights for individual institutions regarding the importance of understanding and the potential of cash waqf in the economic development of the people and can be a contribution of thought, for readers and additional references for future researchers.

REFERENCES

Al Arif, M.N.R. (2012) 'Wakaf Uang dan Pengaruhnya terhadap Program Pengentasan Kemiskinan di Indonesia', *Jurnal Indo-Islamika*, 2(1), pp. 17–29. doi:10.15408/idi.v2i1.1649.

Aziz, M. (2017) 'Peran Badan Wakaf Indonesia (BWI) Dalam Mengembangkan Prospek Wakaf Uang Di Indonesia', *JES (Jurnal Ekonomi Syariah)*, 2(1), pp. 35–54. doi:10.30736/jesa.v2i1.14.

BWI (2018) *Himpunan Peraturan Perundang-undangan tentang Wakaf*. 4th edn, Himpunan Peraturan Perundang-undangan tentang Wakaf.

4th edn. Jakarta: Badan Wakaf Indonesia. Available at: <https://yewi.or.id/wp-content/uploads/2019/12/Buku-Undang-Undang-BWI-OK2018-rev.pdf>.

Fadillah, D., Rahmayanti, D. and Fairuz Syifa, I. (2021) 'Studi Literatur Manajemen dan Risiko Kepatuhan pada Bank Syariah', *Jurnal Akuntansi dan Manajemen*, 17(01), pp. 38–41. doi:10.36406/jam.v17i01.295.

Fatahuddin, A. et al. (2018) 'Al- Falā ḥ Dalam Wakaf Tunai', *Jurnal Iqtisaduna*, 4(2), pp. 186–203.

Fitria, T.N. (2016) 'Kontribusi Ekonomi Islam Dalam Pembangunan Ekonomi Nasional', *Jurnal Ilmiah Ekonomi Islam*, 2(03), pp. 29–40. doi:10.29040/jiei.v2i03.3.

Fuadi, N.F.Z. (2018) 'Wakaf sebagai Instrumen Ekonomi Pembangunan Islam', *Economica: Jurnal Ekonomi Islam*, 9(1), pp. 151–177. doi:10.21580/economica.2018.9.1.2711.

Huda, N. (2008) *Ekonomi Makro Islam Pendekatan Teoritis*. Kencana Prenamedia Group. 1st edn. Jakarta: Kharisma Putra Utama. Available at: https://books.google.com/books?hl=en&lr=&id=Yje2DwAAQBAJ&oi=fnd&pg=PR1&dq=ekonomi&ots=ydlF_xPhYX&sig=wcm4pllXQfkwqZs0W-qEGDpMR5U.

Indonesia, B.W. (2022) *Analisis Kinerja Pengelolaan Wakaf Nasional 2022*, -.

Indonesia, D.A.R. (2005) *Al-Qur'an dan Terjemah: Special for Women*, Bandung: Syamil Qur'an. Bandung: PT Syamil Cipta Media.

Kartiningrum, E.D. (2015) 'Panduan Penyusunan Studi Literatur', Lembaga Penelitian dan Pengabdian Masyarakat Politeknik Kesehatan Majapahit, Mojokerto, pp. 1–9.

Lestari, D.S.T. and Ainulyaqin, M.H. (2022) 'Program Industrialisasi Dalam Mengatasi Kesenjangan Ekonomi Di Masyarakat: Perspektif Ekonomi Islam', *Jurnal Ilmiah Ekonomi Islam*, 8(1), p. 288. doi:10.29040/jiei.v8i1.4077.

Linge, A. (2017) 'Filantropi Islam Sebagai Instrumen Keadilan Ekonomi', *Jurnal Perspektif Ekonomi Darussalam*, 1(2), pp. 154–171. doi:10.24815/jped.v1i2.6551.

Medias, F. (2010) 'Wakaf Produktif Dalam Perspektif Ekonomi Islam', *La_Riba*, 4(1), pp. 71–86. doi:10.20885/lariba.vol4.iss1.art5.

Rizal, F. and Mukaromah, H. (2020) 'Filantropi Islam Solusi Atas Masalah Kemiskinan Akibat Pandemi Covid-19', *AL-MANHAJ: Jurnal Hukum dan Pranata Sosial Islam*, 3(1), pp. 35–66. doi:10.37680/almanhaj.v3i1.631.

Syarifuddin, M.S. and Sahidin, A. (2021) 'Filantropi Islam Menjawab Problem Kesenjangan Ekonomi Umat', *Jurnal Penelitian Medan Agama*, 12(2), p. 101. doi:10.58836/jpma.v12i2.11506.

Takhim, M. (2016) 'Sistem Ekonomi Islam Dan Kesejahteraan Masyarakat', *Al-Mabsut: Jurnal Studi Islam dan Sosial*, 10(2), pp. 436–451.

Ubaidillah, M.H. (2012) 'Manfaat Wakaf Tunai dalam Pembangunan Ekonomi Umat', *El-Qist*, 02(02), pp. 311–336.

Yazid, M. (2017) 'Fiqh Muamalah: Ekonomi Islam', in. Surabaya:

Imtiyaz, p. 266.

Zainuddin, U. et al. (2020) 'Peran Zakat Dan Wakaf Dalam Pembangunan Ekonomi Umat Perspektif Ekonomi Islam', *FiTUA: Jurnal Studi Islam*, 1(2), pp. 202–234. doi:10.47625/fitua.v1i2.270.