

Waqf Management For Poverty Alleviation In Bangladesh Towards Achieving Sustainable Development Goals

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Abstract

Bangladesh has a huge amount of waqf assets which can play a very important role to alleviate poverty in Bangladesh and achieving sustainable development goals. The objective of this research is to discover the waqf sectors and opportunities in Bangladesh that can alleviate the poverty with proper utilization and management of these waqf assets by changing the attitude towards the waqf system which can bring results in achieving sustainable development goals for Bangladesh. The qualitative method is applied in this study to evaluate the fundamental concept of waqf from the primary and secondary sources of knowledge in Islam which shows the model of the socio-economic system to alleviate poverty in achieving sustainable development goals (SDGs) in Bangladesh and to identify the challenges of governing the waqf properties accordingly. Thus, this study aims to examine the challenges of governing the waqf and different ways of waqf management to reduce poverty and achieve sustainable development goals in Bangladesh by creating more employment, educating the poor, and facilitating them toward entrepreneurship.

Keywords: Alleviation, Management, Poverty, Sustainable, Waqf

I. INTRODUCTION

Islam always focuses on humanity and the welfare of humankind in terms of their personal, social, and financial affairs as it is a way of complete code of life to ensure that humans are living in a good condition with dignity and honor in society. Waqf is an important panacea in the Islamic economic system which is devoted to developing and in rising the economic and social system of Muslim society and play a significant role to help the member of society to alleviate poverty and to facilitate the religious activities with varieties dimensions of Islam such as building religious institutions, place of worship (ibadah) and center of teaching and learning of Islamic rituals, [1].

Waqf is an optional obligation for the Muslims and it is not mandatory worship to perform like zakat which shows the strong faith and piety of a believer to the development and great contribution to the history of Islamic civilization, [2]. Waqf is the donation by the believers for the table purposes and the institutions or administrators are entrusted to manage the property and revenues accordingly for the relevant purpose. The system of waqf started in the very beginning of Islam and it was prevalent all over the Muslim world the Muslims practiced it to develop the economy and society until the Muslim countries were colonized during the middle of the twentieth century and the system was collapsed due to a lack of good governance and administration of waqf, [3].

Bangladesh is a Muslim-majority country, and it has a huge population and coping with the massive problem of poverty which is a big challenge for the government to manage the people who are living under the poverty line [4]. On the other hand, Bangladesh has a lot of waqf assets that are not well managed and recorded by the authority. Therefore, this research is examining the way that how waqf assets and revenue can be a very important tool to alleviate poverty in Bangladesh and achieve sustainable development goals with proper plan and good governance of waqf funds in Bangladesh.

II. LITERATURE REVIEW

Historical Background of Waqf in Bangladesh

There is a glorious history of waqf in the Bengal region during the Muslim ruling of the Indian sub-continent as stated by [5], there was a very prosperous tradition in the Muslim society to establish education centers (Madrashah), orphanages (Aitam), hospitals and Islamic institutions by waqf funds. There are more than 8,000 educational institutions, 123,000 Mosques and many more other organizations were built by waqf fund in Bangladesh during the last few centuries which are still benefiting the people in the country but there was no proper waqf management system as mentioned by [6], during the Muslim rule in Bengal territory from 1204 to 1757 until the time of colonial rule by the British and they started managing all waqf properties by the act of “The Mussalman waqf validating act-1913” and following this act, there were many acts enacted and ordained in the colonial and post-colonial period to manage waqf which was governed by the individual supervision of Qadi or wali of the society [7].

Cash Waqf in Bangladesh

Cash waqf (donation) has become a very significant financial issue in the current world to help the indigent people nowadays regardless of Muslims and non-Muslims around the globe. Muslims are now more practicing the cash waqf tradition of Islam rather than the asset or property waqf everywhere in helping needy people, building a Mosque, establishing a Madrashah or Islamic education provider, and for any other religious activities which benefit the public in general and developing the ummah which emphasized by [8] that cash waqf is a popular and a new dimension that carried a flexible way to benefit the needy people and easy deliberation to everywhere according to the need of financial waqf projects. Cash waqf is a very significant element to reduce poverty as stated by [9] that it can be a great opportunity by using cash waqf to develop a system of microfinance or microcredit to alleviate poverty in the society. The popularity and acceptability of cash waqf also have been recorded by the people of Bangladesh in recent years, as mentioned by [10]. He added that some of the private banks and Universities in Bangladesh been established endowment funds by cash waqf to benefit the people accordingly. Such as Social investment bank in Bangladesh provides certification for collecting cash waqf funds from the well-off people and distributing the needy people in Bangladesh as pointed out by (Khan, 2010) and there is another institution in Bangladesh that is also working to develop waqf fund manage it namely ‘Social Science Institute (SSI) which is working to assist the poor students studying in different universities in Bangladesh.

Measurement of Waqf Properties in Bangladesh

The measurement of the waqf properties in Bangladesh as mentioned by [11] in the report of survey-1986 for waqf assets by Bangladesh Bureau of Statistics (BBS) under the Ministry of Religious Affair and according to the survey of 1986, the total number of Waqf estate of Bangladesh was 150,593. The survey included the segment of waqf properties for different purposes in terms of managing the affairs of the mosque, madrasah, graveyard, Eidgah (place of Eid prayer) etc. The survey shows that a total number of mosques of the country was 131, 641 among which 123,006 were as the waqf property according to the survey 1986. Another vital piece of information about waqf revenue in Bangladesh revealed by [12], that the waqf properties are managed by the Ministry of Religious Affairs under the affiliated organization namely “Waqf Bangladesh” and that the total annual income from the registered Waqf estates was Taka 708,293,652 which is around 88,53,670 USD. This income is only from the registered Waqf estates and still, there are huge numbers of Waqf estates not being registered or being handled by private Waqf Institutions. However, Waqf in Bangladesh is still not considered a practical tool for poverty alleviation in Bangladesh due to several problems.

III. PROPOSED FRAMEWORK OF WAQF



A. *Good Governance of Waqf in Bangladesh*

Discussion on the waqf issue and its role in society has been concerned since the very beginning of Islam in this Bengal territory by the Muslim scholars (Ulama). The reality of the waqf properties in Bangladesh is the problems of mismanagement, corruption, and being occupied illegally by some authorities, on the other hand, many of the waqf properties are unregistered, left idle, and with no proper recorded by the local authority. There is no proper development plan and blueprint for the waqf properties in order to utilize them for the benefit of the people and to add value to the economic growth in Bangladesh, [13].

The management of waqf in Bangladesh is solely taken the responsibility by the Waqf Bangladesh an institute under the Ministry of Religious Affairs and all decisions are taken by the Waqf Bangladesh whether the properties are registered or unregistered with the appointed trustee by the Waqf Bangladesh as per the regulation of 1962 Waqf Ordinance of Bangladesh, [14].

However, it is very important to understand the idea of waqf that it is a voluntary and not a mandatory activity in Islam which has a different management style than zakat but it almost similar nature of management that waqf management authority can also get a portion as like zakat management entity. It means that the management of the waqf body must have some shares of profit from the waqf income or funds that will encourage the people are involved to take care of the waqf assets and the management team may change in a few year's time for example 3-5 years period with the renewable condition so that the performance will be measurable for the next term to appoint to include someone in the management team, [15].

The selection criteria of the waqf management team member must be designed and determined by the recommendation based on someone's trustworthiness, transparency, and acceptability in the society, and in addition to that the evaluation process for the success and improvement of the waqf funds should be strongly monitored by the high authority to ensure good governance of zakat management in Bangladesh.

The Waqf management team must strengthen and develop a framework for waqf governance with a clear strategy to use waqf as social finance within the waqf infrastructure to revive idle and fixed waqf properties to innovate and adapt to the new financial system such as Musharakah Mutanaqisah (diminishing partnership) and the new model of cash waqf into waqf shares which will ultimately trigger the achievement of sustainable development. There are some strategies that can be taken by the authority of waqf management entity for the improvement of waqf institutions or organizations that must apply the principles of good governance to the management of waqfs such as transparency, accountability, and a sense of responsibility for the management of waqf properties either it being fixed assets or cash waqf. In addition to that, the government needs to be concern for the reformation of legal aspects and re-evaluate the waqf acts of the country. The government can consider the idea of encouraging the people to be aware of the waqf system and its legal aspects by including it to the education system of the country, [16].

B. *Waqf for Family Development in Bangladesh*

Poverty is the biggest challenge in Bangladesh and most the other developing countries in the world. Based on the Rural Poverty Report 2001, there are 1.2 billion people who are living extremely under the poverty line and surviving on less than US\$1 a day. These poor people need to get their daily food by spending half of their daily income and many of them even have

no foods consumed for a certain period of the year which caused them to suffer from hunger due to a lack of staple food to survive. In this regard to alleviate the poverty and hunger in the society, the United Nations announced the Sustainable Development Goals. One of its main objectives is to alleviate poverty and hunger by 2030, [17].

Waqf can be a great means for developing a family in the Muslim society in terms of their nurturing the children, giving them education, medical treatment, and any other facilities that a family might need to survive. The members of the family face the challenges of financial stability and sustainability and increase the economic crisis after the death of the breadwinners of the family due to the lack of earning sources of the family. Therefore, waqf can play an important role to cope with the situation of the family by benefiting the members of the family financially can be dedicated exclusively to the family members in order to ensure their financial security and other facilities such as education, shelter, food, health care and clothing for the offspring. [18].

The objective of waqf to benefit the relatives of the endower, his children, grandchildren, and progeny is known in Islamic law as waqf Ahli (family waqf) besides to benefit social welfare such as mosques, educational institutions, public health care, and the poor people in the society. It is mentioned by Sadique, “the two major categories of waqf recognized as valid in shari’ah is an endowment in favor of one’s relatives and progeny. Instead of assigning the beneficiary as a class of people who do not have a particular family relationship with the endower, here the waqf is expressly created for the benefit of one’s family and descendants, either in an all-inclusive and general manner or with qualifications restricting its scope”, [19]. Therefore, waqf funds and properties can play a vital role to resolve the family financial problems and to cope up with the vulnerable economic situation of the families in Bangladesh as well as alleviating poverty in the society.

C. Role of Waqf for Economic Development in Bangladesh

Waqf plays a vital role in developing economic growth and building a social welfare system in society which is prescribed by Islam as a voluntary charitable mechanism to promote equitable and fair distribution of wealth among the Muslims. The waqf contributes to the development of the political and socio-economic system in the Muslim countries which facilitates religious activities, educational development, providing shelter and health care as well as food and security for the member of Muslim society, [20].

The government of Bangladesh can take an initiative for the waqf funds to utilize in such a way that it can benefit the country to strengthen the educational and institutional infrastructure, focusing on stimulating the awareness of the people for the health care and self-dependency and the development of the supporting financial inclusion of the needy people of the country are the main focal points of the master plan, [21].

Another way of taking advantage of the waqf is the qarde-hasanah system as prescribed by Islam which is very effective in financial institutions to assist the poor in meeting their immediate basic needs and it will help the poor to engage them in generating income and economic activities with dignified and cost-effective qarde-hasanah financial system for generating important social capital to enhance and develop economic growth, (Aslam Haneef et al., 2015). Practicing qarde-hasanah by using waqf funds can build a cooperative and caring society and poor people can take a loan to be engaging productive and economic activities which will bring the result of eradicating poverty to become an economically sound and sustainable society, [22].

D. Waqf for Poverty Alleviation in Bangladesh

Islam has provided many solutions for poverty alleviation such as zakah, sadaqah, waqf, and qarde-hasanah system which all are to relieve the burden of poverty on needy people and live with dignity in society. Waqf is a very powerful instrument for poverty alleviation and waqf fulfills the gap of income inequality, which is the most serious problem faced by Bangladesh, [23].

This research examined the possibilities of the poverty alleviation model by utilizing the waqf system in Islam with the modern economic concept of microfinance or microcredit system to facilitate the poor people to uplift from financial deprivation and live in economically sustainable conditions. Poverty can be reduced by proper management of waqf funds by initiating microfinance programs, creating job opportunities with waqf investment, and taking proper financial projects that can benefit the poor people in the society, [24].

There are many programs and projects that have been taken by many organizations for poverty alleviation but still the result of poverty alleviation is not up to the remarkable progress and there are huge numbers of people living under the poverty line in

Bangladesh. The concept of microfinance can flash the light of hope for the poor as it is to credit without assets for security and it can increase the opportunity for self-employment which boosts economic activities and reduce the poverty, [25].

Cash waqf is a fund that can be like zakat revenue for financing development projects and micro-financing which has a remarkable model due to its flexible distribution system and reaches benefits to indigent people everywhere in the country, (Hossain, 2019). It can be a tool for investment to improve the economic growth which can solve the problem of poverty and also can be facilitated for taking care of religious centers such as Mosques, Madrashah, health care centers, and scientific research, [26].

Islam highly emphasizes the guidelines and mechanisms to alleviate poverty by encouraging a variety of charitable works including waqf for the poor to uplift them from the poverty line to a financially shining and sound condition. The purpose of waqf and other Islamic charitable means are examined as the same purpose of microfinance to help the indigent people and to reduce poverty in a society. The ruling of zakat is a mandatory charitable means for the poor and needy people and waqf is not a mandatory charitable work but the aim of waqf is also to improve the financial aspects of the indigent people to provide a strong framework for Islamic microfinance which ultimately considered for the economic well-being of the poor, [27].

E. Waqf for Achieving Sustainable Development Goals

Sustainable Development Goals is the target to achieve self-dependency of the countries in certain issues and to be developed such as poverty alleviation, women empowerment and many more core issues that have been focused in the 21st century to be addressed to cope up the global challenges especial regards to the developing countries. These sustainable development goals is to meet the common needs of the people and upgrade their living standard to ensure a comfortable living zone for the future generations of humanity and meet their needs as well, [28].

Waqf is a very potential element to contribute in achieving sustainable goals in Bangladesh by exploring the waqf property and funds and the scope of its implementation in proper financial plans and projects that can bring benefit to the needy people in the society. The projects can be taken by the waqf funds that are pathways towards achieving sustainable development such as poverty alleviation, fulfilling the hunger needs, establishing health care centers, providing quality education, arranging clean drinking water, facilitating sanitation energy, empowering women by skill development and investment for climate changes as well as economic growth by taking microfinance model for the poor people of the country. Microfinance has an important effect in securing financial self-dependency, and social inclusion by creating job opportunities and ensuring economic growth and development which leads to the achievement of sustainable development goals, [29].

Moreover, waqf is to improve non-income aspects of the indigent people for their education, health care, and employment opportunity which serve the poor of society not just in terms of money but in other aspects that are the distribution of the waqf resources to benefit the needy people in a financial way such as responsibility and dignity in society by alleviating poverty and fulfilling their needs. The mechanism of waqf can play also a vital role to enhance the contemporary elements of innovation and address the poverty issue by improving overall economic growth and development and overcoming the problems of waqf management in terms of collection of waqf funds and its cost and risk management of the collected funds which can lead to the overall sustainable development of the country, [30].

Waqf has a very potential role to play in achieving the condition of sustainable development goals as its objective is to develop social welfare system, economic growth and its impact on socio-economic development which has a special effect on society due to its charitable activities as promoted by Shari'ah. Waqf empowers the society to be sustainable in fulfilling people's needs as it is a permanent donation to the authority and not for return or sale by the generations of the donor. Therefore, waqf is a lifetime reward to the future generation to be continued after the death of the donor (Waqef) and the benefit will be given to the society as long as the waqf properties continued to be utilized which can be the tools for developing a society in many aspects including poverty alleviation and economic growth of the country as resulting to achieve sustainable development goals.

IV. CONCLUSION

Waqf is prescribed by Islam as the spiritual and material tools for humanity to live together on this planet with peace and harmony by benefiting each other by following the order of Islam for their lives management in terms of financial, social, and other aspects of life. Waqf is one of the tools for the solution of poverty alleviation that has great role-playing in the economic growth and development which contributes to improving the society and achieving sustainable development goals.

Historically waqf system has a significant role of socio-economic service to the society without any cost and it can play an important role in every modern economic system for reducing the expenditure of government which will restore the distribution of income and wealth management as well as contribute to enhancing the overall economic progress of the country and reduces poverty, [31]. (Budiman, 2014).

It is very sad to mention that the waqf institutions and organizations are in big challenges in Bangladesh in terms of its poor management system, lack of supervision, power misuse, and the bureaucratic system to manage waqf institutions in Bangladesh, (Khair & Khan, 2004). However, the waqf authority in Bangladesh can take some financial plans and gadgets to develop the waqf such as the investment to the real estate and housing sector for the poor and homeless people as well as the development of the land for any financial projects which can be done by microfinance system of waqf or qarde-hasanah system to provide an interest-free loan to the poor people in the country.

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