

Waqf Based Sustaining Entrepreneurship: An Analytical Mechanism (Malaysia Example)

Kewirausahaan Berkelanjutan Berbasis Wakaf: Sebuah Mekanisme Analitis (Contoh di Malaysia)

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Abstract

Understanding entrepreneurship's role in the economy requires breaking down the concept itself. Entrepreneurship is crucial for growth and development, serving as a powerful tool for capacity building at both global and individual levels, ultimately driving economic progress. Sustainable financial mechanisms are essential for supporting initiatives that address socio-economic challenges faced by disadvantaged communities. One such financial mechanism in Islam is cash waqf, which is integral to the Islamic financial system. This paper analyzes how waqf funds can sustain entrepreneurship. Using qualitative methods, the study will explore the underlying reasons and mechanisms, aiming to provide innovative financial instruments through the waqf sector. The findings may offer valuable insights for government and private institutions, such as JAKIM and MAIS, to enhance economic development planning linked to entrepreneurship.

Abstrak

Memahami peran kewirausahaan dalam perekonomian memerlukan perincian konsep itu sendiri. Kewirausahaan sangat penting untuk pertumbuhan dan pembangunan, karena merupakan alat yang ampuh untuk meningkatkan kapasitas baik di tingkat global maupun individu, yang pada akhirnya mendorong kemajuan ekonomi. Mekanisme keuangan yang berkelanjutan sangat penting untuk mendukung inisiatif yang mengatasi tantangan sosial-ekonomi yang dihadapi oleh masyarakat yang kurang beruntung. Salah satu mekanisme keuangan dalam Islam adalah wakaf uang, yang merupakan bagian integral dari sistem keuangan Islam. Tulisan ini menganalisis bagaimana dana wakaf dapat menopang kewirausahaan. Dengan menggunakan metode kualitatif, penelitian ini akan mengeksplorasi alasan dan mekanisme yang mendasarinya, yang bertujuan untuk menyediakan instrumen

keuangan inovatif melalui sektor wakaf. Temuan ini dapat memberikan wawasan berharga bagi lembaga pemerintah dan swasta, seperti JAKIM dan MAIS, untuk meningkatkan perencanaan pembangunan ekonomi yang terkait dengan kewirausahaan.

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1. INTRODUCTION

Waqf's relationship with entrepreneurship is a significant yet underexplored topic in economic research, particularly within Islamic economic studies. Entrepreneurial activities play a crucial role in the economies of communities, especially in developing nations, and are vital for contemporary economic growth. Economists like Datta¹ have noted that pro-market government policies positively influence economic growth, highlighting that entrepreneurship thrives under market-friendly conditions. This concept is further supported by Joseph Schumpeter in his work, "The Theory of Economic Development", where he argues that entrepreneurship drives economic growth by enabling the efficient use of production resources in innovative ways². Schumpeter also emphasizes that it is entrepreneurship, rather than mere knowledge, that fosters technological innovation.

However, the important impact of entrepreneurship as determinant of economic growth also affects the sustainability of entrepreneurship. Sustainability is a broad and complex issue in entrepreneurship studies. Some researchers speak sustainability linked to business performance, ecology and protection of natural resources. For others refers to sustained economic progress or, conversely, for social issues and with a focus on development and support of the most disadvantaged. For still others, it is a combination of these variables.

The complexity of entrepreneurship sustainability prompts this study to examine the financial mechanisms associated with it. The aim is to foster the development and execution of these financial tools to support initiatives that offer sustainable solutions to socio-economic challenges impacting disadvantaged, impoverished, and marginalized communities. Ideally, these financial mechanisms should be integrated into broader development efforts, such as local economic development programs. This approach will enable the project to concentrate investments and outcomes within a specific area, thereby creating social and financial capital networks that are more sustainable over the medium term.

¹ Datta, U. K. "Entrepreneurship of Local Government for Rising Fund in Building National Economy." *Fellowship Research, SSRIC, Planning Division, Ministry of Planning, Government of Bangladesh, Sector 6* (2017): 106-212.

² Schumpeter, Joseph A., and Richard Swedberg. *The theory of economic development*. Routledge, 2021.

Islam as a universal religion and guidance has provides the entrepreneurship an alternative in order to preserve their sustainability through financial power and mechanism. One of the solution as financial mechanism which is un-separated part of financial system in Islam is a cash waqf. Generally, waqf adopted as concept of a fixed asset, such as property, land or building. These assets have feature of perpetuity on a permanent basis. The most essential characteristic of waqf is the idea of doing charity of goodness. Thus, the objective of waqf may be for the society at large, including religious services, socio-economic relief to the needy segment, the poor, educational, environmental, and other purposes in order to achieve "*mashlahah ummah*".³

There are numerous studies involving cash waqf. Due to the degree of acceptance by society of cash waqf nowadays, research pertaining to cash waqf is increasing. Most of the cash waqf studies concern the economic development in Islamic society, Antonio⁴ explained four benefits and advantages of implementing cash waqf. First, cash waqf is easy and does not require a lot of wealth, and is, therefore, especially suitable for the poor. Consequently, everybody can contribute to cash waqf. Second, waqf through cash money could generate more funds, which could be used to develop assets such as undeveloped waqf land and other abandoned land for business and agricultural purposes. Third, the cash waqf could help institutions of education that have a cash flow problem by creating a back up fund for them. The cash waqf also could reduce the dependency of Islamic institutions on the government and allow these institutions to stand on their own by implementing the cash waqf fund.

Waqf and its derivation has been debated and discussed due to its concept "endowment". This model of source of fund can be used as liquid asset and as for financial mechanism. For example, in 2007, Malaysian Fatwa Council has given green light to promote cash waqf. Osman et al.⁵ estimated that the cash waqf collection among Malaysian's Moslem could reach RM4.3 billion a year if they donated RM1 a day or RM30 a month to the cash waqf fund. Furthermore, Penang state has a very high potential to develop a cash waqf fund because of its planning and marketing strategy that are used for the promotion of the cash waqf funds.

However, some institutions such as universities have managed endowment fund. Some endowment funds are based on temporary basis. The profit of such fund is allocated for scholarship and other programs. The endowment fund itself will be returned to the students when they have finished their study. These universities would put the money on time deposit for 10% annual interest. This is quite safe and potential to earn optimal return in short period. That return at least the university

³ Ahmed, Habib. "Waqf-based microfinance: realizing the social role of Islamic finance." World Bank (2007): 6-7.

⁴ Ibrahim, H., Afizar, A., Masron, and T. A. Cash Waqf: An Innovative Instrument for Economic Development. International Review of Social Sciences and Humanities Vol. 6, No. 1 (2013), pp. 1-7

⁵ Osman, Amirul Faiz, Sheila Nu Nu Htay, and Mustafa Omar Muhammad. "Determinants of cash waqf giving in Malaysia: survey of selected works." In *Workshop Antarbangsa Pembangunan Berteraskan Islam V (WAPI-5)*, vol. 10. 2012.

can cover its own operational expense.⁶ Waqf fund raising through an allocated mutual fund is a new invention in Indonesia. This fund was established in 2004 based on fixed income basis, 80%-100% of the fund is allocated to Islamic bond including Repurchase Agreement (REPO) and the rest is to scheme offered to investors in some combinations of mutual fund investment and cash waqf. The return from mutual fund can be allocated to waqf.⁷ The development of cash waqf utilization still has not received widely concern due to traditional practices of waqf, is that waqf in a fixed asset form. Apparently, cash waqf can be used for funding source to provide, for example, free education of the poor, or use the cash to generate income, even though the income also can be distributed and use for some productive purposes. Therefore, the principal amount will still remain the same. In exploring further this interested issue, this paper attempts to analyze how to sustaining the entrepreneurship through waqf fund. This paper will explores and provides suitable innovative instruments and mechanism of waqf sector financing to sustain the entrepreneurship.

The concept of entrepreneurship represents a form of independence in socio-economic activities. Such activities typically generate employment within small to medium communities, beginning at a household level before potentially expanding to the surrounding area and possibly leading to larger-scale socio-economic endeavors. Programs that incorporate Islamic financial mechanisms within entrepreneurship are crucial for alleviating poverty. For instance, a significant portion of the funds raised through cash waqf certificate issuances could be designated as loans for microenterprises. This microcredit initiative should specifically focus on aiding individuals in starting their businesses and improving their overall quality of life. However, simply providing capital is inadequate, as many recipients lack the necessary knowledge and skills to select and manage a business that aligns with their circumstances. Therefore, it is essential to offer pertinent business technical assistance and spiritual guidance to ensure their sustainability.

Contrary to *Zakah*, it is essential that the cash waqf fund is preserved at or above its original amount. The effectiveness of cash waqf in alleviating poverty can be observed through the principle that as the cash waqf total increases, the funds available for investment in profitable, cost-effective portfolios also rise, leading to greater returns that can be distributed to those in need. By allocating more funds to support micro businesses, the timeline for addressing poverty-related issues can be significantly reduced. In particular, the government encounters challenges in combating deprivation due to budget constraints and a lack of engagement from the private sector in social issues, often driven by profit motives. This situation necessitates the involvement of civil society and social entrepreneurship to address both government and market shortcomings. Enhancing the culture of waqf in

⁶ Harun, Farra Munna. "The Role of Zakat and Cash Waqf To The Moslem Development Countries Economics System: Case Study Indonesia." Penerbit Universiti Kebangsaan Malaysia (2014).

⁷Rahayu, Eva Martha, dan Suryadi, Dede., 2004., Instrumen Amal Inovatif ala Dompot Dhuafa. Swa Magazine.

education, healthcare, and social welfare can substantially contribute to social progress⁸. However, this potential has not yet been fully realized.

Several challenges continue to exist, notably the necessity for a more comprehensive understanding of the waqf concept and the sustainability issues related to entrepreneurship. The relationship between waqf and entrepreneurship is not well defined, nor are the government initiatives designed to leverage waqf for socio-economic development. These identified gaps highlight the importance of the present research. This context prompts the formulation of a study that will be methodologically structured.

To address these issues, this research will employ a qualitative approach. Qualitative methods are characterized by a holistic perspective, focusing on the discovery and intentional application of data for description, explanation, and interpretation. According to Hennink et al.⁹, qualitative research tends to be less rigid in structure, as it aims to formulate, develop new theories, and generate hypotheses. For the analysis of the various interconnected variables, this study will utilize descriptive analysis to create a situational overview, which typically includes general information such as land area, population, income, and expenditure. This data will provide a snapshot of the current state of waqf, aiming to establish an incubator program for students in higher education institutions (UKM and UiTM).

2. DISCUSSION

2.1. Sustaining Entrepreneurship: A Review of Literature

As one element of economic growth, the study of entrepreneurship is highly important to be expanded. Robert Solow in his seminal paper "A Contribution to the Theory of Economic Growth" argues that economic growth is a function of two inputs- the levels of capital and labor in a given area. The exact nature of this function is determined by the technological possibilities available to the society in question¹⁰. Refer to this theory, the economic growth of a given country is determined by the amounts of labor and capital that country possesses and the technological possibilities to which that country has access.

More recently, as noted by Hendrik Van den Berg¹¹, numerous economists have published studies examining the relationship between economic growth and economic development. In his paper titled "The Path of Liberalization and Economic Growth," Hans Pitlik¹² argues that pro-market policies enhance the benefits individuals receive from engaging in activities that promote economic growth. Elin

⁸ Alam, Md Mahmudul, Shawon Muhammad Shahriar, Jamaliah Said, and Mohammad Monzur E Elahi. "Waqf as a tool for rendering social welfare services in the social entrepreneurship context." *Global Journal Al-Thaqafah* 2018 (2018): 87-98.

⁹ Hennink, Monique, Inge Hutter, and Ajay Bailey. *Qualitative research methods*. Sage, 2020.

¹⁰ Solow, Robert M. "A contribution to the theory of economic growth." *The quarterly journal of economics* 70, no. 1 (1956): 65-94.

¹¹ Van den Berg, Hendrik. *Economic growth and development*. World Scientific Publishing Company, 2016.

¹² Pitlik, Hans. "The path of liberalization and economic growth." *Kyklos* 55, no. 1 (2002): 57-80.

Smith¹³ suggests that his theory indicates a substantial impact of market-oriented government policies on entrepreneurship. This notion is further supported by Matthieu Chemin¹⁴ in his article “The Impact of the Judiciary on Entrepreneurship: Evaluation of Pakistan’s ‘Access to Justice Programme.’” Chemin found that the reform of Pakistan's judicial system in 2002 led to a notable rise in entrepreneurial activity within the country.

In the context of sustainable entrepreneurship, several broader concepts and definitions enhance the understanding of entrepreneurship itself. The World Business Council for Sustainable Development (WBCSD) defines sustainable entrepreneurship as the ongoing commitment of businesses to act ethically and contribute to economic growth while enhancing the quality of life for employees, their families, and the wider community, both locally and globally, as well as for future generations. From the sustainable entrepreneurship viewpoint, entrepreneurs bear responsibility not only to their investors and shareholders but also to the environment, society, and generations yet to come.

Weber (2007) suggests that the provision of environmental solutions or ecological innovations—whether by startups or established firms—highlights the dual creation of economic and ecological value. This approach can thus be classified as eco-entrepreneurship or eco-preneurship. The terms eco-preneurship, eco-entrepreneurship, and environmental entrepreneurship are often used interchangeably to describe the innovative actions of individuals or organizations in the private sector that prioritize environmental considerations as a fundamental objective and a source of competitive advantage.

Kalam & Singh (2011) identify six dimensions that encompass sustainability: economic, technological, social, environmental, value, and learning sustainability. Economic sustainability indicates that the financial framework underlying the development tool is both solid and resilient, ensuring that these tools align with the region's core competencies. Technological sustainability suggests that technology will serve as the primary catalyst for the employed development tool. In creating a curriculum for Sustainability Entrepreneurship, Basu et al. (2012) defines sustainable entrepreneurship as a form of entrepreneurship that prioritizes objectives beyond profit, specifically the promotion of sustainable living and environmental enhancement. This focus on sustainability within entrepreneurship entails the pursuit of opportunities for innovative products, services, technologies, or production methods that can improve social or environmental conditions, enhance the efficiency of energy and resource usage, and utilize new resources that are more plentiful, economically viable to produce, and less detrimental to society.

2.3. Basic Concept of Entrepreneurship: Conventional and Islamic View

¹³ Smith, Elin. "Explaining public entrepreneurship in local government organizations." *State and Local Government Review* 44, no. 3 (2012): 171-184.

¹⁴ Chemin, Matthieu. "The impact of the judiciary on entrepreneurship: Evaluation of Pakistan's 'Access to Justice Programme'." *Journal of Public Economics* 93, no. 1-2 (2009): 114-125.

In this section, we outline fundamental terminology pertinent to this study, which serves as key concepts for comprehending the research framework: The term "entrepreneur" is derived from the French verb *entreprendre*, dating back to the thirteenth century, which translates to "to do something" or "to undertake." By the sixteenth century, the noun form, *entrepreneur*, had evolved to denote an individual who embarks on a business venture. The earliest recorded academic usage of this term by an economist can be attributed to Richard Cantillon in 1730. He characterized entrepreneurs by their readiness to accept personal financial risk associated with business endeavors.

In the early 1800s, economists Jean Baptiste Say and John Stuart Mill contributed significantly to the academic recognition of the term "entrepreneur." Say emphasized the entrepreneur's function in generating value by reallocating resources from less productive sectors to more productive ones. In his widely read 1848 publication, *Principles of Political Economy*, Mill articulated the concept of the entrepreneur as an individual who not only undertakes the risks but also manages the business. This distinction clarified the difference between entrepreneurs and other financial risk-takers, such as corporate shareholders, who may not engage in the daily operations or management of the enterprise.¹⁵

Entrepreneurship is a very broad term. Some scholars had been interpreted with various meanings. For examples Schumpeter (1965) defined "entrepreneurs as individuals who exploit market opportunity through technical and/or organizational innovation". Schumpeter stressed the role of the entrepreneur as an innovator who implements change in an economy by introducing new goods or new methods of production. In the Schumpeterian view, the entrepreneur is a disruptive force in an economy. Schumpeter emphasized the beneficial process of creative destruction, in which the introduction of new products results in the obsolescence or failure of others. The introduction of the compact disc and the corresponding disappearance of the vinyl record are just one of many examples of creative destruction: cars, electricity, aircraft, and personal computers are others. Differ to Schumpeter's view, Kirzner (1973) focused on entrepreneurship as a process of discovery. Kirzner's entrepreneur is a person who discovers previously unnoticed profit opportunities. The entrepreneur's discovery initiates a process in which these newly discovered profit opportunities are then acted on in the marketplace until market competition eliminates the profit opportunity.

For Frank H. Knight (1921) and Peter Drucker (1970) "entrepreneurship is about taking risk", while Bolton and Thompson (2000) have defined an entrepreneur as "a person who habitually creates and innovates to build something of recognized value around perceived opportunities". Hisrich (1990) defined that an entrepreneur is characterized as "someone who demonstrates initiative and creative thinking, is able to organize social and economic mechanisms to turn resources and situations to practical account, and accepts risk and failure". Thomas and Mueller (2000) argue that the study of entrepreneurship should be expanded to international markets to

¹⁵ See <http://www.econlib.org/library/Enc/Entrepreneurship.html>

investigate the conditions and characteristics that encourage entrepreneurial activity in various countries and regions. It is reasonable to expect that entrepreneurs reflect the dominant values of his or her national culture and national culture has definite effect on entrepreneurship.

However refer to Davidson (2004), Hill and Levenhagen, (1995) there is a lack of common understanding of what entrepreneurship precisely is Casson (1982) also contends that most studies about entrepreneurship rely on stereotypes.¹⁶ Quoting several of full definitions, Entrepreneurship can be defined as of how, by whom, and with what effects opportunities to create future goods and services are discovered, evaluated, and exploited. Entrepreneurship is the efforts to bring about new economic, social, institutional, and cultural environments through the actions of an individual or group of individuals.¹⁷

Foss and Klei (2012), also note that there has been a considerable push in the study of entrepreneurship within the past decade as economists have seen the entrepreneur more worthy of inspection in order to understand technological progress. FK pose the question "What is entrepreneurship?" Typically economists have either defined entrepreneurship in terms of either (i) an outcome or a phenomenon (self-employment, startups) or (ii) a way of thinking or acting (creativity, innovation, alertness, etc.).¹⁸

Peverelli and Song (2012) stated there are three types are currently in use in entrepreneurship terms, economic approach, trait approach, and social identity approach. In economic terms, entrepreneur also refer to someone who different factors of production. Thus, entrepreneur acts in the static world of equilibrium, where he assesses the most favorable economic opportunities.

Meanwhile, Islam as a source of humanity always concern on human's welfare. The Quran and Sunnah reveal an overriding interest in the overall welfare of mankind.¹⁹ Development or Economic Development should be consistent with this central objective of Shariah. Economic development in Islam may be defined as a balanced and sustained improvement in the material and non-material well-being of man and development as a multi-dimensional process which involves improvement of human welfare through advancement, reorganization, reorientation of entire economic and social system in accordance with the norms and values of Islam.²⁰

In realizing economic development to achieve human's welfare, we can say that Entrepreneurship is one of development variables with all its aspects have discussed in the Al-Quran. The evidences in the Quran which point out the importance of gaining wealth through entrepreneurship when²¹ Allah SWT stated "And We have

¹⁶Peverelli, P.J; Song, J. 2012. Chinese Entrepreneurship, A Social Capital Approach. Springer

¹⁷Peverelli, P.J; Song, J. 2012. Chinese Entrepreneurship, A Social Capital Approach. Springer

¹⁸ Ludwig von Mises Institute

¹⁹ See Al Quran 2.201

²⁰Ibrahim, P, Asmak, Ab., Basir, S. A. 2010. Department of Shariah and Economics, Academy of Islamic Studies, University of Malaya, Malaysia. Department of Siyasaah Shariah, Academy of Islamic Studies, University of Malaya, Malaysia.

²¹Yacob, Y and Azmi. I. A. G. 2012. Entrepreneurs' Personality from Islamic Perspective : A Study of Successful Muslim Entrepreneurs in Malaysia.

certainly establishes you upon the earth and made for you therein ways of livelihood. Little are you grateful.”²² The Quran also said: “And out of His mercy He made for you the night and the day that you may rest therein and [by day] seek from His bounty and [that] perhaps you will be grateful.”²³

Refer to the both verses, generally the concept of entrepreneurship in Islam concerns with individual acts that help to transform scientific knowledge and discoveries into innovation. Islam also has discussed that the concept of entrepreneurship in within the domain of resources provision and exploitation as well as *Muamalah* which generally refers always to the *sharia*-based economic transactions.

2.4. Waqf

Waqf, derived from Arabic, denotes the concepts of halting, containing, or preserving. Within an Islamic context, waqf signifies a religious endowment, characterized as a voluntary and irrevocable commitment of one’s wealth—either wholly or partially—in cash or in kind, such as property or land. The proceeds from this endowment are allocated for projects that align with Sharia principles, including mosques and religious educational institutions. Under Sharia law, a waqf is defined as a voluntary, permanent, and irrevocable allocation of wealth—be it cash or in kind—dedicated to Allah. Once established, a waqf cannot be gifted, inherited, or sold; it remains the property of Allah, and the principal amount is preserved indefinitely. The benefits derived from the waqf can be utilized for any purpose that adheres to Sharia guidelines. According to Kahf (2003), waqf can be categorized into three distinct types:

- Religious Waqf: This category contributes to the social welfare of the community by providing religious facilities that benefit future generations. It also allows for the remuneration of Imams or preachers from the revenues generated, provided that it aligns with the stipulations set forth by the waqf founder.
- Philanthropic Waqf: This type is aimed at enhancing the quality of life for the underprivileged. It encompasses waqf established for poverty alleviation and offers services related to public amenities, such as education, healthcare, and small business loans.
- Family Waqf: This form permits family members to benefit from the proceeds and revenue generated by the waqf. Only when there is a surplus can these resources be distributed to those in need.

2.5. Difference between Waqf and Charity

Waqf is a permanent donation. Once a waqf is created, it can never be donated as a gift, inherited, or sold. Disbursement of its returns is done in accordance with the endower's wishes. Charity, on the other hand, is a broader concept; it encompasses alms, grant, inheritance, loan, and waqf.

²² Al Qur’an, 7:10

²³ Al Qur’an, 28:73

According to Muhd Zain (1982), for waqf to be valid, there are several conditions required, (i) The Waqif, the settler *waqif* must be of full age, sound mind and unrestrained in the use of his own property. He must therefore, able to understand the effect of his action, a free man and not a slave. (ii) Clear Intention Of Waqf. The property must be declared *waqf* with clear intention. The dedication may be either oral or written. It's sufficient for the settler to indicate his intention to make the property *waqf*, and to specify the charitable purpose to which it is to be devoted. It is generally accepted that this declaration is sufficient in itself the creation of a *waqf* and that the delivery of possession to the *mutawalli* or administration is not an essential condition of validity. (iii) Predetermined Property/Asset. According to Osman (2002), Shafie scholars are in consensus regarding the intended *waqf* property must be predetermined first before *waqf* status is being established. If ambiguities exist or the property cannot be determined due to certain circumstances, the *waqf* is considered invalid. (iv) Perpetuity and Continuity. Majority of scholars agree that the declaration of *waqf* must be irrevocable, unconditional, and permanent. If in the case of a testamentary *waqf* which takes effect solely upon the death of the founder, the declaration must be intended to take effect immediately.

Ahmed (2005) stated, all schools with the exception of the Maliki school, concur that a *waqf* is valid only when the *waqif* intends the waqf to be perpetual and continuous, and therefore it is considered a lasting charity. Hence if the *waqif* limits its period of operation, such as when he makes *waqf* for certain specified limit time frame or until an unspecified time when he would revoke it at his own pleasure, it will not be considered a *waqf* in its true sense.²⁴

2.6. Sustainability

According to the Oxford dictionary the word sustainability originates from the verb *to sustain*. This verb means to “keep (something) going over time or continuously”. It can accordingly be argued that our current usage of resources cannot be sustained indefinitely. In scientific theory as well as in practice there are, however, many differing conceptualizations surrounding sustainability with minor to substantial differences in meaning and scope. Over 300 definitions can be found (Ehrenfeld, 2008). Sustainable also means to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs.²⁵ Heinberg (2010) stated that, the essence of the term *sustainable* is “that which can be maintained over time.” By implication, this means that any society that is unsustainable cannot be maintained for long and will cease to function at some point. It is believed entrepreneurship is a great tool that helps building sustainable

²⁴ Ali, Ariffhidayat. 2009. Waqf Continued Relevance As The Third Sector In Terms Of Mobilizing Resources For Productive Use In An Islamic Economic System. INCEIF

²⁵ Robert W. Kates, Thomas M. Parris, and Anthony A. April, 2005. Leiserowitz. What is Sustainable Development? Goals, Indicators, Values, and Practice. Environment: Science and Policy for Sustainable Development, Volume 47, Number 3, pages 8–21

economy. We also believe entrepreneurs are the rock starts those who work to keep economy growing. Both entrepreneurship and entrepreneurs are the driving forces and instrumentals to build strong economy.

2.7. The Linkage:A Sustainable Entrepreneurship Through Waqf Channel: The Hypothesis

Kline (2013) articulated that entrepreneurship encompasses a comprehensive evaluation under conditions of uncertainty, suggesting that economic development and growth are inextricably linked to entrepreneurial activity. Entrepreneurs play a vital role by providing the necessary capital for enhancing productivity, organizing production into various firms and industries, and engaging in both competition and collaboration to efficiently and profitably create and deliver goods and services to consumers. When we consider entrepreneurship in a more specific context, such as small businesses, startups, or venture capital, the narrative becomes more intricate. It is evident that smaller and emerging firms frequently account for a significant portion of job creation and, in certain scenarios, the introduction of innovative products and technologies. However, larger corporations can also exhibit innovation, and the accumulation of capital is often essential for achieving economies of scale and scope, particularly in today's "knowledge economy." Moreover, not everyone aspires to own and manage a small business. Unfortunately, larger firms tend to be more successful in securing political advantages and protections from competition, although smaller enterprises also engage in similar strategies.

From the information detailed above, we may draw a thought. An entrepreneur is the main role in entrepreneurship concept from home small business into a medium or even larger business scale. This role involved capital and human asset management. Currently cash waqf is utilized more for poverty alleviation or Islamic Portfolio sectors. The author believed that if waqf can use to facilitate the entrepreneur, it may sustain the entrepreneurship and finally will sustain the economic growth. Hence, we propose a theoretical framework of waqf based sustaining entrepreneurship as shown in diagram as follow:

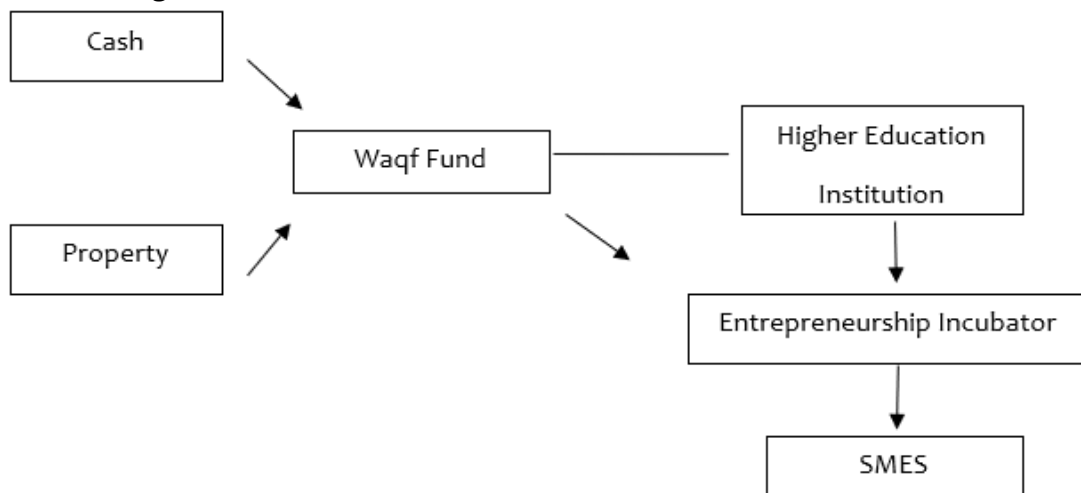


Diagram 1. Theoretical Framework of Waqf Based Sustaining Entrepreneurship

3. CONCLUSION

As one of the important variables of economic development entrepreneurship is very necessary to be empowered. In reality we have seen that the government is not fully able to fulfill its function in providing a wide range of socio-economic or public interest. Entrepreneurship is one instrument that may cover these weaknesses. Therefore, increase of longevity or sustainability of entrepreneurship is very important. This is where the waqf channel has a strategic function in maintaining the sustainability of entrepreneurship. Waqf has been able in distribution of wealth in society and using finance and property in the line with well-meaning humanitarian to develop opportunities and access vulnerable to the main infrastructure development. This study tries to explore and analyze that issue and attempt to provide the preferable model and mechanism of waqf linked to entrepreneurship.

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