

Optimization of Productive Waqf to Improve the Economic Welfare of the People in the Covid-19 Period

Asra

Fakultas Ekonomi dan Bisnis Islam, IAIN Lhokseumawe
Asra@IAINLhokseumawe.ac.id

Corresponding email: Asra@IAINLhokseumawe.ac.id

Abstract

Productive waqf is one part of Islamic philanthropy that can be an option to overcome the poverty of Indonesian society. Poverty in Indonesia is a persistent problem faced, not least during the covid-19 period. During the covid-19 period, poverty in Indonesia continues to increase along with limited community mobilization in economic activities. One strategy that can be used to develop productive waqf is with waqf money. Waqf money opens great opportunities with long-term and short-term investments to be utilized to improve the welfare of the people in terms of economic, social, educational, and religious. Productive waqf can be improved by good management and utilization carried out by Nadzhir professional. Nadzhir professional must be able to choose investments that are profitable and minimal risk of loss so that the waqf treasure remains permanently in its life. Good management will have a positive impact on the utilization of productive waqf.

Keywords: Productive Waqf; Economy; New Normal.

INTRODUCTION

One of the maliyah institutions that contain socioeconomic value is waqf, a form of practice whose reward continues to flow even though someone has died. In Islam waqf has a very important position as well as zakat and almsgiving. Waqf requires a Muslim to give some of his wealth for the benefit of worship, economy, education and other general welfare. Waqf can be a potential institution to be developed if managed optimally.

Waqf is one of the instruments of Islamic philanthropy to improve the economy in Islam by creating a prosperous life. Various Muslim-populated countries apply waqf as an instrument to overcome poverty and improve the welfare of the community. In Indonesia itself, the application of waqf has not received extra attention, especially waqf that is commonly done in Indonesia is still considered only limited to waqf immovable objects such as land and buildings, the waqf is not managed productively but only intended for mosques, mushalla, schools and tombs. Whereas Indonesia is the world's largest Muslim country, if waqf assets are managed productively and not only limited to immovable objects, waqf assets have the potential to reduce poverty and increase the economy of the ummah.

In its development, waqf has now taken root in the life of Islamic society, and becomes the main support in people's lives. It can be seen that almost all houses of worship, Islamic colleges and Islamic religious institutions are built on waqf land. And one very significant progress for Muslims, when the issuance of the Law of Representation is Law No. 41 of 2004. Tri Wahyu Hidayati (2010:125)

The development and management of waqf in Indonesia can be done productively with the support of the government, scholars and the community. Then also reformulated matters related to waqf, such as waqf treasure, waqf allocation and nadzhir professional waqf management. Waqf must be entrusted to special people or institutions that are competent in managing waqf assets so that they can be managed and developed professionally. In this case the government should pay more attention to the empowerment of waqf as a form of improving the welfare of the people. This is important to be

implemented in light of its development, good and professional management of waqf assets will have the potential to provide economic change and improve the welfare of the people.

In some Muslim-populated countries waqf objects are no longer dominated and are limited to movable objects, such as land and buildings. However, it has grown on non-fixed assets, such as money and other securities. Currently waqf in the form of money has been widely accepted in various Islamic countries in Turkey, Egypt, India, Pakistan, Bangladesh, Malaysia. In Qatar and Kuwait, waqf funds are already in the form of office buildings. The area is rented out and the proceeds are used for Muslim activities. You can imagine how Islamic educational institutions such as AlAzhar University in Cairo, Zaituniyyah University in Tunis, and Madaris Imam Lisesi in Turkey are so large and able to survive until now even though they are not profit-oriented. They not only rely on development funds from the government, but on waqf money as a fund for financing all activities both administrative and academic.

The waqf cash in Egypt also leads to economic empowerment. Waqf managers cooperate with Islamic banks, entrepreneurs, and developers. The security of the country builds vacant land that is managed productively by establishing economic institutions, or in the form of buying shares in companies. The proceeds of this waqf are channeled to help the lives of the poor, orphans, and small traders. In addition, it is also to improve the welfare of the community by building hospitals, establishing educational institutions, and the construction of worship facilities. (Anonymous, 2004:13)

CONCEPT OF WAQF

Etymologically, the word waqf(وقف) means al-habs (hold), radiah (return), al-tahbis (restrained) and al-man'u (prevent). M. Al-Syarbini Al-Khatib(stt:319). According to Abu Hanifah, waqf is holding an object that, according to the law, remains the property of the wakif in order to use its benefits for virtue. The Maliki School argues that the waqf does not release the property that is represented from wakif ownership, but the waqf prevents wakif from taking actions that can relinquish its ownership of the property to others who are obliged to provide benefits and must not withdraw the waqf. Shafi'i and Ahmad bin Hambal school, waqf is to release the property that is represented from the ownership of wakif, after perfect the procedure of representation.

From the above definition it can be concluded that the name waqf is to hold objects that are not easily damaged (perished) to be taken advantage of the interests justified by the syara with the aim of obtaining a reward to draw closer to God.

In article 1 paragraph 1 of Law No. 41 of 2004 on waqf it is stated that in this Law what is meant by Waqf is a wakif law act (waqf) to separate and / hand over some of his property to be used forever or for a certain period of time in accordance with its interests for the purposes of worship and / general welfare according to sharia. Wakif is the one who is representing his property. Waqf Pledge is a statement of will wakif spoken orally and / written to nadhir to represent property. Nazir is a party who receives waqf property from wakif to be managed and developed in accordance with its designation.

Waqf property is a property that has long-term durability and / long-term benefits and has economic value according to Sharia that is represented by wakif. The Waqf Pledge Deed Maker (PPAIW) is the authorized official set by the minister to create the Waqf Pledge Act. The Indonesian Waqf Agency is an independent institution to develop representation in Indonesia.

Waqf property consists of moving objects and immovable objects. What is meant by ie motionless objects here includes land rights in accordance with the provisions of applicable laws and regulations both already and unregistered, buildings or parts of buildings that stand on land and plants and other objects related to land, property rights to flat units in accordance with the provisions of applicable laws and regulations, other irredity objects in accordance with the provisions of the Shari'ah and the applicable laws and regulations. While what is meant by moving objects is property that cannot be consumed, which includes money, precious metals, securities, vehicles, rights to intellectual property, rental rights, other moving objects in accordance with the provisions of the Shari'ah and applicable laws and regulations.

Which includes i ie motionless objects, among others, land rights in accordance with the provisions of applicable laws and regulations both already and unregistered, buildings or parts of buildings that stand on land, plants and other objects related to land, property rights to flat units in accordance with the provisions of applicable laws and regulations, other non-moving objects in accordance with sharia

provisions and applicable laws and regulations. While the intended moving objects are property that cannot be exhausted because it is consumed, among others, money, precious metals, securities, vehicles, intellectual property rights, rental rights, and other moving objects in accordance with sharia provisions and applicable laws and regulations. (Directorate of Waqf Empowerment of the Ministry of Religious Affairs, 2007)

I don't move objects that are usually represented in the form of money called cash waqf. Cash waqf is the delivery of waqf assets in the form of cash that cannot be transferred and frozen for other than the public interest that does not reduce the principal amount. (MulyaE.siregar, et al, 2001:8). Cash waqf can be managed and developed productively by nadzhir in collaboration with Islamic financial institutions with cooperation agreements that generate long-term profits. Cooperation agreements can be in the form of mudharabah, murabahah and musyarakah, where the waqf treasure tree is maintained but the benefits continue to be obtained. Utilization of waqf assets can also be given capital to people in need.

Research Methodology

In this study use qualitative descriptive methods because the author describes as phenomena and problems that occur. The object of this study is to see the potential of productive waqf for the welfare of the people in the covid-19 pandemic. This research also aims to find out the potential of waqf if managed productively. One form of waqf that can be managed productively is cash waqf. And how the implementation of cash waqf in Indonesia. The potential of productive waqf in Indonesia can be increased in the covid-19 period to improve the welfare of the people. All the data that has been collected is analyzed with 3 stages, the first is data reduction, second display data, third conclusion withdrawal.

Findings and Discussion

Findings

POVERTY DURING COVID-19

In 2019, the world was shocked by the emergence of a new disease, namely Corona virus or also called Covid-19. Coronavirus or severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) is a virus that attacks the respiratory system. The disease due to this viral infection is called COVID-19. Corona virus can cause disorders of the respiratory system, severe lung infections, to death. Coronavirus covid-19 (CoronaVirus Disease 2019) was first discovered in the Chinese city of Wuhan in late December 2019. The virus is transmitted very quickly and has spread to almost all countries, including Indonesia, in just a few months. This led some countries to implement policies to impose lockdowns in order to prevent the spread of the corona virus. In Indonesia itself, a large-scale social restriction policy (PSBB) was enacted to suppress the spread of this virus.

Such restrictions include the involvement of schools and workplaces, restrictions on religious activities, restrictions on activities in public places or facilities, restrictions on socio-cultural activities, restrictions on modes of transportation, and restrictions on other activities specifically related to defense and security aspects. Psbb implemented by the government due to the Covid-19 pandemic has an impact on all community activities, not least in the economic sector. The Covid-19 pandemic had a significant impact on the economy of the community, many people complained and stopped their activities due to the Covid-19 pandemic. With the cessation of economic activity of the community resulted in a decrease in people's income, increasing unemployment and purchasing power of the community weakened. The relatively weakened purchasing power of the people has an impact on slow economic turnover.

Data: BPS

From the table above can be seen in general from March 2013 to March 2019 the poverty rate decreased except in September 2013, March 2015, March 2020, and September 2020, the increase in the number of poor people in the period September 2013 and March 2015 was triggered by an increase in the price of basic goods as a result of the increase in the price of fuel oil. However, from September 2019 to September 2020 the increase in the poor population was caused by the covid-19 pandemic that emerged in 2019. In August 2020, the open unemployment rate (TPT) was 7.07 percent, up 1.84 percent compared to August 2019 of 5.23 percent. Furthermore, a total of 29.12 million working-age residents or 14.28 percent were affected by Covid-19 in August 2020, with

details of 2.56 million people becoming unemployed, 0.76 million people being non-labor force, 1.77 million people temporarily out of work, and 24.03 million people working with shorter hours.

The increase in poor population due to covid-19 at the same time resulted in a decrease in people's purchasing power. Some people are poor because they are unable to meet basic needs and the amount of spending is below the poverty line. The decline in people's purchasing power will cause poverty to get worse, because the economic turnover will be slower. During the pandemic, the level of community mobilization was limited by the government to reduce the number of people infected with the covid-19 virus, including economic activities. The effects of the pandemic not only affect health but also the economy felt by the people of Indonesia, the level of public opinion is reduced, unemployment increases, and people's purchasing power decreases.

Discussion

OPTIMIZATION OF PRODUCTIVE WAQF FOR THE WELFARE OF THE PEOPLE

To optimize productive waqf, there is the ability and hard work to make it happen, especially in the efforts to manage and develop waqf assets. Optimization of productive waqf is a challenge and opportunity for all people in developing the waqf treasure into economic value in helping the economic empowerment of the people and providing charity for wakif who has represented their waqf treasure. Waqf holds great potential to become a productive asset, which is ultimately not only able to support religious social services, but is also directed to support various initiatives and goals of social justice.

Productive waqf is a fixed property or principal that is represented for use in production activities and the results are channeled in accordance with the purpose of waqf. Such as waqf land for planting use, springs for water and others (Mundzir Qahar, 2005: 5). Productive waqf is a scheme to manage waqf donations from the people, namely by producing these donations, to be able to produce a sustainable surplus. Waqf donations can be in the form of moving objects, such as money and precious metals, or ieless objects, such as land and buildings (<http://www.tabungwakaf.com> in access on September 28, 2021). Basically waqf is productive in the sense of having to produce because waqf can fulfill its purpose if it has produced dimama the results are utilized in accordance with its designation (mauquf alaih).

In the management of productive waqf property, the party that plays the most success or not in the utilization of waqf assets is Nazhir waqf, which is a person or group of people and legal entities who are handed the task by wakif (people who represent the treasure) to manage waqf (Directorate of Waqf Empowerment, Directorate General of Islamic Community Guidance of the Ministry of Religious Affairs, 2007: 41). Although in the books of jurisprudence scholars do not list Nazhir waqf as one of the pillars of waqf, because waqf is tabarru' (sunnah giving). However, after paying attention to the purpose of waqf that wants to preserve the benefits of waqf treasures, then the existence of Nazhir is needed, even occupying a central role. Because in Nazhir is the responsibility and obligation to maintain, maintain and develop waqf and distribute the results or benefits of waqf to the target of waqf (Directorate of Waqf Empowerment, Directorate General of Islamic Community Guidance Department of The Ministry of Religious Affairs, 2007: 41).

Currently there are 8 Shari'ah Banks appointed by the Minister of Religious Affairs of the Republic of Indonesia as LKS recipients of waqf money to be managed productively, namely PT Bank Negara Indonesia Tbk. Syari'ah Division with The Decree of the Minister of Religious Affairs No. 92 of 2008; PT. Bank Muamalat Indonesia, with the decree of the Minister of Religious Affairs number 93 of 2008, PT Bank DKI Jakarta with the decree of the Minister of Religious Affairs No. 94 of 2008, PT Bank Syari'ah Mandiri with the decree of the Minister of Religious Affairs No. 95 of 2008, PT Bank Mega Syari'ah Indonesia with the decision of the Minister of Religious Affairs No. 96, Bank Bukopin, Bank BTN; and BPD Yogyakarta. Waqf managed productively has the potential to increase the amount of waqf assets in Indonesia by not eliminating the waqf treasure tree.

As for the new financing model for institutionally productive waqf projects there are four financing models that allow waqf managers (productive) to hold exclusive rights to management, such as (Ministry of Home Affairs, 2013: 103-109): Murabahah, Istishna, Ijarah, and Mudharabah. In addition there is also a so-called share ownership or Shari'atul al-Milk, where there are several contractors who share management, or assign project management on the part of financing providers, called the result sharing model (output sharing) and long-term leases.

The application of this financing requires Nadzir to take the function as an entrepreneur who controls the investment process that buys the necessary equipment and materials through Murabahah's contract letter, while the financing comes from one Islamic bank. Model Istisna. This model allows waqf treasure managers to order the necessary waqf development to the financing institution through an Istishna contract. The financing institution or bank then makes a contract with the contractor to fulfill the order of the waqf treasure manager on behalf of the financing institution. Istishna's financing model also raises debt from waqf property managers and can be resolved from the development of waqf property and the financing provider does not have the right to interfere in the management of waqf property.

Mudharabah. In this model, the manager of waqf property (nadzir) acts as a businessman (mudharib) and receives liquid funds from financing institutions to build buildings on waqf land or the like. Management will remain in the hands of the waqf treasure manager and the level of revenue sharing is set in such a way that it covers business costs for management as well as the use of land. Ownership sharing financing model. This model can be used if the parties individually and freely have two objects related to each other, such as each having half of a piece of agricultural land without having a formal agreement. Formal operationalization of various ownership is the manager of waqf property allows financing institutions to set up a building. Each party has freely and separately wealth and they agree to divide the proceeds between them.

Revenue sharing model (output). In the revenue sharing financing model, waqf provides land and other fixed property owned by waqf, while financing institutions provide operational and management costs. Financing institutions may also provide some or all of the machinery as long as the land is provided by non-management parties in accordance with muzara'ah requirements. This model is suitable for financing institutions that want to take on management responsibilities, while waqf treasure managers take positions as sleep partners. This becomes one of the models where management will exclusively be in the hands of financing institutions. Long-term rental model. In this model management is in the hands of financing institutions that rent waqf assets for a long period of time. The fund provider takes periodic construction and rental management responsibilities to the waqf treasure manager.

With the various financing models offered above, nadzir can choose one or more of them that are considered suitable to cooperate with investors to add value to the benefits of existing waqf assets so that the benefits are truly felt by the people, not only in terms of worship but also social impacts that include economic, health, and education issues.

The management and development of waqf productively can increase waqf wealth income and the government can use the proceeds of the waqf fund to relocate it to communities that need good for social welfare, education and the economy. The allocation of waqf funds can be intended for poor families in meeting daily needs or become business capital so that it can increase people's purchasing power for faster economic turnover. The rapid economic turnaround will reduce the number of poor people in Indonesia.

Conclusion

To optimize waqf, productive waqf management can be a solution to improve the welfare of the people. Utilization of waqf property is not limited only to Ibadan houses and meals such as mosques, mushalla and public cemeteries but also to the economic welfare of the community such as business capital, investment etc. Waqf funds should be encouraged to touch all aspects of both education, social and economic fields. Waqf management aimed at strengthening the economy of the ummah can be done by utilizing various alternative programs whose funding is sourced from waqf. Achieving the goal of using waqf requires professional management so that it needs to be handled by reliable human resources. For the optimization of waqf management, nadhir's position is very significant because it is directly related to the success of waqf management. Waqf managers (nadhir) must have good management management so that their potential can be developed for the welfare of the people. The results of productively managed waqf funds have the potential to increase the amount of waqf fund management. The more waqf funds obtained will be more evenly distributed to the community.

References

- Anonymous, 2004, Waqf Abroad From Saudi Arabia to the US
- Directorate General of Islamic Community Guidance Directorate General of Community Guidance Department of Religious Affairs, 2007, Fiqh Wakaf, Jakarta: Ministry of Religious Affairs.
- Hidayati, Tri Wahyu, 2010, Problematika Waqf Management in Indonesia: Journal of Economics and Banking Muqtasid, Salatiga: Progd Bankng syariah STAIN
- Anggaira, Aria Septi, et al. Integrasi Keilmuan dalam Menyongsong Merdeka Belajar. Akademia Pustaka, 2021.
- Basri, Hasan, Almira Keumala Ulfah, and M. Majid. "The implementation of good corporate governance (GCG) to improve service quality: the case of state-owned electricity company in Indonesia." (2017).
- Kamal, Husni, and Arinal Rahmati. "KONSEP MAQASHID SYARIAH DALAM PENGEMBANGAN PRODUK LEMBAGA KEUANGAN ISLAM." AT-TIJARAH: Jurnal Penelitian Keuangan dan Perbankan Syariah 2.2 (2020): 120-133.
- Muhammad, Methodologist of Islamic Economic Research Quantitative Approach,(Jakarta: Rajawali Press, 2008).
- Mukhtasar, Muhammad Syafril Nasution. "The Influence of Leadership Style on Firm Performance through Job Satisfaction (A Case Study at PT. Bank Aceh Syariah)." Himalayan Journal of Economics and Business Management 2.3 (2021).
- Nadilla, Trie, et al. "The Effect Of Leverage And Earning Per Share On Earning Management (A Study Of Companies Listed In Indonesia Stock Exchange)." ICASI 2019: Proceedings of The 2nd International Conference On Advance And Scientific Innovation, ICASI 2019, 18 July, Banda Aceh, Indonesia. European Alliance for Innovation, 2019.
- Nadilla, Trie, and Almira Keumala Ulfah. "PELATIHAN DASAR PENYUSUNAN LAPORAN KEUANGAN PADA USAHA ANAK BINAAN RUMAH ZAKAT BANDA ACEH." Seminar Nasional ADPI Mengabdikan Untuk Negeri. Vol. 2. No. 2. 2021.
- Nasution, Muhamad Syafril, et al. "The Effect of Beta, and Residual Income on Stock Return in The Manufacturing Industry in The Indonesia Stock Exchange." Enrichment: Journal of Management 11.2 (2021): 555-558.
- Nasution, Muhammad Syafril, and Ramadhan Razali. "ZAKAT DAN KEADILAN SOSIAL: ANALISIS TERHADAP KITAB AL-AMWAL KARANGAN ABU UBAID." AT-TIJARAH: Jurnal Penelitian Keuangan dan Perbankan Syariah 3.1 (2021): 13-24.
- Nurdini, Imas. Tinjauan hukum ekonomi syariah terhadap upah karyawan tanam mulu mata di Lopyu Salon Rancaekek Kabupaten Bandung. Diss. UIN Sunan Gunung Djati Bandung, 2020.
- Nurlinda, N., et al. "Can E-Commerce Adoption Improve SME's Performance?(Case Studies on Micro, Small and Medium Enterprises with Gojek Services in Indonesia)." Proceedings of the Third Workshop on Multidisciplinary and Its Applications, WMA-3. 2019.
- Razali, Ramadhan. "Perilaku Konsumen: Hedonisme dalam Perspektif Islam." Jurnal Ekonomi Syariah, Akuntansi Dan Perbankan (JESKaPe) 4.1 (2020): 115-124.
- Razali, Ramadhan, and Sutan Febriansyah. "Eksistensi Keadilan Sosial Dalam Keuangan Publik Islam." Jurnal Ekonomi Syariah, Akuntansi dan Perbankan (JESKaPe) 3.2 (2019): 40-56.

- Razali, Ramadhan. "Ekonom Islam, Pendidikan dan Revolusi Industri 4.0: Tantangan Dalam Implementasi Kampus Merdeka." *Masa Depan Kampus Merdeka & Merdeka Belajar: Sebuah Bunga Rampai Dosen* (2021): 81.
- Razali, Ramadhan, Angga Syahputra, and Almira Keumala Ulfah. "Industri Halal di Aceh: Strategi dan Perkembangan." *Jurnal Al-Qardh* 6.1 (2021): 17-29.
- Ramadhan Triwijanarko, "Is Discount The Only Mainstay of E-Commerce In Indonesia?", <https://Marketeters.Com> Accessed on April 15, 2020 at 21:53 Wib.
- Risma, "Shopee Consumers in Indonesia Dominated by Millennials", <https://Presidentpost.Com> Accessed On April 1, 2020 at 2:20 pm.
- Sopannah, Ana, et al. *BUNGA RAMPAI AKUNTANSI PUBLIK: ISU KONTEMPORER AKUNTANSI PUBLIK*. SCOPINDO MEDIA PUSTAKA, 2020.
- Ulfah, Almira Keumala. "Double Entry Bookkeeping Dalam Akuntansi." *J-ISCAN: Journal of Islamic Accounting Research* 1.1 (2019): 1-14.
- Ulfah, Almira Keumala. "KINERJA PERSONIL PEMAKAI SISTEM INFORMASI AKUNTANSI SETELAH PELATIHAN SISTEM INFORMASI AKUNTANSI PADA POLDA ACEH." *Jurnal Bis-A: Jurnal Bisnis Administrasi* 7.2 (2018): 40-46.
- Ulfah, Almira Keumala, et al. "Accounting Equations in Business Transactions." *Psychology and Education Journal* 57.8 (2020): 456-460.
- Ulfah, Almira Keumala, et al. "Analisis Kemampuan Pembiayaan Keuangan Pemerintah Provinsi Aceh Setelah Penerapan Revisi UU Tentang Otonomi Daerah." *Seminar Nasional Teknologi Komputer & Sains (SAINTEKS)*. Vol. 1. No. 1. 2019.
- Ulfah, Almira Keumala, et al. "Tingkat Kemandirian, Efektivitas, Efisiensi Keuangan Daerah Pemerintah Provinsi Aceh Setelah Revisi UU Otonomi Daerah." *Seminar Nasional Teknologi Komputer & Sains (SAINTEKS)*. Vol. 1. No. 1. 2020.
- Ulfah, Almira Keumala. "Persamaan Akuntansi dalam Transaksi Bisnis." *J-ISCAN: Journal of Islamic Accounting Research* 2.1 (2020): 45-54.
- Ulfah, Almira Keumala. "Implementasi Good Corporate Governance Dalam Meningkatkan Kualitas Pelayanan Pada Pt PLN Wilayah Aceh." *Jurnal Administrasi Akuntansi: Program Pascasarjana Unsyiah* 3.3 (2014).
- Unggulia, Leoni Citra. *TINJAUAN HUKUM ISLAM TENTANG SISTEM PENGUPAHAN TANAM BULU MATA (EYELASHING)(Studi Kasus Di Anaya Salon & Spa Bandar Lampung)*. Diss. UIN Raden Intan Lampung, 2018.
- "What is Ecommerce? Get to know all kinds and benefits!" www.niagahoster.co.id accessed on May 3, 2020, at 02:29 WIB.
- Wijayanto, Adi. "NYALAKAN SEMANGAT PENDIDIKAN MELALUI DARING." (2021).
- Wijayanto, Adi. "INTEGRASI KEILMUAN DALAM MENYONGSONG MERDEKA BELAJAR." (2021).