

THE APPLICATION OF CASH WAQF AS AN INSTRUMENT FOR SOCIO-ECONOMIC DEVELOPMENT IN NIGERIA

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Abstract

This paper examines application of cash waqf as an instrument for socio-economic development in solving social issues and challenges confronting Nigerians at large and Nigerian Muslims in particular. The value and importance of waqf endowment cannot be under estimated and ignored. Historically, waqf contributed to social development of Muslims societies and it is also considered as a mechanism in poverty alleviation in society especially through cash waqf. The findings on application of cash waqf as an instrument for socio-economic development in Nigeria discovered that cash waqf is viable and able to reduce poverty rate among Nigerian less privilege Muslims and beyond if the cash waqf is commercialized properly and accordingly. There is need for waqf awareness in Nigeria where waqf managements have to exploit all means of communication to educate Nigerians on importance of waqf to society and nation at large. There are many lucrative and profitable businesses and transaction that waqf management can transact with cash waqf endowment. It is recommended that waqf endowment in Nigeria can transform many lives positively if competent, pious, qualified, and experienced persons are in charge of waqf institution across the nation.

Keywords: *Cash waqf, Nigeria, modern instrument, socio-economic development, challenges, solutions*

INTRODUCTION

Ironically, Nigeria's enormous resource endowment is not reflected in the state of livelihood of its citizens (Pramanik, 2007). As noted in Adewale (2013), it is even more worrying that the incidence of poverty is assuming if not already assumed an intergenerational dimension. A notable concern also raised in Adewale (2013) is the fact that data from various institutional sources suggest that the prevalence of poverty in Nigeria is significant in the predominantly Muslims dominated northern region of the country. While the causes of such incidence are numerous, its manifestation is even more, For instance, many Nigerian Muslims are not capable to adequately cater for their family due to their financial constraints. The poverty level has forced many children to drop out from school at different levels while many of them are engaged in child labour (Amuda (a), 2010: 107-113). Others are involved in unlawful and illicit acts like prostitution, theft in order to survive or in order to assist their family. Many Muslim women and men are unemployed due to economic crisis. Some Muslim women were converted to another faith such as Christianity with intention to getting financial support from the churches and the clerics.

Educational and health problems are other social problems confronting many Muslims in Nigeria. Many Muslims children, for example, are victims of exploitation, while some of them often work under unhealthy and hazardous conditions due to their parents' inability to provide for their means of sustenance. Similarly, there is need for more legally and constitutionally recognised organisation dealing with *zakat* and *waqf* endowment or monitoring of the property of a deceased, and there is need for creation of a special body to look into Arabic schools' system in Nigeria in order to raise their standards to those similar to the formalized institutions.

Based on Islam's theological philosophy which may be at best described as community-driven, it is not surprising therefore, that a number of mechanisms such as *zakat*, *infaq*, *waqf*, *sadaqat* etc are embedded in the practice of true Islam. These mechanisms are meant to promote distributive justice in the society. Notwithstanding their proven efficacy in places where they have been properly instituted, it is unfortunate that most Muslim dominated societies today are under-utilising these mechanisms.

Sequel to the foregoing, in this study, which focuses on Nigeria it may be stated that the increasing percentage of poor Muslims as argued by Adewale and Hassan (2014) may be linked to not exploring modern day but Islamically permissible means of poverty alleviation. As such, the thesis sponsored therein in this research is that a proper conceptualization, implementation, institution, and commercialization of cash *waqf* can be used to better the lots of the poor Muslims in Nigeria. Based on the finding, there is no literature on the commercialization

of cash *waqf* in Nigeria for poverty alleviation. The juristic justification from the *Shariah* is thus put forth with the aim of providing the basis for the proposed model.

Conceptualization of Cash Waqf

It has hitherto been explained that *waqf* is an act of possession or appropriation of part of the owner's property to private ownership such as *waqf* endowment for charitable purposes. It can be inferred from the *waqf* concept that cash *waqf* is a form of donating an amount of money for devotional purposes (Magda, 2008, Majid Khademolhoseini, 2009). It can be understood from the meaning of cash *waqf* that cash *waqf* is an amount of capital donated or given by the donor purposely for the needs of the needy in which a significant number of citizens are facing financial difficulties. Such monies are channelled into profitable transactions as a means of generating income for the *waqf* endowment. Cash *waqf* differs from *zakat* and there is no limitation for cash *waqf* in as much as it is considered *sadaqah*. Cash-*waqf* will benefit many Nigerian Muslims because it alleviate or reduce the poverty rate among Muslims provided that such cash *waqf* is consciously managed by pious and honest management.

The application of cash waqf as modern instruments

The economic meltdown and financial difficulties of the 21st century has led to demands for the restructuring of waqf Institutions across Muslim countries in order to introduce and create movable property such of cash-waqf in its comprehensive method and strategy. The modern models for the creation of cash-waqf have been in place and practiced in Muslim countries such as waqf shares model, corporate cash waqf model, deposit product model, waqf mutual fund model and wakalah waqf fund and are critically examined, discussed, and analyzed in this section. The models will be discussed in light of the situation of Nigerian Muslim in order to find solutions for their many problems. This is because many Nigerian Muslim women need small amounts of money to enhance their small scale businesses in order to empower them. Financial assistance can be in different forms based on the discretion of the waqf endowment institution

Waqf Shares Model

The system of waqf shares model is known as a public waqf and is practiced and well known in countries like Malaysia, Sudan, Kuwait and UK. The practice of the waqf shares model is a system whereby the founder will purchase shares from reputable and recognised religious institutions at an agreed amount. The price can range between \$10 and \$100 for example, and the funder will receive a cash-waqf certificate to indicate that the buyer has purchased waqf shares. The waqf shares will then later be donated to the endowed institution that will act as a

mutawalli to manage the accumulated funds. The total amount of accumulated funds are channelled to charitable activities and events as stipulated by the concerned institution such as construction, renovation of mosques, establishment of schools or school renovation, economic and social development and other useful and devotional activities in the interest of needy people in the nation (Magda Ismail, 2008).

The waqf shares model can be applied in Nigeria whereby each state's waqf endowment will act as a mutawalli and urge capable Muslims to purchase shares and use the accumulated money to venture into profitable business. The profit would be used to assist needy Muslims. For example if 2 million Muslims purchased waqf shares at the rate of N1000 each, the total accumulated amount would be N2, 000, 000, 000 billion i.e. $2 \text{ million} \times 1000 = 2,000,000,000$ billion. If the amount of N2 billion is well managed by honest and pious management, the amount can be diversified and ventured into lucrative transactions that can take care of the needs of needy Muslims. If the waqf shares model is initiated in each state in Nigeria, the poverty rate among Nigerian Muslims would hopefully be significantly reduced. The shares can be sold via mosques, Arabic schools, Islamic centres, or by organizing special Islamic programmes or events specifically for their sale. Small scale business women need small amounts of money like N20, 000 or N30, 000 to start their business. The majority of Nigerian Muslim women sell tomatoes, onions, cassava flour, and other petty items that require small amounts of capital to improve and enhance their trade and income.

Corporate Cash Waqf Model

The corporate cash waqf model, also known as public waqf, has been in Malaysia in Kumpulan an-Nur in 1998, in Turkey in Sabanci Foundation in 1974 and in 1953, and the Hamdard Foundation practiced it in Pakistan. In addition, the National Awqaf Foundation in South Africa practiced it in 2000. The founder of the corporate cash waqf model can be an individual or corporate body. The system and application of the corporate cash waqf model is that the individual or corporate body concerned channels his/her dividends to associated waqf institutions as his/her cash waqf. The role of the associated waqf institution is to act as the mutawalli who will manage the venture and invest the accumulated monies into profitable transactions in the interest of the needy. At the end of the contract or business, the profit is used for charitable projects (Magda Ismail, 2008). Waqf endowments in Nigeria can apply the corporate cash waqf model across the nation to earn money that can be used to establish or to create small scale business centres. This will pave the way to employ some unemployed adult Muslims who will work for the waqf endowment centre. For example, the realised money can be used to purchase housing construction equipment where waqf will play the role of building

contractor. Many people will patronise the waqf endowment to build their new house due to the honesty and trust that is lacking in that industry.

The Deposit Product Model

This type of deposit model has been well practiced in Bangladesh in the Social Investment Bank and the Islamic Bank Bangladesh Limited. The procedure for the deposit product model is that the funder will deposit money directly into cash-waqf in a specific account and specific bank. The founder would be given the list or name of beneficiaries where he/she will chose the beneficiaries by him/her. The bank will later act as a mutawalli and invest the deposited money into a mudarabah contract and the accumulated gain will be used for the needy (Magda Ismail, 2008). It is the duty of the waqf endowment management to consciously plan the type of lucrative transactions and business the waqf institution wants to venture into. The feasibility of proposed ventures should be studied and examined properly in order to meet the demands of applicant who are in serious need.

The Waqf Mutual Fund Model

The waqf mutual fund model is a system where the funder will contribute cash money to mutual funds and he/she will stipulate that 60%, for example, of his/her returns goes to his/her personal earnings and 40% will directly go to waqf for charitable activities. The waqf endowment will act as the mutawalli to manage the 40% contributed by the funder and invest the money in profitable investments for the benefit of the needy (Magda Ismail, 2008). The present circumstances in Nigeria and its lack of well-organized Islamic institutions and the deficiencies of Islamic banks in Nigeria, makes it difficult to implement the waqf mutual fund model. Nevertheless, if the waqf is legally and constitutionally well established, the institution can act as mutawalli and manage the donated funds appropriately. In addition, the waqf management can invest funds accrued from the mutual fund model in housing projects wherein the tenant will pay the rent monthly or yearly and the agreed percentage will go to the funder and waqf to be invested in charitable activities but the house will remain under the ownership of the funder. The main objective of this model is to find solutions for the challenges faced by the underprivileged in Nigeria.

Wakalah (Agency Contract) with Waqf Funds

Another model is wakalah (agency) with waqf funds where the donor, known as the shareholder, makes as initial donation to create waqf funds. The amount is based on the specifications of *Shariah* experts. Later, the shareholder will lose his/her ownership right while

the donated amount becomes the property of the waqf endowment. The waqf endowment has the right to develop rules and regulation on how to spend, develop, and invest the donated monies. In addition, the reputable company will manage the accumulated funds as the administrator and deposit the funds while the donation donated as takaful would be combined together for the investment and the total profit will be deposited again with whole fund. Concerning waqf funds, the donor is the beneficiary of the fund (Abdul Rahim, 2006). It has to be quickly mentioned that all models are beyond the capacity of individuals to singularly manage because the models need experienced corporate bodies that are skilful, capable, and well experienced in executing projects related with huge amounts of money. Therefore, waqf endowments should consist of a team of capable people with the experience and skill to optimise donated funds. The reason for this is that the more the waqf invests in lucrative investments, business, and transactions, the more the profit would be realized and the more the waqf institution has sufficient funds, the more waqf is capable of helping the needy.

Creation of Micro-Finance from Cash Waqf

Waqf management can create micro-finance from donated cash to support needy and skilful less privilege citizens across the nation. Creation of micro-finance will enable needy citizens to have access to capital for small businesses through profit and loss sharing (PLS) instruments such as mudarabah and musharakah. Mudarabah financing will be used to provide capital to less privilege citizens who desire to start a business venture to support themselves. Mudarabah financing by the waqf fund will generally involve the contribution of capital by the waqf endowment acting as Rabbul Mal to the needy (as the mudarib) to set up and run a small business, with the intention of establishing financial security and independence for them. The profit will be shared on a pre-agreed ration between the waqf fund and the beneficiary. The waqf fund will then gradually sell back its share in the partnership to the less privilege, until the waqf fund completely exits from the partnership, giving 100% ownership to the beneficiary. The waqf fund will exit the partnership only after the fund has obtained a return on its capital investment and additional profit to ensure sustainability of the waqf fund, which will go towards helping other recipients across the nation. . To manage the risk of default, financing can be provided on the eligibility basis of a sound business plan and assessment of the capability of the recipient to successfully execute the business plan and not for ceremonial purposes. In cases where the needy citizens have a small amount of capital in their possession to contribute towards a business activity, but which is insufficient to start up a business, then a musharakah partnership can be established with the waqf funds, whereby the Waqf fund contributes a determined amount of capital towards the business and the needy applicant contributes some capital to the

partnership. The profit from the business venture will be then shared based on the ratio of capital contribution. *In addition, creation of micro-finance will pave way for the needy citizens to have access to credit* on the basis of need through murabahah financing for purchase of necessary items that may have a significantly bigger cost than can be afforded by the recipient. The waqf fund will provide access to credit through murabahah financing by purchasing the required item, and selling it to the needy Nigerians on the basis of deferred payment. The profit margin added to the deferred payment will be lower than the financing rate quoted by Islamic banks. The lower profit margin is on the basis of charity to lower the burden of repayment on the beneficiary and to distinguish it from the credit services provided by banks.

Creation of Al-Rahn (Islamic pawn broking) as Financial Instrument

Waqf management can create al-Rahn (Islamic pawn broking) from the endowed movable and immovable property such as cash waqf. It can be applied and utilised in any profitable or lucrative business in as much as the contract is lawful, legal, and in line with Islamic principles. Waqf management can lay down their conditions before granting or approving any al-Rahn loan to any qualified needy Nigerians at large. Waqf management can make it a rule and condition that whoever wants to apply for al-Rahn should utilise the money for any lucrative and lawful business that will yield more profit and enable the debtor to pay his or her debt within the agreed period. Farming is another type of investment that the debtor can invest in such as cocoa, cotton, rubber, fishery, cassava, yam, vegetables, fruits, and others (Amuda, Azizan and Oladapo, 2014). In addition, the loan can be invested in commercial transportation that will boost the debtor's income enabling him/her to pay his/her debt within the stipulated time. Similarly, petty trade can be considered a reason for application for an al-Rahn loan but the intending petty trade must be lawful and legal otherwise the application should be rejected. Education should also be considered for the purpose of seeking al-Rahn loans but there must be a very strong agreement and logistic rules and condition for granting al-Rahn for education due to long periods of payment.

Methodology

The study applied qualitative and quantitative methods throughout the finding. The methods were adopted for the application of cash waqf as an instrument for Socio-Economic Development in Nigeria. During the pilot study stage in January, 2012, the researcher consulted some experts in academic institutions such as experienced PhD holders, PhD students and some lecturers in higher institutions of learning like University Malaya, Malaysia, International Islamic University, Malaysia, and Sultan Idris Education University, Malaysia for their views and

opinions on the questionnaire and interview guidelines. Their suggestions and comments were found useful to this research and considered. In order to carry out the principal component analysis (PCA), a total of 300 respondents from Zamfara, Sokoto, Kano, Kaduna, Kwara, Kogi, Oyo, Osun, Ogun, Jos and Plateau States participated in the instrumental validation section.

The researcher distributed 300 questionnaires to the targeted respondents and all were collected. In order for respondents to clearly express their views on the research questions, the researcher developed questionnaire on Commercialization of cash *waqf* and its implementation. The instrument divided into four sections. Firstly; Respondent's profile, (15 items). Secondly; Re-creation of *Waqf* across Nigeria (15 items). Thirdly; *Waqf* and *Sukuk* (15 items). Fourthly; *Shariah* punishment for *waqf* violators (15 items). The content validity of the questionnaire was evaluated by the experts. Three hundred questionnaires were distributed between April and September, 2012 to Nigerian Muslims, particularly the Islamic scholars, undergraduate and postgraduate students, business men, legal practitioners and others. Concerning the interview, nine targeted experts were interviewed in order to have additional facts that were not documented.

The subjects of this study were selected from different geographical locations in Nigeria. It was mainly focus on Northern, Southern, Western, and Eastern Nigerian. It was difficult to cover all the states but the sample was taken according to each geographical location. Three hundred (300) questionnaires were distributed across the nation on the subject matter of the study.

The questionnaires were keyed into Statistical Package for Social Science (SPSS) for analysis. Mean, standard deviation, and percentile were used for data analysis. This is to identify and discover the level of poverty among the Nigerian Muslims and how the cash *waqf* can be used to empower them. In addition, mean, standard deviation, and percentile were used to answer the research questions such as are the Nigerians Muslims naturally created as being poor or is it the economic situations that render them to be poor? What are the lucrative transactions that *waqf* management can transact with cash *waqf*? Finally, does cash *waqf* viable and able to reduce poverty among Nigerian Muslims and beyond.

Concerning the interview, nine experts were interviewed in order to have additional facts that were not documented. (Interviewed by Badmus Abdul Hamid , University of Ilorin, Nigeria IIUM Gombak Selangor, 18, September, 2012. Ish-aqAkintola, Interviewed by author via email drishaqakintola@yahoo.com on 5, June 2012. AdesinaUthmanGaniyatAjoke, Interviewed by author via email 15, June 2012. AdewaleAbidni, Interviewed by author , IIUM Gombak Selangor, 18, June 2012. Omar Oseni, Interviewed by author , IIUM Gombak Selangor, 25, July 2012. AliyuMuhammed, Interviewed by author , IIUM Gombak Selangor, 20, April 2012.

Isameel Ibrahim Naiya, Interviewed by author , IIUM Gombak Selangor, 29, November 2012.
Ibrahin Abdul QadirAbikan, Interviewed by author via email 11, May 2012. Abdussalam Ismail
Onagun, Interviewed by author , IIUM Gombak Selangor, 10, November 2012).

ANALYSIS AND FINDINGS

Responses on Application of Cash Waqf as an Instrument for Socio-Economic Development in Nigeria

The significant percentages of the respondents were male. The majority of males 88.3% (n=265) was followed by 11.7% (n=35) female respondents. In regards to the status of respondents, 63.7% (n=191) were married while 36.3% (n=109) were unmarried students. According to the data, the age of participants was between 25-30 of 28.3% (n=85), followed by 24.0% (n=72) of 30-35, 18.7% (n=56) between 36-40, and 16.0% (n=48) 41 and above. The youngest respondents were between 18-24 and constituted 13.0% (n=39). The survey indicates that the number or percentage of participant who are postgraduate is very high with 60.7% (n=182) followed by those with degrees 39.3% (n=118). The majority of participants are Yoruba 55.7% (n=167) followed by Hausa 35.7% (n=107) and others 7.7% (n=23) while 1.0% of (n=3) marked as the respondents answer to the question.

The data indicates that the majority of respondents, namely 87.7% (n=263) understood the concept of *waqf* while 12.3% (n=37) did not understand the concept of *waqf*. Many of the participants, 74.7% (n=224), understood the meaning of *sukuk* and its application and 25.3% (n=76) of participants did not understand the meaning and application of *sukuk*. Concerning *mudarabah*, 80% (n=240) have heard of and understood *mudarabah* while 20% (n=60) did not understand the theory and concept of *mudarabah*. Regarding *musharakah*, 82.7% (n=248) understood the theory and application of *musharakah* while 17.3% (n=52) did not understand *musharakah*. The majority of respondents, 96.7% (n=290), strongly agreed that Nigerian Muslims need institutions like *waqf* endowments across the nation and 3.3% (n=13) disagreed. Similarly, the majority of 88.7% (n=266) strongly agreed that Nigerian Muslims should be the major beneficiaries of *waqf* financial aid across the nation but 11.3% (n=34) disagreed. Regarding giving support to state *waqf*, the majority of 96.7% (n=290) strongly agreed that Muslims should give support to state *waqf* institutions and 3.3% (n=10) disagreed. The majority of respondents, 94% (n=282), strongly agreed that Nigerian Muslims should be well educated and 6.0% (n=18) disagreed. Finally, 95.3% (n=286) strongly agreed that there are many lucrative transactions that *waqf* management can undertake across the nation in order to generate resources and income to support the less privileged Nigerian Muslims and 4.7% (n=14) disagreed.

The data in Table indicates that an overwhelming number 60% (n= 180) of respondents strongly agreed that the financial constraints of Nigerian Muslims calls for the creation of waqf across Nigerian States, 33% (n=99) agreed, followed by 4.3% (n=13) who answered none while 2.7% (n=8) disagreed with the majority.

Concerning the purpose of *waqf* creation, 57.3% (n=172) strongly agreed that the establishment of *waqf* will help both Muslims and non-Muslims, 36.3% (n=109) also agreed but 4.3% (n=13) and 2.0% (n=6) responded none as their answer to the question. For the purpose of accountability and transparency, the majority, 70% (n=210), strongly agreed that pious and honest persons should be appointed as *waqf* management, 25% (n=75) agreed, followed by 3.0% of (n=9) who disagreed and 2.0% of (n=6) marked as the participants answer to the question respectively.

On the other hand, 42.0% of (n=126) strongly agreed that *waqf* should be controlled by government, 10.3% of (n=31) agreed while 38.7% of (n=116) disagreed and 9.0% of (n=27) none was chosen s the correct answer to the question. were Similarly, the majority of 47.3% of (n=142) strongly agreed that *waqf* should be controlled by non-governmental organization, 35.3% of (n=106) agreed, 12.7% of (n=38) and 4.7% of (n=14) participants answered none as their answer to the particular question In addition, 54.7% (n=164) strongly agreed that *waqf* should be under the auspices of the State's religious affairs department, 29.3% of (n=88) agreed, 12.3% of (n=37) disagreed and 3.7% of (n=11) participants answered none as their answer to the particular question.

For security purpose, majority of participants, 52.0% of (n=156) strongly agreed that *waqf* needs government intervention for security of property, 35.3% of (n=106) agreed, 10% of (n=30) disagreed and 2.7% of (n=8) respondents chosen none as their answer. For the sanctity of the *waqf* institution in Nigeria, the majority of 61.7% of (n=185) strongly agreed that *Shariah* experts should draft the Nigerian *Waqf* Act while 31.7% (n=95) agreed, 4.3% of (n=13) disagreed and 2.3% of (n=7) respondents chosen none as their answer respectively. Concerning *waqf* management, 68.0% of (n=204) strongly agreed that the appointment of *waqf* management should be based on merit, 25.3% of (n=76) agreed, 5.7% of (n=17) disagreed and 1.0% of (n=3) respondents chosen none as their answer respectively. However, the majority of 64.3% of (n=193) strongly agreed that the poverty rate among Nigerian Muslims requires the recreation of *waqf* in Nigeria, 29.0% of (n=87) agreed, 4.0% of (n=12) disagreed and 2.7% of (n=8) participants chosen none as their answer.

Overwhelmingly, 67.3% of (n=202) strongly agreed that *waqf* management must protect the *waqf* reputation, 29.3% of (n=88) agreed, 1.3% of (n=4) disagreed, and 2.0% of (n=6)

participants said none out of the given options as their answer. On the distribution of *waqf* aid, 68.0% of (n=204) strongly agreed that *waqf* aid should be distributed judiciously, 28.0% of (n=84) agreed, 1.3% of (n=4) disagreed, followed by 2.0% of (n=6) respondents said none out of the given options as their answer. In addition, 67.3% of (n=202) strongly agreed that biasness must be avoided during the *waqf* distribution to the less privileged, 27.7% of (n=83) agreed, 3.3% of (n=10) disagreed, and 1.7% of (n=5) none was marked as the correct answer among the given options by the respondents.

Concerning Nigerian non-Muslims, 41.3% of (n=124) strongly agreed that non-Muslim applicants should be considered for financial support, 41.7% of (n=125) agreed, 13.3% of (n=40) disagreed that non-Muslims should not be considered and 3.7% of (n=11) said none of the above. Finally, on the re-creation of *waqf* across Nigeria, the majority of 58.3% of (n=175) strongly agreed that *waqf* management should undertake profitable transactions to increase the *waqf* yield, 34.0% of (n=102) agreed, 4.7% of (n=14) disagreed and 3.0% (n=9) respondents said none out of the given options as their answer.

The data reveals that 63.7% (n=191) strongly agreed that *waqf* management should engage in lawful business transactions with *waqf* cash, 33.0% (n=99) agreed, 3.0% (n=9) disagreed and .3% (n=1) participants marked none as the answer to the question. For women empowerment, 53.0% (n=159) strongly agreed that many women can be empowered through *sukuk*, 30.0% (n=90) agreed, 11.0% (n=33) agreed while 6.0% of (n=18) respondents said none out of the given options as their answer. However, the majority of 66.7% of (n=200) strongly agreed that *waqf* management is capable of employing the less privileged in order to reduce the rate of unemployment if the cash *waqf* is commercialized and invested in profitable business, 30.7% of (n=92) agreed, followed by 1.3% of (n=4) who disagreed and the same percentage also considered none as the answer to the question by the participants. In order to employ the less privileged, the majority of 62.0% of (n=186) strongly agreed that *waqf* management can become involved in *mudarabah* transactions in order to have sufficient capital to assist needy applicants, 29.0% of (n=87) agreed, 2.7% of (n=8) disagreed while 6.3% of (n=19) participants considered none as the best answer to the question out of the given options. On the other hand, the majority of 66.6% of (n=200) strongly agreed that *waqf* management can become involved in farming as a contribution to Nigerian society, 29.0% of (n=87) agreed, 2.7% of (n=8) disagreed and 1.7% of (n=5) respondents considered none as their best answer.

Similarly, 53.6% of (n=161) strongly agreed that *waqf* bakery capable of generating and creating job for the less privileged Nigerian Muslims, 42.0% of (n=126) agreed, 1.7% of (n=5) disagreed and 2.7% of (n=8) participants considered none as the best answer to the question out of the given options respectively. In regards to the establishment of *waqf* business centres,

51.0% of (n=161) strongly agreed that *waqf* can establish business centres for various transaction, 42.0% of (n=126) agreed, 4.3% of (n=13) disagreed, and 2.7% of (n=8) respondents considered none as the best answer to the question out of the given options.

Strategically, 53.3% of (n=160) strongly agreed that many farmers can be employed on their fertile land for *waqf* farming, 43.3% of (n=130) agreed, 2.0% of (n=6) respondents disagreed to the question and 1.3% of (n=4) participants considered none as the best answer to the question out of the given options. The majority of 50.3% of (n=151) strongly agreed that *waqf* institutions can engage in a commercial transportation business where some eligible Muslims can be employed as drivers and supporting staff in order to generate income and help the less privileged, 43.3% of (n=130) agreed, 4.7% of (n=14) disagreed, and 1.7% of (n=5) respondents considered none as the best answer to the question out of the given options.

Concerning medical centres, the majority of 72.0% of (n=216) strongly agreed that Nigerian Muslims need medical centres where discounted charges would be imposed on poor patients, 23.3% of (n=70) also agreed, 3.3% of (n=10) marked none but 1.3% of (n=4) disagreed with majority. The data also revealed that 55.0% of (n=165) strongly agreed that *waqf* houses can be built for commercial business at reasonable price, 40.3% of (n=121) agreed, 3.0% of (n=9) disagreed, and 1.7% of (n=10) selected none. For commercialization, 57.7% of (n=173) strongly agreed that *waqf* halls can be built in strategic places for rent at a reasonable price, 33.3% of (n=100) agreed, 5.7% of (n=17) disagreed while 3.3% of (n=10) participants considered none as the best answer to the question out of the given options. Similarly, 56.3% of (n=169) strongly agreed that *waqf* shops can be built for rent at a reasonable price, 35.7% of (n=107) agreed, 5.0% of (n=15) disagreed, and 3.0% of (n=9) participants considered none as the best answer to the question out of the given options. However, 54.0% of respondents strongly agreed that *waqf* institutions in Nigeria can play a commendable role as *zakat* collector across the nation, 36.7% of (n=110) agreed, 6.3% of (n=19) disagreed, and 3.0% of (n=9) participants considered none as the best answer to the question out of the given options. The last part of the *waqf* and *sukuk*, the majority of 49.0% of (n=147) strongly agreed that cash can be loaned out to needy Nigerians without interest, 34.0% of (n=102) agreed, 15.0% of (n=45) disagreed, and 2.0% of (n=6) respondents considered none as their best answer.

The researcher exploited the survey to reveal the financial constraints of the majority of Nigerian Muslims and how the establishment of *waqf* institutions is highly needed. In order to protect the integrity of *waqf* and maintain law and order, table 4 of the questionnaire focuses on *Shariah* punishment for *waqf* violators. At the time of the survey, the majority of the respondents, 80% (n=240), strongly agreed that corruption is a crime under *Shariah*, 16.7% of

(n=50) agreed, 2.0% of (n=6) disagreed and 1.3% of (n=4) respondents considered none as their best answer respectively.

Based on the respondents, 61.0% (n=183) strongly agreed that *Shariah* punishment should be implemented against corrupt *waqf* staff, 30.7% of (n=92) agreed, 6.3% of (n=19) disagreed with the *Shariah* punishment while 2.0% of (n=6) responded respondents considered none as their best answer to the question. The majority of 69.7% (n=209) strongly agreed that the punishment for theft by *waqf* management must be based on credible evidence, 25.3% of (n=76) also agreed with majority, while 3.0% (n=9) disagreed with the majority's opinion and 2.0% of (n=6) respondents considered none as their best answer. In addition, the majority of 57.0% of (=171) strongly agreed that any crime committed by *waqf* management must be handled by the *Shariah* court, 30.7% of (n=92) agreed, 10.0% of (n=30) disagreed and 2.3% of (n=7) respondents marked none as their answer to the question. On the other hand, majority of participants, 50.3% of (n=171), strongly agreed that the *Mufti's* office should handle any crime committed by *waqf* management, 35.3% of (n=106) agreed, 9.0% of (n=27) disagreed and 5.3% of (n=16) participants marked none as their answer to the question. However, the majority of participants, 59.0% of (n=177), strongly agreed that *waqf* immovable properties must be legally registered, 37.0% of (n=111) agreed, 3.3% of (n=10) disagreed and .7% of (n=2) respondents marked none as their answer to the question. In order to maintain *waqf* integrity and ethics, the majority of respondents 65.0% of (n=195) strongly agreed that *waqf* account must be opened in an Islamic Bank in Nigeria, 31.0% of (n=93) also agreed with the majority, 3.3 % of (n=10) disagreed and .7% of (n=2) respondents ticked none as their answer to the question.

Due to the level of corruption in Nigeria and to protect the *waqf* institution from bankruptcy, the majority of participants, 51.3% of (n=154) strongly agreed that three signatories must authorize the withdrawal of money from the *waqf* account, 35.0% of (n=105) agreed, 10.3 % of (n=31) disagreed, and 3.3% of (n=10) respondents considered none as their best answer. In case of any cooperate crime, majority of 59.0% of (n=177) strongly agreed that cooperate crime criminal must be punished according to *Shariah* ruling, 29.7% of (n=89) agreed, 8.0% of (n=24) disagreed and 3.3% of (n=10) respondents considered none as their best answer respectively. The majority of respondents 48.3% of (n=145) strongly agreed that only *tazeer* punishment can be implemented against any member of the *waqf* management who has been convicted of corruption or embezzlement to *waqf* funds, 32.3% of (n=97) agreed, 15.0% of (n=45) disagreed while 4.3% of (n=13) respondents considered none as their best answer.

Similarly, 37.0% of (n=111) agreed that only *diyah* should be implemented on *waqf* management offenders, 27.3% of (n=82) strongly agreed, 25.3% of (n=76) disagreed with majority opinion and 10.3% of (n=31) respondents ticked none as their answer to the

question..Concerning the *qisas* punishment, the majority of 44.0% of (n=132) strongly agreed that *hudud* and *qisas* punishment should apply in any waqf cases as a deterrent to others, 40.0% of (n=120) also agreed with punishment, 8.3% of (n=25) disagreed with the majority of *hudud* and *qisas* punishment while 7.7% of (n=23) respondents ticked none as their answer to the question. On the issue of whether *Shariah* is the best law, 63.3% of (n=190) disagreed that *Shariah* is not the best law to approach waqf cases, 15.3% of (n=46) strongly agreed, 14.3% of (n=43) also agreed that *Shariah* is not the best law but 7.0% of (n=21) indicated respondents ticked none as their answer to the question. However, the majority of 36.0% of (n=108) strongly agreed that *Shariah* must be implemented on Muslim offenders only, 22.3% of (n=67) also agreed but 34.3% of (n=103) disagreed with majority while 7.3% of (n=22) showed none as their answer. Finally, 56.0% of (n=168) strongly agreed that donations should not be accepted from unlawfully acquired properties, 31.0% of (n=93) agreed, 7.3% of (n=22) disagreed and 5.7% of (n=17) indicated that respondents considered none as their best answer to the question.

Table 1 Distribution of Respondents' opinion on Waqf related issues

No of item	Strongly Agreed	Agreed	Strongly Disagreed	None
1	60%	33%	4.3%	2.7%
2	57.3%	36.3%	4.3%	2.0%
3	70%	25%	3.0%	2.0%
4	42%	10.3%	38.7%	9.0%
5	47.3%	35.3%	12.3%	4.7%
6	54.7%	29.3%	12.3%	3.7%
7	52%	35.3%	10%	2.7%
8	61.7%	31.7%	4.3%	2.3%
9	68%	25.3%	5.7%	1.0%
10	64.3%	29%	4.0%	2.7%
11	67.3%	29.3%	1.3%	2.0%
12	68%	28%	1.3%	2.7%
13	67.3%	27.7%	3.3%	1.7%
14	41.3%	41.7%	13.3%	3.7%
15	58.3%	34%	4.7%	3.0%
16	63.7%	33%	3.0%	.3%
17	53%	30%	11%	6.0%
18	66.7%	30.7%	1.3%	1.3%
19	62%	29%	2.7%	6.3%
20	66.6%	29%	2.7%	1.7%
21	53.6%	42%	1.7%	2.7%
22	51%	42%	4.3%	2.7%
23	53.3%	43.3%	2.0%	1.3%
24	50.3%	43.3%	4.7%	1.7%
25	72%	23.3%	1.3%	3.3%

26	55%	40.3%	3.0%	1.7%
27	57.7%	33.3%	5.7%	3.3%
28	56.3%	35.7%	5.0%	3.0%
29	54%	36.7%	6.3%	3.0%
30	49%	34%	15%	2.0%
31	80%	16.7%	2.0%	1.3%
32	61%	30.7%	6.3%	2.0%
33	69.7%	25.3%	3.0%	2.0%
34	57%	30.7%	10%	2.3%
35	50.3%	35.3%	9.0%	5.3%
36	59%	37%	3.3%	.7%
37	65%	31%	3.3%	.7%
38	51.3%	35%	10.3%	3.3%
39	59%	29.7%	8.0%	3.3%
40	48.3%	32.3%	15%	4.3%
41	27.3%	37%	25.3%	10.3%
42	44%	40%	8.3%	7.7%
43	15.3%	14.3%	63.3%	7.0%
44	36%	22.3%	34.3%	7.3%
45	56%	31%	7.3%	5.7%

Note: 1 = Strongly agreed 2 = Agreed 3 = Disagreed 4 = None

General Comments on Interviewee's Opinion

According to the respondents' answers, it can be clearly understood that Nigerian Muslims are in serious need of the re-establishment and recreation of waqf across the nation. They unanimously agreed that waqf is able and viable to transform many lives through financial assistance. Although the respondents differed on certain issues, their differences remained within the parameters of the commercialization of cash waqf through *sukuk* that will enhance the waqf functions.

The main concern among the respondents is the waqf committee that will manage waqf affairs in Nigeria. Management should always focus on how to generate income in order to have sufficient income to cater for the less privileged people among Nigerian Muslims at large. Transparency and accountability will help smooth the running of the institution and will achieve the primary aims and objective of waqf endowment. It is also inferred from participants responses that all discussed and proposed transactions are profitable but some of the interviewed participants made mention of risk in poultry and commercial transportation which can be controlled and managed if all considerations are intact.

Waqf is capable of reducing unemployment among Nigerian Muslims in particular and Nigerians at large if the management in good direction and competent staff are put in appropriate offices and assigned fitting tasks. Some of the participants viewed that commercial

transportation and poultry is good for transaction in Nigeria but there is an element of risk in both businesses due to the behaviour of some commercial drivers and dishonesty in their attitude in the delivery of daily payment. Similarly, it is a fact that poultry is a very risky because chicken can die naturally and lost investment will negatively reflect on the waqf institution.

In this study, the issue of commercial transportation seems to be a lucrative transaction in Nigeria if it is properly and adequately handled by experienced and pious persons. Management can adopt systems of cutting tickets and employ checkers that will double check the passengers' tickets at all strategic places and bus stops and stations. On the issue of poultry, it is natural and normal in transaction and business to make a loss or profit. Therefore, there should be risk management in dealing with business and in poultry in particular. The most important thing is to avoid risk or loss in poultry by appointing competent and qualified persons to be in charge of any waqf transactions. Ordinary and inexperienced persons should not be appointed to handle the transaction or business in the interest of waqf and needy applicants.

CONCLUSION

The study limited its discussion and analysis on application of cash waqf as modern instruments for Socio-Economic Development in solving social issues and challenges confronting Nigerians at large and Nigerian Muslims in particular. This study discussed conceptualization of cash waqf, waqf shares model, corporate cash waqf model, the deposit product model, the waqf mutual fund model, wakalah (agency contract) with waqf funds. It also examined creation of micro-finance from cash waqf, creation of Al-Rahn (Islamic pawn broking) as financial instrument in the findings. The discussion is mainly based on Nigerian Muslims financial constraints and its solutions. Finally, the result of data analysis on application of cash waqf as modern instruments for socio-economic development in Nigeria included in discussion and analysis.

It can be concluded that *waqf* has comprehensive rules governing Muslims in general and it's believe that *waqf* can play a commendable efforts in empowering Nigerian Muslim through Mudarabah, Musharakah, Muzaraha, al-QaradHasan, and *Sukuk* Instrument . As a result of that, many Nigerian youth and adults would be fully empowered educationally, financially, and socially. Recreation and transaction with cash waqf in lucrative and profitable transaction will boost and increase waqf income in order to have enough and sufficient capital to cater for the needy applicant Muslims and beyond. Solving the problems and predicament of the needy will reduce poverty among Nigerian Muslims significantly provided that all measures and risks are put into consideration.

LIMITATIONS AND FURTHER STUDIES

The study limited its discussion and analysis on application of cash waqf as an instruments for Socio-Economic Development in solving social issues and challenges confronting Nigerians at large and Nigerian Muslims in particular. This study discussed conceptualization of cash waqf, waqf shares model, corporate cash waqf model, the deposit product model, the waqf mutual fund model, wakalah (agency contract) with waqf funds. It is also examined creation of micro-finance from cash waqf, creation of Al-Rahn (Islamic pawn broking) as financial instrument in the findings. The discussion is mainly based on Nigerian Muslims financial constraints and it is solutions. In further studies, the result of data analysis on application of cash waqf as modern instruments for socio-economic development in Nigeria included in discussion and analysis.

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