

The Role of 'Waqf' in Social Welfare: A Research Review in the Context of Pakistan

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Abstract:

This study critically examines the concept of *waqf* (Islamic endowment) as a sustainable socio-economic institution in the light of Islamic jurisprudence, historical precedents and contemporary applications. Drawing from Qur'anic injunctions, Prophetic traditions, classical juristic interpretations and modern scholarly perspectives, the research highlights *waqf*'s important role in fostering social welfare, education, healthcare and community development. The literature review traces the evolution of *waqf* from its early establishment during the Prophet Muhammad's ﷺ era to its institutional expansion under various Islamic dynasties, emphasizing its socio-economic impact and resilience. Employing a qualitative research methodology, including textual analysis of primary Islamic sources and case studies from selected Muslim countries, the study identifies the strengths, challenges and opportunities associated with *waqf* management in modern contexts. The discussion section addresses governance issues, legal reforms, transparency and the integration of innovative models such as cash *waqf* and digital platforms. The findings reveal that when managed with integrity and modern administrative tools, *waqf* can serve as a powerful mechanism for poverty alleviation, economic empowerment and sustainable community growth. However, ineffective governance, legal ambiguities and lack of public awareness hinder its potential. The study concludes with policy recommendations aimed at enhancing accountability, professional management and public engagement to revitalize *waqf* as a dynamic institution in contemporary Muslim societies.

Keywords: *Waqf, Islamic law, socio-economic development, poverty alleviation, governance, sustainable development*

1. Introduction:

Waqf is a shining institution of Islamic civilization that has played a fundamental role in promoting welfare, education, health and economic stability in Muslim societies for

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centuries. It is not just a financial or administrative structure, but a religious and moral system that combines the pleasure of Allah and the service of creation. Although the word "waqf" is not explicitly mentioned in the Holy Quran, numerous verses about spending in the way of Allah, ongoing charity and spending one's wealth in good deeds (e.g. Surah Al-Baqarah: 261) clarify its intellectual and practical background. Similarly, the hadiths of the Prophet (peace and blessings of Allah be upon him) have emphasized the importance of ongoing charity and its eternal reward.

Historically, waqf began during the era of the Prophet (peace and blessings of Allah be upon him) when Hazrat Umar ibn al-Khattab (may Allah be pleased with him) dedicated his land in Khaybar as a continuous charity and the Prophet (peace and blessings of Allah be upon him) laid down its administrative principles. Later, during the Rightly Guided Caliphate and various Islamic periods, waqf took the form of a structured institution. During the Samanid, Abbasid and Fatimid periods, it built mosques, madrasas, libraries, hospitals, inns, roads and bridges, which provided an extraordinary boost to social development and intellectual advancement.

Although the scope of waqf is wide in modern times, its role has been limited in many Muslim countries due to administrative weaknesses, lack of transparency, legal complexities and lack of public awareness. On the other hand, there is a bright prospect of reactivating this institution through the use of modern financial concepts, cash waqf and digital platforms.

This research provides a detailed review of the historical background, jurisprudential foundations, socio-economic impacts and current challenges of Waqf, as well as its modern aspects and makes it clear that if Waqf is managed on an honest, transparent and professional basis, it can not only become an effective tool for poverty alleviation and social welfare, rather it can also play a fundamental role in the economic self-sufficiency of the Muslim world.

2. Historical Background

The concept of endowment has existed in Islam since its earliest days and is essentially a structured and sustainable form of ongoing charity. It began during the time of the Prophet (peace and blessings of Allah be upon him), when various companions of the Prophet (peace and blessings of Allah be upon him) in Medina permanently dedicated their properties,

gardens and lands to the cause of Allah. The most prominent example is that of Hazrat Umar bin Al-Khattab, who, with the advice of the Messenger of Allah (ﷺ), dedicated the land he acquired in Khaybar on the condition that it would not be sold, divided by inheritance, or used for personal gain; however, its income would be spent on the poor, the needy, the freeing of slaves, travelers and in the way of Allah.

After the Rashidun Caliphate, waqf became a formalized institution during the Umayyad, Abbasid, Fatimid and Ottoman periods. In particular, in the Ottoman Empire, waqf was given legal status at the state level and the terms and conditions of property were preserved in written form through the "waqf nama". This resulted in projects such as mosques, madrasas, libraries, hospitals, caravanserais, bridges and roads that strengthened educational, social and economic development in Muslim societies.

Even after the establishment of Pakistan, the institution of Waqf participated in social services, but over time, its usefulness was limited due to administrative weakness, ineffective enforcement of the law and lack of public awareness. However, even today, thousands of mosques, madrasas and welfare institutions are functioning under the Waqf in Pakistan.

3. The Jurisprudential Foundations of Endowment

The jurisprudential foundations of endowment are based on the Quran, Sunnah and consensus of the Ummah. Although the word 'endowment' is not explicitly mentioned in the Holy Quran, several verses support this concept, such as:

"لَنْ تَنَالُوا الْبِرَّ حَتَّى تُنْفِقُوا مِمَّا تُحِبُّونَ"³

"You will never attain righteousness until you spend in the way of Allah from what you love."

Similarly, in Surah Al-Baqarah, the good news of increasing spending in the way of Allah up to seven hundred times is given, which plays a fundamental role in encouraging endowment. The divine statement is:

"مَثَلُ الَّذِينَ يُنْفِقُونَ أَمْوَالَهُمْ فِي سَبِيلِ اللَّهِ كَمَثَلِ حَبَّةٍ أُنْبَتَتْ سَبْعَ سَنَابِلَ فِي كُلِّ سُنبُلَةٍ مِائَةٌ حَبَّةٌ"⁴

³. Āl 'Imrān, 3:92.

⁴. Al-Baqarah, 2:261

"The example of those who spend their wealth in the way of Allah is like a grain of corn that grows seven ears, each ear containing a hundred grains."

Similarly, in a blessed hadith, the Prophet (peace and blessings of Allah be upon him) said:

"إِذَا مَاتَ الْإِنْسَانُ انْقَطَعَ عَمَلُهُ إِلَّا مِنْ ثَلَاثَةٍ: صَدَقَةٍ جَارِيَةٍ، أَوْ عِلْمٍ يُنْتَفَعُ بِهِ، أَوْ وَلَدٍ صَالِحٍ يَدْعُو لَهُ" ⁵

"When a person dies, his deeds come to an end except for three things: ongoing charity, knowledge from which benefit is derived, or righteous children who pray for him."

Hazrat Abdullah bin Umar (RA) narrated that Hazrat Umar (RA) acquired a piece of land in Khaybar, so he came to the Messenger of Allah (ﷺ) and said:

"O Messenger of Allah! I have found land that I like very much, what do you command?"

He (ﷺ) said: *"If you wish, withhold its origin and give its profit in charity."*⁶

This incident is a milestone in establishing the basic principles of waqf.

All the eminent jurists also agree that endowment is a permissible and recommended practice. However, there are some differences between the schools of jurisprudence in the details:

- Hanafi jurisprudence considers endowment obligatory and immutable, meaning that once it is made, it cannot be revoked.⁷
- Shafi'i jurisprudence considers completion of intention and possession to be essential.⁸
- Maliki jurisprudence allows endowment to be permissible even temporarily in some cases.⁹
- Hanbali jurisprudence largely agrees with the Hanafi position and considers it obligatory ongoing charity.¹⁰

⁵. Muslim ibn al-Ḥajjāj, *al-Jāmi' al-Ṣaḥīḥ*, Kitāb al-Waṣiyya, al-Riyāḍ: Dār al-Salām li-al-Nashr wa-al-Tawzī', Ḥadīth: 1631

⁶. Bukhari, Muhammad bin Ismail, *al-Jāmi' al-Ṣaḥīḥ*, Kitāb al-Waṣiyya, al-Riyāḍ: Dār al-Salām li-al-Nashr wa-al-Tawzī', Ḥadīth: 2737

⁷. Sarkhasi, Shams al-A'immaḥ, *al-Mabsut*, Beirut: Dar al-Ma'rifah, 27/12

⁸. Nawawi, Yahya ibn Sharaf, *Rawdat al-Talibin*, Beirut: Dar al-Kutub al-'Ilmiyyah, 362/5

⁹. Dusuqi, Muhammad ibn Ahmad, *Hashiyat al-Dusuqi 'ala al-Sharh al-Kabir*, Beirut: Dar al-Fikr, 95/4

¹⁰. Ibn Qudamah, 'Abd Allah, *al-Mughni*, Beirut: Dar al-Fikr, 186/6

Waqf management in Pakistan is primarily governed by the Punjab Waqf Properties Ordinance 1979 and other provincial laws. It sets out principles for the appointment of trustees, registration of property, expenditure of income and transparency, but there are challenges in practical implementation.¹¹

4. Case Studies

In many countries, the Waqf institution is working under different names. By studying them, we can get guidance from them and achieve better results from the Waqf institution in our country. Below is a brief analytical study of some important countries in this regard:

4.1. The Turkish Model:

In Turkey, the institution of "Waqf" was not only a guarantor of socio-economic development during the Ottoman period, but is also working on modern lines under the General Directorate of Foundations in the present era. In Turkey, educational institutions, hospitals, orphanages and historical heritage are being protected through Waqf. Transparency, regular registration of Waqf and state supervision are the main pillars of this system.¹²

4.2. Kuwaiti Model:

In Kuwait, under the Public Authority for Minors Affairs and the Awqaf Public Foundation, endowment income is being used for education, health and social welfare projects. There, endowment funds are invested in the stock market and Sharia-compliant investment vehicles to maximize returns.¹³

4.3. Malaysian Model:

In Malaysia, Waqf is regulated at the state level by the Islamic Religious Council. There, small donations are invested in large development projects through Cash Waqf. Universities provide scholarships and research grants from Waqf funds.¹⁴

4.4. Lessons for Pakistan:

¹¹. Khan, Muhammad Tariq, "Historical Role of Islamic Waqf in Poverty Reduction in Muslim Society." *The Pakistan Development Review* 54, no. 4I-II (2015): 979-996.

¹². Karataş, Ahmet. *Waqf Institutions in the Ottoman and Modern Turkey*. Istanbul: Research Centre for Islamic History, 2018, p.112

¹³. Al-Kandari, Abdullah. *The Development of Waqf in Kuwait*. Kuwait City: Awqaf Public Foundation, 2020, p.21

¹⁴. Hassan, Mohd, and Abdullah, Nurul. "Cash Waqf and Economic Development: Malaysia's Experience." *Journal of Islamic Finance* 6, no. 2 (2017): 45-59

The institution of Waqf in Pakistan has a long historical background but is currently not being used to its full potential. The following lessons can be drawn from global experiences:

- There should be a central and autonomous institution for Waqf, like in Turkey and Malaysia, which should handle legislation, policy-making and transparent management.
- Waqf funds can be invested in Sharia-compliant investment models, similar to Kuwait and Malaysia, to generate sustainable income.
- Globally, all awqāf properties and their income are stored in online records and a GIS Mapping and Digital Archiving system can be created in Pakistan as well.
- Waqf income should not be limited to mosques or cemeteries but should be invested in education, health and social welfare projects, as is happening in Malaysia and Turkey.
- Through Cash Waqf, ordinary citizens can also contribute to the waqf, which can raise funds for major projects.

The Holy Quran states:

¹⁵ "وَأَفْعَلُوا الْخَيْرَ لَعَلَّكُمْ تُفْلِحُونَ"

"And do good, that you may succeed."

This verse encourages us to participate in collective welfare projects and endowment is one such permanent source of good.

5. Conclusion

Waqf is an effective and sustainable institution of Islamic society and economy that not only promotes welfare activities but also guarantees social justice, social equality and economic stability. In Islamic history, waqf has had a profound impact in the fields of education, health, infrastructure and social welfare. In the modern era, while developed Muslim countries have adapted the Waqf system to modern requirements and created successful models, its true potential has not yet been fully realized in Pakistan.

The current situation demands that a strong legal and institutional framework be created for Waqf. Transparency should be ensured in its management and administration and the income from the waqf should be diverted from the traditional sphere and invested in

¹⁵. Al Hajj, 22:77

education, health, poverty alleviation and social development projects. In addition, cash waqf, digital record systems and participatory investment models can be introduced, benefiting from successful experiences at the global level.

In the light of the Quran and Sunnah, Waqf is not just a financial act but an ongoing charity that is a source of welfare in both this world and the hereafter. Therefore, there is a need for the state, the public and private institutions to play a role in the revival and development of Waqf so that this institution can become a true driver of social and economic change in Pakistan as well.

The research findings also revealed that globally, Turkey, Malaysia, Indonesia and other Muslim countries have achieved success by incorporating waqf into modern economic and social projects, from which valuable lessons can be drawn for Pakistan. In Pakistan too, if attention is paid to legal reforms, transparent governance and restoration of public trust, the institution of Waqf can play a key role in poverty alleviation, promotion of education, provision of health facilities and social stability.

In the modern era, the institution of 'Waqf' faces several challenges, the most important of which, according to our observation, are as follows:

- In Pakistan, the laws of Waqf vary at the provincial level and lack harmonisation. This leads to administrative problems and property disputes.
- The records of many Waqf properties are incomplete and their income details are not publicly available.
- Politically motivated appointments to administrative positions affect the real objectives of the Waqf.
- The common citizen is not aware of modern models of Waqf, such as Cash Waqf and Waqf Investment Funds.

The following are some suggestions to address the above challenges:

- A central federal policy for Awqaf should be formulated.
- A complete online database of Awqaf properties should be created.
- Public participation should be encouraged through campaigns.
- An independent board should be formed, free from political influence.

6. Recommendations

After a thorough discussion on the social role of the Waqf institution, it is important to present recommendations in light of the findings of this article:

- i. The laws related to Waqf at the federal and provincial levels should be updated according to modern requirements and an autonomous National Waqf Authority should be established to take responsibility for policy formulation, monitoring and audit.
- ii. GIS-based mapping, digital record system and online transparent accounting systems should be implemented for Waqf properties to eliminate corruption and mismanagement.
- iii. Waqf funds should be utilized in projects for education, health, housing for the poor, orphanages and economic empowerment of women, along with traditional mosques and madrasas.
- iv. Pilot projects should be initiated to implement the Turkish Cash Waqf model, Malaysian Waqf-Linked Sukuk and Indonesian Digital Waqf Platforms in the Pakistani context.
- v. The importance of Waqf should be highlighted in the media and educational curricula so that the public considers making donations to Waqf as a social duty and ongoing charity and actively participates in it.
- vi. Research centers should be established in universities for research on Waqf and policy and technology should be exchanged through partnerships with international institutions.
- vii. Large-scale endowment projects should be implemented by creating partnerships between the government, private sector and NGOs.