An Islamic Integrated Model for Higher Education Institutions Development in Pakistan

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ABSTRACT

This study proposes an integrated Islamic model of Higher Education Institution (HEI) development through combining Waqf and Zakat donations as powerful sources of finance to be added to other available finance for HEI development. Waqf is a trust, established to support services to mankind in the name of Allah. The integrated model aims at utilizing this trust to establish and empower a sustainable HEI infrastructure, in line with existing national economic and financial institutions. Furthermore, the study profiles various fundraising and investment management strategies to produce perpetual income and use waqf as an instrument for the development of higher education. A critical analysis of some existing waqf models is also presented for how these models can be benchmarked with required variations to fit the modern-day economic scenarios and regulations.

Keywords: Waqf development, Islamic fund and wealth management, Higher Education, Islamic Finance.

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INTRODUCTION

There has been scarcity of academic and scholarly efforts to discover comprehensive avenues of a new economic system, which will help solve technical and institutional problems created by Capitalism and Socialism (Qadri, 2011b). The integrated model based on Islamic economics is an effort towards development of economic model from the prism of moral values. It also intends to minimize the social problems, extremism and terrorism by promoting harmony, and awareness through education (Tahir-Ul-Qadri, 2010).

A number of efforts were seen in near past to revitalize waqf institutions in some Islamic countries including Turkey, Malaysia Pakistan and Bangladesh. In Malaysia, Johor Corporation (JCorp) introduced a waqf clinic in 1998 which later developed into a corporate waqf entity known with the name of Waqaf An-Nur Corporation Berhad (WANCorp). WANCorp is company, limited by guarantee, which manages waqf assets and shares on behalf of JCorp. Wancorp executes several CR activities including Waqf community centers, Waqf An-Nur Hospital, Waqf An-Nur chain of clinics, waqf Dana Niaga, Waqf Brigade, and general social and welfare contributions.

Later in 2011, a collaboration of Majlis Agama Islam Wilayah Persekutuan (MAIWP) and Tabung Haji resulted in the development of Class-A waqf building lease to Bank Islam Malaysia Berhad (BIMB) (Ramli & Jalil, 2013).

Recently, a cash waqf fund named Wakaf Muamalat Selangor was established by a joint effort of Majlis Agama Islam Selangor (MAIS) and Bank Muamalat Malaysia Berhad (BMMB) (Cizakça, 1995; Saad & Anuar, 2010). These efforts provided a base and motivation towards the development of an integrated model of waqf according to Shariah compliance in modern economic framework. The proposed model is based on integration between waqf, government charity and zakat to effectively utilize these funds for the broader human welfare, peace and counterterrorism (Qadri, 2011a).

The institution of waqf is one of the earliest models of an endowment, which permits an individual or organization to donate his/her assets in the way of Allah, for the well-being of mankind. As a result, waqf becomes public property along characteristic of perpetuity, which means it cannot be sold, mortgaged and inherited. However, it may be further managed properly and its yielding will remain the main source of utilization (Sadeq, 2002). As a welfare institution, a modern waqf system aims at significant
reduction in government expenditures and an appropriate mechanism for sustainable development (Ibrahim, Amir, & Masron, 2013; Qadri, 2016). As a noble sector, it may contribute significantly to common welfare and offers all essentials including religious, social, economic, and educational needs (Ahmed, 2007). The beneficiaries of waqf may be an individual or organisation including a university/HEIs (Qadri, 2011b). The contemporary waqf have been practiced as an institution in a number of Muslim countries (Harun, Possumah, Shafiah, & Noor, 2014), including Pakistan, Turkey, Malaysia, India and Bangladesh (Cizakca, 1998). The term ‘corporate waqf” was emerged during the launching of Johor Corporation’s (JCorp) corporate waqf scheme in 2006 although it was found that corporate entities’ participation in establishing and managing waqf assets has already started earlier in Pakistan and Turkey (Borham, 2011; Çizakça, 2011).

Historically, waqf has been contributing to higher education development. Traditionally, Al-Azhar, Darul Hikmah, Darul ‘Ulm, Al-Nizamiah, Al MUSTANSIRIYAH, Halawiyan, A’Sruwniyah, and, Halawabin are the examples of incredible higher educational waqf institutions. To a great extent, these HEIs’ were receiving operating and developmental expenses form various waqf properties’ income (Kahf, 2003). This purely Islamic concept got high recognition in the world, by which a number of universities in Europe which include Oxford, Harvard, and Cambridge etc (Aziz, Johari, & Yusof, 2013). In the Muslim world, Up to the present time, to a certain extent, a significant number of waqf-based Universities/HEIs are developed. With deterioration and decline in the Islam’s Ottoman Empire, the Islamic social and political system was also destabilized. It deems necessary that such historically established institutions must be reinstated to fill the gap of centuries. This study proposes the revival of that historic institution by integrating multiple financial sources to be used for financing, investment and development for higher education institutions.

The waqf declaration has four basic pillars first Al-Waqif: The endower is an individual or an organization who has endowed an asset as waqf and designated its beneficiary. Second Al-Sighah: The clear waqf statement made by the Al-waqif when endowing an asset for purpose of waqf. Third Al-Mawquf: the declared asset rightfully owned by the endower and endowed property must be in compliance with shari’ah law and the legal law of the Malaysia. Fourth Al-Mawquf-Alaihi: the waqf beneficiary can be an individual, or an institution, which is awarded the income, generated from waqf management (Aziz et al., 2013). In this study, University/HEIs
is the main beneficiary and waqf income can be distributed according to will of the waqif inside University/HEIs.

In waqf governance, the proposed model suggests strong collaboration between Majlis and waqf University/HEI (Salarzehi, Armesh, & Nikbin, 2010). Therefore, under the umbrella of Majlis and the country laws, a university/HEI can create waqf Board (BoT: Board of Trustees). The board may consist of X persons as a member representing Majlis and X persons as a member representing University. Every decision regarding waqf should be taken by Waqf Board. The board should be responsible for all strategies to ensure the growth of waqf income. This should also ensure the shari’ah-compliant waqf management and waqf governance structure in the university. The waqf institution will receive and govern the two main sources. First **Seed Waqf**: pure waqf assets fulfilling the three main characteristics of waqf 1) perpetuity, 2) Irrevocability 3) Inalienability. These waqf assets can be invested in three different channels such real estate, financial sector, and businesses. However, waqf investment should be made after due care of all dimensions including shari’ah and legal laws of the country. The income of the waqf will be directed to university development. While some of the waqf income can be used for waqf administrative cost and retain earnings as well. Second Mumlukat al-waqf; as a legal entity, waqf university/HEI has the ability to own waqf and non-waqf assets. Consequently, a part from waqf assets, a waqf institution can call for non-waqf assets such as gifts, aids, donations, alumni contributions, CSR funds and etc. Hence, these are not considered as pure waqf until unless prescribing as waqf. Indeed, these will come under the ownership of waqf and a waqf institution can use it for the higher education development.

**MODELS OF WAQF IN MUSLIM COUNTRIES**

In Pakistan waqf is aligned to the West and considered as being a part of the not-for-profit sector, which is categorized by considerable diversity, it includes traditional waqf institutions, as well as non-governmental organizations. Likewise, many community-based organisations are also included. In the same manner, the ministry of religious affairs look after and manage the affairs of awqaf. The department of awqaf works under a chief administrator. Presently the department is taking care of thousands of mosques, shrines, and religious organisations. Nevertheless, it does not involve any kind of University and higher education development. Private Waqf; which is not under the ministries of religious affairs are considered one of the types of the non-profit organisation. In certain extent, waqf institutions are registered under the Societies Act of 1860, the Trust Act
1882 and, the Companies Ordinance, 1984 (Section 42). For instance, Hakim Said declared Hamdard Laboratories as waqf in 1953 and registered it under Societies Act. Begum Aisha Bawany Educational and Welfare Waqf registered under The Trust in 1954, and Darul Tasnif (private) Limited registered under the Section 42 of Companies Ordinance in 1951. However, waqf and the western trusts by way of creating waqf share many similar principles and attributes although there are some differences, such as in the trusteeship power, permanency requirement and vesting authority.

On way of waqf in Pakistan is its registration under Section 42, which has a similar characteristic like waqf. As currently Darul Tasnif (private) limited, and Indus hospital Karachi, are registered under the same section. This act makes the waqf institution an independent organization, which can make its statutes, and operating procedures. On the other hand, it can be an “autonomous body” under the government, or privately handled. Under section 42, if the waqf is dissolved by the government, its funds or assets can be utilized only for the similar cause. Thus a waqf established for higher education will be perpetual and even in case of its devolution the funds cannot be used for any other purpose than education.

While it comes to university formation, a public or private university can be established as an autonomous body under an act which is passed by parliament (provincial or federal). Despite the fact that, the university formation and its funding both can be separate issues and a waqf institution will continue to act as independent institution of waqf being a source of Islamic finance for the university. The waqf institute will have its founding and funding bodies, Board of mutawallis or Board of Trustees or Board of Directors such as in Hamdard Laboratories (Waqf) Pakistan, Begum Aisha Bawany Educational and Welfare Waqf, and Darul Tasnif (private) Limited respectively.

The establishment of Corporate Waqf in 2006 by Johor Corporation (JCorp) in Malaysia, has transformed the concept of waqf management altogether. Waqf assets in the form of shares of company were issued and managed by corporate body, first time in the history. The main aim of the promoter was to improve socio-economy wellbeing of Malay society in

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Malaysia (Muhammad Ali Hashim, 2012). The structure of corporate *waqf* started with a shares’ amount RM200 million as *waqf* to WANCORP; a subsidiary of JCorp as a trustee. WANCORP manages and distributes *waqf* proceeds to the beneficiaries as stated in *waqf* deed Hajah Mustafa et.al (2009) and Abdul Shakur (2011).

![Figure 1: Waqf Model by KOC Holding Turkey for University Development](image1)

Perhaps, Koc Holdings in turkey is the first of corporate bodies involved in the establishment and administration of *waqf* properties as early as 1967 (Cizakca, 2011b). Koc Holdings endowed 10, 000 shares of the company and entrusted to Koc Foundation as a trustee (nazir). Most of *waqf* fund managed by Koc Foundation channels towards the establishment education institutions, for example, Koc University. It is clear from the above explanation that the distinction of *waqf* management between Koc Holdings and JCorp lies in the trusteeship of *waqf* assets. While WANCORP a business entity responsible to manage *waqf* assets, Koc Holdings established their Koc Foundation for administrating and managing *waqf* properties.

![Figure 2: Waqf Model Used by JCORP, Malaysia, for Public welfare](image2)

In shari’ah perspective, it has put just one main binding condition: *waqf* management should be at such a place that principal amount is safe (Chowdhury, bin Ghazali, & Ibrahim, 2011). In the modern era, there are many safe options, equally, various profit maximization and risk minimization techniques can be adopted Therefore, *waqf* investment should be made after due care of all dimensions (Masyita, 2005). The most commonly available strategy for *waqf* management is real estate properties because it is considered as a most secure investment (Kahf, 2003). If they do not get income from the rental, the property’s price will be appreciated with respect to time. On the other hand, usually, donors’ prefer to *waqf*
their real assets properties. There is some evidence, where some higher educational waqf institutions are getting some earnings from the farming and cattle. Sometimes, the donor also prefers to donate in form of agriculture land such as Darul Tasnif and Hamdard both institutions received wasteland from the founder. Darul Tasnif formed a coconut palm tree and Hamdard has wasteland for herbal plants. Whatever earn from these waqf properties are using for research and educational purposes.

For sustainable long-term financing, the waqf Darul Tasnif’s waqif Maulana Tufail Ahmed Farooqi established an oil filling station in 1953 and diverted its income to the waqf institution. The earning from the filling station is dedicated to infrastructure development, in this regards the Darul Tasnif is the first waqf institution took this step for waqf income. Same as, Aisha Bawany Educational and Welfare Waqf investing in a 12-floor building in the prime location of Karachi. Most importantly, Madinat al-Hikmah, the city of Education, Science and Culture is an example of Hamdard Laboratories (waqf) Pakistan’s income. Apart from investing in huge building and construction for further profit earnings usually these HEIs have an auditorium, community hall, conventional centres, computer lab and etc. In certain circumstances, these facilities can be offered for a purpose such as commercial, academic, vocational and occasional, which is also a source of waqf higher education income.

There are some vital examples of waqf fund managing in Islamic financial institutions (Ibrahim et al., 2013). Hamdard and Darul Tasnif of Pakistan both waqf institutions are managing well in the financial sector. In the case of Hamdard, their investments are in fixed deposits, long-term and securities. While Darul Tasnif invested in NIT (National Investment Trust) fund. The recent development in Higher Education Commission (HEC), Pakistan any university and a higher educational institution’s registration is subject to the University/HEI financial stability. Hence, every university and college have to appear with financial reserves. For every university, these reserves are almost 50 million rupees and for any college (HEI) is 15 million rupees. This financial reserve may be under the society, waqf, trust or endowment. In addition, findings is also proved that in the modern era, waqf institution can take royalty and also participate in Sukuk investment, in this regard, Hamdard is an example of a waqf institution that is receiving a royalty of their product and also invested in Sukuk bonds.

Hamdard is a corporate waqf, providing health services and manufacturing herbal products. The earnings from such products and services is waqf income. Similarly, Darul Tasnif is also providing health services along
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with education. It developed Murshad hospital and Nursing School in Karachi. It seems that in Pakistan, along with education, the health services are also part of waqf institutions. In addition of such services, they are also developing human capital in form of medical and paramedical staff as well. The findings revealed Hamdard is providing international standards including ISO certification and WHO (World Health Organization) requirements to produce a quality product for waqf income. The modern era, business collaboration and cause base marketing is another source of earning for charity institutions. In the beginning of the 21st century, the third sector discovered new modes of income and management. Since 2002 all charity institutions including waqf are allowed to use the religious plot for commercial motives for further earnings in Pakistan. In year 2002, the government allowed charity institutions to use 5 per cent of their land for commercial purposes to meet their expenses. The study discovered that Begum Aisha Bawany Educational and Welfare Waqf registered itself as Advertiser Company. Since they are offering their waqf properties for billboards and other adverting gadgets. Hence, these activities can strengthen financial status waqf institution and gradually, it might be a permanent source of sustainable development.

EDUCATIONAL WAQF MODEL IN PAKISTAN

There are certain examples of waqf utilization for education in Pakistan. For example Hamdard Waqf laboratories Pakistan is the sole financer for the building construction, equipment’s, workshops libraries, laboratories, and materials in Hamdard University and Madinat al-Hikmah, the whole educational city of science, culture, and education. Similarly, infrastructural development of Tablighi College and Aisha Bawany Academy and Degree College is covered by Darul Tasnif and Aisha Bawany waqf respectively. In its operations, Hamdard is self-sufficient and provides basic transportation, meal, and medical facility to the students. While Aisha Bawany waqf subsidies 50 per cent of their fee. The Darul Tasnif has several charity chapters including higher secondary school, Tablighi College, Nursing College, and law Collage and Murshad hospital, under its waqf funding body.

In reviving and recognising the Unani medicine in the world, Hamdard University initiated research and development in herbal medicines. Hamdard University is the largest private research university having largest research library of South Asia ‘Bait-ul-Hikmah’ with a collection of 4 million books and journals. On the same manner, Darul Tasnif’s publishes a quarterly magazine ‘Al Yaqueen’ from last 70 years. The Aisha
Bawany waqf also has published more than 50 books contain a valuable treasure of knowledge on Islam to meet the requirement of Muslims as well as Non-Muslims by presenting a comparative study of religions. The waqf institution also published a monthly magazine ‘Muslim News International’ for about 15 years which is also circulate in abroad.

To support academia, Hamdard formulates Islamic philosophy of education, promotes publish well-researched textbooks, provides scholarships, free ships, and stipends for deserving students at all levels and in all fields. Subsequently, Hamdard has Research and Technical collaboration with WHO, Ministry of Agriculture, food, and livestock (MINFAL) and Ministry of Environment. To support students, Hamdard waqf providing grants to various institutes, organisations, religious madrases, and societies regularly. On the other hand, deserving and meritorious students can avail scholarships and free ship in Hamdard University and abroad. Similarly, Aisha Bawany waqf is offering scholarships not only inside the waqf institution but also in other higher educational institutions including Sheikh Zayed Islamic Centre, University of Karachi. Darul Tasnif providing 100 percent scholarships to all students. Further, without any discrimination, food, meal, accumulations are provided. In addition to that in case of any mishap and medical treatment, students are facilitated in Murshid hospital freely. Darul Tasnif’s Tablighi College is completely free education providing HEI with accommodation and daily food. It has more than 100 residential rooms, gardens from the two side, a park, student mess hall, and a beautiful mosque Masjid al Auliyā.

Minhaj University, Lahore was established as an autonomous body by Minhaj-ul-Quran International. The financer of the University is a trust based institution, while the University is chartered under private universities act of the government of Punjab. The university is extended over 400 kanal area in the mid of the city having around 5000 students with almost equal number of male and female students. The university has two campuses with huge extra-curricular and co-curricular facilities for the students. Being linked with an international organization, the university enjoys international collaborations in academics and research. A reasonable fund is utilized for the advancement of research and quality enhancement. The students can get only partial fee scholarship based on merit and need. Such model can be replicated by other organizations which have the public source of financing from their members in their specific areas.

**EDUCATIONAL WAQF MODEL IN MALAYSIA**
In the Malaysian context, the waqf is a state matter. The State Islamic Religious Councils (SIRC) or Majlis of respective state is the sole trustee of all kind of waqf whether waqf ‘Am or waqf Khas. The term “sole trustee” implies that the Majlis of each state has been legally appointed by their respective laws to supervise all waqf assets and be responsible for their management and development. Hence, delegating the powers to others, or the existence of private trustees, would be treated as illegal and not conforming to the laws. On the other hand, Malaysian’s civil law denied any applicability on waqf. Based on some federal laws, waqf shall not be included in the civil law. Therefore, shari’ah court plays the role in the respect of Jurisdiction of the Shari’ah under the list of 9th Schedule to the Federal Constitution (FC).

To strengthen waqf management, under the SIRC of Negeri Selangor and Negeri Sembilan, waqf cooperation’s have been established. Each corporation, became one of the wholly-owned subsidiaries of respective state’s SIRC and specializing in waqf management, for Negeri Selangor it is called Perbadanan Wakaf Selangor (PWS) and in Negeri Sembilan it is called Perbadanan Wakaf Negeri Sembilan (PWNS), PWNS plays a role, in the waqf management and matters related to waqf in Negeri Sembilan in a professional and organized manner. In the same way, PWS tries to strengthen waqf management in Selangor. Base on the above discussion, the function of PWS and PWNS is to advise Majlis regarding policies, measures, and actions have to be taken for waqf properties and product development in respective states.

Formation of Higher Education Institute in Malaysia

In the formation of any higher educational institution either college or university, it can be formed by the head of the state the Yang-Pertuan Agong. Subsequently, university/HEIs has the power to generate funds and donations as stated in the constitution as the power of the Board to seek funds, and, accepts gifts, etc. Apart from donations and grants, waqf is considered under the jurisdiction of the state (Ismail Abdel Mohsin, 2013). Therefore, any party that wants to deal with waqf, including establishing a waqf university or a waqf-based university, whether waqf forms part of the whole application or even part thereof, must be granted prior permission by the State Islamic Religious Council (SIRC). In this context, the higher authority of a university/HEI has to follow the laws for the waqf development whereby the application to the relevant SIRC should be done before implementing waqf in their institutions. To face the challenge of declining public funding for higher education, a number of strategies have been implemented through various legal and policy
reforms including the establishment of the National Higher Education Fund Corporation (PTPTN) in 1997, as a constitutional Act 566, and introduction of the private HEIs in 1996 as constitutional Act 555. In a similar manner, there are some other policy measures have been taken by the Malaysian government and Ministry of Higher Education to encourage universities and HEIs for an extra income through waqf institution. Currently, Malaysian government is promoting waqf as a major alternative financial source for Universities. The Ministry of Higher Education encouraging the universities to use waqf as alternative sources of income as mentioned in the “Purple Book” and “Blueprint for higher education. The purple book provides all the structures currently operating in Malaysia in public universities and illustrates four practical waqf model universities in Malaysia including USIM, UPM, UKM, and USM.

In public institutions, the major funding comes from the government. While private higher educational institutions rarely received any grant from the government. Likely, Darul Tasnif was developing a Nursing School and received 4 million rupees from the government in 1984. It is the first example where private waqf institution received a fund from the government for higher education development.

In Pakistan, Hakim Muhammad Saeed, in devoted Hamdard waqf laboratories’ all income to the welfare of nation including higher education. Thus, by way of illustration Hamdard using only internal sources of income for higher education development. Further, some religious and community leaders also developed waqf institutions such as Begum Aisha Bawany Educational and Welfare Waqf and Darul Tasnif Limited. In certain extent, these waqf institutions are further supported by some famous communities such as Bawany, Memon, and Jaffer families.

Malaysian educational waqf model is one of the most effective Islamic economic model. Some of the top Malaysian universities having ever growing international ranking, enjoy this Islamic finance (Chowdhury et al., 2011; Isa, Ali, & Harun, 2011). Malaysian waqf universities receive the waqf fund in the form of cash waqf through various solicitation and fundraising activities and then this cash fund is being converted into real estate through the concept of Istawāl, in the same manner, using this concept of Istawdāl UPM has developed real estate waqf properties in Putrajaya. Other Islamic financial products and instruments can be used for the waqf development, for example, the concepts of “Istisna”, “Ijarah”, and Sukuk etc. The USIM has “Ijarah” contract with the owner of the 3-slots shops where the USIM’s waqf clinic is situated. Initially, the waqf USIM had planned to make a contract “Diminishing Musharika”
with the owner of the slots, but the higher management of the USIM does not allow them to do so, the reason behind that the University was not sure that waqf institution will receive the required amount of waqf funds or not within the specified time period. In the same way, UKM offers a takaful scheme that allows a participant to gradually add to the fund (instalment) over a specified period (at least 5 years). The UKM will be the waqf recipient institution, and the Licensed Takaful Institution functions as the scheme manager. Upon reaching the period of maturity, the dividend/benefit will pay directly to the UKM as waqf recipient (Aziz et al., 2013). In March 2017, UKM again received permission for waqf collection after a long negotiation with PWS and MAIS and reinitiated waqf collection. However, the cash waqf and other donations those accumulated from the donors will still remain reserve in the financial sector in the form of saving or securities, and profits.

PROPOSED INTEGRATED WAQF MODEL FOR HEI DEVELOPMENT IN PAKISTAN

Waqf is perpetual in nature and its income is the main source of utilization, the person or organization, who establishes a waqf, may decide who will be the beneficiaries. We propose an integrated hybrid model which covers different practically prevailing models of waqf management in the Muslim world.

The integrated model will mainly base on both cash and kind waqf. Further the HEIs can solicit funds from multiple sources. The Government have a number of alternative resources for Public welfare. The resources include Public Zakat collected by banks, federal and provincial public welfare grants, and prerogative funds and specific education development funds (Sadeq, 2002). Private sources may include Cash waqf, real estate waqf, inside the institutions. Usually, staff and faculty members also offer their personal income or services voluntarily. From external sources, there is some list of famous sources of waqf institutions in Pakistan such as waqf pool, alumni donations, CSR (Corporate Social Responsibility), charitable co-branding cause marketing, grant in aid from local and international donations (Qadri, 2016).

One of the important sources is individual support in form of Zakāt, Sadaqāh, and other donations. These individuals may be businessman, politicians, and celebrities such as, industrialist or government officials. It can be classified into two parts, zakat and non-zakat. While one may say the zakat and donations do not belong to waqf but a waqf institutions can hold and used it for zakat beneficiaries in the waqf University/HEI. There
are some business tycoons, rich families, and communities, contributing very well to the higher education development. Some of these famous groups, include Memon, Adamjee, Lakahani, Dadabohy, and Bawany. These communities played a great role and devoted 10 per cent of their earnings from their won various businesses for different waqf projects.

**Figure 3: Proposed Integrated Waqf Model for HEI Development**

The integrated model is based upon multiple sources of finance. First it takes numerous forms of waqf as described and opted by the four mazahib of Ahlus Sunnah, or according to Fiqh Jafariyah for Shia. Second it accepts Public Sector finance thorough different programs including special aids, grants, official zakat collected by government, and public charity etc. Third it will welcome corporate sector donations and funds including CSR giveaways. Fourth source of integrated model may be the Government
managed awqaf income. Especially the big Darbar and Dargah in India, Pakistan and Bangladesh can support big universities and it may be also a source of satisfaction for the donors if their charity is used in productive manner like serving the masses in form of development of higher education institutions.

There are a number of ways of waqf management. The integrated model can manage the funds using any established form, exampled in Ottoman Empire or recently in Malaysia, India, Pakistan or other countries (Cizakca, 1996; Ibrahim et al., 2013; Isa et al., 2011). Establishing business, managing agriculture lands, development of buildings to be leased, investing in real estate business or investment in open share market (Cizakca, 1996). Similarly a microfinance business may be utilized for the purpose (Ahmed, 2007). The income from the waqf management and Mumlikat al-waqf both can be utilised for university development for example; infrastructural development, research and development, operating expenses, faculty and staff development and student development programmes.

CONCLUSION

The increasing cost of higher education and scarcity of public resources has made it difficult to establish Higher Education Institutions (HEIs) to meet with the growing population demands. The study proposed a waqf University/HEI model, firstly, to empower and establish a sustainable infrastructure through to be established through finances acquired by multiple sources. The integrated model is based upon multiple sources of finance. First established form of Islamic waqf, second the legitimate funds from government, third, corporate sector donations and funds including CSR giveaways, and fourth Government managed awqaf income, especially the big Darbar and Dargah. These funds will be managed in multiple forms including real estate, construction sector, and financial sector. In this way the integrated financing model will be able to fund large educational projects of higher education institutions (HEIs). This model involves and integrates public, private and institutional resources. It provides a hybrid way of waqf management and aims at resolving social problems including illiteracy, ignorance, extremism hatred and terrorism, through education.

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