Cash Waqf for Poverty Alleviation In Indonesia: Empirical Analyses on Islamic Social Entrepreneurship Model

ABSTRACT

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Social entrepreneurship emerging has been found as a completion part of commercial entrepreneurship and governmental entrepreneurship. In religious schools, especially inspired school of Islam (Pesantren), noble human values and moral teaching of cooperation, support a suitable depth to dispose of the social entrepreneurship and goodwill action. Tradition of philanthropically alms, Ehsan and charity are going to be dealt with in this article. Rich culture of Islam Inspired by the values of the friendship, cooperation and voluntary participation in the various spiritual and material activities self-sacrifice and personal property and allocation it to public affairs and social welfare under the name of Waqf institution, specificity unique Islamic almshouses or social entrepreneurship in Islamic countries. The current article with micro antipathetic descriptive and analytical approach, dedicated to explain the Islamic and sustainable social entrepreneurship model for development and social welfare programs.

This paper discusses the potential role of Cash Waqf in Economic Development in Indonesia, particularly a country with a biggest moslem population in the world. It also raises awareness of the role of Cash Waqf and attempts to define a new approach to address poverty issues and suggests a fresh approach to socio-economic development. It also claims that Cash Waqf is the most suitable mechanisms for the poverty alleviation programs; additionally the paper highlights the importance of the altruistic sector (the acclaimed third sector after the private and public sectors) in promoting the public welfare and social justice.

A survey was counducted on several cash waqf institution in Jakarta. All the information, data and resources are acquired directly through personal discussions and observations. Narrative approach was applied for explaining the issue. The lack of awareness about endowments (waqf) is a barrier to harnessing the potentials of Waqf in redressing socio-economic inequalities and for enhancing the quality of life of the poor. Scholars, institutions and civil society organizations, as well as Islamic banking and financing institutions will be awakened to the need to cooperate in employing the institution of waqf for reducing poverty through the provision of quality education, better health care and employment opportunities. Government will be made aware of the need to explore non- conventional methods in tackling poverty, recognize Islamic endowments (waqf) as viable alternatives in financing community welfare programmes and provide all necessary policy support –legal/institutional/financial – for their smooth operation.

The worth of this paper lies in drawing the attention of stakeholders, like policy makers, and the general public to the contemporary relevance of, and demand for, Islamic endowments (awqaf) in solving many of the socio-economic problems excluding the poor from leading a decent life.

Keywprds: Islamic social entrepreneurship, poverty, cash waqf, welfare.