ASSESSING MUSLIMS' WILLINGNESS TO DONATE FOR CASH WAQF PROJECTS: A CONTINGENT VALUATION STUDY IN THE SOUTHERNMOST PROVINCES, THAILAND

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by

ARIS HASSAMA

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I am grateful to Almighty God for leading me through every challenge I had while pursuing my PhD. I've always thought of myself as fighting in the eyes of the loving God.

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MENILAI KESANGGUPAN ORANG ISLAM MENDERMA UNTUK PROJEK WAKAF TUNAI: KAJIAN PENILAIAN KONTINJEN DI WILAYAH PALING SELATAN, THAILAND

ABSTRAK

Sumbangan Wakaf berakar dalam komuniti Muslim di pelbagai negara, berkhidmat sebagai cara yang penting untuk mengumpulkan sumber daripada penyumbang Muslim. Baru-baru ini, wakaf tunai telah muncul sebagai model kewangan inovatif, digunakan secara strategik untuk memastikan pembiayaan untuk kemudahan keagamaan, pendidikan, dan awam di wilayah selatan Thailand. Walau bagaimanapun, dimensi yang berkembang ini masih belum dikaji. Kajian ini menggunakan kaedah yang komprehensif untuk menyiasat bagaimana faktor sosioekonomi dan motivasi mempengaruhi keinginan masyarakat untuk menyumbang (WTD) kepada projek wakaf tunai. Kajian ini menggunakan kaedah Penilaian Kontingent (CVM) dan regresi logistik ordinal untuk menilai kesan signifikan variabel bebas ini pada WTD. Data telah dikumpulkan dengan teliti daripada 404 pemberi waqf aktif di wilayah paling selatan Thailand melalui soalan berstruktur. Hasil kajian mendapati terdapat faktor yang berbeza memacu WTD untuk waqf tunai di semua projek agama, pendidikan, dan awam. Faktor-faktor utama yang memotivasi sumbangan kepada projek-projek keagamaan termasuk pendapatan bulanan yang tinggi, pengurangan hutang, ganjaran selepas mati, kepentingan identiti Muslim, dan kasih sayang (warm glow) yang memuaskan secara emosi. Sumbangan kepada projek wakaf pendidikan didorong oleh pendapatan yang tinggi, hutang yang rendah, pengalaman sumbangan wakaf yang signifikan sebelum ini, dan daya tarik faedah selepas mati. Inisiatif wakaf awam yang berjaya bergantung kepada mengurangkan tahap hutang, memanfaatkan pengalaman pemberi dengan wakaf, menekankan faedah selepas mati, dan menonjolkan kehangatan emosi memberi. Kajian ini secara berkesan menggunakan variabel sosioekonomi dan motivasi untuk mengkaji faktor dalaman yang mempengaruhi pemberi. Walau bagaimanapun, penting untuk diingat bahawa variabel luaran, seperti kredibiliti projek wakaf dan pilihan alternatif yang tersedia untuk pemberi, juga boleh memberi kesan. Selain itu, skop kajian ini terhad kepada wilayah sempadan selatan Thailand. Penyelidikan masa depan perlu mempertimbangkan memperluaskan sampel dan

jangkauan geografi untuk mengkaji generalisasi di seluruh rantau dengan budaya dan sosioekonomi yang berlainan. Secara praktikal, organisasi pengumpulan dana wakaf digalakkan untuk meningkatkan kesedaran dalam kalangan pemberi dengan keadaan ekonomi yang menguntungkan, menekankan tahap pendapatan yang lebih tinggi dan beban hutang yang lebih rendah. Masjid dan organisasi keagamaan boleh memberi inspirasi kepada pemberi yang berpotensi dengan menonjolkan ganjaran rohani sumbangan wakaf, menggalakkan penyesuaian dengan identiti Muslim, dan mempromosikan kepuasan emosi yang dihasilkan daripada pemberian. Selain itu, sekolah dan institusi pendidikan lain harus menekankan faedah rohani memberi wang kepada wakaf, dan pengurus wakaf awam harus bekerjasama dengan penyumbang wakaf yang berpengalaman, menonjolkan manfaat untuk kehidupan selepas mati, dan menegaskan kegembiraan menyumbang untuk meningkatkan kejayaan pengumpulan dana dan memajukan matlamat inisiatif wakaf untuk masyarakat.

ASSESSING MUSLIMS' WILLINGNESS TO DONATE FOR CASH WAQF PROJECTS: A CONTINGENT VALUATION STUDY IN THE SOUTHERNMOST PROVINCES, THAILAND

ABSTRACT

Waqf donations are deeply rooted in Muslim communities across various nations, serving as a vital means to pool resources from Muslim contributors. Recently, cash waqf has emerged as an innovative financial model, strategically used to secure seed funding for religious, educational, and public facilities in Thailand's southernmost provinces. However, this evolving dimension of donation remains underexplored. This study employs a comprehensive methodology to investigate how socioeconomic and motivational factors influence people's willingness to donate (WTD) to cash waqf projects. The research utilises the Contingent Valuation Method (CVM) and ordinal logistic regression to assess the significant impact of these independent variables on WTD. Data was meticulously collected from 404 active waqf donors in Thailand's southernmost provinces through a structured questionnaire. The findings underscore the distinct drivers of WTD for cash waqf across religious, educational, and public projects. Key factors motivating donations to religious projects include high monthly income, reduced debts, afterlife rewards, the significance of Muslim identity, and an emotionally satisfying warm glow. Donations to educational waqf projects are driven by high income, low debt, significant prior waqf donation experience, and the allure of afterlife benefits. Successful public waqf initiatives depend on lowering debt levels, leveraging donor experience with waqf, emphasising afterlife benefits, and highlighting the emotional warmth of giving. This study effectively utilises socioeconomic and motivational variables to examine the internal factors that influence donors. Nevertheless, it is crucial to bear in mind that external variables, such as the credibility of waqf projects and alternative options available to donors, can also exert an influence. Additionally, the study's scope was limited to Thailand's southern border provinces. Future research should consider broadening the sample and geographic purview to explore generalizability across regions with diverse cultural and socioeconomic dynamics. In practical terms, waqf fundraising organisations are encouraged to enhance awareness among donors with favourable economic conditions, emphasising higher

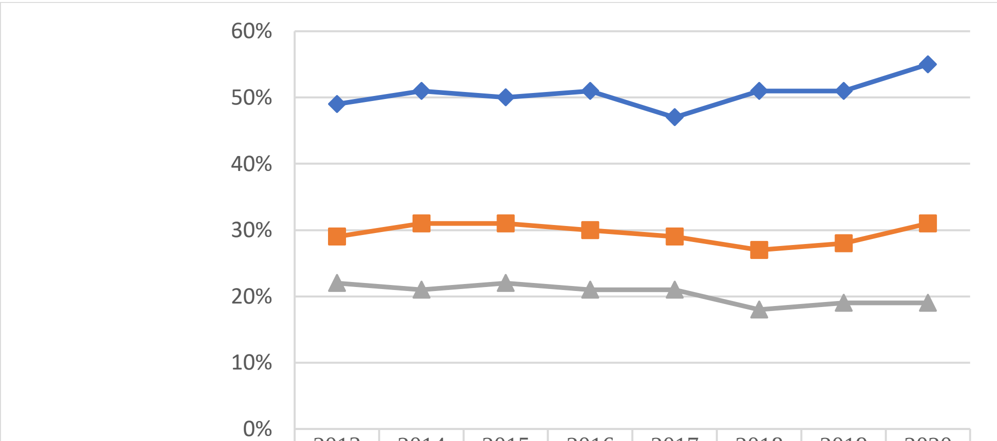
income levels and lower debt burdens. Mosque and religious organisations can strategically inspire potential donors by highlighting the spiritual rewards of waqf contributions, fostering alignment with Muslim identity, and promoting the emotional fulfilment derived from generous giving. Additionally, schools and other educational institutions should stress the spiritual benefits of giving money to a waqf, and public waqf managers should work with experienced waqf donors, stress the benefits for the afterlife, and stress the joy of giving itself to increase fundraising success and further the goals of waqf initiatives for the community.

CHAPTER 1

INTRODUCTION

1.1 Introduction

Donation is a behaviour that humans perform similarly in all races, religions, and societies. It shows that the donor is compassionate for the inferior and abandons stinginess in his heart. According to the Charities Aid Foundation, giving consists of helping a stranger, donating money, and volunteering time. It was reported that developed countries increased their monetary donations from 28% to 31% in 2020, while the percentage of individuals assisting a stranger rose from 51% to 55%. (Charities Aid, 2021). However, overall global giving has been increasing over time, as shown in Figure 1.1. This continuously increasing trend of giving has attracted the attention of researchers in various disciplines. How much is given? Who gives? Who are the recipients of these gifts? By acquiring this information, they may find a way to understand more about the economics of giving, which has become a new approach to financing businesses, non-profit organisations, and community-based properties.



	2013	2014	2015	2016	2017	2018	2019	2020
Helping a stranger	49%	51%	50%	51%	47%	51%	51%	55%
Donating money	29%	31%	31%	30%	29%	27%	28%	31%
Volunteering time	22%	21%	22%	21%	21%	18%	19%	19%

Figure 1.1 Percentage of Global Participation in Helping a Stranger, Donating Money and Volunteering Time, over Five Years (Charities Aid, 2021).

According to Marshall (2009), economic activity differs from social and religious activities in that one performs the activity for material benefits. The question is *"Is donation considered an economic behaviour?"*. According to consumer behaviour theories, the utility of consumers will increase when they spend more on the products they prefer. In other words, the factor that drives consumer decision-making is the happiness they receive from that consumption. Furthermore, the idea of rational choice emphasises the notion that people make well-informed decisions to maximise their utility, which is consistent with economic theories. Like consumers, donors assess their preferences and the enjoyment they receive from donating to charities, allowing them to make informed decisions about how best to use their resources. In order to make this decision, people must make economic trade-offs between the opportunity cost of using the resources for other goals and the benefit and satisfaction they derive from giving. These financial trade-offs in the context of charity giving serve as an excellent example of how donation behaviour is rational and utility-maximising. Therefore, donation may be considered an economic behaviour for which some recent works have found supportive evidence in several donation behaviours (Andreoni, 1990; Ferguson, 2015; Ferguson & Lawrence, 2016; Menges et al., 2005; Ottoni-Wilhelm et al., 2017)

When deliberating the factors that propel individuals to contribute to the well-being of others, the focus is on unravelling the motivations underlying human ehavior. As previously noted, donation is a multifaceted endeavour encompassing psychological, religious, social, and economic dimensions. Thus, delving into these rationales from diverse perspectives augments comprehension of charitable contributions.

Donation is frequently motivated by religion, which is an action in which the donor gives up something for others or society in exchange for religious merit or afterlife rewards (Thornton & Helms, 2013). Many religions praise this kind of act as commendable. The researcher therefore found teachings in many important religions around the world that value these actions. For this reason, the researcher found that the motivation behind donations is often religious (Andreoni et al., 2016; Apinunmahakul, 2014). However, these findings do not mean that donation is limited to being explained only by religious factors. Many studies show that there are other factors like psychological (Aaker & Akutsu, 2009; Baqutayan & Mahdzir, 2017; Basil et al., 2008; Becker, 1976; Chapman et al., 2018; Noor et al., 2015; Smith & McSweeney, 2007) and economic (Andreoni, 1990; Evren & Minardi, 2017; Ferguson et al., 2012) that can explain the rationale of giving. Hence, the motivation of giving is another area that economists are trying to explain by looking at donation as similar to consumer spending, which can generate utility for the consumer and donor.

Meanwhile, Islam is a religion that is not just limited to rituals, beliefs, sins, merit, or the hereafter but is also involved in human economic and social activities. Because the goal of Islam is to create peace in human society by extending the justice and compassion of Islamic principles to every aspect of society Khan (1995). Thus, donation is another activity that Islam encourages, both in compulsory and voluntary forms. It varies by occasion, recipient, and objective. For example, *zakat* is compulsory for Muslims to give to the poor; *sadaqah* that is voluntarily charity, and *waqf* is property donation for the public's benefit. Muslims generally give waqf charity to establish public properties and gain perpetual merit even if the donor is already dead, as mentioned in Sunan an-Nasa'i, Book of Wills, Chapter 8, Hadith 3681. It was narrated from Abu Hurairah that the Messenger of Allah said:

"When a man dies all his good deeds come to an end except three: Ongoing charity (Sadaqah Jariyah), beneficial knowledge and a righteous son who prays for him."

Muslims have performed waqf donations to get the unceasing reward in the afterlife and to ensure that their community is able to utilise the usufruct of waqf assets. Hence, waqf plays the role of not only a religious duty but also a form of social and economic contribution.

Among various types of Islamic philanthropy, waqf has some special features that make it different from others both in its purpose and assets. Waqf donations have gradually become the financial foundation for the creation of many public properties and services in Islamic society since the time of the Prophet Muhammad (Cizakca, 1998). Waqf is usually a donation of certain property for the restricted benefit of certain benevolent purposes. Waqf is used to form the foundations of several organisations by both Muslims and non-Muslims worldwide (Hassan & Ashraf, 2010; Kahf, 2003).

Though, in a Muslim minority country like Thailand, waqf practice is mostly found in the areas where many Muslims live, especially in the southernmost provinces, which are Satun, Songkhla, Pattani, Yala, and Narathiwat. Comparing to other provinces of Thailand (as shown in Figure 1.2), more than half of the Muslim population densely lives in the southernmost provinces, which can be calculated as 67.38 percent. There are precisely 2,416,593 Muslims in these areas (Department of Islamic Organizations & Hajj, 2019; National Statistical Office of, 2017). The emergence of waqf in Thailand occurred during the same period as neighbouring countries like Malaysia, Indonesia, and Singapore. Although Thailand is not a Muslim country, waqf activities have always been used as a source of funds for public properties in Thai Muslim society, even without the supportive legal environment and government recognition of other countries (Brown, 2013). This phenomenon is intriguing and deserves more investigation.

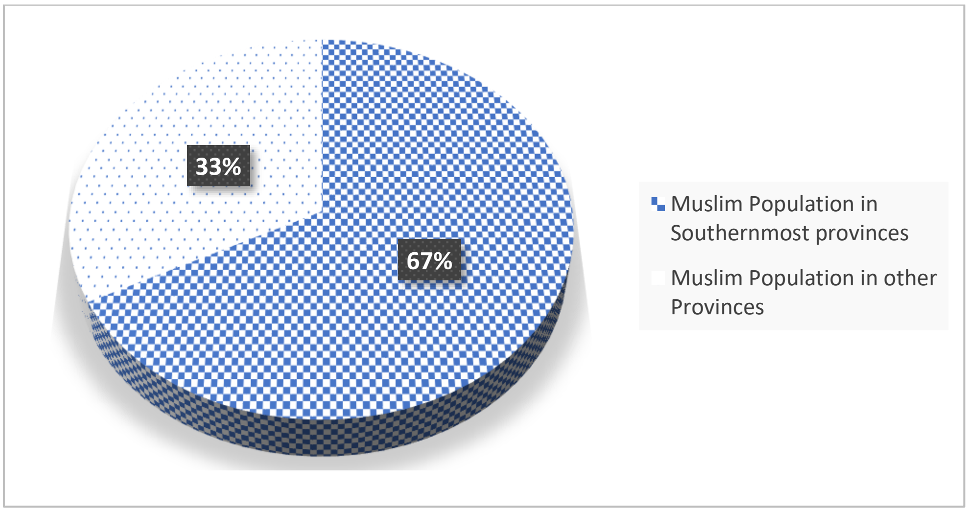


Figure 1.2 Percentage of Muslim Population in the Southernmost Provinces and other provinces of Thailand (Department of Islamic Organizations & Hajj, 2019; National Statistical Office of, 2017).

In Thailand, waqf has been practiced mostly in the form of religious properties such as masjids, religious schools, and Muslim graveyards (Ali & Hassan, 2019; Dorloh, 2012). Moreover, Muslim donors have used the traditional way of donating, which is mainly land donations to mosques. Even though they are aware of waqf principles, in the absence of a central waqf organisation, the qualities of monitoring, planning, and donor engagement are relatively low (Noipom et al., 2018). According to table 1.1, the number of registered mosques in each province is listed in order from highest to lowest, namely, Pattani (714 mosques), Narathiwat (672 mosques), Yala (516 mosques), Songkhla (404 mosques), and Satun (236 mosques). The total number of mosques in this area is 2,542, which is 63.85% of all mosques in the country. The mosque’s lands and properties are waqf assets (Noipom et al., 2018).

The information about the number of registered mosques in each province holds significant relevance for conducting research related to cash waqf in Thailand. Firstly, this data provides valuable insights into the distribution and concentration of mosques in the southernmost provinces, illustrating the regional landscape of religious infrastructure. Figuring out where mosques are located helps people find possible places to start cash waqf projects. These projects can help religious and educational projects grow in places where there are many mosques.

The main issues with cash waqf in Thailand include the conventional method of collection and a lack of research from a donor standpoint. In certain locations, it is usual practise for donors to gift or dispose of their land straight to the imam (leader) of the mosque. Waqf holdings include land, apartments, and plantations of rubber and coconut. However, the management of waqf assets, including recordkeeping, accounting systems, and fund management, lacks standardisation, and governance remains weak due to limitations within Thai laws. Consequently, the traditional methods of waqf investment pose the principal obstacles to waqf development in Thailand (Ali & Hassan, 2019; Boonchom & Assalihee, 2023; Zain et al., 2019). Most campaigns request donations from contributors, mentioning the total amount required by the organiser but not the amount the donor should pay at the outset. As a result, several waqf initiatives are unable to raise funds for the acquisition of waqf properties (Dorloh, 2012). Some initiatives require a longer period of fundraising to reach their goal.

Additionally, the fact that the lands and properties of these mosques are designated as waqf assets is of paramount importance. It highlights the existing practice of waqf management and underscores the potential for expanding waqf-related activities in the region. Knowing that mosque properties are waqf assets is the first step in looking into the financial and charitable aspects of cash waqf in this situation.

Table 1.1 The number of Mosque in the Southernmost provinces of Thailand

Province	Number of Mosque	Percentage of Muslim population
Satun	236	76.77
Songkhla	404	30.82
Pattani	714	86.25
Yala	516	74.06

Province	Number of Mosque	Percentage of Muslim population
Narathiwat	672	89.05

Source: (Department of Islamic Organizations & Hajj, 2019; National Statistical Office of, 2017)

In addition to mosques, religious schools and public facilities have been established widely in this area (Brown, 2013). However, the fund-gathering methods used for the construction and operations of these projects are the traditional ones, such as fundraising community events and religious lectures, as they have been done for many years. Most campaigns solicit donations from donors, stating the final amount the organiser needs but not the initial amount the donor should contribute. As a result, some *waqf* projects are unable to collect the budget to purchase the *waqf* assets. Some projects require a longer period of fundraising to reach their target amount. Consequently, the price of those pieces of land is higher than they can afford (Noipom et al., 2018). The main asset used to donate *waqf* in the local area is land. However, cash is also permitted by Muslim scholars to be employed in waqf donation, also known as cash *waqf* (Brown, 2013; Islahi, 2006; Masahina & Kijas, 2012). This cash waqf has been practiced in the Muslim world since the Ottoman era (Cizakca, 1998), in ASEAN countries (Abdul-Karim, 2010), and in the Muslim majority area of Thailand (Brown, 2013). Indeed, cash *waqf* is still not widely known in the local area. Thus, exploring the donor's willingness to donate for the procurement of *waqf* property is an urgent matter for Muslim societies in Thailand to comprehend the underlying factors that motivate individuals to either give or abstain from donating.

Methods for valuing one's willingness to pay are often found in public economics research as contingent valuation methods (CVM). It is a famous technique used to estimate the value of non-market goods and services. The donor's preference for public goods is defined by their willingness to donate (WTD) a financial contribution to establish the particular waqf projects. The concept of WTD is similar to the willingness to pay (WTP) in general CVM research for estimate the willing to pay for the public goods (Masahina & Kijas, 2012). While the recent studies on the motivation factor of Islamic philanthropies including zakat and waqf, only explored religious and psychological factors (Al-Harethi, 2019; Allah Pitchay, 2022; Bakar & Rashid, 2010; Osman et al., 2021; Osman et al., 2016), the need to extend the comprehensive study on the motivation of cash waqf is a must. This will enable the assessment of wiliness to donate cash waqf, which benefits economic development in several areas.

Therefore, the study of Muslim willingness to donate cash waqf in the southernmost provinces of Thailand using the contingent valuation method (CVM) will provide an understanding of factors that affect the willingness to donate and benefit the relevant agencies and be used to determine the initial value of raising funds for various suitable projects.

1.2 Problem Statement

The practice of waqf in Thailand has endured for decades, yet it has encountered persistent challenges in the realms of fundraising and management. Numerous campaigns aimed at constructing essential community assets such as mosques, schools, and public facilities have struggled to secure adequate funding within required timeframes. These waqf projects struggle with complicated obstacles, including issues related to land ownership documentation, property abandonment, inadequate maintenance, and difficulties in generating income from these assets. However, the primary obstacle they face is the development of innovative strategies for taking donations that are in line with the motivating elements that influence donors' inclination to donate to local waqf initiatives.

The predominant fundraising methods have traditionally revolved around religious lectures that emphasise the virtue of waqf contributions but often overlook the critical elements of donors' motivations and their underlying socioeconomic factors. This lack of insight has led to fundraising campaigns that fail to transparently communicate the required initial contribution from donors, ultimately impeding their success. In such cases, waqf projects may struggle to accumulate the necessary budget to acquire the intended assets, sometimes necessitating prolonged fundraising efforts.

In addition, although the influence of factors such as shared identity and the gratification derived from assisting others on donation behaviour is acknowledged in general, less research has been conducted on their impact specifically within the context of waqf practices in Thailand. It is worth noting that while cash waqf models have been effectively implemented in countries such as Malaysia, Indonesia, and Singapore for the purpose of financing waqf assets, Thailand has not fully adopted this strategy. The significance of this matter lies in the fact that Muslim communities residing in the southern border provinces possess information regarding waqf principles, yet they have not effectively applied this knowledge to ascertain the preferences of donors based on their socioeconomics and motivation.

In a promising development, government agencies have initiated steps to address the legal complexities surrounding waqf assets. Thus, looking into the factors that affect monthly donors' willingness to donate to cash waqf offers a chance to make the process easier for people to give to a wider range of projects. This research is poised to provide valuable insights and analysis that can significantly advance these laudable initiatives, enabling them to meet their objectives and contribute positively to society.

Hence, it is imperative to evaluate the willingness of individuals to donate cash waqf, considering the socioeconomic and motivational factors that shape their contributions. These insights promise to be instrumental in enhancing the effectiveness of waqf fundraising efforts and addressing the prevailing challenges in the Thai context.

1.3 Research Questions

1) What are the average willingness prices of cash waqf donations for religious, educational, and public waqf fundraising projects in the southernmost provinces of Thailand? Do those values differ based on the socioeconomic characteristics of donors?
2) How do socioeconomic factors influence the willingness to donate cash waqf?
3) How do motivational factors influence the willingness to donate cash?
4) What are the driving factors behind the willingness to donate cash waqf among Muslims in the southernmost part of Thailand? Are the models of religious, educational, and public waqf fundraising projects different?

1.4 Research Objectives

The aim of this research is to examine the willingness to donate (WTD) cash waqf of Muslims in the southernmost provinces of Thailand to various waqf projects. Then, the effect of socioeconomic and motivational factors on those WTDs is investigated, which will support the realisation of these aims:

1) To assess the willingness to donate cash waqf for the different waqf fundraising projects and analyse their differences based on the socioeconomic characteristics of the donors.

2) To investigate the influence of socioeconomic factors (which are gender, family member, monthly income, debt, donation experience, and waqf experience) on the willingness to donate cash waqf.
3) To analyse the influence of motivational factors (waqf property utilisation, afterlife incentive, Muslim identity salience, and warm glow) on the willingness to donate cash waqf.
4) To analyse driving factor models of willingness to donate cash waqf and compare the differences of such models between the waqf projects.

1.5 Scope and Limitation of the Study

The subject of this study is to assess the willingness to donate cash waqf and its determinants among Muslims in the five southernmost provinces of Thailand, namely Satun, Songkhla, Pattani, Yala, and Narathiwat. As discussed in the earlier background of studies, given the predominant practice of cash waqf in this region (Ali & Hassan, 2019; Brown, 2013), The study employs a quantitative method where data is derived from primary sources. Since there is a scarcity of secondary data on waqf donation in Thailand, primary data will be collected through a questionnaire from over 350 respondents in the study areas. The data collection will enable researchers to identify the willingness to donate cash waqf and its determinants among Muslims in this area.

Like other research, this study has faced some limitations, such as the respondent, the research method, and the COVID-19 situation. Although Muslims are dispersed across Thailand, this research exclusively concentrates on the Muslim population in the southernmost region due to their more extensive historical settlement in this area compared to other regions of the country. The sample was restricted to individuals of working age with a minimum of a bachelor's degree and a monthly income of THB 10,000 or more who also had prior experience in making donations. Therefore, it is possible that the results of the study may not be able to generalise the behaviour of Muslims throughout the country. In addition, the method used in this study was a quantitative study that could measure the relationship between the selected variables to some extent, but there may be other variables that affect willingness to donate that were not included in the model. Ultimately, the research process was carried out under the epidemic situation of COVID-19, which would affect the length of time for research data collection.

1.6 Significance of the Study

Recent studies have explored motivational factors in donation behaviour, focusing on psychological factors like religious influence, attitude, and social norms. A relatively new area of interest is cash waqf, which has been researched across various domains, including jurisprudence, education, economic development, financing needs, waqf management, and implications in different countries. However, limited attention has been given to the motivational factors specifically related to cash waqf. This study aims to investigate socioeconomic and motivational aspects of cash waqf donation, considering factors such as religious reward, Muslim identity, and warm glow happiness.

The southernmost provinces, densely populated by Muslims, are home to religious institutions and scholars who promote waqf knowledge. Despite this, relying solely on the merits of waqf for fundraising has not consistently met project completion timelines. Therefore, this research seeks to identify additional factors, particularly the economic perspective of happiness after giving (a warm glow). The anticipated outcomes aim to enhance comprehension of Muslim donors' attitudes in these provinces. Unlike regular fundraising, these communities often employ occasional events to gather waqf funds. The insights gained from the WTD assessment could guide the creation of campaigns aligned with donors' motivations.

1.7 Definition of Key Terms

Waqf: Waqf is a type of Islamic voluntary giving that has been widely practiced since the Prophet Muhammad's time. Waqf donations are mostly bestowed in the form of public durable assets such as masjids, schools, wells, public roads, and buildings. The merit of giving waqf is lasting as long as people have still utilised its benefits (Cizakca, 1998).

Cash *waqf*: Cash waqf is a special type of endowment in which the capital consists purely or partially of cash. The purpose of giving is the same as with other types of waqf. The definition of cash waqf differs from one school of *fiqh* to the next; however, all the schools agree on its permissibility (Masahina et al., 2012). The cash waqf project in this research is divided into three categories that are commonly practiced in the region: religious, educational, and public waqf projects (Ali & Hassan, 2019; Brown, 2013; Masahina & Kijas, 2012).

Willingness to donate (WTD): WTD is the maximum amount that a donor will donate for the mentioned project. This corresponds to the standard economic view of a consumer's reservation price. WTD is used in this study (Ngah et al., 2020).

Intention to donate: The intention to donate was used in the donation research based on the TRA and TPB frameworks to indicate one's readiness to express a donation (Ajzen, 1991).

Motivation: Motivation is the reason for the people's willingness and actions. Motivation is the intrinsic force that inspires people's behaviours (Kollmuss & Agyeman, 2002).

1.8 Organization of the Study

This dissertation contains six chapters. Chapter one introduces the background of the study, the problem statement, the research questions, the research objectives, the scope of the study, the significance of the study, the definition of the key terms, and the organisation of the study. Chapter two elaborates in detail on the waqf concept and definition as well as waqf practice in Thailand. Chapter three discusses the underpinning theories, recent empirical studies, and conceptual framework of the study. Chapter four focuses on research methodology, research design, data collection methods, ethical considerations, research instrument development, and statistical technique. Chapter five discloses the study findings, the process of data diagnostics, the characteristics of respondents, assessing the models, examining the descriptive results, and analysing the main objectives. Finally, chapter six sums up the key findings, contributions of the study in theoretical and methodological parts, policy implications, limitations of the study, and recommendations for future research.

CHAPTER 2

BACKGROUND OF WAQF PRACTICES IN THAILAND

2.1 Introduction

This section initiates with an exploration of the concept of waqf and other Islamic philanthropic practices, subsequently delving into the intricacies of cash waqf issues. The conclusion of this section will shed light on the current state of waqf practices in Thailand.

2.2 Islamic Philanthropy

Grounded in Islamic principles, this subsection unveils the teachings emphasizing personal and social religious duties for Muslims. A devout Muslim extends beyond mere nightly prayers, embodying one who actively cares and shares their possessions with others. This discussion centers on Islamic philanthropy as a cornerstone of Islamic principles, setting the stage for further exploration.

2.2.1 Islamic Philanthropy and Its Motivation

The idea of donation appears in the culture of many nations and religions because it is an act of kindness and generosity towards others. According to Islamic principles, donations in general are called *sadaqah*. This word is derived from /*sdk*/, meaning “right”, “justice”, “grant”, or “gift”. The term is also used in other languages with a Semitic root, such as Arabic, Hebrew, and Aramaic (Singer, 2008). Muslim is encouraged to care and to be helpful to all mankind regardless of their races, religions, or nations. This principle is mentioned in the *Quran*, the main source of Islamic law. For instance;

> *“and they give food, in spite of their love for it to poor, the orphan, and the captive”. (Qur’an 76:8-9)*

> *"[...] show kindness to parents, and the kindred, and orphans, and to needy, and to the neighbor who is a kinsman and the neighbor who is a stranger, the companion by your side, and the wayfarer". (Qur'an 4:36)*
>
> *"And (in this wealth there is also a share) for those (the Helpers) who had settled in the city (of Medinah) and had embraced the Faith before these (Refugees arrived there). They love those who migrated to them for refuge and (who) even though poverty be their own lot, found no desire in their hearts for that which is given to them (Refugees) but they gave them (Refugees) preference over themselves. And (bear in mind that) those saved from the covetousness of their souls are the ones to achieve the goal". (Qur'an 59: 9)*

Based on the above verses of the Quran, Muslims are encouraged to donate gifts to others in any way, both in kind and in cash. Therefore, giving is not just a donor gift but also the right of the needy (Singer, 2008). These Islamic philanthropies, which are diverse in objectives, forms, and motivations, mean to purify the donor's soul, strengthen the relationship, and enhance the economics of society. The various forms of Islamic philanthropy are briefly elaborated as follows.

Firstly, *zakat* is an obligation for all wealthy Muslims to perform yearly almsgiving (at a specific portion) to the eight stated recipients, for instance, the poor, the needy, and debtors. *Zakat* is generally practiced by Muslims because it is one of the five fundamental pillars of Islam. This is considered an act of purely altruistic altruism because the donor can expect no worldly return but a reward in the hereafter.

Sadaqah and *hadiyah* are voluntary donations for all Muslims with no minimum quantity. The difference between the two is that the former is for helping purposes, while the latter is for strengthening relationships. These three types of charitable giving are well known and practiced among Muslims across the globe.

In addition to the above-mentioned types, *waqf* is another type of donation that Islam strongly promotes with different intentions. *Waqf* is derived from the Arabic term to hold or to preserve. It is usually a certain property for the restricted benefit of certain benevolent purposes. *Waqf* is used by both Muslims and non-Muslims worldwide (Hassan & Ashraf, 2010; Kahf, 2003). Muslims generally give *waqf* charity to establish public properties and gain perpetual merit, even if the donor is already dead.

From the above discussion, Muslims are taught to show kindness in the form of giving for specific and helping purposes. *Zakat* and *sadaqah* are charitable giving to help those who have insufficient wealth to maintain their daily lives. While *hadiyah* is a gift to strengthen relationships between giver and receiver, Moreover, *waqf* is a special kind of charitable donation that has a socio-economic purpose. Muslims are strongly encouraged to perform charitable giving not only for religious purposes but also to build strong relationships between people and communities.

2.2.2 Discussion of Concept of Cash Waqf

Waqf has been one of the most widely accepted and practiced forms of donation in the Islamic world since the days of the Prophet Muhammad (Cizakca, 1998; McCleary, 2007). It is also a non-market institution used to create various charitable projects for the purpose of improving public services, such as building mosques and Islamic schools (*madrasah*) and improving people's welfare, especially for disadvantaged and vulnerable groups (Cizakca, 1998; Masahina & Kijas, 2012). Moreover, *waqf* plays a fundraising role for public properties in Islamic literature. However, waqf property is not limited to religious affairs but to things that are generally useful to society (Mahamood, 2011).

In most cases, *waqf* is understood to be a donation of durable assets such as land, wells, buildings, and orchards. In common understanding, waqf assets are referred to as immovable assets (Kuran, 2001). In fact, the recent *fatwa* issued by the International Council of Fiqh Academy (ICFA) clearly revealed that cash is permissible to be the subject matter in *waqf* as long as it keeps the principal intact and reaps benefits from it. Cash *waqf* is also allowed by the majority of Muslim scholars (as shown in Table 2.1). The concept of cash *waqf* is debatable, even though it was practiced during the Ottoman era during the 15th and 16th centuries (Mandaville, 1979).

Table 2.1 Difference in Islamic Jurisprudence Views on Concept of Cash *Waqf*

School of Thought	Views on Cash *Waqf*
Hanafi	There are two views: - Majority scholars allowed cash waqf due to the socio-economic and religious benefits. - Minority scholars banned cash waqf due to the absence of perpetuity in waqf assets.
Maliki	Moveable or immoveable property in perpetuity or on a temporary basis
Hanbali	Waqf of dirham is permissible; Mudarabah contracts either the profit paid to charity
Shafii	Waqf can be movable or immoveable property.

Source: (Islahi, 2006; Masahina & Kijas, 2012)

Referring to the views of four major schools in Islamic jurisprudence (*Hanafi, Maliki, Hanbali,* and *Shafii*), the majority of them agree on the permissibility of cash waqf. Both movable and immoveable properties are allowed to be used as waqf properties. Albeit Abu Hanifah had restricted his opinion on the element of perpetuity in waqf assets, the senior scholars in Hanafi school allow it for the benefit of society. In the case of cash waqf, the *Habalis* affirmed that ownership was transferred to beneficiaries. Additionally, the view of Shafi's School stated that any type of commodity is not restricted from being donated for the benefit of society. The *Shafiis* confirmed the perpetuity and continuity of endowments' assets (Brown, 2013). The *Malikis* had a slightly different opinion that ownership rested with the endower and was inherited by the heirs. Waqf could be subject to change. Hence, all four schools of thought have consensus on the permissibility of using cash as one of the waqf assets

(Brown, 2013; Islahi, 2006; Masahina & Kijas, 2012). As a result, the cash and shares waqf is commonly used in Malaysia and Singapore (Abdul-Karim, 2010). State Islamic Religious Councils in Malaysia used them as a fundraising tool to fund the building of waqf properties.

However, it was criticised that money as a waqf asset was lent similarly to the basis of riba through mechanisms providing an interest-like payment. The pro-cash waqf argued that the return paid to the waqf by the borrower was not interest but a share of profit (Brown, 2013). Previously, donating pieces of land or building a mosque by a donor may have been difficult for middle- and lower-class people. Then, the cash waqf method enables them to participate in waqf activities no matter how much they contribute. Hence, cash waqf could be as perpetual and resilient as those involving real estate or lands.

Recently, cash waqf has become a new topic that has attracted many researchers to study it in various aspects, namely jurisprudence (Abdullah Nadwi & Kroessin, 2013), education (Aziz et al., 2013), economic development (Ibrahim et al., 2013), financing the needs (Ismail Abdel Mohsin, 2013), waqf management (Khamis & Salleh, 2018), waqf giving behaviour (Osman et al., 2021), and its implication in Malaysia (Rahman & Awang, 2018) and Indonesia (Rusydiana, 2018). These issues are discussed in the following paragraph.

Many researchers tried to develop the new models as platforms for fundraising for various purposes. Mohd Thas Thaker et al. (2016) offered an alternative source of financing called the integrated cash waqf micro enterprise investment (ICWME-I) model for micro enterprises in Malaysia. He adapted the concepts of cash waqf and participatory contract to ensure that they were shari'ah-compliant and suitable to the needs of the microenterprises. A similar endeavor is evident in the research conducted by Mohamad Suhaimi et al. (2014), which was done by Majlis Agama Islam Negeri Pulau Pinang (MAINPP) in proposing sharing waqf to develop Muslim communities. Moreover, the study of Siswantoro and Dewi (2007) pointed out two reasons for the waqf fund's ineffectiveness in Indonesia: the unrecognition of waqf as a potential tool of public finance at the government level and the rigid mindset on the use of waqf assets at the citizen level. They suggested that the mutual fund could be an effective waqf vehicle that needed to be developed for society, along with Muslim mindsets that needed to be educated. In addition, Zaini and Mu'izzuddin (2019) proposed a new model to boost the role of waqf by incorporating waqf models in different Muslim countries with the use of technology. The proposed model, which conformed to Shari'ah, effective management, and a new generation, might attract more funds from the donors.

2.3 Waqf Practices in Thailand

Even though Thailand is not a majority Muslim country, Muslims can freely practice the Islamic way of life and coexist harmoniously with people of other religions. In the five southernmost provinces, however, there is a significant Muslim majority, constituting a substantial portion of the local population. For instance, the Muslim population is distributed across specific provinces as follows: Satun (246,872), Songkhla (441,536), Pattani (619,341), Yala (394,241), and Narathiwat (714,603) (National Statistical Office of, 2017). In addition to the religious freedom enjoyed by Muslims, the Thai government has permitted the application of Islamic family and inheritance law and the appointment of Islamic judges in these southernmost provinces. However, these waqf properties have not been registered under Thai administrative law (Duereh & Noipom, 2016). Consequently, Muslim communities have not fully utilised the waqf properties, and in some cases, there are conflicting problems. Even though they are aware of waqf principles, in the absence of a central waqf organisation, the qualities of monitoring, planning, and donor engagement are relatively low (Noipom et al., 2018).

2.3.1 Type and Function of Waqf Properties in Thailand

Waqf assets are usually divided into two categories namely public *waqf* (*waqf al-khayri*) and family *waqf* (*waqf al-ahli*). They both have different specification in terms of ownership and utilisation. According to Brown (2013), both types of *waqf* properties have been found in Thailand. The former is public *waqf* where land and property are held for the family can also have public and private charitable aims after death of their descendants. The well-known of this *waqf* type is the *waqf* land of Haji Sulong family. However, the waqf property found in Thailand are hardly different between the two. All in all, the goal of the family *waqf* is to prevent family tensions and avoid the inherited property from spreading out into small pieces and less profitable assets.

As discussed earlier, the types of waqf properties in Thailand are hardly different. Therefore, this study will focus on the functions of the waqf property instead. Consistent with Ali and Hassan (2019) and Brown (2013), the researcher are able to classify the waqf practises that are commonly found in these provinces into three categories: waqf for religious purposes, waqf for religious education, and waqf for public goods and services.

2.3.1(a) Waqf for Religious Purpose

The most *waqf* donation type in this region is similar to other places in the world, that is building mosque. Mosque or masjid is the common asset that Muslims are willing to be a part of donation campaign whether construction, maintenance and purchasing land to expand mosque area. Moreover, Muslim cemetery preservation is another activity that was asked for *waqf* donation from people in these provinces (Dorloh, 2012; Hassan & Ashraf, 2010). These types of *waqf* properties are related to religious places. They usually expect Allah's rewards and the use of religious places in their communities from their contribution.

According to the official statistics, the number of registered mosques in the five southernmost provinces more than 2,500 mosques as shown in Table 2.2. Pattani is the province with the highest number of mosques, follow by Narathiwat, Yala, Songkhla and Satun. These mosques are the *waqf* properties that were stablished by the *waqf* donation.

Table 2.2 The Number of Mosque in the Southernmost Provinces of Thailand

Province	**Number of Mosque**
Satun	236
Songkhla	404
Pattani	714
Yala	516
Narathiwat	672
Total	**2,542**

Source: (Department of Islamic Organizations & Hajj, 2019)

Previously, waqf assets were not recognised by Thai law (Ali & Hassan, 2019; Dorloh, 2012); however, the legalisation process had been applied after the presence of waqf land conflict in Chana city, Thailand (Duereh & Noipom, 2016; Noipom et al., 2018; Sitisan & Salleh, 2009). Consequently, most of these mosques have been registered as waqf properties. The remaining are gradually clearing the problem and registering more. The waqf fundraising campaigns to maintain and expand these mosques are frequently found throughout the year.

2.3.1(b) Waqf for Educational Facilities

Pattani province was previously called "the balcony of Makkah" due to the great contribution of Pattani's Islamic scholars in the history of the Islamic world (Somchai, 2015). Hence, Muslims in Pattani and the surrounding provinces are intensively engaged in religious education. This attention to religious education has made the number of traditional religious schools (*Pondok*) in the area higher than in other regions (Ali & Hassan, 2019).

Table 2.3 The Number of Religious School in the Southernmost Provinces of Thailand

Province	**Traditional Religious School (Pondok)**	**Islamic Integrated Private School**	**Islamic kindergarten (Tadika)**
Satun	9	16	209
Songkhla	42	5	N/A
Pattani	248	64	639
Yala	124	41	444
Narathiwat	66	20	642
Total	489	146	1,934

Source: (Office of the Private Education Pattani, 2019)

According to Table 2.3, the number of traditional religious schools, Islamic integrated private schools, and Islamic kindergartens in these provinces is 489, 146, and 1,934, respectively (Office of the Private Education Pattani, 2019). Most of the Islamic integrated schools were former traditional religious schools that transformed and registered with the office of private education to get financial support from the government. However, their land, school, and facilities are still built and financed by the waqf fund. Several religious schools have used the waqf fundraising campaign to get support from either big donor from Arab countries or seed money from local donors. Some religious schools borrowed money from the banks and raised waqf to cover the debt.

Waqf university can also be found in this area. Fatoni University (former Yala Islamic University) in Pattani province claimed to be the only university in Thailand based on waqf contributions. The university's lands were donated by local Muslim scholars and citizens, while the university's buildings were contributed by several foreign governments, such as Saudi Arabia, Qatar, Kuwait, and Malaysia. Recently, the

Thai government provided the great building for the 20th anniversary of the university (Fatoni, 2019). However, the university still faces problems with annual maintenance costs and operational expenditures.

2.3.1(c) Waqf for Public Goods and Services

In addition to the above waqf formats, the contribution to public facilities was not widespread. However, there is a tendency to initiate these initiatives, and many Muslims in the area are interested in participating in this kind of donation. For example, fundraising campaigns for medical and public health equipment, hospital building projects, and the land waqf for the university city project in Pattani (Pusu, 2013).

There are various forms of fund-raising for this type of waqf, such as the waqf festival to raise money from small donors, donations from foreign donors, selling souvenirs to cover the construction cost of waqf properties, public relations and donations via social media, etc. However, the donations collected from the previous campaigns were not yet enough to cover their expected costs. Perhaps Muslims in the area are still clinging to the notion that waqf property must only relate to religious buildings like mosques.

2.3.2 Cash Waqf in Thailand

Cash was categorised as a permissible waqf asset according to those four schools of Islamic jurisprudence (Brown, 2013; Islahi, 2006; Masahina & Kijas, 2012). Even land is a common asset used to donate as waqf property. However, some jurists permitted mobile assets to be employed in waqf donations. Since ownership and rights cannot be exercised over the property itself but over the usufruct or income generated from it (Brown, 2013), Thus, cash waqf had been practised in the 15th to 16th centuries during the Ottoman era (Cizakca, 1998).