



Developing Youth Competencies through Waqf Mechanisms: A Comprehensive Literature Review for Enhancing the Islamic Economy

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ABSTRACT

This investigation seeks to systematically analyze the function and potential of waqf mechanisms in the development of youth competencies to fortify the Islamic economy. Employing the Systematic Literature Review (SLR) methodology, the research scrutinized 32 scholarly articles published from 2013 to 2024, sourced from prominent databases including Scopus, ScienceDirect, and Google Scholar. The findings indicate that waqf plays a pivotal role in financing skills training initiatives, fostering youth entrepreneurship, and enhancing access to vocational education through both traditional and digital means. Concepts such as waqf-based incubators, digital waqf, and waqf crowdfunding emerge as pertinent innovations to tackle the challenges faced by Muslim youth in a competitive global economic landscape. Nonetheless, several challenges were also recognized, including inadequate waqf literacy among youth, constraints posed by existing regulations, and a lack of synergy between waqf institutions and educational or training entities. The study advocates for the establishment of affirmative regulatory frameworks, the enhancement of institutional capacity within waqf entities, and the implementation of inclusive waqf literacy campaigns as strategies to cultivate a sustainable and equitable Islamic economic ecosystem. This research contributes significantly to the corpus of Islamic economic literature and paves the way for empirically-driven advanced inquiries.

Keywords: *waqf mechanism, youth competencies, Islamic economy, systematic literature review*

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INTRODUCTION

The advancement of sustainable Islamic economic development necessitates a strategic framework aimed at empowering the younger demographic through methodologies aligned with Sharia principles. A particularly promising instrument in this context is the productive waqf. The waqf not only functions as a form of continuous charity (jariyah) but also possesses the capacity to serve as an alternative financing source for educational initiatives and vocational training programs tailored for youth. As evidenced by research conducted by Hutagalung et al. (2023), productive waqfs have successfully augmented individual incomes by 40—60% through the facilitation of employment opportunities and the establishment of waqf-based enterprises.

A case study conducted in Yobe, Nigeria, by Idriss et al. (2024) demonstrated that waqf-based youth empowerment initiatives can effectively mitigate issues related to unemployment and insecurity. The waqf mechanism is employed to deliver skills training and generate employment prospects, thereby contributing to both peace and sustainable development.

In the Indonesian context, the potential of cash waqf to bolster educational endeavors is substantial; however, its realization remains significantly below expectations. Ash-Shiddiqy et al. (2024) observed that, notwithstanding the potential cash waqf estimated at IDR 120 trillion annually, the actual fundraising outcomes remain disappointingly low, with management challenges and insufficient public awareness identified as principal impediments.

The deployment of waqf for economic advancement also encounters obstacles pertaining to governance and transparency. A report by Awqaf Africa (2024) indicated that deficiencies in governance frameworks and a lack of accountability could undermine the efficacy of waqf-based economic initiatives.

Within a global framework, the contemporary waqf movement posits that the amalgamation of modern financial methodologies and governance paradigms can augment the role of waqf in fostering social and economic development. Initiatives such as Waqf Selangor Muamalat in Malaysia and the International Waqf Fund established by the Islamic Development Bank exemplify successful efforts to support the education and health sectors through waqf (Global Waqf Movement, 2024).

Moreover, waqf plays a pivotal role in fostering the development of human capital. Research conducted by Faisal et al. (2024) indicates that waqf has significantly contributed to the enhancement of economic dimensions, knowledge acquisition, and human resource development, all of which are critical for societal well-being.

Nonetheless, to fully harness the potential of waqf in youth empowerment, a systematic and integrated approach is imperative. This approach should encompass the enhancement of waqf managers' (nazhir) capacities, the incorporation of technology to ensure transparency, and the fostering of cross-sector collaborations. As proposed by Hutagalung et al. (2023), technological innovations, including the implementation of digital platforms and blockchain, could significantly bolster transparency and accountability in waqf management.

Consequently, this study seeks to undertake a systematic literature review concerning the mechanisms of waqf in youth skill development, with an emphasis on reinforcing Islamic economics. By elucidating best practices and identifying existing challenges, it is anticipated that effective strategies can be devised to leverage waqf as a tool for youth empowerment and sustainable economic development.

PRIOR RESEARCH

Idriss et al. (2024). This investigation delves into a multitude of factors contributing to insecurity and unemployment among the youth in Yobe State while ascertaining the efficacy of waqf-based employment initiatives in fostering peace within the region. Security challenges in the area remain persistent; however, to foster tranquility and empower the burgeoning youth demographic across diverse domains, several strategic measures have been instituted to promote sustainable development within the state. The practice of waqf endowment is regarded as a virtuous act prescribed by Islamic teachings. Waqf has been established to furnish socio-economic and community-oriented services within the Muslim community. The institution of waqf serves a variety of roles and confers numerous benefits upon the community. The practice of waqf has been perpetuated from the era of Prophet Muhammad (p.b.u.h) to the present day. This study employs a qualitative methodology to investigate the role of waqf in fulfilling the designated objectives and proposes methodologies for the effective utilization of waqf funds to empower the youth. The study's findings indicate that waqf possesses the capacity to mitigate issues of unemployment, insecurity, and other societal ills among the youth in Yobe. The paper concludes that empowerment of the youth in domains such as education, health, entrepreneurship, and vocational skills engenders positive and lasting peace in Yobe State. This research contributes to elucidating the potential of waqf institutions as enduring charitable entities that cater to fundamental societal needs, thereby enabling the youth to achieve a peaceful and prosperous society in Yobe.

Huatagalung et al. (2023). This scholarly investigation centers on enhancing the management of productive waqf as a viable solution for economic and social empowerment in Indonesia. Given the estimated potential of waqf reaching Rp2,000 trillion annually, yet with realization remaining suboptimal, this study emphasizes the necessity of transitioning waqf from a consumptive to a productive model to bolster the welfare of the populace. The methodology employed encompasses a literature review utilizing a qualitative approach, which scrutinizes various sources pertinent to the implementation of productive waqf. Data were amassed from relevant journals, books, and research reports spanning the years 2018 to 2023. The findings of this research demonstrate that the implementation of productive waqf has successfully augmented individual incomes by approximately 40-60% through the establishment of jobs and waqf-based enterprises. Technological advancements, including the integration of digital platforms and blockchain technology, are pivotal in enhancing transparency and accountability within waqf management. Furthermore, this study accentuates the significance of cross-sector collaboration and fortifying the capacity of nazhir to ensure program sustainability. The contribution of this research resides in the development of an integrative model that amalgamates technological, social, and economic dimensions, alongside the formulation of a comprehensive monitoring framework. The innovative aspect of this study lies in its holistic approach, which not only emphasizes economic factors but also prioritizes social empowerment and the enhancement of human resource quality within the productive waqf ecosystem. This research aspires to serve as a foundational reference in expediting the transformation of productive waqf for the welfare of the populace in Indonesia.

Bello (2022). The objective of this investigation is to expedite the advancement of contemporary micro-enterprises, particularly those led by women in developing nations, as waqf possesses the capacity

to ameliorate the financial disenfranchisement experienced by women in entrepreneurial endeavors. The primary aim of this research is to ascertain the degree to which financial inclusion may bolster women's economic empowerment in developing countries via the mechanism of waqf. This study employed a comprehensive literature review to glean insights into the constructs pertinent to the research variables. Findings: The analysis indicated that property waqf, cash waqf, and corporate waqf can significantly impact women's economic empowerment through the enhancement of physical, financial, and human capital. This paper examined the existing literature to formulate a research framework aimed at accelerating women's entrepreneurship, enriching Islamic wealth management, and promoting the financial inclusion of women within Muslim societies. From a theoretical standpoint, this study has contributed to the corpus of knowledge in Islamic finance, women's empowerment, and the development of entrepreneurship. This inquiry was exclusively concentrated on expanding the body of knowledge related to women's empowerment and entrepreneurial development within developing nations. Practically, the enhancement of access to the financial system will be realized by augmenting the opportunities available to female small business entrepreneurs, culminating in an increase in asset ownership, wealth generation, and functioning as a catalyst for broader economic empowerment. The enhancement of women's entrepreneurship can be achieved through a robust understanding of waqf instruments, deliberate planning, and the implementation of strategies by pertinent stakeholders.

Manshor & Abdullah (2020). The objective of this manuscript is to enrich the current repository of literature in this domain by elucidating how waqf can serve as a viable instrument for contributing to the Muslim economy in Malaysia. Furthermore, it is acknowledged that social entrepreneurship represents a significant mechanism for addressing the challenges of poverty and unemployment. Consequently, the synergistic integration of waqf and social entrepreneurship can play a pivotal role in fostering community and national development. This article employs qualitative methodologies by leveraging secondary data sources from online databases and library research conducted through document analysis. The findings substantiate that waqf and social entrepreneurship possess substantial potential as instruments for socio-economic advancement among Muslims. Specifically, they are also capable of addressing the issues of poverty and unemployment prevalent in Malaysia.

Syamsir (2015). West Sumatra possesses a highly promising waqf asset; nevertheless, it has predominantly been managed through traditional methodologies. Only a limited number of counties have successfully implemented productive waqf management practices. This research investigates the functions of productive waqf management in facilitating the empowerment of the ummah economy in West Sumatra, encompassing both the supportive and obstructive factors associated with the implementation of productive waqf management within this province. This investigation constitutes a qualitative descriptive study that articulates and analyzes the data in a comprehensive manner. The data for this research are acquired through interviews and written documents. The objective of this study is to scrutinize the function of productive waqf in strengthening the ummah's economy in West Sumatra, as well as to delineate the supporting and inhibiting factors involved in the advancement of productive waqf in the region. The business facilities provided by waqf management institutions afford communities enhanced opportunities for employment or business expansion, thereby augmenting their profits and elevating their living standards. Overall, the management of waqf in West Sumatra has been effectively executed and received support from a majority

of community members. The primary challenge faced is the limited availability of cash waqf, which complicates the expansion of waqf assets. Consequently, to enhance the effectiveness of ummah economic empowerment based on productive waqf, it is recommended that waqf management institutions initiate a money waqf movement.

Faisal et al. (2024). Waqf assumes a crucial role in the societal dynamics of the populace and the Muslim community (Suryana, Ikram & Agustina, 2020), particularly in the endeavors to alleviate poverty as a result of job scarcity. The historical successes of waqf within Islam substantiate the capacity of the faith to furnish solutions for social security and welfare to its adherents. In Islamic history, waqf has served not merely as a cornerstone for societal or individual welfare, but has also emerged as a foundational element of the national economy in the realms of infrastructure development, economic growth, and sustainability. This study conducts an analysis of the role and impact of waqf on societal welfare throughout global history, with a specific focus on Indonesia. The role and impact of waqf are evidenced in the advancement of three pivotal aspects of human existence: economy, knowledge, and human resources. Employing a triangulation method enhances the credibility and validity of the findings by cross-verifying data from various sources or methodologies. The researchers ascertain that the role and impact of waqf consistently evolve from one era to another. The presence of waqf in Indonesia can be traced back to the Sultanate era, with mosques, pesantren, and universities being the most significant institutions in the development of waqf as a mechanism to promote societal welfare in the contemporary era. Based on the findings, the implications of this research for waqf in elucidating its role and impact more precisely can serve as a consideration for positioning waqf as a vital instrument for enhancing both micro and macroeconomic aspects.

Muhammad & Aji (2024). The function of waqf is of paramount significance in contributing to the development and enhancement of the economy, particularly in fostering community welfare. From an Islamic viewpoint, productive waqf encompasses the management of waqf assets to generate outcomes that yield continual benefits for the community. Consequently, several inquiries emerge pertinent to this discourse; firstly, what are the legal and theological underpinnings of productive waqf? Secondly, what are the advantages and practical applications of productive waqf for the community? Thirdly, what challenges and potential solutions exist in the implementation of productive waqf within the community? The methodology employed in this research is predominantly literature-based, utilizing data sourced from relevant reference texts and academic journals. The conclusions drawn in this article are a synthesis of discussions pertinent to the article's title.

Yumna et al. (2024). This investigation examines the effects of Cash Waqf Linked Sukuk (CWLS) empowerment initiatives on the welfare of beneficiaries, financial inclusion, social engagement, and spiritual well-being. Utilizing questionnaires administered to both beneficiaries and non-beneficiaries of the empowerment programs located in Central Lampung, South Tangerang, Trenggalek East Java, and Bima Nusa Tenggara Indonesia, the study formulates three impact indicators: the welfare index, financial inclusion index, and social and spiritual index. The data undergo analysis via the difference-in-difference (DiD) methodology, wherein the three impact indices are compared between the two respondent groups across the years 2021 and 2022. The findings indicate that the CWLS empowerment initiatives enhance the welfare and financial inclusion of beneficiaries, yet exhibit no significant impact on social and spiritual

engagement. Nevertheless, the DID analysis suggests that the aggregate impacts on welfare, financial inclusion, and social and spiritual engagement do not present statistically significant differences between beneficiaries and non-beneficiaries in both 2021 and 2022. This study offers substantial implications for policymakers and nadzir in order to amplify the effects of CWLS on socioeconomic advancement and poverty alleviation.

Aisyah & Muiz (2022). The advent of waqf forum applications presents an issue that necessitates immediate resolution, as the administration of public funds demands adequate transparency and efficient accessibility in order to sustain public engagement. This research will examine the degree to which digital stakeholders administer waqf in alignment with the Waqf Core Principle (WCP). The existence of the WCP as a guiding framework for managerial practices should be prioritized by every administrator of such waqf platforms. The provision of information for each mentioned platform and website pertains to branding and the provenance of that information. Among the 29 core principles of WCP and the five selected platforms, Dompot Dhuafa and Rumah Zakat have received approval and standardization by the WCP. This does not imply that Global Zakat lacks the requisite qualifications to function as a waqf organization; rather, it signifies a deficiency in the information disseminated by Global Wakaf. As for Kitabisa and Ammana, standardization by BWI or WCP is unnecessary, as they operate as intermediary platforms rather than waqf platforms. The increasing prevalence of Cash Waqf is anticipated to enhance financial inclusion in Indonesia, aligning with one of the objectives of the government.

Rusydiana et al. (2020). This research endeavors to ascertain the underlying causes and predominant factors that obstruct the advancement of cash waqf in Indonesia, employing the IFE-EFE Matrix and SWOT methodologies, while proposing solutions to address these challenges. The findings from the IFE analysis indicate that the foremost strength is the capacity of cash waqf to broaden the base of waqf funding sources, succeeded by the facilitation and negligible cost associated with fund acquisition. Conversely, the principal weaknesses identified include insufficient socialization within the community and a scarcity of professional nazhir human resources. The outcomes of the EFE analysis suggest that the most significant opportunity lies in the potential for unlimited cash waqf, followed by the proliferation of numerous sharia financial institutions and Islamic economics programs within academic institutions. Meanwhile, the most pressing threat is characterized by a lack of political will among authorities, complemented by the predominance of traditional nazhir. It is anticipated that a collaborative commitment will emerge from diverse stakeholders, encompassing policymakers, academics, and practitioners, to foster and promote the development of the Islamic (social) finance sector, particularly in the expansion of cash waqf in Indonesia.

Hutagalung et al. (2023). This investigation centers on the optimization of productive waqf management as a viable intervention for economic and social empowerment within the Indonesian context. Despite the substantial potential for waqf, estimated at Rp2,000 trillion annually, the actualization remains significantly low; thus, this research accentuates the necessity of transitioning waqf from a consumptive framework to a productive model to enhance the welfare of the populace. The methodological approach employed consists of a literature review utilizing a qualitative framework, which meticulously examines diverse sources pertaining to the execution of productive waqf. Data was meticulously amassed from pertinent journals, scholarly works, and research reports spanning the years 2018 to 2023. The findings of

this investigation reveal that the implementation of productive waqf has successfully elevated individuals' income by approximately 40-60% through the establishment of job opportunities and waqf-based entrepreneurial units. Technological advancements, particularly the integration of digital platforms and blockchain technology, assume a critical role in enhancing transparency and accountability within waqf management practices. Furthermore, this research emphasizes the significance of cross-sector collaboration and the reinforcement of nazhir capacities to ensure program sustainability. The contribution of this research resides in the formulation of an integrative model that amalgamates technological, social, and economic dimensions, in conjunction with the development of a comprehensive monitoring framework. The novelty of this study is encapsulated in its holistic approach, which prioritizes not only economic considerations but also social empowerment and the enhancement of human resource quality within the productive waqf ecosystem. This research aspires to serve as a reference point in expediting the transition toward productive waqf for the betterment of the populace in Indonesia.

Mansyur & Isman (2024). This study seeks to critically analyze the imperative for the advancement of Islamic social enterprises and to conceptualize their development through the integration of financial technology and Islamic philanthropic practices. Employing a qualitative methodology characterized by inductive reasoning, this study elucidates the pressing need for Islamic social enterprises as an innovative business paradigm aimed at generating sustainable value for society in addressing social challenges. The benefits associated with crowdfunding for Islamic social entrepreneurship include the provision of capital access to various small enterprises, engagement with a wide array of local and international investors, the promotion of innovation, and facilitation of business growth. This research proposes a waqf model tailored for Islamic social entrepreneurship, which serves as a platform that harmonizes the interests of funders, financial resources, and managerial entities. This conceptual framework aligns with the Islamic values that underpin the essence of Islamic social entrepreneurship. The proposed waqf crowdfunding model for the enhancement of Islamic social entrepreneurship offers flexibility and funding opportunities to maximize the potential of business initiatives. Ultimately, the waqf crowdfunding model has the potential to significantly contribute to the development of social entrepreneurship within Muslim-majority nations.

Munawar & Mufraini (2021). The objective of this research was to investigate the impact of effective management of productive waqf on the enhancement of public welfare, with economic empowerment serving as a mediating variable. The methodology adopted for this study was quantitative, utilizing a closed-ended questionnaire for data collection. The sample was selected through a purposive sampling technique, which involved the establishment of specific criteria and objectives. Data analysis was conducted employing Partial Least Squares (PLS) methodology via the PLS 3 Smart application. The findings of this research indicated that effective management of productive waqf positively and significantly influenced public welfare, with economic empowerment acting as a mediating factor. An enhancement in the management of productive waqf by waqf institutions correlates with an indirect improvement in public welfare through effective economic empowerment. The efficacy of productive waqf management may serve as a standard for waqf institutions in their management practices. Historical evidence has demonstrated that well-administered waqf has contributed to the betterment of public welfare through consistent economic empowerment initiatives. However, this advancement is contingent not only upon the cultivation of worship and Islamic ethics but is also supported by the provision of skills training,

business improvement mentoring, operational monitoring, and the facilitation of capital for business and marketing endeavors.

Syamsuri et al. (2024). This manuscript presents a critique of the commercially-oriented waqf management in Indonesia and proposes recommendations aimed at enhancing waqf management practices to align more closely with Islamic principles while yielding broader societal benefits. The critique of commercial waqf management highlights issues such as the management of waqf funds, transparency deficiencies, and non-compliance with Shariah principles. This paper emphasizes the necessity of transforming the waqf management paradigm to incorporate Islamic Social Finance (ISF) and Islamic Commercial Finance (ICF) to fulfill Islamic economic objectives that encompass social benefits and overall welfare. The research employs normative methodologies and conceptual frameworks. The anticipated outcome of this integration is the establishment of a more inclusive and resilient financial system capable of addressing the socio-economic challenges faced by Indonesia. Furthermore, this paper elaborates on the fundamental principles underlying waqf management and underscores the significant role of waqf in the advancement of Islamic society. The implementation of productive, commercial-based waqf is expected to enhance the overall welfare of Muslims and contribute positively to sustainable development in Indonesia.

Suryanto et al. (2020) conducted a study aimed at elucidating the execution of economic empowerment through productive waqf, specifically manifested as a minimarket in Purbaratu, Tasikmalaya City. This research, grounded in empirical methodologies, endeavors to expand upon the conceptual framework surrounding the economic empowerment initiatives associated with productive waqf, as executed by the Baznas of Tasikmalaya City, thereby yielding a comprehensive conceptual analysis of such empowerment endeavors. The findings indicate that the Madina minimarket serves as a tangible embodiment of productive waqf empowerment facilitated through commercial enterprises, adhering to the principle of serving the community (social enterprise). The Madina Minimarket is established on waqf land generously bestowed by waqif to Baznas Tasikmalaya City, which is allocated as fixed capital for the minimarket, while operational capital is sourced from investors. Monthly profits generated by the Madina minimarket are allocated for compensating employees and are subsequently distributed to all mosques within the Purbaratu District, manifested as shopping vouchers intended for mosque-related expenditures.

Research Gap

1. The insufficient emphasis on Waqf as a Mechanism for Youth Skills Development; a considerable portion of the existing waqf literature has predominantly concentrated on elements of conventional philanthropy, the construction of religious infrastructure, and overarching educational themes. Scant research has specifically underscored the potential of waqf to be optimized for the purposes of skills development and the economic empowerment of youth.
2. The deficiency of Integration between Productive Waqf and Vocational Programmes; the extant literature has not thoroughly examined how productive waqf can be effectively integrated with vocational education or skills training that aligns with the demands of the contemporary labor market, particularly within the realms of the digital economy and creative industries.
3. The scarcity of Studies on Digital Waqf and Crowdfunding for Skill Development; investigations concerning digital waqf have predominantly illuminated its technological dimensions (such as

blockchain or smart contracts) rather than its utility in financing youth skills training initiatives. This observation indicates a notable lacuna in the literature that connects waqf technology with the enhancement of human resources among Muslim youth.

4. The disparity in Regional Literature and the Absence of Comparative Studies among Muslim Countries; a majority of the prevailing studies are localized or case-specific, and there has been a paucity of cross-national comparisons to derive best practices regarding the utilization of waqf in the systemic fortification of the youth economy.

Research Novelty

1. A Systematic Examination of the Role of Waqf in the Development of Youth Skills; This research represents one of the pioneering investigations to rigorously analyze the existing literature pertaining to the engagement of waqf in the training of youth skills, which has previously remained fragmented and not consolidated as a focal point of comprehensive study.
2. Incorporating Perspectives from Islamic Economics, Vocational Education, and Technological Innovation in Waqf; The research contributes to theoretical discourse by establishing connections among three critical domains: mechanisms of waqf, the cultivation of youth skills, and the enhancement of a digital-based Islamic economic framework.
3. Proposed Model of Waqf Ecosystem for Youth Empowerment; Through a thorough synthesis of existing literature, this research presents an initial conceptual framework illustrating how waqf-based incubators, crowdfunding waqfs, and digital waqfs may be utilized within the broader ecosystem for the economic development of Muslim youth.
4. Integrated Policy Recommendations for Harmonizing Waqf and Skills Education; This study offers pragmatic recommendations and strategic policies that advocate for a more innovative and quantifiable application of waqf to effectively address the challenges of youth unemployment and skills deficiencies within the Muslim community.

RESEARCH METHODOLOGY

Research Approach

This investigation employs a Systematic Literature Review (SLR) methodology which seeks to identify, assess, and synthesize pertinent literature concerning youth skill enhancement through waqf mechanisms in fortifying the Islamic economy. This methodology is implemented in a systematic, transparent manner and is designed to be replicable, thereby safeguarding the quality and integrity of the outcomes.

Systematic Measures

The research adheres to the SLR protocols outlined by the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA), encompassing the following phases:

Identification of Research Questions

The research is concentrated on the subsequent inquiries:

In what manner is the waqf mechanism utilized in the cultivation of youth skills, and what is its role in bolstering the Islamic economy?.

Inclusion and Exclusion Criteria

Inclusions: Scholarly articles published in the English or Indonesian languages. Publications released within the temporal framework of 2010 to 2024. Research articles pertaining to waqf, skill enhancement, youth engagement, and Islamic economics. Contributions found in scientific journals, proceedings from academic conferences, and esteemed scholarly reports. Exclusions: Articles that lack thematic relevance. Publications that have not undergone the peer-review process. Instances of publication redundancy.

Data Sources and Databases

The literature was acquired from the subsequent academic repositories: Scopus, Web of Science, Google Scholar, Directory of Open Access Journals (DOAJ), Science Direct, Garuda (pertaining to Indonesian sources)

Search Strategy

Searches were conducted utilizing the following combinations of keywords: (“waqf” OR “Islamic endowment”) AND (“youth empowerment” OR “youth skill development”) AND (“Islamic economy” OR “Islamic economic development”).

Selection and Filtering

The process of selection is executed through three distinct phases: Initial screening based on titles and abstracts. Assessment of the viability of the complete text. Data encoding and synthesis employing reference management software, such as Zotero or Mendeley.

Data Analysis and Synthesis

The data are subjected to thematic and descriptive qualitative analysis. The categories of analysis encompass: The objectives and parameters of the waqf within the framework of youth skills enhancement. The various models and forms of waqf implemented (including productive waqf, educational waqf, etc.). The resultant effects on skills augmentation, socio-economic inclusion, and contributions to the Islamic economy. The visualization of bibliometric trends is accomplished utilizing PRISMA flow diagram to delineate publication trends and author collaborations.

RESULTS OF RESEARCH AND DISCUSSION

Characteristics of the Reviewed Literature

Through a meticulous selection methodology, a total of 32 scholarly articles were proficiently identified and examined from a diverse array of databases, including Scopus, Web of Science, and Google Scholar. The literature under investigation spans the years 2010 to 2024, demonstrating a notable surge in publications subsequent to the year 2018. A predominant proportion of the articles employ qualitative methodologies (65%), succeeded by quantitative approaches (25%) and mixed methods (10%). Through thematic analysis, the reviewed articles can be systematically classified into four principal themes:

The Productive Waqf Model for Education and Training Waqf as an Instrument for Youth Empowerment Integration of Waqf and Social Entrepreneurship Waqf Contribution to Islamic Economy and Human Resource Development.

Key Themes Found

Waqf as a Mechanism for the Development of Youth Skills

Numerous scholarly investigations suggest that waqf is not solely utilized for tangible constructions such as educational institutions or places of worship, but is also employed for the facilitation of both technical and non-technical skills training for the youth. For instance, educational frameworks centered around boarding schools and vocational training establishments, as well as institutions specializing in technical skills like automotive technology, information technology, and entrepreneurship, exemplify this application.

Role of Waqf Institutions in the Socio-Economic Empowerment of Youth

A variety of waqf institutions across Indonesia and the Middle East have implemented business incubation initiatives for young individuals, employing financing models derived from waqf funds. This framework provides opportunities for training, access to working capital, and entrepreneurial mentorship in accordance with Sharia principles, thereby eschewing usurious practices.

Integration of Waqf and Technology in Enhancing Access to Training

Certain academic literature highlights the utilization of digital waqf platforms to facilitate the funding of online training programs. This innovation significantly enhances accessibility for youth residing in remote regions while simultaneously diminishing the operational costs associated with such programs. Furthermore, pilot initiatives involving waqf tokenization have commenced in the context of blockchain-integrated training endeavors.

The Connection Between Waqf, Skill Development, and the Islamic Economy

A substantial proportion of the existing literature asserts that investments in education and training through waqf yield enduring benefits for the fortification of the Islamic economy, as they play a vital role in enhancing the caliber of human resources, promoting socio-economic inclusion, and augmenting the productivity of Muslim youth.

Discussion

Waqf as a Strategic Instrument for Human Resource Development

The empirical evidence indicates that waqf possesses significant potential in financing the enhancement of youth skills as an integral component of a sustainable development framework. The waqf system can be effectively leveraged to underwrite community-oriented capacity-building initiatives that exceed the fiscal capabilities of governmental allocations or zakat.

Implementation Challenges

Nonetheless, several recurring challenges have been identified: The youth's insufficient awareness regarding the possibilities of non-physical waqf. Suboptimal integration between waqf management entities and educational training institutions. A dearth of innovative approaches in the administration and allocation of waqf resources.

Direction of Strengthening Islamic Economy Through Waqf

When administered with professionalism and accountability, waqf has the potential to serve as a pivotal component in fortifying the Islamic economy, particularly through the development of high-quality

human resources. Highly skilled youth are positioned to generate new employment opportunities, enhance economic productivity, and act as catalysts for social transformation.

Need for Synergy between Waqf and Vocational Education

A significant strategic opportunity identified in the literature is the amalgamation of waqf with vocational education systems, encompassing both formal and informal modalities. Waqf can function as an alternative financing mechanism for the establishment of training facilities, laboratories, and industrial apprenticeship initiatives. In this regard, boarding schools or madrasah-based educational establishments may collaborate with productive waqf entities to cultivate an ecosystem conducive to sharia-compliant training.

The Role of Waqf in Supporting Youth Entrepreneurship

Numerous studies indicate that Muslim youth who have undergone skills training frequently encounter obstacles in accessing working capital. A productive waqf can function as an initial funding source or operational capital for youth-led startups, particularly within the informal sector and halal micro, small, and medium enterprises (MSMEs). This methodology not only bolsters the youth economy but also ensures the sustainability of the waqf fund through a capital rotation system (revolving fund).

Waqf-Based Incubator: A New Model of Youth Economic Development

The advent of the waqf-based incubator concept, as reflected in various scholarly articles, signifies a progressive development in waqf innovation. This model integrates skills training, mentorship, and waqf-based financial support to aid youth in establishing sustainable, sharia-compliant enterprises. Case studies from Turkey and Indonesia illustrate that this approach is effective in mitigating youth unemployment rates and augmenting their economic engagement.

Digital Waqf and the Affordability of Technology-Based Training

The emergence of digital waqf has unveiled new avenues for amplifying the accessibility of youth skills training via online platforms. Certain initiatives leverage waqf funds to underwrite online courses, digital skills certifications, and coding training for Muslim youth. This not only enhances the affordability and adaptability of training but also equips youth to meet the demands of the global digital economy.

Social Justice as a Basic Principle of Waqf for Youth

Waqf, as a socio-economic instrument within Islam, embodies a fundamental principle that promotes equity and a more just distribution of wealth. In relation to youth, waqf can serve as a bridge to mitigate disparities in access to skills education between economically disadvantaged and affluent groups. Through the principle of non-returnable assets, waqf does not impose debt burdens on youth, in stark contrast to loan-based financing methods.

Waqf Literacy Still Low Among Youth

One of the critical challenges discerned is the insufficient awareness of waqf among youth. A significant number of young individuals lack an understanding of the productive potential of waqf, let alone its applicability for training and self-improvement. Consequently, there is a pressing need for a contemporary waqf educational initiative and outreach campaign that engages young people through digital, creative, and contextually relevant approaches.

The Importance of Regulation and Policy Support

The literature further emphasizes the necessity for regulatory frameworks that enhance the utilization of waqf for educational and skills training purposes. In several nations, including Indonesia, waqf regulations predominantly emphasize religious considerations and have not adequately embraced the innovative use of waqf for the economic empowerment of youth. Proactive governmental policies can facilitate synergies among the Waqf Agency, the Ministry of Education, and the private sector.

Waqf and Sustainable Development (SDGs)

The application of waqf for the enhancement of youth skills is particularly pertinent to the Sustainable Development Goals (SDGs), notably the 4th goal (quality education) and the 8th goal (decent work and economic growth). When employed with a strategic framework, waqf can serve as a vehicle of Islamic social finance that advances a global initiative aimed at inclusive and sustainable development.

Expanding International Collaboration and Best Practices

Certain scholarly works also emphasize the significance of fostering international collaboration in the establishment of waqf programs aimed at youth skills development. Islamic nations may exchange exemplary practices, such as university endowment fund models from the United States, waqf business incubators situated in the Middle East, or digital waqf crowdfunding initiatives prevalent in Southeast Asia. This collaborative effort could expedite the enhancement of waqf as a more strategically viable economic instrument.

CONCLUSION

This scholarly investigation elucidates that waqf possesses strategic potential in facilitating youth skills development, thereby serving as a critical component in fortifying the Islamic economy. Through a comprehensive systematic review encompassing 32 scientific articles, it was ascertained that waqf can be utilized to finance vocational training initiatives, bolster youth business incubation efforts, and enhance access to digital skills education. Innovative frameworks such as waqf-based incubators and digital waqf are demonstrating their pertinence in addressing the challenges faced by youth within the contemporary economic landscape. The waqf not only fulfills a religious and social function but also contributes substantively to the inclusive and sustainable enhancement of the quality of human resources among Muslims. However, the optimal execution of waqf initiatives remains impeded by insufficient waqf literacy among the youth, the absence of supportive regulatory frameworks, and inadequate institutional capacity for the innovative management of productive waqf. Consequently, a concerted and integrated cross-sectoral approach is imperative to position waqf as a foundational element in youth empowerment and the advancement of Islamic economic development in the foreseeable future.

The investigation proffers several policy recommendations, including: first, the formulation of an Inclusive Regulatory Framework for Productive Waqf pertaining to Human Resources; it is essential for governmental bodies and Sharia finance authorities to create a regulatory structure that facilitates a more adaptable utilization of waqf funds to support skills training initiatives and youth entrepreneurship endeavors. Second, the fortification of Waqf Institutions as Strategic Collaborators in the Domains of Education and Industry; waqf institutions should engage in collaborative partnerships with vocational training entities, educational institutions, and local industries to develop skills programs aligned with labor

market demands. Third, the promotion of the Digital Waqf Initiative and Crowdfunding Avenues for the Younger Demographic; this entails fostering the establishment of digital waqf platforms that engage youth as both beneficiaries and young donors (millennial wakif), thereby enhancing the participation of younger generations in the Sharia economic framework. Fourth, the implementation of a National Campaign on Waqf Literacy and Skills; it is crucial to conduct outreach and educational initiatives, particularly within schools, universities, and youth community groups, to elucidate the potential of productive waqf as a financing mechanism for training and personal development. Fifth, the Integration of Waqf into the National Sustainable Development Goals (SDGs) Program; this involves positioning waqf as a contributory instrument towards achieving the SDGs, specifically in relation to quality education (SDG 4), the provision of decent work and economic growth (SDG 8), and the reduction of inequality (SDG 10).

Moreover, the study offers additional research recommendations, including: first, the execution of Empirical Studies and Field Experiments; there is a necessity for both quantitative and qualitative field research to assess the efficacy of youth training programs financed through waqf, particularly in terms of their impacts on income, skill acquisition, and economic participation. Second, the exploration of Waqf Technology Models and Digitization for Skills Development; future research endeavors should focus on developing and assessing blockchain-based waqf frameworks, smart contracts, and waqf tokenization to finance youth digital skills training initiatives. Third, conducting Interstate Comparative Analyses; comparative investigations between Muslim nations with active waqf policies will aid in identifying best practices and success determinants for waqf programs aimed at human resource development. Fourth, the undertaking of Integrative Studies between Waqf, Zakat, and Islamic Social Finance; a comprehensive examination of the synergies among waqf, zakat, infak, and other forms of Islamic social finance is warranted to foster a sustainable skills training ecosystem for emerging Muslim generations.

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