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**The Nexus of Waqf Education Contribute on Economic Development in
Malaysia. ARDL Approach to Cointegration
(Extended Abstract)**

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1. INTRODUCTION

Waqf is a significant issue that affects the economic, political, community, educational, and social growth in addition to its spiritual and religious aspects. The waqf institution addresses a wide range of issues ranging from the economic to the social aspects of human development, it can be regarded as one of the most important tools for enhancing Islam's pride, dignity, and supremacy (Shukor, Anwar, Sabri, Aziz, & Ariffin, 2016). Therefore, within the broader framework of Islamic viewpoints, such a crucial issue cannot be allowed to run itself without adhering to any specified laws, rules, and scientific management systems.

In Malaysia, waqf in the education started with Islamic education school such as Sekolah Agama Negeri (SAN), Sekolah Agama Rakyat (SAR) and madrasah. Sekolah Agama Negeri (SAN) is fully funded by the state government and administrated through States Religious Council, Sekolah Agama Rakyat (SAR) was administrated by the States Religious Council and Zakat. The institutions gain financial support from federal government, state government and State Islamic Religious Council. While The madrasah and pondok institution established by waqf properties. The first madrasah was built on the waqf land given by ulma or waqif. The madrasah education system synchronizes with Islamic education from the Middle East especially from Egypt. Following the arrival of British colonists in Tanah Melayu, the madrasah was placed under States Islamic Religious Council which each state's education curriculum was differing from each state (Azha et al, 2013).

Only a few studies have explored the effect of the cash waqf in secondary and higher education on the economic growth. In fact, cash waqf is considered as alternative option for achieving modern macroeconomic development by reducing government expenditure, the government 's reliant on budget deficits and debt and establishment finance institution (Harun et al. 2016).

This study has theoretical and practical significance. Using Solow Growth Theory and New Classical Theory (Durlauf, Kourtellos, & Minkin, 2006), to underpin the research, and the present study offer theoretical insight, especially into role of cash waqf and educational waqf to sustain economic growth in the long term. This study provides new insight of cash waqf on economic growth especially in northern region of Malaysia.

2. MATERIAL AND METHODS

The World Bank's Malaysian development indicators served as the source of information for this analysis. Using the Error Correction Model (ECM) and the Autoregressive Distributed Lag (ARDL) model for cointegration. Economic growth is the study's dependent variable, and cash waqf in education is its independent variable. Meanwhile, the macroeconomic factors are labour, human capital, inflation, capital, as well as initial real GDP used to support the independent variable in the study.

3. DISCUSSION

In the case of Cash Waqf in education, the expected sign is positive. This is most likely because education waqf is expanding and making great changes every year around the world. This development suggests that society is becoming more aware of the value of waqf for educational objectives. Even the significance of waqf needs to be promoted for the growth of higher education waqf in this nation. However, the expected sign can be negative due to lack of awareness on how to manage waqf.

4. CONCLUSION

The findings of this study have several implications to enhance and overcome the effect of Cash Waqf of education on economic growth. The application of this education waqf should be based on a concept independent of any political-dominated government funding sources. For instance, waqf in Turkey is distinctive in that it is not connected to political or religious doctrine but rather is centred on helping one another and showing respect for other people.

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