

CHAPTER VII

FINANCIAL REQUIREMENTS

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Endowment and Investment

Restricting support for charitable work and public service to governments and official contributions subject to numerous political, administrative, and routine limitations deprives the Ummah of one of the most important sources of support for enterprise and creative activity. This source is to be found in private charitable initiative and the good will of individuals and their zeal for general welfare and reformation.

The organizations rendering general charitable services are among the most important forms of social organization in the life of developed and stable societies. In such societies, charitable undertakings are eagerly protected and encouraged.

We witnessed the same phenomenon during the flourishing periods of the Ummah. Through generous self-perpetuating endowments, individuals expressed their charitable initiative and supported charitable private organizations. Thus, the institution of endowment (*waqf*) occupied a sacrosanct position in Islam; and it was not permissible for anyone to misuse the *waqf* or to divert its funds from their lofty purposes. Muslim individuals, organizations, and governments used to always try to support and strengthen endowments. They were protected as the main source of constant income to support certain charitable organizations. All the expenses of such organizations that were incurred in the course of their charitable services were met by the proceeds of these endowments. Thus, for centuries, these organizations in different parts of the Muslim world were able to serve the cause of education, public health, orphanages, shelters for the homeless, mosques and other vital institutions.

With the decline of the Ummah, the ideal of private charitable enterprise and charitable endowment suffered a setback and gradually vanished. The ways in which they fell prey to individual or collective greed and aggression were diverse. When imperialism had hegemony over the Islamic world, floodgates of Western ideas and philosophies that were hostile and inimical

to the norms and legacy of the Ummah were thrown open, and Islamic charitable organizations were violently and most viciously attacked. They were deprived of their endowments and plundered and robbed under different pretexts. Of these organizations, only a few have managed to survive in most of the Muslim countries.

Today, the Ummah is deprived of this important economic sector. The unique spirit of sincere individual charity is gradually being whittled away. The Ummah's civilizational base and the edifice that rests upon it is threatened. This is due to an ever-increasing hold upon it of intellectually bankrupt, autocratic bureaucracy of various governmental departments. It is, therefore, necessary to revive the outlook of the Ummah in the field of general services and to encourage private charity within the framework of endowments. This should be done in such a way that these self-perpetuating endowments are once again able to play their role as sources of strength, generosity, donation and protection, thereby allowing Islamic charitable organizations to fulfill their obligations.

The Institute cannot detach itself from the serious difficulties experienced by many of these charitable organizations and Islamic services on account of the paucity of requisite funds to support and finance their projects and welfare programs. During the course of their long association with certain Islamic organizations and through participation in their formation, the members of the Institute invariably noticed that such organizations were perpetually beset by the problem of shortage of funds because they depended, year after year, upon donations alone.

In the world of today, donations are difficult to come by and, wherever they do exist, are extremely scarce and scattered, requiring a lot of struggle on the part of those concerned to gain access to them. This inevitably affects activities and performance, and much precious time is lost in long journeys to collect such donations. Moreover, such journeys normally cause the dispersal of efforts and the dissipation of already rare talents and faculties.

In this regard, the Institute has consistently followed a different strategy. It has tried to avoid such pitfalls and problems by benefiting from opportunities that are available in its own immediate milieu. It has utilized the support that U.S. laws and its system offer to private enterprise aimed at encouraging people to participate in public works of charity. In keeping with this strategy, the Institute, in agreement with most of its patrons, has tried to generate financial resources in the United States by investing donated funds and by using their returns in various projects of the Institute. The Institute appeals to all well-to-do Muslims living in America or abroad to contribute whatever they can while benefiting from tax exemption laws. Let them donate whatever amounts they may be able to give for Islamic charitable organizations, such as the Institute, mosques, schools, Islamic centers and other important Muslim

organizations active in the United States, thereby taking advantage of the tax concession on all such contributions.

It is the duty of Muslim governments and of Muslim entrepreneurs of America to realize the importance of this issue and to reroute all their taxes, or whatever portion of them is possible, for the service of their religion, their fellow Muslims, and eminently deserving Muslim organizations, among which are this Institute. This would be far better than letting this wealth go to organizations inimical to Islam to be used in exploiting Muslims and in desecrating their most holy places, organizations and institutions.