

Islamic teachings on wealth, responsibility and legacy

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by AKMAR ANNUAR

WEALTH, in Islamic teachings, is a trust from Allah rather than a mere accumulation of assets, requiring both responsibility and generosity in its management.

In the "Where Faith Meets Wealth" talk hosted by CIMB Bank Bhd and CIMB Islamic Bank Bhd, Shaykh Yahya Ibrahim shared valuable perspectives on Islamic financial principles.

Yahya, an Islamic chaplain at Curtin University and imam at Al-Ameen College, emphasised that wealth ultimately belongs to God and humans are merely stewards.

"No matter how much wealth one amasses, the Giver remains Allah," he told *The Malaysian Reserve (TMR)*, reinforcing the concept that material riches must be used wisely.

Islam mandates that wealth be handled in alignment with divine principles, making zakat not just an act of generosity but a religious duty.

Yahya highlighted the importance of leaving a meaningful legacy, citing caliph Uthman Affan's endowment in Medina, which continues to generate revenue for charitable causes centuries later.

This, he said, exemplifies the "barakah" (divine blessings) that comes from strategic and intentional legacy planning.

Yahya, with a strong interest in financial ethics, also spoke about the growing issue of youth bankruptcy.

In his lecture, he noted that many young people are unprepared to handle financial decisions due to inadequate financial education.

"There really needs to be a greater emphasis on practical education on how to balance a budget, understanding credit and making informed financial choices," he said.

He stressed that financial literacy is not just an individual concern but a societal one, with media and regulators playing a role.

Yahya blamed the media for projecting the social construct of desiring to live beyond one's means. He said regulators need to step in where systems fail young people, whether through easy credit access or inadequate financial education in schools.

He pointed out that in many countries, including Australia, adults carry significant unsecured debt, often accumulated through impulsive purchases rather than essential expenses.

The Role of Islamic Finance in Stabilising Economies

When asked about the perception that Islamic finance principles hinder business growth,



(From left) CIMB Group Holdings Bhd group CEO Novan Amirudin, Yahya, CIMB Islamic Bank Bhd CEO Ahmad Shahrizan Mohd-Sharif and CIMB Group chief financial and strategy officer Khairul Rifaie at the event

Yahya refuted the claim, citing the 2007-2008 financial crisis as proof of its resilience.

He said during the global financial downturn, Islamic finance provided stability due to its principles of ethical investing and risk-sharing.

"The Islamic hedge of protecting capital and ensuring financial ethics meant that economies rooted in these principles recovered faster," he said.

Islamic finance discourages high-risk lending and speculative investments, ensuring that transactions have tangible assets backing them.

Zakat, he noted, also plays a crucial role in growing circulation.

"Wealth hoarding leads to stagnation, whereas Islam encourages revenue investment and wealth distribution, circulating wealth in the economy, providing jobs and supporting businesses to prevent excessive accumulation," he added.

Speaking on ethical investments, Yahya stressed that Muslims must be conscious of where they place their wealth.

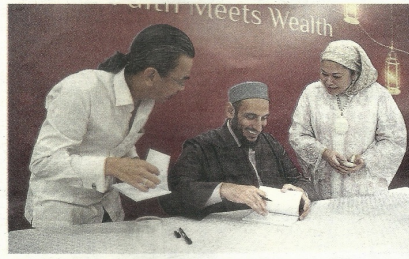
Investment decisions should align with ethical standards that prevent harm to society.

Islam teaches that wealth should not be placed in industries that cause harm, such as the arms trade, gambling, or exploitative businesses, he explained.

Yahya also cautioned against hidden financial risks, noting that some industries may appear neutral but are financially backed by unethical sources.

"Many film production houses, for example, may not be directly involved in harmful industries, but their financial backing may come from sources that contradict ethical values.

"This is why Shariah-compliant financial boards exist to help guide ethical investment decisions," he added.



Yahya engaging with attendees during the book signing ceremony held after his talk

Yahya also addressed the environmental impact of consumerism, highlighting the waste generated by excessive clothing consumption.

He said being mindful about our consumption habits is crucial, adding that the weight of fabric people discard over their lifetime is staggering.

Faith, Financial Literacy

Islam's perspective on wealth is comprehensive, encompassing responsibility, ethics and community welfare.

Wealth should not be hoarded but circulated for the benefit of society. Islam encourages individuals to earn through halal means and spend with purpose, ensuring that money is used to uplift families and communities rather than indulging in extravagance.

Islam discourages wastefulness, promoting a balanced approach where financial stability is pursued without greed.

Financial stability is seen as a means to uphold religious obligations, such as supporting charitable causes, performing haj and sustaining family wellbeing.

The religion discourages irresponsible financial practices

that lead to debt accumulation and dependency.

Yahya reiterated that Islamic finance aligns with these principles by promoting risk-sharing, ethical lending and wealth redistribution.

The prohibition of "riba" (interest) ensures that economic transactions remain just.

Financial systems rooted in Islamic values have shown resilience, particularly during economic downturns, due to their emphasis on stability and transparency.

Yahya spoke at length on the necessity of financial literacy, particularly for young people, to prevent financial mismanagement and bankruptcy.

"We expect that because someone is legally an adult, they should automatically know how to handle money responsibly. But without proper education, they are left vulnerable to financial mistakes," he shared.

He advocated for structured financial literacy programmes focused on budgeting, debt management and responsible spending.

"There needs to be a shift in mindset. Young people should be taught that financial discipline is an act of faith. Islam encourages balance — neither excessive

hoarding nor reckless spending," he added.

Yahya also highlighted how social media fuels immediate gratification and status-driven spending. He said the pressure to keep up with trends in fashion and technology has led many to spend beyond their means.

He urged financial institutions to assess risk factors effectively and implement safeguards that prevent individuals from accumulating unsustainable debt.

Financial, Spiritual Continuity

Beyond wealth accumulation, the event explored the importance of legacy planning to ensure that financial assets are preserved and passed down in alignment with Islamic values.

Yahya said true wealth is not just measured in numbers, as it is about the impact one leaves behind.

He urged individuals to engage in Islamic estate planning, ensuring that their wealth is distributed according to Islamic inheritance laws and dedicated to charitable causes.

The "Where Faith Meets Wealth" event called individuals to take a proactive role in understanding their finances, ensuring that their wealth aligns with both faith and responsibility.

Yahya reiterated that financial security and ethical considerations go hand in hand.

"As financial landscapes evolve, events like this serve as crucial reminders that ethical, faith-based financial practices help build a more stable and just economic system," he said.

The insights shared at the event highlighted the importance of viewing financial resources as a means rather than an end.

Wealth, when handled with integrity and purpose, can be a powerful tool for both personal development and social progress.

Additionally, CIMB Bank demonstrated its role not just as a financial institution but as a facilitator of holistic financial wellbeing, bridging the gap between faith and finance.

Yahya's insights provided attendees with a deeper understanding of how wealth, when managed in accordance with Islamic principles, leads to a balanced and fulfilling life in both this world and the hereafter.

On top of his current roles, Yahya is a nationally accredited mediator and dispute resolution practitioner, also serving on the Human Research Ethics Committee at St Charles Gairdner Hospital.

As a senior lecturer at Al-Maghrib Institute, he specialises in Quranic exegesis, ethics and theology on an international level.

His contributions to the community earned him the West Australian Multicultural Community Service Award for Individual Excellence.

He currently leads an educational initiative through Yahya Ibrahim Online Islamic School.



Many young people are unprepared to handle financial decisions due to a lack of financial education, says Yahya



Yahya led the Tarawih prayer, with the guests joining him in congregation