

Reexamining the Notion of Wealth Management: Insights from the Qur'an and Hadith

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Abstrak

Populasi Muslim diproyeksikan meningkat sebesar 26% pada tahun 2030, mencapai sekitar 2,2 miliar orang patut menjadi perhatian industri keuangan Syariah. Saat ini, pasar keuangan syariah global bernilai US\$ 2,2 miliar pada tahun 2021 dan diperkirakan akan mencapai valuasi US\$ 3,02 miliar pada tahun 2027 dan diperkirakan akan mencatat Tingkat Pertumbuhan Tahunan Majemuk (CAGR) sebesar 10,2% selama 2022-2027. Oleh karena itu, kebutuhan pengelolaan kekayaan Islam berkembang sangat pesat. Baru-baru ini, pengelolaan kekayaan Islam atau Islamic wealth management sebagai suatu produk dan jasa adalah salah satu industri jasa keuangan baru yang muncul dan menarik banyak orang kaya untuk dikelola aset mereka dengan nilai-nilai dan prinsip-prinsip yang patuh syariah. Namun, manajemen kekayaan Islam berbeda dari konsepsi Barat tentang manajemen kekayaan dari landasan filosofis. Oleh karena itu, konsep landasan filosofis manajemen kekayaan Islam sangat penting untuk dipahami dengan baik dalam mengelola kekayaan dari perspektif Islam. Studi ini memiliki tujuan sederhana yaitu berusaha untuk mendefinisikan kembali konsep kontemporer pengelolaan kekayaan dari perspektif Islam yang berasal dari Al-Qur'an dan Hadith dan mengusulkan model konsep yang pengelolaan kekayaan dari kerangka Islam. Hasil penelitian menunjukkan bahwa manajemen kekayaan Islam, yang bersumber dari Al-Qur'an dan Hadis, berpusat pada konsep Tawhid sebagai pilar utama dan ketaatan terhadap syariah sebagai hukum yang mengatur umat Muslim. Proses manajemen kekayaan Islam meliputi dua aspek utama: penciptaan kekayaan dan pengeluaran yang terdiri akumulasi, proteksi dan distribusi kekayaan. Penciptaan kekayaan erat kaitannya dengan pencapaian tujuan pengeluaran yaitu untuk mempromosikan maqashid syariah dan mendorong keadilan serta kesejahteraan guna mencapai falah (kesuksesan dan keberhasilan baik di dunia maupun di akhirat).

Kata Kunci: wealth, management, Islam, Qur'an, Sunnah

Abstract

The Muslim population is expected to grow significantly by 26 per cent by 2030, reaching about 2.2 billion, a significant figure. Currently, the global Islamic finance market was valued at US\$2.2 billion in 2021 and is expected to reach US\$3.02 billion by 2027, exhibiting a Compound Annual Growth Rate (CAGR) of 10.2% during the period of 2022-2027. The demand for wealth management that is in line with Islamic principles is rapidly increasing. Islamic wealth management is a new and promising financial service industry that is attracting affluent individuals who want their assets managed in

accordance with Islamic values and principles. It is important to note that Islamic wealth management is distinct from the Western conception of wealth management due to its distinct philosophical foundation. Hence, understanding the philosophical foundations of Islamic wealth management is crucial to effectively manage wealth from an Islamic perspective. The purpose of this paper is to redefine the contemporary concept of wealth management from an Islamic viewpoint, drawing insights from the Qur'an and Sunnah, and propose an Islamic framework for wealth management. The research findings indicate that Islamic wealth management, derived from the Qur'an and Hadith, centers around the concept of Tawhīd as the central pillar and the adherence to Shari'ah as the guiding law for Muslims. The process of Islamic wealth management encompasses two key aspects: wealth creation and spending that consists of wealth accumulation, protection, and distribution. The creation of wealth is closely linked to the fulfillment of the objective of infāq (spending), which aims to promote maqashid shari'ah and advance justice and well-being in order to achieve falah (success and prosperity in the world and hereafter).

Keywords: wealth, management, Islam, Qur'an, Sunnah

Introduction

During the late 1990s, the financial service industry witnessed significant growth in the wealth management sector, as reported by Maude (2007). In recent times, a new emerging financial service industry, Islamic wealth management, has gained traction among affluent individuals seeking to have their assets managed in accordance with Islamic values and principles. The Muslim population is projected to increase by 26% by 2030, reaching approximately 2.2 billion people, making it noteworthy. Currently, the global Islamic finance market was worth US\$ 2.2 billion in 2021 and is anticipated to reach the valuation of US\$ 3.02 billion by 2027 and is predicted to register a Compound Annual Growth Rate (CAGR) of 10.2% during 2022-2027 (<https://www.marketdataforecast.com/market-reports/islamic-finance-market>). Increase of predicted CAGR of 102% lead to increase diverse asset classes such as equities, real estate, commodities, and Islamic bonds (sukuk) in Shariah-compliance. Therefore, several countries are competing to take a share of the Islamic wealth management market.

The development of Islamic wealth management must strike a balance between practicality and theory. Understanding the philosophical underpinnings of Islamic wealth management is crucial for effectively managing wealth from an Islamic perspective. When comparing Islamic wealth management to conventional wealth management, it becomes evident that Islamic wealth management possesses its own philosophical foundation and operational framework. According to Salleh (2012), Islamic wealth management must redefine the concept of wealth based on Islamic principles. The objective of this paper is straightforward: to redefine the contemporary notion of wealth management from an Islamic

standpoint by drawing insights from the Qur'an and Sunnah and proposing a framework for Islamic wealth management.

Literature Review

Wealth plays a vital role in supporting human existence. There are a few studies that study the concept of wealth management within an Islamic perspective. The term 'māl' or its derivatives have been quoted in over 90 verses of the Koran (Islam, 1999: 362). "*Islāhul māl*," a famous classical Islamic book written by Ibn Abi Dunya, explores the concept of wealth based on the Qur'an and Hadith teachings.

Several studies have explored the notion of wealth management from a qur'anic point of view. According to Kholis et al. (2022), proper wealth management based on Allah's guidance from the Qur'an will result in an abundance of *al-baqiyat al-salihat* of savings, which prove to be highly beneficial both in the present life and the hereafter. Ismail et al. (2021) emphasized that the Qur'anic framework is the foundation for Islamic wealth management, which encompasses philosophical foundations such as epistemology, ontology, and axiology. Their research indicates that Surah al Baqarah extensively discusses Islamic wealth management. To them, Islamic wealth management should be based on Tawhid as a fundamental principle, with Shariah and akhlaq (ethical conduct) as a guide for Muslims.

Secifically, Faizal et.al (2013) say that the Qur'an and Hadith also contain terms such as sadaqah, zakah, hibah, and waqf. The study concludes that Islam is not in opposition to entrepreneurship; instead, it encourages all Muslims to be entrepreneurs in their lives by adhering to the rules derived from the Qur'an and Hadith. In terms of wealth distribution, Aziz et.al (2008) examined the nature of *infāq* and the impact it has on the distribution of wealth. Their research indicates that *infāq* is a fundamental term that is mentioned in the Qur'an almost sixty times (Ibid: 44). This is an important aspect of wealth management, particularly in the context of spending in the path of Allah. Other terms found in the Qur'an and Hadith include sadaqah, zakah, hibah, and waqf.

All researches align with the study conducted by Aziz and Sulaiman (2009) on the "Qur'anic Laws of Expansion & Contraction of Rizk (Income & Wealth)." They found that according to the Qur'an, *taqwa* (piety) has a positive correlation with rizk (income and wealth). If an individual adheres to the teachings of Islam, he will receive Rizk-unkarim (honourable income and wealth) by following the prescribed rules. However, disregarding divine laws in wealth management can lead to a decrease in rizk. In summary, these studies

underscore the importance of incorporating Islamic principles and values, including Tawhid, Shariah, and akhlaq, in wealth management. Compliance with these principles is believed to have a direct impact on the abundance or reduction of income and wealth in accordance with the teachings of the Qur'an. In this study want to see the nature of the concept of Islamic wealth management from two main sources of Islam, namely the Qur'an and Hadith. It is hoped that this study provides a true Islamic concept from an Islamic point of view.

Methodology

This research is within the domain of Islamic economics and finance, specifically focusing on the study of wealth management. The objective of Islamic economics is to identify and establish an economic system that aligns with Islamic scripture and tradition (Addas, 2008:32). To achieve this goal, qualitative research methodology is employed in this study, which involves exploring the meanings, concepts, definitions, characteristics, metaphors, symbols, and descriptions of the subject under investigation (Berg, 1989). Content and descriptive analysis are utilized to obtain the study's findings.

The data collection process relies on Islamic sources such as the Qur'an, Hadith, and relevant Islamic literature, as well as other sources including books, journals, reports, magazines, and the internet. These sources are coded and analyzed to address the research problem, contributing to the advancement of Islamic economics in general and Indonesian economics in particular.

Result and Discussion

Weatlh in The Qur'an

In the Qur'an there are several terms of treasure mentioned namely *al-māl* the most, then *al-khair*, and *al-Fadhl*. *Al-Māl* can mean food, land and money as described in the Qur'an (Andiko, 2016: 59-60). Ibn Kathir (2004: 1/331) in Surah al-Baqarah, 177 on the word "who give charity out of their **cherished wealth**." is foodstuffs. He said they infused and gave him the food he loved (Ibid: 331). It is supported by the saying of the Messenger of Allah that the best (most pure) **food that a man eats is that which he has earned himself**, and his child (and his child's wealth) is part of his earning (<https://sunnah.com/nasai/44>). So, it can be said that food is a important wealth used by humans to support the necessities of life resulting of work activities.

Land in the form of fields, rice fields, and gardens is also included in the category of treasures mentioned in Sura al-Baqarah, 155: "We will certainly test you with a touch of fear

and famine and loss of property, life, and **crops**. Give good news to those who patiently endure.” Ali Imran, 14: “Beautified for people is the love of that which they desire - of women and sons, heaped-up sums of gold and silver, fine branded horses, and cattle and **tiled land**. That is the enjoyment of worldly life, but Allāh has with Him the best return [i.e., Paradise].” Ibn Kathir (2004: II/20) explained that the land of the fields (*al-harts*) is the land used for growing crops and farming. Al-Dimasqhi (2011: 6) categorizes this type of property as real estate (*al-'aqar*) that divided into two types; they are *roofed property* (*musaqqaf*) and *agricultural land* (*al-mazdara'*). In the current context it is known as immovable property. In the same verse, animals are also categorized as treasures as explained by al-Dimashqi (2016: 6), which categorizes known as articulate wealth (*al-māl al-nātiq*).

Gold and silver are treasures as mentioned in Surah al-Nisa' verse 14: “...**heaped-up sums of gold and silver**, fine branded horses, and cattle and tiled land. That is the enjoyment of worldly life, but Allāh has with Him the best return [i.e., Paradise].” In Hadits, When (the following) was revealed: And those who hoard up gold and silver... (9:34)" He said: "We were with the Messenger of Allah pubh during one of his journeys, so some of his Companions said: (This) has been revealed about gold and silver, if we knew which wealth was better then we would use it. So he pbuh said: 'The most virtuous of it is a remembering tongue, a grateful heart, and a believing wife that helps him with his faith.” (<https://sunnah.com/tirmidhi:3094>). This hadith also confirms the previous verse that gold and silver are among the most favored riches by man.

As for the synonym of *al-māl*, it is explained by Imam Hasan al-Syaibani by referring to 2 Surahs in the Qur'an. According to Al-Syaibani (2011), Allah names wealth as a bounty (*fadl*), as mentioned in al-Jumu'ah, 10: "And seek the bounty of Allah." Additionally, Al-Syaibani defines wealth as something good (*khayran*) and cites al-Baqarah, 40: "...if he leaves any goods, that the legacy goes to his parents." Through these verses, he emphasizes that wealth is inherently good rather than its opposite. It can be concluded that wealth in Islam refers to the verses of the Qur'an is everything bestowed by Allah Almighty on man who has value and benefits that are used to meet his needs in the world and also in the Hereafter.

Qur'anic Wealth Management and Its Hadith

In Sura al-Baqarah, 267 there are two word terms related to the management of Islamic wealth, namely the words *al-kasb* and *al-infāq*. Allah said:”O believers! **Spend** (*Infāq*) from the best of what you have **earned** (*Kasb*) and of what We have produced for you from the

earth. Do not pick out worthless things for donation, which you yourselves would only accept with closed eyes. And know that Allah is Self-Sufficient, Praiseworthy.” As narrated by Abu Barzah Al-Aslami consisting of earning and spending. Prophet Muhammad peace be upon him said: "The feet of the slave of Allah shall not move [on the Day of Judgement] until he is asked about five things: about his life and what he did with it, about his knowledge and what he did with it, about his wealth and **how he earned it and where he spent it on**, about his body and for what did he wear it out." (Sunan Tirmidzi 2416, Vol IV). There are two important aspect should be considered in the managing wealth, they are: *kasb* (earning) and *infāq* (spending).

1. Earning (*al-kasb*)

Al-kasb can be carried out though several ways in the Qur'an: 1) work (*'amal*); 2) will and bequest (*wasiat* and *warasat*) and 3) Wealth circulation. Allah said: "And say, *“Do [as you will], for Allah will see your deeds, and [so, will] His Messenger and the believers.* And you will be returned to the Knower of the unseen and the witnessed, and He will inform you of what you used to do.”

It is one of the wealth creations in Islamic wealth management, which is obliged to every to be seeked by Muslim as narrated by Abdullah, Rasulullah (Prayers and Peace be upon him) said: "To seek lawful earnings (*kasb*) is an obligatory duty following other obligatory duties (Bayhaqī, Shu'ab al-īmān vol.11 pg.176 Maktabatur Rushd)." According to Ibn Mas'ud, the Prophet Muhammad (Prayers and Peace be upon him) said, "Seeking work is a religious obligation upon every Muslim male and Muslim female (Syaibani, 2011:7)." So, wealth creation is important for every Muslim either male or female, because it is kind of worship to sustain on the earth.

The *al-kasb* is important to prosper the world and to sustain the life of human. The works that can be acquired by human beings in certain ways are mentioned in the following Surah in al-Qur'an:

1. Agriculture

[See ye the seed that Ye sow in the ground ? Is it ye that cause it **To grow**, or are We The Cause ? Were it Our Will, We could crumble it To dry powder, and ye would Be left in wonderment] (Al-Waqiah:63-65)

2. Architect

[But construct an Ark Under Our eyes and Our Inspiration, and address Me No (further) on behalf Of those who are in sin : For they are about to be Overwhelmed (in the Flood) (Al-Hud: 37).

3. Trade

[O ye who believe! Eat not up your property among yourselves in vanities: but let there amongst you traffic and trade by mutual good-will: nor kill yourselves: for verily God hath been to you Most Merciful] (An-Nissa: 29).

There are many types of *kasb* have been mentioned in *hadits*. Firstly, it is by work. Our Prophet Muhammad (SAW) once reminded us, "*No doubt, it is better for any one of you to cut a bundle of wood and carry it over his back rather than to ask some body who may or may not give him.*" (Shahih Bukhari 2074, vol III). It is supported by narration of Miqdam that the Prophet Muhammad (Prayers and Peace be upon him) said: "*Nobody has ever eaten a better meal than that which one has earned by working with one's own hands. The Prophet of Allah, David used to eat from the earnings of his manual labor.*" (Shahih Bukhari 2072, vol III). As narrated by Aisha, Rasulullah (Prayers and Peace be upon him) said: "*The best (most Pure) food that a man eats is that which he has earned himself, and a man's child (and his child's wealth) is part of his earnings.*" (Nasai 4449, vol V). it can be summarize from several *hadiths* explained that working by own hand is very important to seeking the livelihood. Kinds of works such as traders, farmers, carpenter and others have been mentioned in many books of *hadist*.

Moreover, will and bequest (*wasiat* and *warasat*) are also can be considered as earning when they are transferred to others as their wealth. This way is compulsory for those who left their wealth by transferring the wealth for people who live to sustain in on earth. Allah said:" *Prescribed for you when death approaches [any] one of you if he leaves wealth [is that he should make] a bequest for the parents and near relatives according to what is acceptable - a duty upon the righteous.*"

Other ways to earn the wealth is generated from other people who transfer their wealth for the purpose of virtue thorough *sadaqah* in form of *infāq* , *hibah*, *waqf* and others. as narrated by Sa'd when he Prophet visited him when he was sick, and he said "O Messenger of Allah, shall I bequeath all of my wealth?" He said: "No." He said: "Half?" He said: "No." He said: "One-third?" He said: "One-third, and one-third is

much or large.” (Nasai 3632, vol IV). For *hibah*, it was narrated from 'Amr bin Shu'aib, from his father that his grandfather said: "*The Messenger of Allah said: 'No one should take back his gift except a father (taking back a gift) from his son. The one who takes back his gift is like one who goes back to his vomit.'*" (Nasai 3689, vol IV). Furthermore, the hadist related to *waqf* as narrated by Ibn Umar, "Umar said to the Prophet: '*The one hundred shares that I acquired in Khaibar -I have never acquired any wealth that I like more than that, and I want to give it in charity.'* The Prophet said: '*Freeze it and donate its fruits.'*" (Nasai 3603, vol IV). The revenue of *waqf* can be used for helping people who are in needy or for other benefit that can support development of *ummah*.

For wealth accumulation (*al-jam'*), as narrated from the Prophet Muhammad peace be upon him said: "whoever seeks what is permissible (*halal*) of the world with temperance (*muta'afifan*) shall meet Allah Most High with his face like the moon (*al-qamar*) on the night of the full moon (*al-badr*) and whoever seeks it with conceit (*mufakhiran*) and excess (*mukathiran*) shall meet Allah the Most High while he is angry at him (Syaibani: 45). Indeed, every Muslim should accumulate his wealth in lawful manner.

2. Spending (*infāq*)

Al-Baqarah, 2-3 is mentioned that *infāq* is good deed related to *taqwa*. "*This is the Book about which there is no doubt, a guidance for those conscious of Allah (taqwa), Who believe in the unseen, establish prayer, and **spend out** of what We have provided for them.*" When Muslims utilize their earnings for consumption, particularly to fulfill their physical needs, they should nourish their bodies by consuming lawful (*halal*) and wholesome (*thayyibah*) foods. This is emphasized in Surah Al-Baqarah, verses 167 and 172. Allah cautions Muslims to spend their wealth before the Day of Judgment arrives, as mentioned in Surah Al-Baqarah, verse 254. As stated in Surah Al-Baqarah, verse 261, Allah grants more rewards to those who spend in the name of Allah. As explained in verse 265, it is important to avoid boasting or harming the recipients when spending wealth, as explained in verse 262. Indeed, any wealth spent, then its good is for us "*And whatever good you [believers] spend is for yourselves, and you do not spend except seeking the countenance of Allah* (Al-Baqarah, 172)."

In addition, the Qur'an mentions some of the prohibited spending. Firstly, spending by using interest (*riba*) as mentioned in Surah Al-Baqarah, 275: "*Those who consume*

interest cannot stand [on the Day of Resurrection] except as one stands that is being beaten by Satan into insanity. That is because they say, "Trade is [just] like interest." But Allah has permitted trade and has forbidden interest." In today's world, many people spend their wealth in investments by using *riba* as the instrument in adding the value of wealth. Beside that the interest (*riba*) is prohibited and trade is allowed in Islam. Secondly, extravagant spending is not allowed as Allah's say in Surah Al-An'am, 141:"... *And be not excessive. Indeed, He does not like those who commit excess."* Lastly, spending for *haram* foods and others as mentioned in Surah Al-Maidah, 3:"*Prohibited to you are dead animals, blood, the flesh of swine, and that which has been dedicated to other than Allah...*" and verse 91:" O you who have believed, indeed, intoxicants, gambling, [sacrificing on] stone alters [to other than Allah], and divining arrows are but defilement from the work of Satan, so avoid it that you may be successful."

Furthermore, the spending should be carried from nearest one such as ourselves, family, relatives, orphans and the needy as mentioned in (Qur'an 2:215):"*They ask you, [O Muhammad], what they should spend. Say, "Whatever you spend of good is [to be] for parents and relatives and orphans and the needy and the traveler. And whatever you do of good - indeed, Allah is knowing of it."* Indeed, in spending wealth should follow the priority that has mentioned in the previous verses. There are numerous hadiths discuss on them. The spending is divided into two stages: *infāq al-faridhah* (obligatory spending) and *infāq al-tathawwu' (sadaqah)* (Babali, 1988: 112). The first stage is should carried out first before taking into spending that related to *sadaqah*. It was narrated from Hurairah that the Messenger of Allah said: "*The best of charity is that which is given when you are self-sufficient, and the upper hand is better than the lower hand, and start with those for whom you are responsible.*" (Nasai 2535, vol III). One of the obligatory spending has been mentioned in hadith is related to self spending that include family needs. It was narrated that Abu Hurairah said: "The Messenger of Allah said: 'Give charity.' A man said: O Messenger of Allah said:" I have a *Dinar*. He said: 'Spend it on yourself.' He said: 'I have another.' He said: 'Spend it on your wife.' He said: 'I have another.' He said: 'Spend it on your son.' He said: 'I have another.' He said: 'Spend it on your servant.' He said: 'I have : another.' He said: 'You know best (what to do with it).'" (Nasai 2536, vol III). Other spending has relationship with type of earning such as through *zakat*, will and bequest. In term of *infāq al-tathawwu' (sadaqah)* is related also to *hibah*, *waqf* and *qardh*.

In addition, we should also plan for saving and investment for uncertainty events as narrated by Abu Hurairah that the Prophet Muhammad peace be upon him said: "...I estimate the produce of the garden and distribute one-third of it in charity, I spend one-third on my self and my family and I invest one-third back into the garden" (Muslim). It can be summarized that from *infāq* (spending) side can consist of *infāq al-faridhah* (obligatory spending) and *infāq al-tathawwu'* (*sadaqah*) and saving and investment. Meaning that the objective of *kasb* (earning) is to fulfill the objective of *infāq* (spending).

There are certain levels of *al-kasb* related to *al-infāq* in Qur'an. Firstly, it is categorized as obligatory earning (*al-kasb*), as mentioned in Surah Al-Thalaq, 7: "Let a man of wealth spend from his wealth, and he whose provision is restricted - let him spend from what Allah has given him. Allah does not charge a soul except [according to] what He has given it. Allah will bring about, after hardship, ease." By then, we should earn to sustain our lives as on obligatory. Secondly, it is categorized as *mandub*. This is related to voluntary basis of wealth management in form of the act of virtue such as *sadaqah*, *infāq*, *hibah* and *waqf*. Allah said: "...they ask thee how much they are to spend: Say: what is beyond your needs...." This verse, according to Yusuf Ali, explains: We should use the wealth we need and any superfluities we must spend in good work or in charity. Thirdly, it is categorized as *mubah* (permissible). It is mentioned in Surah Al-Imran, 14: "Beautified for people is the love of that which they desire - of women and sons, heaped-up sums of gold and silver, fine branded horses, and cattle and tilled land. That is the enjoyment of worldly life, but Allah has with Him the best return."

3. Wealth Circulation

Wealth creation is mentioned: "And what Allah restored to His Messenger from the people of the towns - it is for Allah and for the Messenger and for [his] near relatives and orphans and the [stranded] traveler - so that it will not be a perpetual distribution among the rich from among you." (Qur'an 59: 7).

It is important to highlight that the term "*dhula*" used in the Qur'an refers to something that is circulated among people that is wealth. The wealth generated from Zakah, spending in the way of Allah (*infāq fi sabilillah*), and providing loans (*qardh*) can serve as means for wealth circulation (Al-Baqarah:245). This circulation of wealth is closely tied to the objective of empowering society. On the other hand, wealth can also circulate for family purposes through means such as bequest (*warasat*).

Zakah is an obligatory for Muslim people whose wealth has reached the *nisab*, while other means is based on voluntary basis. The fund of zakah should be circulated to eight *anshaf* as mentioned in Surah At-Taubah, 60: "Zakah expenditures are only for the poor and for the needy and for those employed to collect [zakah] and for bringing hearts together [for Islam] and for freeing captives [or slaves] and for those in debt and for the cause of Allah and for the [stranded] traveler - an obligation [imposed] by Allah. And Allah is Knowing and Wise. However, other instrument can be used for *maslahah* of *ummah*.

Qur'anic Framework of Islamic Wealth Management

The fundamental principle of Islamic wealth management revolves around the concept of Tawhīd, which emphasizes the oneness of Allah. As trustees of the wealth entrusted to us, we have a responsibility to manage it in accordance with the concept of *istikhlāf*. Under Tawhīd, individuals are allowed to earn and consume within the rules of the Shari'ah. However, the surplus of their income or wealth should be directed towards charitable causes in the name of Allah or reinvested in business ventures (Faruqi, 1998). By adhering to the principles of earning and spending in accordance with the Shari'ah, individuals will gain benefits both in this world and the hereafter. *Al-kasb* and *al-infāq* are interrelated of economic activities in human's life. The figure 4 explains in detail regarding the concept of Islamic wealth management from Qur'anic and Sunnah perspective.

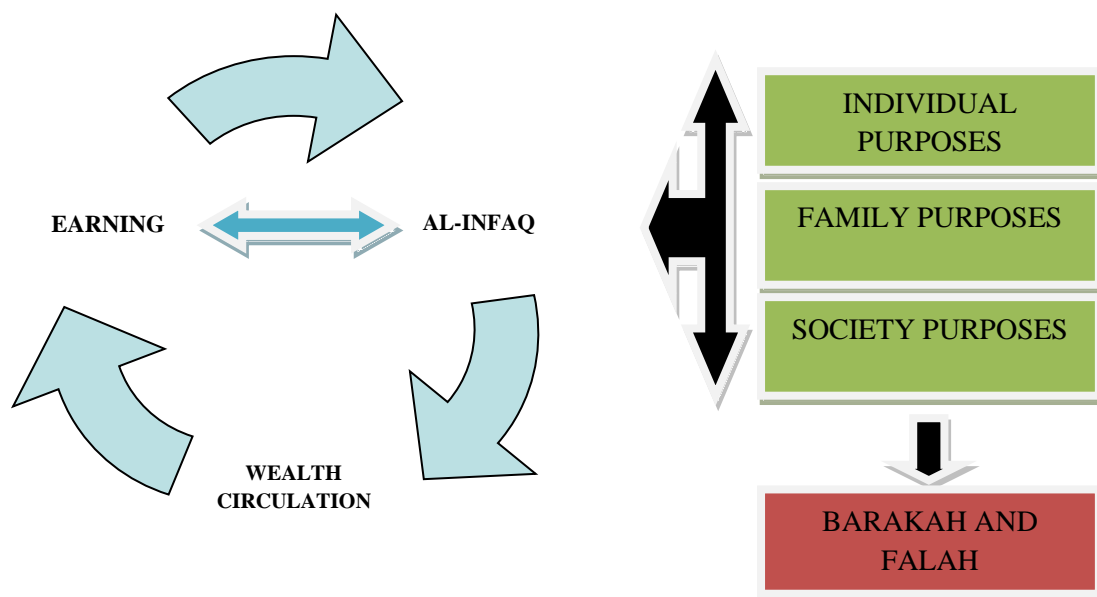


Figure 1: Islamic Wealth Management from Qur'an and Hadith

Wealth creation in the Islamic literatures can be achieved through various means, including *al-kasb* (earning), inheritance and will, as well as instruments of wealth circulation such as hibah (gift), waqf (endowment), and sadaqah (charity). *Al-kasb* involves human effort to sustain life, while inheritance and will are acquired from ancestors who enjoyed a good living. Instruments of wealth circulation like hibah, waqf, and sadaqah are utilized to help others attain a good life. These forms of wealth creation are always present in human life and are related to the objective of *infāq* (spending).

Infāq encompasses obligatory spending (*infāq al-faridhah*) as well as voluntary acts of charity (*infāq al-tathawwu'*) or instruments of wealth circulation, alongside saving and investment. Therefore, the process of Islamic wealth management involves three steps: wealth creation, spending (*infāq*), and saving and investment, all aimed at achieving falah (success in both this life and the hereafter).

Additionally, there are three objectives of Islamic wealth management. Firstly, on an individual level, it aims to sustain life on Earth, enhance knowledge, and strengthen faith. Secondly, for families, it serves the purpose of meeting family needs, financing education, and saving for future events. Lastly, at the societal level, it seeks to promote growth, provide social activities, and reduce income inequality. These objectives are pursued to attain happiness and well-being through the blessings (*barakah*) of Allah in this life and the hereafter.

Conclusion

The Islamic understanding of wealth management is encompassing and rooted in various philosophical foundations, including ontology, epistemology, and axiology. The primary sources for Islamic wealth management are derived from the Qur'an and Sunnah, while secondary sources can be found in Islamic literature such as fiqh (jurisprudence), tasawwuf (spirituality), kalam (theology), and philosophy. The process of managing wealth according to Qur'anic and Sunnah principles differs from Western conceptions consisting of earning or wealth creation and spending through circulation scheme regulated in the Qur'an and Hadith.

Islamic wealth management must be grounded in the concept of Tawhīd, recognizing the oneness of Allah, and the adherence to Shari'ah as the law governing Muslims. This process comprises two key aspects: wealth creation and spending consisting of wealth accumulation. Protection, and distribution. Wealth creation is closely linked to the objective

of fulfilling infāq (spending) which aims to promote the maqashid shari'ah, ensuring justice and welfare to achieve falah (success and prosperity).

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