Wealth Purification

Introduction

Financial planners are usually well familiar with terms like wealth creation, wealth accumulation, wealth protection and wealth distribution. However, the term wealth purification is something unique to Islamic wealth management and planning and it may look strange to those not familiar with this concept. According to Islamic injunctions, everything that human beings are bestowed with is a gift from Almighty God. Wealth is one such precious gift that can be used for material success in this world as well as eternal salvation in the afterworld. For this purpose, certain obligations are imposed upon the wealth that is accumulated by a person in legal way. The purpose of such obligations is the benefit of individuals and society both. By performing these obligations, one purifies his wealth which may otherwise be polluted and impure due to the mixing of other people’s rights in it.

Purification of wealth, however, can be used in two meanings. First, it may mean the purification of wealth itself through different commands prescribed by Shariah, like zakat, sadaqat etc. Second, it may also be used in the sense of purifying something with wealth, i.e. purifying a human being from his sins with wealth. These two meanings are primarily derived from different injunctions in both Quran and sunnah as shall be elaborated in this article.

First Meaning of Wealth Purification

Wealth can be a means of purification for human heart and soul. Purification of heart and soul from the sins can be obtained by spending wealth willingly for the sake of Allah. This spending can either be either obligatory, like zakat, kaffarat etc, in which case it has to be performed, after certain conditions are met, and there is no option of not doing it. However, purification through wealth may be through optional means of spending in which case the performer will be rewarded bounteously by doing it, but he will not be held answerable if he refrains from doing so. The most important means of purification through obligatory means is zakat. Literally, zakat is used in two meanings: growth and purification. Quran has explicitly used it in the meaning of purification in the following verse:

"Take Sadaqah (alms) from their wealth in order to purify them and sanctify them with it..." (Al-Taubah, 103)

It should be noted here that majority of the commentators of Quran take the word “sadaqah” in this verse in the meaning of zakat. But the question here is that what is it that they are purified from by means of sadaqah? In other words, how does sadaqah purifies and from what? Some commentators of Quran have interpreted it as purification from sins. For instance, according to Ibn Jareer1, purification here means purification “from the grime of human sins” which indicates the purifying impact of zakat.

A few scholars have argued that purification here is actually purification of human heart from negative human desires and emotions like malice, greed, and the obsessive love of wealth and other worldly material. Such emotions may deviate one from attention to God.

Thus, paying zakat and other non-obligatory donations is a means of heart and soul purification for both the payer and the payees. On the part of the payer, paying these is the solution to natural human greed and the desire to accumulate more and more wealth. It is also a means of inducing the spirit of sacrifice for the sake of God. For the other party, the receipt of money in such forms pacifies his negative emotions towards society in general and towards the rich class in particular.

Apart from the meaning of purification as explained thus far, zakat is also literally used in the meaning of increase and growth. The economic benefit of the wealth purification in the form of wealth increase through paying of obligatory and optional means.

Second Meaning of Wealth Purification

Wealth purification may also refer to the process by which impure wealth is made clean and purified. Practically, wealth is usually mixed up of both halal (permissible) and haram (impermissible) or mushtabih (dubious) portion. The non-permissible and dubious portion is not necessarily made a part of the permissible portion willingly, rather the two may be mixed due to circumstances outside one’s control. In such case, the non-permissible or dubious portion is distinguished from the permissible portion and then treated accordingly. Wealth which is haram can be in two forms: either the entire amount of wealth is haram, or only part of it is haram while part of it is halal. The Muslim jurists have treated both these differently as elaborated below.

2.2.1 Purification of Wealth that is entirely Haram

Wealth that is solely haram can never be a source of salvation and it is not acceptable to Allah Almighty in any form of sadaqat, as reported in a hadith by Imam Muslim:2

“Allah the Almighty is Good and accepts only that which is good/pure [halal]...”

Imam al-Nawawee asserts that this hadith is like a pillar of one of the most important principles in Islam: anything that is spent by a Muslim in the way of Allah must be halal and pure from impermissible mixture.

Muslim scholars argue that if entire wealth is earned from non-permissible sources and no portion of it is halal, zakat will not be paid from it. This is because the purpose of zakat is the purification of one’s self as well as the remaining wealth; but if the wealth itself is not clean, how can it be a source of cleanliness and purification for others?


Purification of Wealth, Part of which is Haram

However, the Muslim scholars have treated wealth that is a mixture of both halal and haram somewhat differently with further detail into its different types.

Imam al-Qurtubi’s opinion that the way to repent from the haram wealth in one’s hand, if it is earned through riba, is to return it to the person from whom it is taken. If he cannot be found, he should give this wealth as sadaqah from his side.

Imam al-Nawawee cites al-Ghazali as an evidence for this provision stating that:3

“If a person has wealth usurped from people in his possession and its portion is known, but it got mixed up with his own wealth (which is halal) and cannot now be differentiated and the person intends to repent, the solution is that he and the owner of usurped wealth should agree to distribute (this mixed wealth according to their respective portions).”

Conclusion

Islam is a complete code of life. With the advancement in complexity of the financial world, it is often difficult for Muslim investors to keep their wealth 100% halal. For situations outside their control, it places significant strain on owners that have had impure funds mixed with pure, to distribute all their tainted wealth to charity.

Hence, the Muslim scholars of the past have stated that it is sufficient to remove the impermissible portion in order to purify the overall wealth. Purification of wealth is the hallmark of Islamic wealth planning and it is the duty of Islamic financial planners to be well equipped in advising clients on this most essential element of a Muslim’s financial plan.


The SRI booklet is a joint effort between CIWM and the Malaysian International Islamic Financial Centre (MIFC) towards a publication that is industry driven. The booklet seeks to raise awareness on the inextricable link between sustainable investments and Shariah-compliant investments. This booklet covers topics including Principles of Investing, SRI Strategies, Attractions of SRI and Emerging Markets & Islamic Investment. A key objective of the publication is to create awareness on shared SRI and Islamic finance value propositions, develop a global interest for SRI sukuk and to support business engagements in securing SRI mandates and ESG-based business (Islamic Fund Managers, Investment banks and investors).

Book Publication

Islamic Wealth Management Issues in Practice is proudly the title of the first book that will be published by the Centre. Consisting of 25 chapters, this book will discuss pertinent issues around Islamic Wealth Management. With a total of 22 contributors from various fields, the Director of the Centre, Prof. Dr. Shamsher Mohamad Ramadli Mohd himself leads the project. This book will cover the following topics: Definition and Concepts of Islamic Wealth Management, Governance Issues in Managing Wealth, Wealth Creation, Wealth Preservation and Purification, Wealth Distribution and Wealth effects.

This book is expected to be completed and published in June 2016.