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## **Corruption and Ethical Bankruptcy in Public Institutions Quranic Principles for Reform**

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### **Abstract**

This article investigates the pervasive crisis of corruption and ethical decay within public institutions, examining it through the lens of Qur'anic guidance. While contemporary solutions often emphasize legal and procedural reforms, this study contends that lasting institutional integrity requires a foundational shift toward spiritual and ethical values grounded in the Qur'an. By analyzing selected verses and relevant prophetic traditions, the article underscores the Qur'anic emphasis on divine accountability, justice, transparency, and moral uprightness as essential principles for reform. These values not only address the symptoms of corruption but also cultivate a deeper sense of personal and collective responsibility. The research argues that without an ethical transformation anchored in spiritual consciousness (taqwa), institutional reforms remain superficial and unsustainable. Ultimately, this study presents the Qur'anic paradigm as a comprehensive and timeless framework capable of restoring trust, promoting good governance, and ensuring long-term societal well-being.

**Keywords:** Qur'anic Ethics, Institutional Reform, Corruption, Accountability

## Introduction

Corruption remains one of the most pressing global challenges of our time, undermining governance, distorting economic development, and eroding public trust. In many Muslim-majority countries, the issue has reached alarming levels, where institutions tasked with upholding justice, welfare, and public service are themselves plagued by unethical practices, favoritism, nepotism, and abuse of power. Despite numerous anti-corruption laws, oversight agencies, and procedural reforms, corruption persists with entrenched resilience. This signals a deeper problem—one that goes beyond structural inefficiencies and points toward a profound ethical and moral crisis.

At the heart of this crisis lies an ethical failure: disconnect between public duty and moral responsibility. Corruption is not merely the result of weak systems or poor administration; rather, it reflects a deeper erosion of individual and collective conscience.<sup>1</sup>

When moral integrity is absent, institutional mechanisms—however well-designed—fail to curb wrongdoing. Thus, the crisis is not only legal or procedural but spiritual and ethical in nature. The Qur'an, as the primary source of Islamic moral guidance, offers a holistic approach that integrates spirituality, ethics, and governance. It calls for justice ('adl), trust (amanah), accountability and God-consciousness (taqwa) as essential pillars of public life.

This study aims to explore how a Qur'an-centered ethical framework can address institutional corruption in a sustainable and comprehensive manner. By grounding reform in divine accountability and moral values, it seeks to offer a paradigm that not only corrects misconduct but transforms the moral character of governance. The research is significant within the broader discourse of Islamic political and moral thought, as it bridges classical principles with contemporary

Published:  
July 7, 2025

institutional challenges, offering insights relevant to both scholars and policy-makers in the Muslim world.

### Definition of Corruption (فساد) in Qur'anic Terminology

In the Qur'anic discourse, the concept of *corruption* is not limited to financial misconduct or political wrongdoing; rather, it encompasses a broader spectrum of moral and societal disorder.<sup>2</sup>

The term فساد (*fasād*) is repeatedly used in the Qur'an to denote various forms of disruption—social, environmental, ethical, and spiritual. It refers to any act that deviates from the divine order, undermines justice, or causes harm to creation. Closely related terms include خيانة (*khiyānah*), meaning betrayal of trust, and ظلم (*ẓulm*), meaning injustice or oppression. Together, these terms reflect a comprehensive Qur'anic understanding of corruption as a deviation from divine values that uphold balance, justice, and accountability in society.

A prominent example of the Qur'anic critique of moral hypocrisy is found in verse:

"وَإِذَا قِيلَ لَهُمْ لَا تُفْسِدُوا فِي الْأَرْضِ قَالُوا إِنَّمَا نَحْنُ مُصْلِحُونَ"

*"When it is said to them, 'Do not cause corruption on the earth,'  
they say, 'We are only reformers.'"*<sup>3</sup>

This verse highlights the self-deceptive nature of those who engage in corruption while outwardly claiming to act for the public good. The Qur'an exposes such moral duplicity and warns of its consequences, both in this world and the hereafter. From this perspective, corruption is not merely a legal offense—it is a spiritual ailment that disrupts the harmony of human relations and invites divine displeasure.

### **Ethical Bankruptcy and *Khiyanah* (Breach of Trust)**

Beyond financial embezzlement, the Qur'an identifies *khiyanah*—the betrayal of *amanah* (trust)—as a critical dimension of corruption. Leadership, governance, and public service are all seen as sacred trusts bestowed upon individuals by society and ultimately by Allah. Breaching these trusts constitutes a serious moral violation. The Qur'an states:

"إِنَّ اللَّهَ يَأْمُرُكُمْ أَنْ تُؤَدُّوا الْأَمَانَاتِ إِلَىٰ أَهْلِهَا"

*"Indeed, Allah commands you to render trusts to  
whom they are due..."*<sup>4</sup>

This divine injunction emphasizes the ethical obligation to uphold justice and fidelity in all matters of responsibility.

The decay of ethical values in leadership—manifested in dishonesty, favoritism, misuse of authority, and lack of transparency—is a primary driver of institutional failure. When those entrusted with governance abandon the principles of *amanah* and *'adl* (justice), the result is widespread disillusionment, social instability, and the erosion of moral standards in society at large. Hence, the Qur'anic framework for addressing corruption begins not with external laws alone but with the internal purification of conscience, rooted in God-consciousness (*taqwa*) and accountability before the Creator.

### **The Qur'anic View of Public Leadership and Governance**

The Qur'anic perspective on leadership and governance is deeply rooted in moral responsibility, divine accountability, and social justice. It views authority not as a privilege but as a trust (*amanah*) that must be discharged with honesty, justice, and consultation.<sup>5</sup>

Leadership in Islam is a sacred duty—one that is judged by both the standards of this world and the Hereafter. The Qur'an provides a holistic framework where governance is guided by spiritual consciousness (*taqwa*), collective welfare, and unwavering commitment to truth and equity.

### ***Amanah* (Trust) as a Moral and Public Responsibility**

The Qur'an presents *amanah* as the foundation of all human responsibilities, particularly in leadership and governance. In Surah Al-Ahzab, Allah says:

..."إِنَّا عَرَضْنَا الْأَمَانَةَ عَلَى السَّمَاوَاتِ وَالْأَرْضِ وَالْجِبَالِ فَأَبَيْنَ أَنْ يَحْمِلْنَهَا"

*"Indeed, We offered the Trust to the heavens and the earth and the mountains, but they declined to bear it..."<sup>6</sup>*

This verse underscores the weight of *amanah*, which humanity accepted—a responsibility encompassing the moral, social, and political obligations placed upon individuals and institutions.

In the realm of public leadership, *amanah* implies that rulers and officials are custodians of the people's welfare and must exercise their duties with integrity, sincerity, and humility. Betrayal of this trust is not merely administrative negligence—it is a spiritual crime that invites divine accountability.

### ***Shura* (Consultation) and Collective Decision-Making**

The Qur'anic model of governance emphasizes *shura*—mutual consultation—as a key principle in public affairs. Surah Ash-Shura describes the qualities of a righteous community:

Published:  
July 7, 2025

وَأَمْرُهُمْ شُورَىٰ بَيْنَهُمْ

*"And whose affairs are [determined] by mutual consultation among them."<sup>7</sup>*

This verse promotes participatory governance, where leaders are expected to involve their communities in decisions that affect them, thereby enhancing transparency, inclusiveness, and accountability.

In contrast to authoritarian rule, *shura* empowers society and decentralizes power, fostering collective responsibility and reducing the risk of corruption. When consultation becomes part of institutional culture, it strengthens legitimacy, corrects errors, and aligns policies with public interest.

### **Justice (*Adl*) and Equity (*Qist*) as Non-Negotiables**

Justice is the cornerstone of Islamic governance. The Qur'an commands:

إِنَّ اللَّهَ يَأْمُرُ بِالْعَدْلِ وَالْإِحْسَانِ...

*"Indeed, Allah commands justice and excellence..."<sup>8</sup>*

Justice (*'adl*) and equity (*qist*) are not optional virtues but divine imperatives that must govern all aspects of public administration, law, and societal interaction.

In the Islamic worldview, just institutions are manifestations of divine mercy and a sign of a healthy society. Corruption, favoritism, and oppression represent a betrayal of this divine command and lead to the collapse of public trust and social cohesion. Upholding justice requires that leaders act impartially, protect the rights of all citizens, and ensure that the weak and marginalized are not denied their due. In this way, Qur'anic governance becomes not just a legal structure but a moral mission that nurtures dignity, balance, and harmony in society.

## Causes of Institutional Corruption from an Islamic Perspective

From an Islamic standpoint, institutional corruption is not solely the result of flawed policies or weak administrative mechanisms; it is deeply rooted in moral and spiritual deficiencies.<sup>9</sup>

The Qur'an and Prophetic tradition emphasize that external reform is unsustainable without internal rectification. Therefore, identifying the underlying causes of corruption requires a closer examination of the spiritual and ethical failures that precede institutional decay.

### Lack of *Taqwa* (God-Consciousness)

*Taqwa*—the awareness of Allah's constant presence and accountability—is the most fundamental spiritual safeguard against corruption.<sup>10</sup>

When individuals entrusted with public responsibilities lack *taqwa*, they are more likely to misuse power, violate public trust, and disregard ethical boundaries. The Qur'an repeatedly links righteousness and justice with God-consciousness, indicating that sustainable integrity in leadership begins with inner reform. Without *taqwa*, legal deterrents and institutional checks remain insufficient to curb moral failure.

### Obsession with Power, Wealth, and Status (*ḥubb al-māl wal-jāh*)

The unrestrained desire for wealth and social dominance is another root cause of corruption.<sup>11</sup>

The Qur'an warns against the corrupting influence of *ḥubb al-māl* (love of wealth) and *ḥubb al-jāh* (craving for status), which often drive individuals to compromise ethical standards. When leadership becomes a means of personal enrichment rather than public service, institutions lose credibility, and corruption

Published:  
July 7, 2025

becomes systemic. This moral disease leads to bribery, embezzlement, nepotism, and the exploitation of public resources for private gain.

### **Absence of Ethical Education and Spiritual Accountability**

Modern bureaucracies often emphasize technical skills and legal knowledge but neglect ethical and spiritual formation. This creates a vacuum where public servants operate with competence but without conscience.<sup>12</sup>

Islamic teachings stress the need for *tarbiyah* (moral training) that fosters honesty, humility, and accountability before Allah. Without such a foundation, administrative professionalism alone cannot prevent moral collapse within institutions.

### **Disconnect between Religious Values and Administrative Systems**

One of the most critical factors in institutional corruption is the separation between religious ethics and governance practices. In many contemporary Muslim societies, the administrative and legal frameworks function independently of Islamic moral principles.<sup>13</sup>

This duality results in a system where religion is confined to personal life while public administration lacks a moral compass. The Qur'an envisions a model where governance is seamlessly integrated with spiritual values, ensuring that justice, trust, and public welfare remain central to institutional function.

Addressing these root causes demands a holistic reform that revives *taqwa*, re-centers ethical education, restrains materialistic ambitions, and reconnects institutional structures with the spiritual and moral ideals of Islam.



## **Qur'anic Case Studies on Corruption and Reform**

The Qur'an offers not only abstract ethical principles but also vivid case studies of individuals and societies where corruption prevailed—and how reform was introduced through prophetic guidance.<sup>14</sup>

These narratives serve as moral lessons and structural models for addressing institutional failures in any age. By analyzing figures such as Qarun and Pharaoh, and by examining the reformist roles of prophets like Yusuf (AS) and Shu'ayb (AS), we gain insights into the roots of corruption, its societal consequences, and the Qur'anic blueprint for transformation.

### **1. Qarun: Wealth and Arrogance without Gratitude**

The story of Qarun, as narrated in Surah Al-Qasas, is a powerful portrayal of moral decline driven by materialism and pride:

إِنَّ قَارُونَ كَانَ مِنْ قَوْمِ مُوسَى فَبَغَى عَلَيْهِمْ..."

*"Indeed, Qarun was from the people of Moses, but he transgressed against them..."<sup>15</sup> (28:76)*

Quran symbolizes the corruption of wealth when it is detached from gratitude and responsibility. Although he possessed immense resources, he attributed his success solely to his own knowledge and ability, rejecting divine blessings and guidance. His arrogance led him to social injustice and exploitation. The Qur'anic narrative ends with his destruction, serving as a stark warning to those who use wealth for personal glorification rather than societal benefit.

### **2. Pharaoh (Fir'awn): Political Tyranny and Institutional Injustice**

In Pharaoh, the Qur'an presents a prototype of despotic leadership and systemic oppression:

Published:  
July 7, 2025

"إِنَّ فِرْعَوْنَ عَلَا فِي الْأَرْضِ وَجَعَلَ أَهْلَهَا شِيَعًا..."

*"Indeed, Pharaoh exalted himself in the land and divided its people into factions..."*

Fir‘awn’s rule was characterized by institutionalized injustice—using power to divide people, oppress minorities, and maintain absolute control. He manipulated religion, law, and state machinery to secure his rule. His downfall is a Qur’anic reminder of how tyranny, despite its worldly dominance, ultimately collapses in the face of divine justice and prophetic resistance.

### Prophets as Reformers of Corrupt Systems

In contrast to corrupt figures, the Qur’an presents prophets as reformers who engaged with existing systems to restore justice and ethical governance.

- **Prophet Yusuf (AS)** exemplifies integrity and competence within state administration. Appointed to manage the treasury during a time of crisis, he requested the role not out of ambition but responsibility:

"اجْعَلْنِي عَلَى خَزَائِنِ الْأَرْضِ إِنِّي حَفِيظٌ عَلِيمٌ"

*"Appoint me over the storehouses of the land; indeed, I am trustworthy and knowledgeable."*<sup>16</sup>

- His leadership combined technical skill (*‘alim*) with moral integrity (*ḥafīẓ*), demonstrating the qualities needed for institutional reform.
- **Prophet Shu‘ayb (AS)** was sent to a people afflicted by economic corruption and dishonest trade. His message was clear:

"أَوْفُوا الْكَيْلَ وَالْمِيزَانَ وَلَا تَبْخَسُوا النَّاسَ أَشْيَاءَهُمْ"

Published:  
July 7, 2025

*“Give full measure and weight, and do not deprive people of their due.”<sup>17</sup>*

- He called for economic justice, fair business practices, and accountability—principles that are foundational for a healthy economy and public trust.

These case studies collectively reveal that the Qur’an addresses corruption at every level—personal, economic, and political—while offering reform through prophetic values of justice, honesty, humility, and service.

### **Qur’anic Principles for Institutional Reform**

The Qur’anic framework for institutional reform is both spiritually profound and socially transformative. It offers timeless principles that address not only the external structures of governance but the inner character of individuals in authority.<sup>18</sup>

These principles aim to create institutions grounded in justice, transparency, and moral excellence, underpinned by a deep consciousness of divine accountability.

### **Taqwa-Based Governance**

*Taqwa*—the awareness and fear of Allah—is the ultimate internal mechanism for preventing corruption. It serves as a moral compass that guides leaders to uphold justice even when external monitoring is absent.<sup>19</sup>

A God-fearing official understands that their accountability is not limited to audits or laws but extends to divine judgment. In the absence of *taqwa*, even the most sophisticated institutional checks can be circumvented.

### ***Ihsan* (Excellence and Integrity)**

The Qur'anic ethic of *ihsan* calls for excellence beyond mere compliance with rules:

*"Indeed, Allah loves those who do good (muhsineen)."*<sup>20</sup>

This principle encourages individuals to act with sincerity, diligence, and moral excellence in fulfilling their duties. It elevates governance from a bureaucratic task to a sacred trust that requires both skill and ethical refinement.

### **Accountability (*Mas'ooliyyah*)**

Islamic governance stresses that every leader and public servant will be questioned—both in this life and the hereafter:

*"وَقَفُّوهُمْ إِنَّهُمْ مَسْئُولُونَ"*

*"Stop them; indeed, they are to be questioned."*<sup>21</sup>

Accountability is not limited to worldly institutions but continues into the next life. This dual accountability ensures that power is exercised with restraint, humility, and foresight.

### **Meritocracy and Trustworthiness**

Positions of responsibility must be assigned based on competence and integrity, not favoritism or personal ties:

*"Indeed, the best one you can hire is the strong and trustworthy."*<sup>22</sup>

The Qur'an combines *quwwah* (capability) with *amanah* (trustworthiness) as essential criteria for public roles. Neglecting these principles leads to inefficiency, injustice and institutional decay.

## Institutional Transparency and Justice

Transparency and impartiality are central to Qur'anic justice. The Qur'an commands believers:

"يَا أَيُّهَا الَّذِينَ آمَنُوا كُونُوا قَوَّامِينَ بِالْقِسْطِ..."

*"O you who believe! Be persistently standing firm in justice, even against yourselves or your relatives..."<sup>23</sup>*

This principle prohibits nepotism, favoritism, and class-based privileges. Institutions must operate with open accountability, treating all citizens equally before the law.

## Strategies for Implementation in Contemporary Muslim Societies

For Qur'anic ethics to effectively reform modern institutions, practical and policy-level strategies must be adopted across Muslim societies. These include:

- 1. Reintroducing Qur'anic Ethics in Civil Service Training:**  
Civil servants and administrators should undergo training that integrates Islamic ethical principles with professional governance. Taqwa, amanah, and justice must be central themes in public service orientation.
- 2. Empowering Ulama and Islamic Scholars in Public Moral Discourse:**  
Scholars should actively participate in national conversations on ethics and governance, offering Qur'anic guidance on corruption, leadership, and institutional reform.
- 3. Developing Anti-Corruption Frameworks Inspired by Qur'anic Ethics:**  
National integrity policies must reflect Qur'anic principles such as transparency, accountability, and moral responsibility. Institutions like anti-corruption commissions should adopt a values-based approach.

4. **Integrating Moral and Ethical Education in Educational Curricula:**  
Schools, universities, and religious institutions should instill ethical reasoning and spiritual accountability from an early age, creating a future generation of morally conscious leaders.
5. **Promoting Public Auditing, Institutional Transparency, and God-Consciousness:**  
Auditing mechanisms must be supported by a culture of *taqwa*—fear of God—as a complementary force. Institutions should make their financial and operational practices publicly available to ensure trust and transparency.

Through these strategies, Muslim societies can bridge the gap between their religious values and governance structures, establishing a model of ethical, effective, and spiritually responsible institutional life.

## Conclusion

The Qur’anic worldview offers not only a denunciation of corruption and ethical collapse in public institutions but also presents a holistic, divinely anchored paradigm for reform. Unlike secular models of anti-corruption which are often confined to legal or procedural measures, the Qur’an addresses the **spiritual, ethical, and structural dimensions** of institutional decay. It identifies the root cause of *fasād* (corruption) as the erosion of **taqwa (God-consciousness)**, the betrayal of **amanah (trust)**, and the misuse of authority as a tool for personal gain and societal division.

Through vivid historical narratives—such as those of Qarun, Pharaoh, and Prophet Yusuf (AS)—the Qur’an demonstrates how unchecked arrogance, wealth accumulation, nepotism, and tyranny destroy not just institutions but civilizations.

Published:  
July 7, 2025

Conversely, reform is shown to begin with **moral revival**, justice, and the placement of trustworthy and competent individuals in leadership—

The Qur'anic model does not isolate institutional reform from personal accountability. It sees rulers, administrators, and public officials as **stewards** accountable to God and to the people they serve. Justice, transparency, consultation, merit, and integrity are not just political values—they are divine commands.

For Muslim societies grappling with chronic corruption and administrative failure, the solution lies in **reintegrating these Qur'anic principles into governance frameworks**, public service ethics, educational curricula, and civil society. Reform is not possible without a spiritual awakening that anchors external policy change in internal moral transformation.

This study calls for a renewed commitment by Muslim scholars, policymakers, and institutions to build systems that are not only efficient but also **ethically grounded** and **theologically informed**. The Qur'an is not silent on the dysfunctions of power—it offers a divine roadmap to integrity, accountability, and just governance.

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Published:  
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