

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

*Praise is to Allah, the Cherisher and Sustainer of the worlds.
Blessings and Salutations Be to His Prophet Muhammad
His Family and Companions*

A comment on the paper entitled: **Between Law and Markets:
Is there a Role for Ethics in Finance?** Dan Awery, William Blair, David Kershaw

By Mohamed A. Elgari

Ethics revolves around the moral obligation one person owes to another. In other words, ethics is an obligation which one is expected to adhere to but not by the power and compulsion of law but by the commitment which bound him to follow a course of action to others which considered moral and socially desirable. Whether its law, ethics or moral tendencies we are effectively speaking about motivation that influences one's behavior in a society. Clearly, the strongest is the law due to compulsion.

In a world where that defines well being and value of life is physical pleasures and materialistic possessions, philosophers have been puzzled. Why would anyone be moral and why ethics still remain when in fact a moral behavior can rarely be rewarding financially and ethics is not bankable. It is because of this many reform minded individuals tried to build a "sub law" system where the elements of

ethics and moral behavior are translated into a regime that influence behavior not through application of force but by the power of social pressure, such as corporate governance etc.

The Islamic system gave the utmost consideration for ethics and to the point where our Prophet PBUH summarizes the whole message of Islam in his statement: I was sent to complete the best of morals.

The problem with ethics is not that people are not convinced that the ethical system is good for everyone. The problem is that in this day and age the price one pays for not being ethical is very low, unlike law.

In Islamic Shari'ah codes of law are also divided into legal code and ethics. The believer of Shari'ah is that they both do carry a punishment. One is earthly and the other is in the hereafter. Thus a believer find it an attractive to deviate from the right ethical standard.

This may look easy but it is not. Without strong education system, capable of cementing this in the psyche of each Muslim it may not have any positive effect.

Hence, we still need to enhance ethical and moral obligation by working hard to establish standard professional conduct, corporate governance and guides for conduct.

On the other hand I believe the Islamic system is well positioned to nurture individuals with stronger moral and ethical commitments because of its emphasis on the family.

The family is the core unit of society and the stronger the bond between family members the higher the adherence to the established moral code.

I believe the problem is global cutting across every religion and culture. We as Muslims have an opportunity which in my own mind more engaging.