

The Tabung Haji Scandal: The Ummah's Trust that Falls into the Hands of Capitalists

Malaysia: After being kept tightly under wraps for over three years, the Royal Commission of Inquiry (RCI) report regarding Tabung Haji (Haji Fund) has suddenly been made public. It immediately became a hot topic of conversation and speculation, particularly because of the timing of its release amidst the ongoing Negeri Sembilan State Election. Anyone could guess that a matter of this magnitude would not be disclosed now without political motives.

What did the RCI reveal? Weak governance; unjustified expenditures; "creative accounting" audits attempting to conceal the actual figures; political interference in management and the distribution of profits; plummeting investments resulting in billions of ringgits in losses, and much more.

An institution that had long been touted as profitable and solid was, in reality, suffering losses due to leakages and mismanagement. This not only implicates prominent figures within the board's management but also extends to political interference at the highest levels of that time.

The reality is that scandals like this are not occasional accidents, nor are they new or isolated incidents. This is also not merely a story about a "few greedy individuals" who, once dragged to court and punished, will resolve the problem. It is not like that. It is but one of the rotten fruits borne of the same tree – the secular-capitalist system of governance that is inherited, defended, and glorified to this day by everyone who holds power.

Recurring Scandals, An Unquestioned System

Setting aside for a moment the question of why this scandal is only being revealed now, the crucial issue to understand is not merely "who is to blame," but why this could happen, and why such scandals constantly recur.

The 1MDB scandal is still ongoing in court, and then emerged the issue of KWAP's investment in the eFishery company, which lost hundreds of millions of ringgits after being entangled in a "planned scam." Prior to this, the nation was shocked by the issue of sovereign wealth fund Khazanah Nasional and government-owned fund management company Permodalan Nasional Berhad (PNB), which suffered tens of millions in collective losses after selling their stakes in the local e-commerce platform FashionValet. Today, we are exposed to the Tabung Haji scandal. Tomorrow, what scandal else will erupt?

Every time a scandal occurs, the narrative arc remains the same – a scandal erupts, is initially denied, and then, when it can no longer be hidden, a commission is established. The report is shelved according to the whims of those in power, and eventually, it either goes completely silent or is weaponized for political gain. After the storm subsides, the same system remains, the same players remain, the same factions hold power, and the people are once again asked to believe that this time will be different.

In short, the disease recurs, yet its root cause is never addressed. From one government to another, Malaysia has never been free from scandals. Even the Madani government, which supposedly champions institutional reform, transparency, good governance, and various other pleasing catchphrases, ultimately wallows in the same mire.

Occasionally, arrests are made, perpetrators are dragged to court and sentenced, yet the cycle of corruption persists. Where did it go wrong? The answer is that the "system" that breeds these wretched individuals is never addressed! It is akin to a tree that bears poisonous fruit; if it is never chopped down or uprooted, it will continue to produce fruit year-round.

A Betrayed Trust

Who does not know that the Tabung Haji funds are a sacred trust (Amanah)? The depositors' savings are not merely numbers in a ledger. It is wealth accumulated little by little through the sweat and toil of the common people, with one pure intention – to fulfil the fifth pillar of Islam, to become the guests of Allah (swt) at His House. They put their money to those they deemed most trustworthy. Unfortunately, a trust so pure and immense has fallen into the hands of the unqualified. Indeed, this betrayal is no small matter.

Worse still, as Muslims who know the gravity of a trust and the severe sins and torments awaiting those who betray it, they still choose to commit this betrayal. The Prophet Muhammad (PBUH) had warned: «إِذَا ضُيِّعَتِ الْأَمَانَةُ فَانْتَظِرِ السَّاعَةَ، قِيلَ: كَيْفَ إِضَاعَتُهَا؟ قَالَ إِذَا أُسْنِدَ الْأَمْرُ إِلَى غَيْرِ أَهْلِهِ فَانْتَظِرِ السَّاعَةَ» **"When trustworthiness is lost, then wait for the Hour (Doomsday). It was asked: How is trustworthiness lost? He replied: When authority is given to those who do not deserve it, then wait for the Hour."** [Sahih al-Bukhari]

How many people entrusted with authority ignore this warning from the Prophet (PBUH)? The situation invariably worsens when positions within institutions that safeguard such trusts are placed in the hands of politicians. They hold these trusts not based on merit or piety (Taqwa), but for partisan and personal interests. This is exactly what happens in the end times approaching the Hour (destruction) when "authority is given to those who do not deserve it."

Today's RCI merely confirms what was warned by the Prophet (PBUH) over 1400 years ago. Although there are proposals to bar active politicians from leading the Tabung Haji Board, they remain mere proposals and typically end up in the trash bins of those in power. If the mandate of governance to implement the laws of Allah (swt) comprehensively (Kaffah) – which is far weightier than the mandate of safeguarding money – is betrayed by those in power, let alone the mandate of managing wealth?

Hajj Funds Become Tools for Capitalist Greed

The issue of trust has not been addressed at its root if we stop merely at seeking "the guilty party." The deeper question is: why would a hajj pilgrims' trust fund be invested in the quagmire of speculative investments – plantations, real estate, high-risk joint ventures – leaving it vulnerable to such massive losses?

The answer is that it operates within the mould of a secular-capitalist system. In this system, money cannot simply be safeguarded; it must be expanded, or in other words, the money must "work" to generate even more money. It must be invested in pursuit of returns, to pay competitive "dividends" so as to appear superior to conventional banks. This is the very purpose of an interest-based and speculative-based economy – one that makes the pursuit of profit the ultimate goal, even if it means gambling with the people's most sacred trust.

The capitalist system teaches rulers and trustees not just to be guardians of wealth, but to wager it; not just to preserve money, but to pawn it. This is the doctrine of the capitalist system – money must be used to generate more wealth by any means necessary, even through the betrayal of trust. This system will never produce individuals who are trustworthy in safeguarding wealth.

Under the capitalist system, even an institution sheltering the most profound act of worship for Muslims is not safe. How could our wealth be secure when it is not merely handed over to unqualified individuals, but surrendered to owners of capital (capitalists) who constantly seek to line their pockets with wealth so long as their bodies are not yet wrapped in shrouds?

The Fundamental Cause: Governance Other Than the Law of Allah

The corruption occurring within the nation is not solely due to individuals, but rather a system that is rotting from the inside out. All the proposed solutions – forensic audits, legislative amendments, barring politicians, tightening governance – operate within the exact same cycle. They treat the symptoms, not the disease. They change the guards but preserve the system that breeds traitors.

We do not merely need the "right individuals" to safeguard the trust, but the "right system" to govern the nation. As long as the affairs of the Ummah are administered by those unqualified, let alone those whose betrayals have been proven time and again, the same problems will persist. It has also been proven that righteous individuals, when immersed in a corrupted system, will eventually become corrupted themselves.

The secular-capitalist system of governance has proven to open the floodgates to all forms of misappropriation and leakage. The evidence is constantly laid bare before our eyes. The Tabung Haji scandal is merely one piece of evidence among thousands. Other scandals will follow, to be unleashed when the time aligns with the political calendar of the ruling party.

Some might object: "But Tabung Haji has recovered, it has stabilized, its profits are competitive again, and most of the RCI's recommendations have been implemented. Is this not proof that the system can correct itself without needing to be changed?"

Do not be deceived O Muslims. The vast majority of the "recovery" of any loss-making institution is essentially achieved by transferring troubled assets to a government-owned special purpose vehicle – the losses are not resolved; they are merely shifted and ultimately borne by the public through the people's money. In other words, the same poison continues to course through the veins of the system; it is merely injected with a temporary painkiller, then peddled as a "success." The true cure is never administered, because the true disease is never acknowledged.

Conclusion

The Tabung Haji scandal revealed by the RCI is not a matter of a few problematic individuals, but rather a reflection of a system that is inherently flawed from its very roots. As long as the Ummah's trust is administered through a secular-capitalist framework, RCI after RCI will only confirm the same disease. We need not be surprised by this disclosure, or by any future disclosures. In fact, no one should feign surprise every time such an incident recurs.

This secular-capitalist system is beyond repair and must be replaced by an Islamic system, where trustees are conscious of their responsibilities before Allah (swt) before mankind; where the wealth of the Ummah is managed as a sacred trust under Sharia law, rather than as capital to be expanded through usurious and speculative means; a system that upholds accountability without fear or favour and without waiting for election season – that is the Islamic system of governance, the Khilafah Rashidah ala Minhaj Nubuwwah (the Rightly Guided Caliphate upon the method of the Prophethood).

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