



IIUM Journal of Economics and Management 11, no.1 (2003):
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ETHICS IN ACCOUNTING EDUCATION: CONTRIBUTION OF THE ISLAMIC PRINCIPLE OF *MA'ÉLAÏ AH*

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ABSTRACT

There is a growing concern over the apparently low moral standards of some accountants and an increasing number of academics who suggest that the education system should bear some of the blame. Ethical components in accounting education have been found to be insufficient and there is a lack of emphasis on humanizing accountants. The objective of this paper is firstly to address the importance of ethics in accounting education and evaluate the development of literature in this area. Secondly, the paper argues for the direction of accounting education to focus on religious ethical development and values in developing accounting ethics. The paper argues that the Islamic worldview and ethics perspective can provide some insights into the process of developing a more humanized and ethical accountant. This paper proposes the Islamic legal principle of *ma'sla'ah* as an ethical filtering mechanism to be taught as part of the ethical accounting education process. This is aimed at providing awareness to accounting students and accountants on the process to resolve ethical conflicts. The study of Islamic worldview and ethics provides a different ethical dimension on accounting education. Here, the debates on ethics in accounting education need to start with values, not on codes of professional conduct, and on responsibilities, not on rules.

JEL Classification:

Key words: Accounting education, Islamic ethics, *Ma'sla'ah*

1. INTRODUCTION

Accountants have a responsibility to the society to clearly communicate information for decision-making. There is a growing concern that

accountants, on many occasions, fail to provide the required information demanded by the society. There is also a growing concern over the apparently low moral standards of some accountants. There is an increasing number of academics suggesting that the education system should bear some of the blame (Lehman, 1988; Power, 1991; and Gray et al., 1987). They argued that we need to re-examine the type of educational system that produces accounting professionals who, consciously or otherwise, appear to act unethically (e.g., Loeb and Rockness, 1992).

Realizing the lack of ethical components in accounting education (McPhail, 2001), this paper seeks to address the importance of ethics in accounting education and evaluates the development of literature in this area. The paper argues that the direction should be on religious ethical development and values in developing accounting ethics rather than just focusing on the secular aspect of ethics and professional code of conduct. The paper suggests that the Islamic worldview and ethics perspective can provide some insights into the process of developing a more humanized and ethical accountant. This paper also proposes the Islamic legal principles of *maşlaúah* as an ethical filtering mechanism to be considered as a means to resolve ethical conflicts normally faced by accountants.

2. ETHICS IN ACCOUNTING EDUCATION

The word “ethics” is derived from the Greek word “ethos”, which means the character, spirit and attitudes of a group of people or culture. The Concise Oxford Dictionary (1978) defines ethics as relating to morals and the treating of moral questions. Ethics also indicates a philosophical reflection on moral beliefs and practices and ethics is a conscious stepping back and reflecting on morality. Ethics has recently become an interesting topic in accounting as seen in the works of Francis, (1990), Gaa (1990), and Hauptman and Hill (1991).

Accounting is an area of human activity which tends to be regarded by some of its practitioners as neutral and value-free, a reporting function which requires the application of complex technical requirements but no moral involvement beyond adherence to a set of precepts in the form of an ethical code. Accountants do not tend to look beyond the narrow confines of the code to consider their roles as moral agents. It seems likely that they do not consider accounting to be an activity that

really has any substantial moral dimension, even though in other areas of their lives they may be deeply concerned with moral issues.

Many writers, in essence, argue that ethics should be cohesively implanted in accounting practices, because ethics clearly signal and distinguish right from wrong, good from bad, and justice from injustice. Thus, the importance of their presence in accounting rests primarily in their real effects on the life of individuals in the society. Francis (1990, 7) reiterated that because of their potential impact, accounting choices become moral choices:

“Accounting to the extent that it is a choice about how to affect our lived experience . . . is a practice grounded in moral discernment. Accounting is important precisely to the extent that accountant can transform the world, can influence the lived experience in ways which cause that experience to differ from what it would be in the absence of accounting, or in the presence of an alternative kind of accounting.”

Behaving ethically is an essential and expected trait of accountants where they are commonly thought of as a public watchdog. In this respect, accountants are expected to adhere to the rules of confidentiality, objectivity and independence. Some argued that accountants have obligations to shareholders, creditors, employees, suppliers, the government, the accounting profession and the public. However, as the conscience of business, accountants often find themselves facing competing obligations. Briloff (1986) viewed accounting as a moral discipline:

“A profession by its very definition presumes an advanced and advancing body of knowledge and a commitment to service, hence service in the public interest. This is especially true for the accounting profession in view of its “third party responsibility.”

Accountants are also accepted as *gatekeepers* of financial markets. Without accountants to ensure *quality* and *integrity* of financial information, the markets for capital would be by far less efficient, the cost of capital would be higher, and the standard of living would be lower (Wallman, 1995). This is not out of context as Carroll (1998)

asserted that ethics is important to accountants and those who rely on information provided by accountants because *ethical behavior* entails taking the *moral* point of view. Mayper et al. (2000) agreed that accounting as a moral discipline requires accountants to have a responsibility to the society to clearly communicate data that do impact decision-making. Much of the content of accounting information is *moral content* as well as *economic content*.

Ethics instruction has increasingly become an established component of accounting education. Concerns about the level of unethical behavior in practice serve as the impetus for the integration of ethics instruction into accounting courses (McNair and Milam, 1993; and Fulmer and Cargile, 1987). Initially, accounting educators may have been reluctant to broaden the coverage of ethics for a variety of reasons, including lack of space in an already heavy curriculum, lack of instructional materials (McNair and Milam, 1993), and faculty perceptions that no rewards accrue to those who institute such an innovation (Cohen and Pant, 1989). More recently, ethics instruction has begun to be regarded as a necessary part of the socialization of accounting students into the profession (see, for example, Clikeman and Henning, 2000).

Accounting ethics research has participated in this change in accounting education by providing tools to assess both the current level of ethical development of accounting students (Jeffrey, 1993; and St. Pierre et al., 1990) and the effect of adding ethics to the curriculum (Armstrong, 1993).

There are a number of studies aimed at finding out whether accountants are ethical and whether they view their discipline as ethical. Based on some research findings, accountants were found to have less ethical awareness than expected and did not view accounting as an ethical discipline. As noted by the Anderson Report (1986) issued by the American Institute of Certified Public Accountants (AICPA), it was found that accountants did not appear to be sufficiently aware of their ethical responsibilities. In addition, McPhail and Gray (1996) concluded, based on their study in the US, that accounting students were less inclined to view accounting issues as containing moral dimensions when compared with other issues (environmental or social issues).

A study sponsored by the Canadian Chartered Accountants (CCA) found that there was a cultural influence on ethical development among

accountants whereby Canadian accountants were found to have higher ethical scores than US CPAs. As compared to other professions, accountants were also found to be less ethical. In a recent study conducted in the UK, Dunn et al. (2000) found that accountants tend to have relatively low DIT (Defining Issues Test) scores relative to other professional people (DIT requires respondents to indicate their responses to a series of moral dilemma).

3. ISLAMIC WORLDVIEW AND ACCOUNTING

In a Muslim society, accounting should be influenced by the way the economic system is organized and the philosophy underpinning its system. Unlike the Western secular philosophy as exemplified by Kantian ethics, where the emphasis is more on the enlightenment of rationality and strong belief in the power of reason, the Islamic worldview is not merely derived from cultural and philosophical elements aided by science, but one whose original source is Revelation, confirmed by religion, and affirmed by intellectual and intuitive principles (al-Attas, 1995).

Islam literally means 'peace' and 'obedience', and the adherents of Islam have to be 'obedient' to God and to appreciate the purpose of their existence in this world (al-Faruqi, 1982). God is said to have proclaimed that, "I have only created . . . men that they may serve me" (*al-Qur'ān*, 51:56). The nature of this service is taken to have been spelled out clearly when God, upon creating men, declared, "I will create a vicegerent on earth" (*al-Qur'ān*, 2:30). Muslims consider humans to be vicegerents of God. Thus, whatever worldly possession a Muslim has is to be held in a stewardship capacity – it is simply in trust from God (Abu-Sulayman, 1994). According to Islam, Muslims are trustees (or stewards) for God: Man therefore agrees to assume this great responsibility in a covenant with God.

An overriding consequence of acceptance of the faith is that everything a Muslim does is to be in accordance with God's wishes as disclosed in the Holy writ (Hamid et al., 1993). These wishes have two major sources. First, they are prescribed by the revealed words of God, in the *Qur'ān*. Second, they are exemplified by the *Sunnah*, which contains God-inspired acts: sayings of the Prophet Muḥammad (pbuh); and descriptions of his conducts. These two sources are the material sources of Islamic law (*Shari'ah*). These sources are supplemented by the *ijma'* – the pronouncements representing the

consensus of Islamic scholars on matters not addressed explicitly by the *Qur'Ēn* and the *Sunnah*.

Islam does not concede to the dichotomy of the sacred and the profane (al-Attas, 1995; al-Faruqi, 1982). The worldview of Islam encompasses both the worldly aspect and the religious aspect, in which the worldly aspect must be related in a profound and inseparable way to the religious aspect, in which the religious aspect has ultimate and final significance (al-Attas, 1995). The worldly aspect is seen as a preparation for the religious aspect. Everything in Islam is ultimately focused on the religious aspect without thereby implying any attitude of neglect or being unmindful of the worldly aspect.

If we examine the role of economic activities in Islam we will find that the philosophy of all human activities should be directed towards the achievement of *faĒĒ* a comprehensive human welfare in this life and also in the hereafter. According to Siddiqi (1972), *faĒĒ* is a tangible quality towards the achievement of God's pleasure. Human welfare, as believed by Muslims, can be achieved without any conflict in the genuine interest of this worldly life and the hereafter.

To achieve this *faĒĒ*, economic activities must be morally directed. In any economic decisions, including financial reporting upon economic activities, the ethical values should act as a norm and economic relationships must be regarded as moral relationships. The achievement of *faĒĒ* is neither dependent on nor related to maximization of wealth or profit nor to the size of the individual business enterprise and quantity of output. Therefore, to a profit-making organization their activities should serve as a means for them to function in the economy. The worldview should be that they provide service to the public by manufacturing and/or trading goods or providing services and in return profit is only an aim to ensure they can operate and grow.

Accounting functions to discharge the accountability of enterprise as a result of separation of ownership and the management. The users might be shareholders, creditors, potential investors and the public. In the Muslim society, the concept of accountability is ingrained in the basic creation of Man as a vicegerent of God on the earth. Man's mission on earth is to fulfill the purpose of his existence in the universe. Man is thus created as a trustee and is accountable for all his actions (Abu-Sulayman, 1994). In Islam, accounting should function not only as a service activity providing financial information to the users and to the public at large but, more importantly, accountants should discharge

their accountability by providing information to enable society to follow God's commandments.

Muslims also believe that men are vicegerents on earth and directly accountable for all their actions as they are only trustees of God. Therefore, in this sense, accountants should lay formal claim to the status of moral arbiters to ensure the responsibility and transparency of an organization's internal procedures, so that issues of policy and governance are properly debated and recorded, at the point where the moral problems arise in the first place (Gambling and Karim, 1991).

In the light of the above worldview of Islam, some ethical notions assume a broader and more holistic significance to the accountant. In terms of responsibility, the accountant in Islam is not merely responsible to human superiors, the management/client or shareholders. He/She is a servant and trustee of God in all situations, and is simultaneously responsible to God, the Owner of his very self and the resources he is utilizing and managing. To forget or to neglect this fundamental aspect of this responsibility is tantamount to a betrayal of divine trust with all the attending consequences in this world and in the next (Hassan, 1995).

The accountant in Islam is not only required to maintain a good relationship with superiors, clients and the management but he is also required to maintain, improve and strengthen his relationship with his Master by fulfilling his religious obligations. In fact, the relationship with the Master (*úabl min Alléh*) will determine the mode of relationship with fellow servants (*úabl min al-nÉs*) (Hassan, 1995). Guided by the proper relationship with God, the human accountant would then be inspired by the values of truthfulness, fairness, tolerance, uprightness, etc.

The accountant in Islam is motivated to provide work and excellent service because as a holder of *amÉnah* (Trustee of God) on earth he must search for the bounties of God. His/Her work is a form of *amal šÉliú* (virtuous deed) which becomes the key for the attainment of *faÉlÉú* (true success in this world and in the hereafter). His/Her work is also a form of *ÉibÉdah* (servitude to God) in so far as it is in conformity with the divine norms and values. The accountant who is imbued with the worldview of *tawúÉd* (oneness of God) is not anti-profit or anti-worldly gain within the limits provided by religion. His vision of success and failure, however, extends beyond worldly existence to the life in the hereafter.

4. THE ISLAMIC ETHICAL PRINCIPLE OF *MA'LAH* AND ACCOUNTING ETHICS

As discussed in the previous section, this paper argues that accounting education has to incorporate ethics as part of the integrated curriculum whereby from an Islamic perspective accountants need to free themselves from the secular worldview which treats ethics as an ulterior aspect of professional and worldly life. This paper proposes an Islamic process of training accountants to be more humanized and elevate their role as an ethical human being. Islam indeed views the work of accountants as important to ensure proper management of this world in order to achieve the ultimate blessing of God as vicegerents (*khalifah*) on the earth.

In this section, the paper argues that in order for accountants to be able to act as moral arbiters in a business society they need to be imbued with an Islamic ethical 'filter' mechanism. This is where the paper proposes the Islamic legal principles of *ma'slahah* as the basis of setting proper priorities for the work to be undertaken by the accountants. In this regard, accounting education has to be developed by instilling the proper stages of the ethical decision-making process that incorporate religious considerations and public interest.

Islam defines the responsibility which the individual has to society, and that which society has to the individual and tries to harmonize their interests as far as possible. Islam also remedies or punishes any loss which either of them may suffer in undertaking the duties related to the various fields of life, both spiritual and material alike. Every individual is charged in the first place to conscientiously perform his own work; for the results of individual work are, in the long-run, advantageous and beneficial to the community (Qutb, 1975).

The principle objective of the *Shar'ah* (Islamic Law) is the realization of benefit to the people, relating to their affairs both in this world and in the hereafter. The *Qur'an* is descriptive of the objectives of the *Shar'ah* when it declares, "O mankind, a direction has come to you from God; it is a healing for the ailments in your hearts and it is a guidance and mercy to believers" (*al-Qur'an*, 10:75). Kamali (1989) identified three areas which constitute the primary objectives of *Shar'ah* (*maq'asid al-Shar'ah*); namely, to educate the individual, to establish justice, and to realize benefit (*ma'slahah*) to the people.

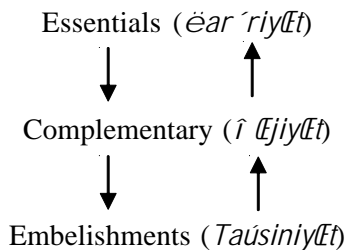
The majority of Islamic jurists are in agreement that there is no law in the whole of *Shar'ah* that does not seek to secure *ma'slahah*

(Kamali, 1989). Masood (1989) explained that *maṣlaḥah* in its relational sense means a cause, a means, an occasion or a goal which is good. It also means an affair or a piece of business which is conducive to good or that is for good. *Maṣlaḥah* as a principle of legal reasoning to argue that 'good' is lawful and that 'lawful' must be good.

Shāfiʿī (as quoted in Masood, 1989) defined *maṣlaḥah* as that which concerns the subsistence of human life, the completion of man's livelihood, and the acquisition of what his emotional and intellectual qualities require of him, in an absolute sense. The second element in the meaning of *maṣlaḥah* is the sense of 'protection of interest'. This protection of *maṣlaḥah* (plural of *maṣlaḥah*) was classified by Shāfiʿī into three types, namely the essentials (*ḥāṣṣah*), the complementary (*ḥāḍirah*) and the so called embellishments (*ḥāḍirah*).

Kamali (1989) stressed that the essential benefits (*ḥāṣṣah*) are defined as those on which the lives of the people depend which consists the following five: *dīn* (religion); *naḥḥ* (family), *mal* (property), *ʿaql* (intellect) and *nasl* (offspring). The complementary interests (*ḥāḍirah*) supplement the essential interests and refer to interests whose neglect leads to hardship but not to total disruption of normal life. The example of the ban on alcohol so as to prevent its consumption, and concessions that the *Sharʿah* has granted with regard to religious obligations for the traveler and the sick all fall under this category. The embellishments (*ḥāḍirah*) refer to interests whose realization leads to improvement and the attainment of that which is desirable such as cleanliness, avoiding extravagance, etc.

DIAGRAM 1
Division of *Maṣlaḥah*



Shāfiʿī (as quoted in Masood, 1989) regarded the above division of *maṣlaḥah* as a structure consisting of three grades which are connected to one another. His detailed analysis reveals two aspects of

their relationships with one another. First, every grade separately requires annexion of certain elements which supplement and complement this grade. Second, every grade is related to the others.

In order for the *maşʕeliú* to be valid, it must fulfill certain conditions, one of which is that it must be genuine (*úaqqiqiyyah*) (Kamali, 1989). And in order to ensure the objectivity in the determination of *maşʕeliú*, reference is to be made not to the individual benefit or desire but to the consideration of public interest whose validity is independent of relative convenience and utility to particular individuals. Hence, the interest which it seeks to uphold must also be objective and universal, not relative and subjective (Kamali, 1989).

The other two principles of the *Sharʕah* which are integral to the general concept of *maşʕlaúah* are the removal of hardship (*raf al-haraj*) and the prevention of harm (*daf al-darar*). The *Qurʕen* (22:78) declares that “God never intends to make religion a means of inflicting hardship on you”. This is confirmed elsewhere where we read in more general terms that “God never intends to impose hardship on you” (*al-Qurʕen*, 5:6), and then it is declared in an affirmative sense that “God intends to make things easy for you” (*al-Qurʕen*, 4:28).

The principles of *maşʕlaúah* can contribute to establishing guidelines for moral judgement. The codes of professional conduct should outline how to achieve public interest and in the case of conflict, how to resolve that conflict. In this sense, the principles of *maşʕlaúah* function as a general guideline to an ethical filter mechanism by providing three levels of judgement to be used by accountants when resolving ethical conflicts.

In the first level, whatever financial decisions and accounting disclosures of business activities the public requires for living especially in terms of their life (self and family), property and intellect, must be protected. Any of the business activities which can affect these basic attributes must be disclosed and debated, not only in terms of their financial implications but also in terms of their essential social implications. The examples include business activities which can endanger the lives of the people such as air and water pollution; damage to property and lives as a result of environmental degradation (e.g., Gray et al., 1987); and disruption of people’s intellect as a result of manufacturing of illicit drugs for public consumption.

In the second level, the protection of complementary public interests which presumes that any negligence or action which may lead to difficulties but not total disruption to the public must also be accounted

for by accountants. Examples that may fall under such protection include involvement in, trading with or manufacture or sale of tobacco and alcohol which affect the health of the public; involvement in fur trade, animal experimentation and exploitation which damage the lives of the animals; and trading or manufacture or sale of violent magazines and videos which instill bad moral behavior to the public (e.g., Carpenter, 1995). The public must be protected from these types of activities, and therefore accountants need to disclose the effect of the company's activities of this nature, both in terms of their financial and social implications.

In the third level, the need to achieve embellishments refers to the interests which, upon realization, leads to improvements and attainment of that which is desirable to the public. Therefore, accountants' reports need to reflect such attributes as relevance, comprehensible, reliability, completeness, objectivity, timeliness and comparability. All these attributes are familiar to accountants but have sometimes been taken for granted. There are many studies that found accountants' reports to be difficult to understand by the general public because of too many technical terms and jargons being used and abused (e.g., Beattie and Jones, 1992). Also, sometimes accountants' reports reflect biases upon which they over-portray the financial position of their clients. In addition, the reports are sometimes unreliable in the sense that the auditors' independence is always questioned by the public which raises concerns on the credibility of financial reporting (e.g., Moizer, 1985).

These three levels of public interest protection are interrelated with the former level of protection being the most important compared to the later. In the case where accountants face conflicts between protecting the essential public interest and the complementary public interest, the former should be given priority. These guidelines will be of limited use unless and until the accountants have been taught their responsibilities and obligations through formal accounting education in the institutions of higher learning, through qualifying professional examinations and/or through informal courses conducted by the professions. Therefore, in order for the codes of professional conduct to be of value it is always necessary to have a comprehensive ethical education to complement them.

5. INCORPORATING ISLAMIC ETHICS IN ACCOUNTING EDUCATION: AN EXPLORATION

In the Islamic sphere, the only notable effort so far to establish a code of ethical conduct for accountants was developed by the Accounting and Auditing Organizations of Islamic Financial Institutions (AAOIFI) in 1998. The AAOIFI is a body established with the objective, among others, to develop, promulgate, and review accounting standards to be complied with by the member institutions. The rules of ethical conduct stated in this code shall apply to internal accountants, internal auditors and external auditors of Islamic financial institutions.

The AAOIFI's code of ethical conduct for accountants presents an ethical framework for accountants derived from the Islamic *Sharfah* rules and principles. The basic assumption of this code is that Muslim accountants will be motivated to comply with such a code for reasons due to religious beliefs and as a means of obeying Allah's orders and refraining from things forbidden by Him. In addition, accountants will be motivated to observe the ethical principles contained in the professional codes of ethics provided that the latter principles do not contravene the *Sharfah* rules and principles. The code also aims to help in developing the accountant's ethical awareness by bringing to their attention ethical issues involved in professional practice.

The structure of the AAOIFI's code of ethical conduct consists of three sections; namely the *Sharfah* foundations of accounting ethics, the principles of ethics for accountants, and the rules of ethical conduct for accountants. The *Sharfah* foundations of accounting ethics delineate seven basic foundations; namely, integrity, vicegerency, sincerity, piety, righteousness, Allah-fearing, and, accountability to Allah. From these seven foundations, AAOIFI developed six basic ethical principles; namely, trustworthiness, legitimacy, objectivity, professional competence and diligence, faith-driven conduct, and professional conduct and technical standards. Finally, for all six ethical principles, they developed guiding rules for accountants in their professional works.

A critical evaluation of the AAOIFI's code of ethical conduct will show that having a code is not a solution to the ethical challenges faced by accountants. The AAOIFI's code of ethical conduct will be of use as a guide to Muslim accountants and accounting students. However, the code of ethical conduct cannot and does not intend to provide an operational guide for, or impart ethical awareness among accountants

and accounting students. Empirical studies need to be undertaken to explore the acceptance of this code especially among accountants and auditors of Islamic financial institutions that have adopted the AAOIFI's code of ethical conduct as their guide. The AAOIFI code serves as a collection of Islamic ethical concepts and principles but lacks an operational guide on how to impart the Islamic ethical principles into the Islamic financial institutions. This is where the principle of *maşlahah* can operate as an ethical filter mechanism and it can also be used as an ethical framework to resolve conflicting issues faced by accountants in performing their duties.

Despite continuous efforts made by many accountancy professional bodies including AAOIFI to develop a code of ethical conduct, some research findings as highlighted earlier indicated that much more are desired from accountants. Some even argued that ethics, however, go well beyond enforcement. Codes may help improve the ethical dimensions of practice by helping people develop the habit of doing the right thing and by providing a framework for ethical practice. Clearly, however, having codes of ethical conduct are not sufficient. Without *a firm commitment to do what is right*, the desire for money, power and position may take precedence over codes in the absence of effective enforcement (Carroll, 1998).

The realization that having a code of ethical conduct is necessary but may not be sufficient has prompted many to suggest that ethics need to be systematically incorporated into the accounting curriculum both at the tertiary level as well as in the professional education. However, there are a number of approaches that had been identified and can be adopted in teaching ethics in the accounting curriculum. Carroll (1998), for example, identified at least three models for integrating ethics into the accounting curriculum: devote half a semester of the Introduction to Business course to general business ethics; integrate ethics into each and every accounting course throughout the curriculum; and, develop a capstone course at the senior level that deals with the complex issues of business, social responsibility and professional responsibility.

This study suggests a capstone course on Islamic accounting ethics as a process to teach ethics in the accounting curriculum. The course can be taken by final year undergraduates in the final semester to consolidate and put into a proper perspective the knowledge of accounting techniques and professional values that they have acquired

in the earlier studies. Among the broad objectives of the courses are first, to impart the importance of the Islamic worldview such as the Islamic belief (*tawûd*), the role of men as vicegerents (*khalifah*), the pursuit of success that transcends beyond this worldly life (*al'û*), and others. This is important to expose students to the Islamic worldview and ethics and later on to relate all these principles to ethical problems in accounting.

Secondly, the course should also aim to make students aware of emerging issues facing the accounting profession and accountants. The AAOIFI's code of professional conduct can be used as a material to explain and expose students to the attributes of ethical awareness and principles from an Islamic perspective. However, the practical usefulness of the AAOIFI's code will be limited to the explanation of ethical principles such as trustworthiness and the like. It will be insufficient to impart ethical principles to students. Here, the teaching of the principles of *ma'slahah* as an ethical filter mechanism as explained earlier in this article, in theory, can contribute towards enhancing ethical awareness, particularly among Muslim accountants.

Ethics education, as contended by McPhail (2001), needs to pay attention to at least three major issues. First, ethics should not be treated as just another subject that students learn about. Islamic ethics is of no exception and it should be taught as a subject where students can relate to comprehensive ethical dilemmas that they have encountered in the accounting curriculum as well as to potential ethical dilemmas that they might be facing when they join the accounting profession. Secondly, ethics education should not involve the uncritical assimilation of professional codes of conduct. Students need to be exposed to critical debates and discussions on the code of professional conduct and not to treat ethical codes as just written guidelines. There must be a proper education process for the students to internalize ethical principles.

Finally, studying abstract ethical theory is not that important although a familiarity with broad ethical principles and concepts might be useful. The article argues that ethics education should attempt to humanize accounting students, that is, it should engender a sense of moral commitment towards other individuals. One of the most important objectives is, therefore, to develop an empathy with "others". As rightly pointed by McPhail (2001), emotion should be introduced into accounting education and, in particular, emotional commitment to other individuals should be encouraged. It is also suggested that increasing ethical

commitment to other individuals may go some way towards combating the tendency for accountancy to dehumanize other people.

6. CONCLUSION

This paper attempts to open a new frontier of debate on the issue of ethics in accounting by offering a perspective which is rather different in its orientation. As part of the accounting education process, students should be taught accounting not simply as a technique but they should realize its different roles in the society (Cooper and Sherer, 1984). Accountants should be trained and aware that they have multiple responsibilities (e.g., ASSC, 1975) and that they are accountable to many stakeholders (e.g., Gray et al., 1987), in addition to their superiors, the management or the client and shareholders as normally understood.

Future accountants should also be oriented as moral arbiters in the society to ensure the responsibility and transparency of an organization's internal procedures. The public image of accountants is that they are trustworthy professionals. Because of their expertise and unique relationship with the client, the accountant would be the only person with sufficient knowledge, ability and motivation to make company disclosure in the public interest (Ruland and Lindblom, 1992).

From an Islamic ethical perspective, in order to fulfill this expectation of the public, accountants need to understand that, first, they are responsible to the public and, second, by fulfilling this responsibility (*amĒnah*) based on truth and justice, their actions will be considered as virtuous deeds (*amal ŒĒliĒ*). The success or failure of human life as viewed by Islam transcends this worldly pleasure to the judgement and reward by God in the hereafter (Hassan, 1995). As contended by this paper, the principles of *maŒlaĒah* can contribute to establishing guidelines for ethical judgement for accountants. In this sense, the principles of *maŒlaĒah* function as an ethical filter mechanism, by providing three levels of judgement to be used by accountants when resolving ethical conflicts. The study of the Islamic worldview and ethics provides a different ethical dimension on accounting education. Here, the debates on ethics in accounting education need to start on values, not on codes of professional conduct, and on responsibilities, not on rules.

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