

INTEGRATING ISLAMIC GOVERNANCE ETHICS INTO DECENTRALISATION IN THE MALDIVIAN CONTEXT

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Abstract. This paper introduces the Dhua Governance Theory (DGT) as a hybrid conceptual model that integrates Islamic ethical values with contemporary decentralisation theory. Drawing from the Maldives' decentralisation reforms between 2008 and 2024, it examines how Islamic governance principles: Shura (consultation), 'Adālah (justice), and Musa'alah (accountability); can enhance the ethical legitimacy and functional efficiency of decentralised systems. The study addresses a long-standing gap in governance literature: the lack of frameworks that reconcile faith-based moral imperatives with administrative rationality in modern Muslim societies. Using qualitative textual analysis and comparative synthesis, the paper reinterprets classical Islamic governance sources alongside Western decentralisation models such as fiscal, political, and administrative devolution. It then applies the DGT framework to the Maldivian context, revealing how embedding Amānah (trust) and Maslahah (public interest) within local institutions can improve participation, integrity, and service delivery. Empirical illustrations from local councils and policy reforms demonstrate that decentralisation rooted in ethical accountability promotes stronger community trust and sustainable local governance. The paper concludes that DGT offers a viable blueprint for Muslim-majority nations such as the Maldives seeking moral coherence between governance structures and societal values. It further recommends institutional mechanisms, ethical auditing, participatory Shura councils, a Decentralised Amanah Fund (DAF) as a Maslahah-oriented fiscal mechanism, and integrated accountability tools, to operationalise Islamic ethics in modern decentralised governance.

Keywords: *decentralization, Islamic governance, Dhua Governance Theory, Shura, 'Adālah, Musa'alah*

Introduction

Decentralisation has emerged as a pivotal cornerstone of governance reform across developing nations, epitomizing a global movement towards local empowerment, participatory decision-making, and administrative efficiency (Smoke, 2015; Rondinelli, 1981). In numerous Muslim-majority states, however, the implementation of decentralisation models influenced by Western political and economic paradigms has yielded inconsistent outcomes, primarily due to their limited resonance with intrinsic ethical and spiritual traditions (Kamali, 2017; Al-Faruqi, 1987). The Maldives, a diminutive island nation in the Indian Ocean, exemplifies this enigma. Since the enactment of the Decentralisation Act in 2010, the country has embarked on considerable structural and institutional reforms aimed at devolving administrative and fiscal authority to local councils. Nevertheless, more than a decade later, the system that provides services to the community is still facing difficulties in making sure that everyone gets fair treatment, being open about how decisions are made, and holding local leaders accountable for their actions (LGA, 2023). The continual gap between decentralisation theory and governance practice in the Maldives discloses a deeper issue: the absence of an ethical foundation rooted in the nation's Islamic identity. While

decentralisation promises democratic participation and administrative efficiency, it cannot be fully realised without aligning governance mechanisms with the moral and spiritual principles that shape societal behaviour and public trust. Existing literature has long acknowledged that the legitimacy of governance systems in Muslim societies depends not merely on institutional design but also on their moral coherence with Shariah-based values such as *‘Adālah* (justice), *Shura* (consultation), and *Amānah* (trust) (Chapra et al., 2008; Al-Mawardi, 1996). However, mainstream decentralisation discourse largely omits these ethical dimensions, resulting in what can be termed a “normative deficit” in governance scholarship and practice.

This paper addresses that deficit by introducing the Dhua Governance Theory (DGT), a novel conceptual framework that integrates Islamic ethical principles with the functional mechanisms of decentralised administration. The DGT redefines decentralisation not only as a technical process of power redistribution but as an ethical system of stewardship (*Khilāfah*) rooted in accountability to both the people and the Creator. The theory draws upon classical Islamic concepts of *Musa’alah* (accountability), *Maslahah* (public interest), and *Amānah* (trustworthiness), interpreting them through a modern public administration lens. It thus provides a comprehensive model capable of bridging the moral and administrative dimensions of governance—a synthesis rarely attempted in existing scholarship. In the Maldivian context, DGT offers a timely response to the tension between imported governance models and indigenous moral frameworks. The Maldives Constitution explicitly recognises Islam as the foundation of all laws and institutions, yet the decentralisation process since 2010 has often been operationalised through secular management logics. As a result, the ethical dimension of local governance—particularly in ensuring fairness, integrity, and community trust—has remained underdeveloped (World Bank, 2022). By aligning decentralisation with Islamic governance ethics, DGT provides an indigenous normative model that enhances both legitimacy and effectiveness. It envisions a governance structure where ethical accountability complements institutional accountability, ensuring that service delivery mechanisms are guided by *‘Adālah* and *Maslahah* rather than mere bureaucratic compliance.

Furthermore, the paper situates the DGT within broader theoretical debates on hybrid governance. Scholars have increasingly called for governance models that reflect cultural authenticity while maintaining universal administrative standards (Denhardt and Denhardt, 2015; Osborne, 2010). The DGT contributes to this emerging paradigm by presenting a contextually grounded yet theoretically rigorous model that unites moral philosophy with decentralisation practice. Its application to the Maldivian archipelago offers valuable lessons for other Muslim-majority nations grappling with similar governance dilemmas. The purpose of this paper is therefore twofold: first, to conceptualise the Dhua Governance Theory as an integrative framework that reconciles Islamic ethical norms with decentralisation principles; and second, to apply this framework to the Maldivian experience, demonstrating its analytical and practical relevance. The study argues that the success of decentralisation in Muslim societies depends not solely on administrative capacity or fiscal autonomy but on the ethical coherence between governance systems and the value structures of their communities. We also introduce the Decentralised Amanah Fund (DAF)—a *Maslahah*-aligned fiscal instrument designed to translate *Amānah* and *Musa’alah* into transparent, need-based intergovernmental transfers.

The remainder of this paper proceeds as follows. Section 2 reviews the theoretical foundations of decentralisation and Islamic governance ethics, establishing the conceptual premises for the Dhua Governance Theory. Section 3 elaborates the DGT framework and its key constructs. Section 4 applies the model to the Maldivian context, identifying ethical and administrative gaps and assessing DGT's potential to enhance local governance. Section 5 concludes with implications for policy and future research.

Theoretical background

The evolution of decentralisation theory

Decentralisation has long been regarded as a central mechanism for improving governance, enhancing public participation, and ensuring equitable service delivery. Classical theorists such as Cheema and Rondinelli (1983) defined decentralisation as the transfer of authority, responsibility, and resources from central to subordinate levels of government. The foundational logic is rooted in the principle of subsidiarity, which holds that governance functions should be exercised at the lowest effective level to increase responsiveness and accountability (Oates, 1972). Over the past decades, three interrelated forms of decentralisation: political, administrative, and fiscal; have dominated scholarly and policy discourse (Smoke, 2015). Political decentralisation focuses on the empowerment of local political institutions and citizens, facilitating participatory democracy and representation. Administrative decentralisation aims to distribute managerial and decision-making authority across various tiers of government to improve efficiency and local adaptability (Turner and Hulme, 1997). Fiscal decentralisation concerns the allocation of financial resources and revenue authority to subnational entities, ensuring local governments can meet their responsibilities effectively (Bahl and Linn, 1992). While each form serves a unique purpose, effective decentralisation often depends on their synergistic interaction (Smoke, 2001).

Despite its widespread adoption, the normative foundations of decentralisation remain contested. Most Western models derive their legitimacy from liberal democratic theory, emphasising procedural rationality, market efficiency, and administrative performance (Pollitt and Bouckaert, 2017). This instrumental orientation, however, overlooks the moral and cultural underpinnings that shape governance behaviour in non-Western contexts. Consequently, decentralisation reforms imported into Muslim-majority countries often reproduce bureaucratic hierarchies without achieving genuine local empowerment or trust-based accountability (Khan, 2016). Scholars have thus called for a reconceptualisation of decentralisation that integrates ethical dimensions and indigenous governance traditions (Haider, 2020).

Islamic governance ethics and public administration

Islamic governance is founded upon a holistic vision of human responsibility before God and society. It does not separate the moral from the administrative; rather, it situates governance within the ethical parameters of Shariah, understood as the pursuit of Maslahah (public welfare) through justice, consultation, and accountability (Kamali, 2017). Historical works such as Al-Mawardi (1996) *Al-Ahkam al-Sultaniyyah* and Ibn Khaldun's *Muqaddimah* articulate governance as an ethical covenant ('Aqd al-Amānah) between rulers and the governed. These classical perspectives emphasise the ruler's duty to uphold 'Adālah (justice), ensure Shura (consultation), and protect the Maslahah of the community. Within the Islamic worldview, governance is an act of stewardship

(Khilāfah), not dominion. The Qur'ān frames this responsibility as a divine trust: "Indeed, Allah commands you to render trusts (amānāt) to whom they are due and when you judge between people to judge with justice" (Qur'ān 4:58). This verse establishes the ethical core of public administration in Islam—justice, accountability, and responsibility before God. Accordingly, Amānah (trust) and Musa'alah (accountability) serve as dual anchors of ethical governance, requiring both vertical accountability to God and horizontal accountability to the public (Rahman, 2019).

Contemporary scholars such as Chapra et al. (2008) as well as Beekun and Badawi (2005) have argued that integrating these moral imperatives into modern institutions is essential for achieving genuine development. The ethical framework of Islamic governance transcends procedural compliance; it embodies an intrinsic motivation to serve the collective good (Maslahah 'Ammah). In this sense, the legitimacy of governance in Islam is not derived merely from electoral processes or bureaucratic norms, but from moral integrity and adherence to divine principles of justice and compassion.

Bridging western and islamic paradigms of governance

Despite apparent philosophical differences, Western and Islamic governance frameworks share several convergent principles—transparency, participation, and justice. However, they diverge fundamentally in their ethical grounding. Western public administration is largely anthropocentric, focusing on human autonomy, institutional rationality, and procedural legitimacy (Denhardt and Denhardt, 2015). Islamic governance, in contrast, is theocentric: it locates legitimacy in moral duty and divine accountability. This divergence has created an epistemic gap in governance theory. Attempts to reconcile the two traditions have either secularised Islamic principles, reducing them to moral metaphors, or isolated them within religious discourse, excluding their institutional applicability. The Dhua Governance Theory (DGT) seeks to bridge this gap by operationalising Islamic ethical constructs within the functional dimensions of decentralisation. It posits that the values of Shura, 'Adālah, and Musa'alah can serve as normative foundations for local governance structures that are both participatory and ethically grounded. A comparative synthesis of Western and Islamic governance dimensions reveals potential areas of integration. Shura parallels participatory decision-making and deliberative democracy; 'Adālah corresponds to procedural justice and equity; Amānah aligns with fiduciary accountability; and Maslahah mirrors the modern concept of public value. By aligning these ethical anchors with administrative functions: planning, budgeting, service delivery, and evaluation; the DGT constructs a comprehensive framework where moral legitimacy enhances institutional performance.

The ethical deficit in decentralisation practice

Empirical evidence from the Maldives illustrates the challenges of implementing decentralisation without a strong ethical foundation. Although the Decentralisation Act in 2010 established local councils and administrative divisions, decision-making remains centralised in practice. Studies by the LGA (2023) and the World Bank (2022) highlight issues of limited fiscal autonomy, political interference, and weak accountability mechanisms. These failures stem not only from institutional deficiencies but also from a lack of moral orientation in governance processes. Local councils often

face public mistrust due to perceptions of corruption, favouritism, and neglect of community welfare, behaviours that contradict the Islamic principles of ‘Adālah and Amānah. This moral dissonance undermines the legitimacy of decentralisation and alienates citizens from governance participation (Mohamed, 2021). The introduction of DGT directly responds to this ethical deficit by embedding normative guidance into governance design. It reconceptualises decentralisation as a moral enterprise, a means of fulfilling divine and civic responsibility rather than merely executing administrative tasks.

Towards a hybrid ethical-administrative framework

The theoretical synthesis underpinning DGT rests on three assumptions. First, governance effectiveness depends not only on institutional structures but on the ethical orientation of those structures. Second, Islamic ethical principles are universally adaptable, capable of informing modern administrative design without compromising religious authenticity. Third, decentralisation provides a platform for ethical governance, as it brings decision-making closer to citizens and allows moral norms to influence administrative behaviour at the local level. Building on these assumptions, DGT proposes an integrative model where Islamic values guide decentralised governance functions. At the institutional level, Shura informs participatory mechanisms such as local councils and community forums. At the procedural level, ‘Adālah shapes fair distribution of resources and equitable policy implementation. At the behavioural level, Amānah and Musa’alah define ethical conduct, transparency, and accountability among officials. Finally, Maslahah ensures that public decisions are evaluated through their social utility and long-term welfare outcomes. This hybrid approach aligns with the emerging “ethical governance” paradigm in public administration, which argues that moral legitimacy is as critical as functional performance. However, DGT distinguishes itself by providing a coherent theoretical foundation derived from Islamic epistemology rather than external ethical constructs. It thereby contributes to decolonising governance theory and advancing an indigenous, faith-based model of administrative reform.

Conceptual synthesis

The theoretical background thus culminates in a dual convergence: (1) the functional rationality of Western decentralisation theory, which emphasises efficiency and participation; and (2) the moral rationality of Islamic governance, which stresses justice and accountability. The Dhua Governance Theory positions itself at the intersection of these paradigms, proposing that ethical decentralisation can reconcile effectiveness with integrity. This synthesis forms the conceptual foundation for the subsequent analysis, where DGT is articulated as an operational model applicable to the Maldivian governance context.

The Dhua Governance Theory (DGT)

Conceptual genesis and rationale

The Dhua Governance Theory (DGT) emerges from the recognition that effective decentralisation requires more than structural reform—it demands an ethical architecture that binds authority to moral responsibility. While conventional

decentralisation theories prioritise institutional design and efficiency, they often disregard the moral and spiritual foundations that sustain public trust and collective accountability. The DGT therefore reconceptualises governance as an ethical covenant rather than a mere administrative contract, grounded in the Qur'ānic injunction of *Amānah* (trust) and the moral duty of *Khilāfah* (stewardship). The term “*Dhua*” evokes the notion of an inner essence or core. It represents the spiritual center of governance, where divine accountability, public trust, and institutional responsibility converge. The concept emphasises that those in positions of power must fulfill their duties ethically in order to possess legitimate authority. DGT combines Islamic ethical principles with decentralisation theory to offer a governance model that is both morally grounded and administratively effective for Muslim-majority societies. The DGT is built upon five theoretical pillars: (1) Ethical Stewardship (*Khilāfah*)-Authority is a sacred trust that must serve both divine and social purposes; (2) Consultative Participation (*Shura*)-Governance legitimacy arises from deliberative decision-making grounded in community consensus; (3) Justice and Equity (*‘Adālah*)-Administrative fairness and distributive justice underpin institutional legitimacy; (4) Accountability (*Musa’alah*)-Governance actors are answerable to both God and the governed, ensuring dual-layered responsibility; (5) Public Welfare (*Maslahah*)-Policy outcomes must promote collective well-being and long-term sustainability. Together, these principles form the ethical spine of DGT, transforming decentralisation from a procedural mechanism into a moral enterprise.

Structural logic of the DGT framework

The DGT model is designed as an integrative ethical-administrative system operating across three interconnected levels: (1) Normative Level (Ethical Foundations): Qur'ānic and prophetic ethics define the moral parameters of power. The values of *‘Adālah*, *Shura*, and *Amānah* set the direction for governance behaviour and shape the moral consciousness of decision-makers; (2) Institutional Level (Governance Mechanisms): Ethical principles translate into mechanisms such as *Shura* councils, ethical audit boards, and community oversight committees that embody *Musa’alah*. *‘Adālah* informs equitable budget allocation, *Amānah* ensures faithful execution of duties, and *Maslahah* guides policy evaluation; (3) Operational Level (Administrative Practice): Institutional frameworks are translated into day-to-day conduct, ethical leadership, transparent communication, and service orientation. Administration becomes moral performance, *‘Ibadah*, through public service. By linking these levels, DGT establishes a continuum between belief, institution, and behaviour, creating a moral ecosystem where ethical intention informs institutional design and institutional design reinforces ethical action.

Core constructs and their interlinkages

DGT constructs an Islamic ethical basis for decentralisation of functions and their intended outcome. The core constructs are: (1) *Shura* (consultation), (2) *Adālah* (justice), (3) *Musa’alah* (Accountability), (4) *Amānah* (Trust), (5) *Maslahah* (Public Interest) and (6) *Khilāfah* (Stewardship). This interconnection transforms the DGT into a dynamic ethical system that reinforces accountability at every level of government. The integration of these constructs ensures that local autonomy is balanced with moral responsibility, a dual condition for sustainable governance in Islamic societies.

Dhua governance theory diagram (narrative description)

The DGT framework can be visualised as a three-tiered concentric model: (1) Inner Core: Ethical principles (Shura, ‘Adālah, Amānah, Musa’alah, Maslahah)-the spiritual nucleus of governance; (2) Middle Layer: Institutional mechanisms (local councils, ethical oversight boards, participatory planning forums)-operationalising values through policy and practice; (3) Outer Layer: Governance outcomes (trust, legitimacy, equity, and improved service delivery)-reflecting the ethical health of the decentralised system. Bidirectional arrows indicate feedback between ethical intention and administrative performance, making DGT a living system of moral accountability adaptable across contexts.

Distinctive features of DGT

(1) Dual Accountability Architecture: Vertical accountability to God and horizontal accountability to the people produce a self-regulating moral compass for officials; (2) Ethical Institutionalisation: Abstract ethics become concrete mechanisms, ethical audits, Shura-based participatory budgeting, and public service ethics codes; (3) Cultural Authenticity and Universality: Rooted in Islam yet aligned with universal ideals of justice, integrity, and participation; (4) Integration with Modern Governance Logic: Efficiency, transparency, and accountability are reinterpreted as moral imperatives.

Relevance to Islamic and comparative governance scholarship

DGT fills a conceptual gap between normative Islamic ethics and empirical governance models; offers a context-specific framework for Muslim-majority contexts; and advances decolonisation of governance theory. Comparatively, it provides a replicable framework for Indonesia, Malaysia, and other Islamic democracies, aligning with global movements for ethical leadership and participation while anchoring these in a transcendent moral order (OECD, 2020).

Implications for decentralisation practice

DGT can guide ethical performance indicators, leadership training curricula, and faith-informed evaluation tools. It offers a compass for balancing central oversight with local autonomy and warns that technocratic decentralisation without moral direction risks replicating inequalities.

Application of the Dhua Governance Theory (DGT) to the Maldivian context

Historical and institutional overview of Maldivian Decentralisation

The Maldives embarked on a transformative decentralisation journey following the ratification of the 2008 Constitution, which introduced multi-party democracy and pledged to devolve political and administrative power. The Decentralisation Act (Law No. 7/2010) subsequently established a three-tier local government system comprising atoll councils, island councils, and the Local Government Authority (LGA) as the national oversight body. The reform aimed to democratise governance, improve service delivery, and enhance local accountability (LGA, 2023). Despite its ambitious scope, the decentralisation process has faced enduring challenges. Empirical assessments highlight persistent central control, limited fiscal autonomy, and politicisation of local institutions (Transparency Maldives, 2023; World Bank, 2022). Moreover, governance

practices have often diverged from Islamic ethical principles, resulting in public distrust and weak civic participation. The current decentralised system therefore exhibits what this study identifies as a dual deficit, institutional fragility and ethical incoherence, which together undermine the promise of participatory governance. The Dhua Governance Theory (DGT) offers a corrective framework for addressing both deficits simultaneously. By embedding Islamic ethical principles, Shura (consultation), ‘Adālah (justice), Amānah (trust), Musa’ālah (accountability), and Maslahah (public welfare), into the design and functioning of local government, the DGT can realign decentralisation with both moral legitimacy and operational effectiveness.

Diagnosing ethical and institutional gaps

(1) Deficient Accountability Mechanisms: Local councils often operate without consistent ethical oversight. While statutory provisions require financial reporting and audits, few mechanisms exist for moral or public accountability rooted in Islamic values such as Musa’ālah. This deficiency has contributed to irregularities in procurement, nepotistic appointments, and public disillusionment with local governance (Transparency Maldives, 2023); (2) Erosion of Trust (Amānah): Citizens’ confidence in local councils remains low, as repeated political interference and perceived corruption have damaged the moral authority of local institutions. Without a shared ethical foundation, decentralisation becomes procedural rather than participatory (Mohamed, 2021); (3) Weak Participatory Structures: Although Shura councils and public hearings are mandated by law, participation is often symbolic. Meetings are irregular, poorly attended, and dominated by elite voices, failing to realise Qur’ānic Shura (Kamali, 2017). These ethical and structural failures collectively impede the transformative potential of decentralisation. The DGT addresses them by offering an integrated model that restores accountability, rebuilds trust, and revitalises participation through Islamic ethical realignment.

Applying DGT principles to decentralisation practice

Shura (consultation) and participatory governance

Under DGT, Shura is more than a procedural exercise; it is an ethical obligation grounded in Qur’ānic guidance (“And those who have responded to their lord and established prayer and whose affair is [determined by] consultation among themselves”- Qur’ān 42:38). In the Maldivian context, this principle can be institutionalised through: (1) Community Shura Councils composed of community representatives, faith leaders, and civil society actors; (2) Shura-informed Budgeting to align expenditure priorities with local needs and Maslahah; (3) Public Deliberation Protocols (agenda circulation, feedback documentation, consensus tracking) to convert symbolic consultation into meaningful decision-making.

‘Adālah (Justice) and fair governance

The Qur’ānic imperative of ‘Adālah (“Indeed, Allah loves those who act justly”- Qur’ān 49:9) demands fairness in both distribution and procedure. In practice: (1) Equitable Resource-Allocation Models (population, isolation, vulnerability); (2) Transparent Merit-Based Appointments; (3) Justice Audits embedded in performance reviews.

Amānah (Trust) and ethical leadership

Amānah encompasses integrity and institutional reliability. Key strategies include: (1) Ethics Training for council leaders; (2) Public Service Codes of Amānah linked to Qur'ānic principles; (3) Community Trust Barometers feeding into performance reviews.

Musa'alah (Accountability) and oversight

DGT frames accountability as dual, vertical to God and horizontal to citizens (Qur'ān 37:24). Measures include: (1) Ethical Accountability Units; (2) Faith-Informed Performance Reviews; (3) Regular Public Reporting on finances, ethics, and satisfaction.

Maslahah (public interest), development planning, and the Decentralised Amanah Fund (DAF)

The Decentralised Amanah Fund (DAF) is a Maslahah-driven intergovernmental transfer mechanism that allocates resources to councils based on transparent need and ethical criteria, embedding Amānah and Musa'alah in fiscal flows (see §3.7). Applications include: (1) Ethical Impact Assessments adding moral and social welfare indicators beyond economics; (2) Green Governance Initiatives linking Khilāfah to environmental stewardship; (3) Welfare-Oriented Fiscal Design operationalised through DAF to ensure transparency and equity.

Empirical alignment: Reflections from the Maldivian case

Evidence from policy documents, LGA reports, and qualitative interviews aligns with DGT: (1) Councils using participatory budgeting and transparency protocols report higher satisfaction and fiscal discipline (LGA, 2023); (2) Where Islamic ethics are absent, trust and voter engagement decline (Transparency Maldives, 2023); (3) Ethical leadership correlates with fewer governance disputes (Mohamed, 2021). These findings validate DGT's central hypothesis: that ethical coherence between Islamic values and decentralised institutions enhances governance legitimacy and effectiveness.

Practical and policy implications

(1) Ethical Institutionalisation: Embed DGT values in LGA monitoring and evaluation frameworks; (2) Capacity Building: Develop ethics-based training for council members grounded in Islamic administrative heritage; (3) Legal Revisions: Amend the Decentralisation Act to recognise ethical accountability (Musa'alah) alongside financial accountability; (4) Public Engagement: Mandate regular Shura-based consultations, ensuring inclusion of women, youth, and faith leaders; (5) Performance Metrics: Introduce a DGT-compliant Ethical Governance Index.

Conclusion of section

Applying DGT to the Maldivian decentralisation experience shows how integrating Islamic ethics with administrative systems can reinforce both legitimacy and performance. By re-rooting governance in Shura, 'Adālah, Amānah, Musa'alah, and Maslahah, the Maldives can cultivate a decentralisation model that is democratic and

divinely accountable. The Maldivian model may serve as a prototype for other Muslim-majority nations seeking to reconcile global governance norms with indigenous ethical traditions, affirming that effective decentralisation begins not in the transfer of authority, but in the transformation of moral consciousness.

Conclusion and policy recommendations

Integrative synthesis and theoretical significance

The Dhua Governance Theory (DGT) represents a normative and structural breakthrough in the study of decentralised administration within Muslim societies. By merging the functional rationality of modern decentralisation with the moral rationality of Islamic governance ethics, the DGT restores the spiritual dimension of governance that has often been overlooked in technocratic reform discourse. It re-defines decentralisation as more than an institutional reconfiguration; rather, it becomes a process of ethical empowerment anchored in the values of Shura, ‘Adālah, Amānah, Musa’alah, and Maslahah. The theoretical significance of this integration is twofold. First, it provides a faith-responsive alternative to conventional Western frameworks by aligning administrative logic with divine accountability. This decolonises governance theory, grounding it in an epistemology that reflects the moral consciousness of Muslim societies. Second, DGT offers a systemic model of dual accountability, combining vertical accountability to God with horizontal accountability to citizens. This duality fosters a governance environment where compliance is not merely bureaucratic but moral—sustained by inner conviction as well as external oversight. In the Maldivian context, DGT reframes decentralisation as a means of fulfilling the constitutional and spiritual promise of justice and participation enshrined in both national law and Islamic ethics. The theory thus contributes to the global search for governance paradigms that are simultaneously efficient, legitimate, and morally coherent.

Practical and policy implications

The operational value of DGT lies in its capacity to translate abstract ethics into tangible governance mechanisms. Several policy directions emerge from this framework.

Institutionalising ethical accountability

Maldivian councils can embed Musa’alah within existing oversight structures by establishing Ethical Accountability Units at the island and atoll levels. These units would integrate faith-based reporting standards—ethical audits, moral impact reviews, and community integrity panels—ensuring that every decision is assessed for justice (‘Adālah) and trustworthiness (Amānah). Such institutionalisation transforms morality from an individual virtue into a collective administrative norm.

Enhancing public participation through Shura

Under DGT, Shura is not symbolic consultation but deliberative co-decision. The establishment of Community Shura Councils, regularised Shura hearings, and participatory budgeting sessions can reinvigorate citizen engagement. Empirical evidence from the Maldives shows that where consultation is genuine, satisfaction and

transparency rise markedly. Embedding Shura in policy cycles ensures that governance reflects local wisdom and collective welfare.

Fiscal integrity and the Decentralised Amanah Fund (DAF)

The DAF operationalises Maslahah in financial management. By linking intergovernmental transfers to ethical criteria—equity, need, and transparency—the fund prevents politicised allocation and reinforces Amānah in public finance. It also functions as a redistributive mechanism for socio-economic justice, allowing local councils to finance projects aligned with community welfare rather than partisan agendas. Integrating DAF within the Ministry of Finance’s oversight system would exemplify how Islamic ethics can guide modern fiscal governance.

Leadership ethics and capacity development

To sustain DGT principles, leadership training must transcend administrative skills and cultivate ethical consciousness. The Local Government Authority (LGA) should introduce capacity-building programmes on Islamic administrative ethics, servant leadership, and stewardship (Khilāfah). Embedding such curricula in professional development ensures continuity of ethical standards across electoral cycles.

Legal and institutional reform

The Decentralisation Act in 2010 could be amended to incorporate “ethical accountability” as a statutory dimension alongside fiscal and administrative accountability. This legal recognition would institutionalise Musa’alah and Amānah as measurable criteria in performance assessments and audits, reinforcing the moral architecture of governance. Together, these interventions demonstrate that ethical governance is not an abstract ideal but a practical system that enhances efficiency, transparency, and legitimacy.

Broader relevance and comparative potential

Although developed within the Maldivian experience, the DGT has wide applicability across Muslim-majority contexts where governance reforms confront similar moral and institutional tensions. In Malaysia and Indonesia, Shura-based participatory budgeting resonates with musyawarah and mufakat traditions. In Jordan, Pakistan, and Bangladesh, DGT can guide the ethical renewal of local councils by embedding divine accountability within secular bureaucratic systems. Moreover, by aligning with international norms of transparency and inclusivity (OECD, 2020), DGT demonstrates that faith-based governance can meet global governance benchmarks without sacrificing authenticity. The model also invites comparative scholarship: researchers may empirically test the relationship between DGT-aligned ethical practices and outcomes such as public trust, service satisfaction, and fiscal integrity. Such comparative application will help refine DGT as a transcultural framework of moral-administrative governance.

Future research directions

Four areas merit scholarly exploration: (1) Empirical Validation: Quantitative and qualitative studies across Maldivian atolls to measure how ethical integration influences

governance performance; (2) Comparative Application: Testing DGT across Muslim societies to identify contextual adaptations; (3) Theoretical Expansion: Linking DGT to New Public Service and Public Value theories to explore convergences in ethical governance paradigms; (4) Digital Ethics and E-Governance: Extending DGT principles to digital platforms, ensuring that technological innovation aligns with Amānah and Musa'alah. These avenues will deepen the theory's explanatory power and practical relevance.

Conclusion

The Dhua Governance Theory re-centres the moral compass of public administration by asserting that good governance begins with good character. When decentralisation is infused with the ethical energy of Shura, 'Adālah, Amānah, Musa'alah, and Maslahah, governance evolves from a technical procedure into an act of collective worship and public trust. For the Maldives, DGT provides not only a blueprint for administrative reform but a vision of governance that resonates with the nation's Islamic identity and democratic aspirations. More broadly, it signals the emergence of a new generation of governance scholarship, one that reunites ethics with administration, faith with function, and humanity with its moral purpose.

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