

Chapter – 41

Interest System (Riba)

(سودی نظام)

- ❖ الَّذِينَ يَأْكُلُونَ الرِّبَا أَصْحَابُ النَّارِ هُمْ فِيهَا خَالِدُونَ -
 ❖ يَمْحَقُ اللَّهُ الرِّبَا وَيُرْبِي الصَّدَقَاتِ وَاللَّهُ لَا يُحِبُّ كُلَّ كَفَّارٍ أَثِيمٍ -

Those who live on usury (Riba) will not rise/stand, but like a man possessed of the devil and frantic by his touch; They are condemned to this, because they say that trading is like usury; But (they should know that) trade has been sanctioned and usury (Interest System) is forbidden by God; Those who are warned by their Lord and desist henceforth will keep (interest) already taken, and the matter will rest with God; But those who revert to it again, are the residents of Hell where they live forever. (02:275)

Allah deprives interest of all blessing, and develops charity; and God does not like an ungrateful and sinful person. (02:276)

- ❖ يَا أَيُّهَا الَّذِينَ آمَنُوا إِنْ كُنْتُمْ مُؤْمِنِينَ -
 ❖ فَإِنْ لَمْ تَفْعَلُوا فَأْذَنُوا..... لَا تَظْلِمُونَ وَلَا تُظْلَمُونَ -
 ❖ وَإِنْ كَانَ ذُو عُسْرَةٍ إِنْ كُنْتُمْ تَعْلَمُونَ -
 ❖ وَاتَّقُوا يَوْمًا تُرْجَعُونَ فِيهِ مَا كَسَبَتْ وَهُمْ لَا يُظْلَمُونَ -

O believers! Fear god and forego the interest that owes; if you are true Believers. (02:278)

But if you do so, then you are warned of the declaration of war against you by Allah and His Messenger; But if you regret you shall keep your principal; Oppress none and no one will oppress you. (02:279)

If a debtor is in difficulty, give him relief till the time of ease; and your foregoing the entire debt from him is better for you, if you realize. (02:280)

And fear the day in which you will be returned to Allah; and every soul will be paid back in full what it had earned; and they will not be victimized. (02: 281)

Understanding of ‘Interest System’ is dependent on the principle of the social orders. Societies are of three types:

(1) Capitalist Society (2) Socialist Society (3) Islamic Society

❖ *Capitalist Society*

This is evident that wealth and capital cannot be achieved without efforts. Capitalist minimizes his luxuries. Eats less and dresses low. Besides, he withdraws many enjoyments. After that he succeeds to collect the capital.

Capitalist gives his money and material to the workers on loan. The workers or the farmers utilize this money for their benefits. On account of these benefits they earn from this money, therefore the Capitalist thinks that he is not only entitled to get back the actual money but some additional money over it. Moreover, if money is not returned back at the specified time then he increases some more amounts over and above. He considers that all these extra amounts are due against his waiting time. This is virtually Riba or ‘Interest’.

It is the philosophy of a Capitalist that business should run freely. Since nobody can work without profit and if there is no profit the business will stop. Therefore if the additional money (Interest) is not paid back for complete one year then he further adds up the amount over it. This is called Compound Interest. If at the specified time some part of the actual money is paid then the ‘Interest’ is reduced. This is called ‘Reduction in Interest’. Some people do not go for reduction but they charge one fixed amount. This is called ‘Plain Interest’.

Those who take the ‘Interest’ they are least bothered whether the borrower lives or dies. Their hearts become hard and harsh. These people have no sympathies. And when money starts coming without efforts then these people become lazy and pleasure seeking. They leave the habit of their hard work. Ultimately, other than depravity and wickedness what else would be the result---?

With this Interest and Compound Interest system, all wealth goes toward Capitalists and got accumulated with them, whereas the worker becomes insolvent. --- On account of the new inventions and advancements in technology, facilities are adding up. Every next day new large Companies are being established. As a result all wealth is accumulating in few groups of Capitalists. On the other hand the general public is becoming jobless and without work. In this way, with the system of Capitalism few become rich and all other poor and deprived.

❖ *Socialist Society*

This is also evident that the labor is done by all but the efforts of individuals cannot be equal. Farmers and labors both work very hard. The capitalist do nothing or very less. Labor and work is also a wealth. There is no equality between Enduring Labors and the Capitalists. Labors have more value for their efforts, whereas wealth of Capitalist has its value. Capitalists are always less in numbers, whereas the number of labors is extraordinary high. Quantities, that labors have, convey great power. Therefore when they are oppressed they become violent and this violence reaches to the stage of fighting and killing. In order to get their rights, weapons also come in.

This is to be remembered that as the Capitalists have the right of their existence, similarly the labors also have the rights for their survival. One cannot spend money in such a way that the other suffers. Justice demands that one should stop the autocrat from his oppressive attitude. Moreover one should exert for the deserving person in getting his rights. He should save poor from powerful hand.

The labor class becomes annoyed with the capitalism. As such all the capital is handed over to the country's government. After that, everything becomes common and belongs to the government. All wealth belongs to the government. All material belongs to the government. All public belong to the government. All children belong to the government. All women belong to the government. So on, all things belongs to the government. All are in one color. There is no religion, no nation. The equality falls into leprosy. --- This way if Capitalism is a calamity then Socialism is a catastrophe.

نکلے سیر بھاجی نکلے سیر کھاجا

(Everything is cheap so get them all on the cheap)

Everybody is beaten with one stick. In the period of Muzdaki (Turkish), Iran had great experience of this system. And now it is in Russia.

(Note: Once Russia was considered as a Super Power but due to socialism it has reached to its fate. Now everyone knows that Russia is no more a Super Power)

❖ *Islamic Society*

Islam appropriately collects both the systems of Capitalism and Socialism. In this way, all are free to earn but not to the extent that poor is badly damaged.

In this system, each year, one has to pay 40th part of his wealth among poor. Those who do not participate in military works a tax is imposed on them. The name of this tax is ‘War Fund’. Islam also imposes some other taxes as per need, some under moral obligation and some in legal way. Islam always gives temptation to rich people for helping poor. If relatives are destitute or deprived then it becomes an obligation on rich people to take care of them. Islam never permits to take Interest (Riba) that is the key source of Capitalists and the main reason of hostility.

The Prophet Muhammad صلى الله عليه وسلم has said, “Gold verses gold, silver verses silver, wheat verses wheat, barley verses barley, dates verses dates, salt verses salt – May be sold or purchased, equal to equal, and hand to hand. Nevertheless, if kinds are different then can be sold as desired – But all should be hand to hand.”

Some scholars have limited the matter of Interest or Riba on above described situations only. But other Imams, inferring to the above conditions, included many other items as well. Such as:

1. Imam Abu Hanifah considered liability of Riba on all those items that are measured or weighed. For both, one term is given, that is **قَدْر** (valuable). Thus, for Interest, ‘valuable’ as well as ‘similar kind’ is essential. In other words, if one thing is valuable as well as of similar kind, then for that neither increasing is allowed nor lending. And if kind is different, then exceeding is permitted but lending is not allowed. Therefore, those items which are counted there is no Interest in them.
2. Imam Shafi’i considered food items like eggs and milk etc. as liable to Riba. Thus, if these items are of one kind then its excess and reduction both are not permitted.

3. Imam Malik considered material; gold, silver and food items are all liable to Riba.
4. Abdul Malik bin Ma-Habshoon says that every profitable item is liable to Riba.

Anyways, in Islam, on any material, adding up of material against time is Riba. Its business is not legal. Islam does not permit any businessman to earn money without work.

Nowadays Islamic scholars saw Non-Muslim for taking Interest and became tempted themselves to do so. They started thinking for making Riba as legal. This is the worst situation that even in Islamic countries Interest on loans is not being considered as Riba. For loans, it is apparent that it is a clear give and take of one kind; and this is business as well.

Some Islamic scholars have issued a formal legal law that in Non-Muslim countries Riba is allowed. It means in Non-Muslim countries, whatever Interest is taken or given in business, it is not Riba but it is 'Fay'.

There is a difference of opinion that which country may be called Muslim or Non-Muslim. Some say that any country in which Islamic Customs are prohibited that is **دارالحرب** (a Non-Muslim country). Some say that any country in which execution of Islamic Duties is not allowed that is a Non-Muslim country; because it is 'Interference in Religion'. Some say that if a country once became Islamic it will always remain Islamic, no matter afterwards some Non-Muslim have occupation on it. Some say that if Muslims are the rulers then that is Muslim Country, otherwise Non-Muslim. --- It is our opinion that the difference of Islamic or Non-Islamic mainly depends on its military and power. If a country where a Muslim is the king or the ruler and he keeps his military and this military is ready to fight on his orders, then that country is Islamic, and the country should be called as **“دارالسلام”**.

Few questions arise. --- As 'taking' Interest has been permitted, whether 'giving' Interest is also allowed? After giving the name of 'Fay', whether Riba does not remain Riba? With this whether all facts are changed? --- In our opinion these are all daring.

Most of the people give an excuse that since, in Non-Muslim countries, all business transactions run on Riba, therefore if any special restrictions are applied on Muslims then they will be totally ruined. When two evils exist then "lesser evil" can be adopted. - They

should know that Islam has disallowed Riba only but other ways of business are open; for example: **بیع سلم** is permitted. In this money is given in advance to the farmer and crop is received afterwards. Similarly **مضاربت** is permitted. In this, one party invests money and the other executes.

The Companions of the Noble Prophet did business on the principles of Islam and were Millionaire. Other than these Companions other Muslims also did business. Imam Abu Hanifah was also a businessman but he always remained within the limits of Islam and lived happily.

It is a wrong concept that Muslims remained comparatively poor only due to not taking Riba. No! Muslim's actual disaster is their unnecessary expenses and Reckless Spending. God says:

إِنَّ الْمُبَدِّرِينَ كَانُوا إِخْوَانَ الشَّيَاطِينِ

{Indeed, those who needlessly waste are brothers of devils. (17:27)}

Loan may be taken but on special needs only. Nevertheless, Islam specifically advises rich persons to help needy Muslims in terms of lending money to them.

وَأَقْرِضُوا اللَّهَ قَرْضًا حَسَنًا

{And lend an excellent loan to Allah. (73:20)}

Someone should tell that how many people borrow money for the sake of enhancement in business. All loans are taken from Non-Muslims just for unnecessary social customs, false fashions, and undesirable exhibition of stature. When zakath is not an obligation for a deprived person, there is no compulsion of Hajj for him, and then what else is a must for a poor Muslim? Fake richness! Wrong displays! ---- First look at you then go forward. Just looking at rich people and doing something to be equal to them is nothing but self-destruction. Which Imam and which Saint has given advice to take loans with Interest and fulfill fake customs and wrong desires? --- Be careful in transactions. If some money is spent for food and some is saved, then how you could be in trouble? And why you become trapped in the net of Riba ---?

کہ جن کا نتیجہ قرضداریاں ہیں
عدالت سے جاری گرفتاریاں ہیں

ڈیویڈ سٹوم و تکلف نے ہم کو
بکیں سود و سود میں جاں داریں

(We are destroyed in customs and traditions
The result of it is a trap of loans for us
Properties had to be sold due to one ‘Interest’ and another
And finally there are orders of arrest from the court)

Very Sad! You can just spend but cannot do for earnings. Sustain the status of religion. You firmly prove that you are a practicing Muslim. God has forbidden Riba and permitted business. Who the hell could make Riba acceptable? God announces to fight against those persons who make prohibited items acceptable.

Dear People! Riba have worst features. Changing the name would not change the fact. Your subconscious is loudly proclaiming that you are involved in Riba, and trying to change the facts through lame reasoning. ---- God save all Muslims with this dangerous situation and any damage to the religion. Now we do not have anything except prayer. God make the divine guidance as your companion. Amen.
