



**The Prohibition  
of Riba**  
*in the Qur'an & Sunnah*

**IMRAN N. HOSEIN**

**THE PROHIBITION  
OF RIBA  
IN THE QUR'AN AND SUNNAH**

*Thou shalt not steal . . .  
Exodus 20:13*

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*Dedicated  
to my father  
Ibrahim N. Hosein  
the village school master  
in the Caribbean island of Trinidad  
who taught me to love Islam*

*May Allah have mercy on his soul  
Ameen!*

## THE PROHIBITION OF RIBA IN THE QUR'AN AND SUNNAH

Being an explanation of the Islamic prohibition of *riba* (i.e. borrowing and lending on interest, among other things), and an effort:

**to remind** Muslims of the teachings of the *Qur'an* and the *Sunnah* as they pertain to the prohibition of *riba* and, in particular, that a violation of this prohibition constitutes a great sin;

**to expose** the grand design of hostile forces who have already made considerable progress, through *riba*, in gaining control over mankind. Their aim is to gain total control, and to use that power to destroy faith in *Allah* ;

**to assist** Muslims to get out of direct involvement in *riba*, and thus to preserve their faith (*iman*), while recognizing that it is today impossible to live a life which is completely free from *riba*.

**to explain** the economic *Sunnah* (i.e. the *Sunnah* as it pertains to economic affairs) and, in particular, the nature of the free and fair market and the different ways through which that market has today been totally corrupted.

**to warn** Muslims of the inevitable collapse of the present fraudulent system of non-redeemable artificial money, i.e. paper, plastic and electronic money; and to encourage them to return to the use of the real money created by *Allah* , i.e. gold and silver coins or any other real money;

**to contribute** towards the restoration of the free and fair market (with a different business ethics to that of *riba*-based capitalism) by encouraging *ba'i* (business) in the place of *riba*, and the raising of capital by way of *mudarabah* and *musharaha* investments rather than bank loans on interest.

That time has now arrived!

## ANSARI MEMORIAL SERIES

The Ansari Memorial Series is published in honor of the eminent Islamic Scholar, *Sufi Shaikh*, and former *Shaikh al-Islam* of the Muslim community of Trinidad and Tobago, *Maulana* Dr. Muhammad Fadlur Rahman Ansari (1914-1974), and it commemorates the 25th. anniversary of his death. It comprises, so far, the following seven books:

1. *Dreams in Islam - A Window to Truth and to the Heart;*
2. *The Religion of Abraham and the State of Israel - A View from the Qur'an;*
3. *The Importance of the Prohibition of Riba in Islam;*
4. *The Prohibition of Riba in the Qur'an and Sunnah;*
5. *The Caliphate the Hejaz and the Saudi-Wahhabi Nation-State;*
6. *One Jama'at - One Ameer: The Organization of a Muslim Community in the Age of Fitna;*
7. *The Strategic Significance of The Fast of Ramadan and Isra' and Mi'raj.*

These books were all written by Imran N. Hosein, student of *Maulana* Ansari, and were published by *Masjid Dar al-Qur'an*, Long Island, New York, U.S.A., *Masjid al-Ansari*, Montrose, Chaguanas, Trinidad and Tobago, and this revised edition by Ummavision Sdn. Bhd, Kuala Lumpur, Malaysia..

*Maulana* Ansari was a graduate of Aligarh Muslim University, India, where he studied Philosophy and Religion. He derived his Islamic philosophical and spiritual thought from the greatest Islamic scholar of this age, *Allama* Dr. Muhammad Iqbal. Iqbal was the author of that masterpiece of Islamic scholarship: *The Re-*

*construction of Religious Thought in Islam*'. Maulana Ansari's great work of Islamic scholarship, the two-volume: '*Qur'anic Foundations and Structure of Muslim Society*' which was his Ph.D. thesis for his doctorate in Philosophy, itself represents the most outstanding contribution to Islamic scholarship by any of the students of Iqbal.

Maulana Ansari received his spiritual training from Maulana Muhammad Abdul Aleem Siddiqui, a renowned Islamic scholar, Sufi Shaikh, and roving missionary of Islam. He received the *sufi* epistemology from both Allama Iqbal and Maulana Siddiqui, and passed it on to his own students. That *sufi* epistemology is emphatic that the process of knowledge commences with the pursuit of Truth through the study of the written word and the critical observation of the external world. Allah, the Most High, is Truth (*al-Haq*), and Truth comes from Allah. Uncorrupted Truth now exists in the world only in Islam. When Truth is discovered it must be embraced with sincerity, and must be applied to the totality of life. The Truth will then be internalized, *i.e.* it will enter into the heart. Allah, the Most High, puts it Himself into the heart, and He refers to this when He says in the *hadith al-Qudsi*: *My heavens and My earth are too small to contain me, but the heart of My faithful servant can contain Me.*

When Truth enters into the heart, then the heart is given a divine light (*nurullah*) which permits the believer's powers of observation and intuitive insight to penetrate beyond the *external form* to reach *internal substance*. It is only with that inner light of the discerning heart of a true believer that *the world can be correctly read*. The Ansari Memorial Series is devoted to an effort of understanding the world today, explaining it accurately, and responding to its unprecedented challenges appropriately. That effort, of course, is always subject to critical evaluation.

Allah, the Most High, has provided the believers with a medium through which they can receive confirmation that they have been blessed with that capacity for intuitive knowledge (*i.e.*, knowledge which the heart sees). That medium is 'true and good dreams, and visions', an experience which constitutes the last part of prophethood still remaining in the world after the death of the Prophet (*s*). The Ansari Memorial Series therefore includes a pioneering work in that forgotten branch of knowledge, *i.e.* *Dreams in Islam*. Intuitive knowledge is also indispensable for penetrating such subjects of strategic contemporary relevance as: 'The Prohibition of Riba in Islam' and 'The Religion of Abraham and the State of Israel - A View from the Qur'an', and so these subjects have received attention in the series.

It is with intuitive knowledge alone (*firasa*) that one can achieve confirmation that we now live in the age of *fitan*, the last stage of the historical process. Empirical and discursive knowledge and thought can only suggest, but cannot directly perceive the true nature of the age in which we now live. The implication of the confirmation (of the age of *fitan*) is that the authentic *jama'ah* with the authentic *Imam/Ameer* must now be established, and sustained, with greater urgency than ever before, and all believers must hold fast to them with *as-sam'u wa-ta'atu* (listening and obeying), for that was the command of the Prophet (*s*). *One Jama'at - One Ameer: The Organization of a Muslim Community in the Age of Fitana* directs attention to this important subject.

It is significant that *Maulana Ansari* was the *Shaikh al-Islam* of the Muslim community of Trinidad and Tobago from 1964 until he died in 1974 and, indeed, the leadership of the *Dar al-Islam* Islamic movement amongst African-American Muslims in North America gave him the *bai'ah* (pledge of obedience) in 1969, and accepted him as their leader as well. *Dar al-Islam* was established



in Brooklyn, New York, in 1962, and was led by *Imam* Yahya Abd al-Kareem. It is now led by *Imam* Jameel al-Amin (the former H. Rapp Brown).

The next two books to be published in this series are still to be written. They will, *Insha Allah*, be devoted to the topics: *The Return of Jesus - A View from Islam*; and *Surah al-Kahf and the Modern Age*.

*Maulana* Dr. Ansari honored his own *Shaikh*, *Maulana* Abdul Aleem Siddiqui, by establishing the Aleemiyah Institute of Islamic Studies in Pakistan, and by publishing the Aleemiyah Memorial Series. The Ansari Memorial Series represents a humble effort to follow in that noble tradition.

Other titles of the Ansari Memorial Series, may be obtained from:

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## ABOUT THE AUTHOR

Imran N. Hosein was born in Trinidad, West Indies, in 1942. He studied Islam under the guidance of the distinguished Islamic scholar and Sufi Shaikh, Maulana Dr. Muhammad Fadlur Rahman Ansari (Al-Qaderi), at the Aleemiyah Institute of Islamic Studies, Karachi, Pakistan. He also did post-graduate studies in Philosophy at Karachi University, and in International Relations at the University of the West Indies, Trinidad, and the Graduate Institute of International Studies, Geneva, Switzerland.

A former Foreign Service Officer in the Trinidad and Tobago Foreign Service, he resigned his job in 1985 to devote his life to the mission of Islam. He was appointed Principal of the Aleemiyah Institute of Islamic Studies, Pakistan, a position he held until 1988. In 1989 he migrated to USA and was appointed Director of the Institute for Islamic Education and Research in Miami, Florida. Since 1991 he has worked in New York as Director of Islamic Studies for the Joint Committee of Muslim Organizations of Greater New York. This included the Islamic Community of the United Nations at the UN headquarters in Manhattan, NY, where he has conducted the Friday congregational prayers once monthly for six years. In December 1996 he was appointed by Dr. Israr Ahmad as Director of Da'wah for Tanzeem-e-Islami of North America.

He has traveled extensively in the cause of Islam visiting South East Asia, for example, seven times since 1988 on Islamic lecture tours. He has recently completed a full year of service to the cause of Islam in the Caribbean islands of Grenada, Tobago and Trinidad.

As an author in Comparative Religion he has produced a seminal work on 'Islam and Buddhism in the Modern World', published in Pakistan in 1972. His works on Islam and International Relations include 'Diplomacy in Islam - An Analysis of the Treaty of Hudaibiyah'. A collection of his writings was published in Singapore in 1991 under the title 'Islam and the Changing World Order'.

His most recent works, published in 1997 in the Ansari Memorial Series (which commemorate the 25th. death anniversary of Dr.Ansari), are :- 'The Importance of the Prohibition of Riba in Islam', 'The Prohibition of Riba in the Qur'an and Sunnah', 'The Religion of Abraham and the State of Israel - A View from the Qur'an', 'The Caliphate, the Hejaz and the Saudi-Wahhabi Nation-State', and 'One Jama'at One Ameer - The Organization of a Muslim Community in the Age of Fitan'. He hopes to complete two more books in the Ansari Memorial Series on the topics:- 'Suratul Kahf and the Modern Age', and 'An Islamic View of the Return of Jesus'.

## CONTENTS

Preface.....	1
Chapter One : Introduction.....	5
- Method of Study	
Chapter Two : Definition of <i>Riba</i> .....	21
- Different forms of <i>riba</i>	
- Which is the most dangerous form of <i>riba</i> ?	
- <i>Riba</i> and the free market	
- Payment of loan with an extra amount permitted	
- How much interest constitutes <i>riba</i> ?	
Chapter Three : The Prohibition of <i>Riba</i> in the <i>Qur'an</i> .....	41
- The <i>Qur'anic</i> method of dealing with <i>riba</i>	
- <i>Qur'anic</i> revelations prior to the <i>Qur'anic</i> prohibition of <i>riba</i>	
- First revelation on <i>riba</i>	
- <i>Riba</i> leads to <i>fasad</i>	
- The prohibition of <i>riba</i> in the Torah	
- The prohibition of <i>riba</i> in the Psalms ( <i>Zabur</i> ) of David	
- <i>Dhul Kifl</i> and the prohibition of <i>riba</i>	
- The prohibition of <i>riba</i> in the Gospel of Jesus	
- Jewish rejection of Muhammad and of the <i>Qur'anic</i> prohibition of <i>riba</i> lead to the creation by Allah of a new <i>ummah</i>	
- The second stage of the <i>Qur'anic</i> prohibition of <i>riba</i>	
- The third stage of the <i>Qur'anic</i> prohibition of <i>riba</i> : <i>total</i> eradication of <i>riba</i> from the economy	
- Jesus, <i>Imam al-Mahdi</i> , and the end of <i>riba</i>	

Chapter Four : The Prohibition of <i>Riba</i> in the <i>Sunnah</i> .....	99
- The strong language of the Prophet on <i>riba</i>	
- The Prophet and different forms of <i>riba</i>	
- Different forms of <i>riba</i>	
- Note on <i>ba'i muajjal</i>	
- <i>Murabaha</i> (to sell at a profit)	
- Bank loans and <i>riba al-fadl</i>	
- Bank interest and <i>riba</i> - some dissenting views	
- The Prophet, artificial money, inflation and <i>riba</i>	
Chapter Five : Some Basic Responses to <i>Riba</i> .....	143
- Debt and the economic <i>Sunnah</i>	
- Helping to pay the debts of others	
- <i>Qard hasana</i>	
- On seeking help and entering into debt	
- Austerity and the economic <i>Sunnah</i>	
- The <i>economic Sunnah</i> of spending	
- Food production	
- Specific Proposal	
- The strategy of public confrontation	
Chapter Six : <i>Riba</i> and <i>Dar al-Harb</i> .....	175
Chapter Seven : <i>Riba</i> and the Law of Necessity.....	181
Chapter Eight : Conclusion.....	189
Appendix : Questions and answers on <i>riba</i> .....	195

## PREFACE

This book, on the topic: 'The Prohibition of *Riba* in the *Qur'an* and *Sunnah*', is the second publication in the Ansari Memorial Series, published in honor of my teacher and *Shaikh* of blessed memory, *Maulana* Dr. Muhammad Fadlur Rahman Ansari (1914-1974). The first was a booklet entitled: *The Importance of the Prohibition of Riba in Islam*. Because of the great danger posed by *riba*, and the critical importance of the subject, some 60,000 copies of that previous booklet were printed for free distribution in USA, and in Malaysia and Singapore.

As a consequence of the effort which I made to study *riba*, I have become acutely aware of the fact that most Muslims do not have an adequate knowledge of this subject. Some are incapable of understanding the subject because of veils before their eyes. Others would rather not study the subject because life would become very difficult if they had to make a sincere effort to abstain from *riba*. That is a matter of great moment indeed. *Anas said that he heard the Messenger of Allah say: Among the signs of the Last Hour will be the removal of knowledge and the abundance of ignorance . . . . (Bukhari, Muslim).*

Around the world of Islam today, Muslims urgently need books on *riba* which would explain the subject with simplicity and clarity, and such books must be given very wide circulation. The purpose of our humble effort in writing this book, as well as the previous booklet in the Ansari Memorial Series: *The Importance of the Prohibition of Riba in Islam*, is to attempt to fill a dangerous void. If we have failed in any way, it is because of our shortcomings, and we would certainly welcome comments, assistance and advice from our readers. If we have succeeded in any way it is solely because of *Allah's* Grace.

A basic feature of the style we have adopted for dealing with this difficult subject is to let the *Qur'an* and the *hadith* address the reader as much as possible, and to limit the comments of the writer. Our basic role has been one of organizing the material and presenting it in a systematic way. Some verses of the *Qur'an*, and some *ahadith* of the Prophet, are repeated in different places in the book. The reason for this is because the texts that are repeated have a manifold application. The *(s)* after the names of Prophets is an abbreviation for 'peace and blessings of *Allah* be upon them'. And the *(ra)* after the names of companions of the Prophet *(s)* is an abbreviation for '*Allah* is pleased with them'.

The exposition of the subject has exposed the gigantic fraud through which *al-Masih al-Dajjal* (the Anti-Christ) seeks to reduce the Muslim masses, by deception, to destitution and, as a consequence, to *kufur* (disbelief). We hope that knowledge of *riba* will lead our readers to appropriate action which would counteract these evil forces *Insha Allah*.

A number of friends and colleagues have reviewed the manuscript of this book and made valuable suggestions. Among them were Siddiq Ahmad Nasir, Ali Mustafa, AlFahime Jobe, Kem Kamaluddeen and Dr. Shujuat Ali Khan. Some who reviewed the

manuscript specifically requested that their names not be mentioned in this preface, - an indication, perhaps, of the difficulties which already confront those who dare to raise the subject of the prohibition of *riba* in *Islam*! Fifty years from now it might be impossibly difficult for a Muslim to even teach this subject, - so great will be the ignorance of Islam, and so thoroughly brain-washed will the masses be.

We pray for *Allah's* mercy and blessings on Abu Sulaiman Asghar Hassan and Umm Lubna Mahboob Fatima, as well as on Brother Abdul Rasheed, all of Singapore, whose kindness and generosity made it possible for us to research and write this work. *Haji* Muhammad Saleem's generous grant, which was made in the names of his parents, for meeting the cost of printing this book\*, is also gratefully acknowledged. May *Allah* bless, forgive, and show mercy to his parents, *Marhoom* Zafar Ali and Ashraf Jan of Rawalpindi, Pakistan. *Ameen!*

We are specially grateful to Brs. Aftabuddin and Shakeel (of Sanatech Printers) for their labor of love in respect of the page-making and printing of this book, and to Muhammad Yar for designing the cover. Irfan Quraishi provided me with both the computer and printer used in preparing the MS of this book, and Nabeel al-Masry introduced me to the Word Perfect Windows word-processing program. May *Allah* bless them all. *Ameen!*

I N H

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## INTRODUCTION

نحمده و نصلى على رسوله الكريم  
أعوذ بالله من الشيطان الرجيم  
بسم الله الرحمن الرحيم

When the poor are permanently poor, and the rich, permanently rich, that is oppression! All around the world today that economic oppression exists, and is constantly increasing, - the poor grow poorer and the rich, richer. *Riba* is the cause! A predatory global elite, centred in the West, but also present around the world, is constantly sucking the wealth of mankind and impoverishing the masses through *riba*. Their ultimate objective is to utterly enslave all of mankind in a new sophisticated slavery. Political, legislative, judicial and legal systems, the media etc., are all created by the oppressor, and all function to preserve the system of economic oppression. Television is used to transport the masses to fantasy-land so that they remain unaware while *riba* is used to enslave them.

*Riba* is usury. Usury is commonly understood as the lending of money at illegally high rates of interest. But *riba*, or usury, in *Islam* is the lending of money on interest, regardless of the rate of interest! When money is lent on interest, then money by itself, independent of any labor or effort, or the assumption of any risk, increases over time. The increase is realized through the exploitation of labor, goods or property since Allah, the Most High, has unambiguously declared that nothing can be had without effort or labor. (*Qur'an*: -53:39) The exploitation of labor, goods or property is manifested through the decrease in their value, - something which Allah, The Most High, has specifically prohibited in several verses of the *Qur'an*. (6:85, 11:85, 26:183, etc.)

*Riba* is also at work when wealth is sucked from the masses through deception and other forms of fraud. Such, for example, is the case of paper, plastic and electronic money. There is also *riba* in speculative transactions. More than 60% of all money transfers in the world economy today represent speculative transactions.

Allah, the Most High, has strictly prohibited *riba*. Yet the world today, including the Muslim world, is saturated with *riba*. This has confirmed the ominous prophecy of Prophet Muhammad (s) who prophesied, in a *hadith* received from Abu Hurairah (ra), the following:

*There will come a time, he said, when you will not be able to find a single person in the world who will not be consuming riba. And if anyone claims that he is not consuming riba then surely the vapor of riba (In another text the dust of riba) will reach him.*

(Abu Daud, Mishkat)

What should we do about this state of affairs?

Not only must the true believer wage the greatest possible struggle to keep himself and his family free from *riba* but, also, he must exert himself to bring relief (*ma'oun*) to suffering humanity. That requires that a revolutionary struggle be first waged to extricate the world of *Islam* from the venomous bloodstained clutches of *riba*. If a believer does not struggle to guard himself from *riba*, and if he does not respond appropriately to oppression in the world (which includes the oppression caused by *riba*) then his faith is hollow! The *Qur'an* gives precisely that warning in *Surah al-Ma'oun* (Chapter 107)

**To preserve faith in this age of *riba*, and to respond appropriately to oppression in the world, the believers must ensure that they belong to the jama'ah (community of Muslims) which is struggling against *riba*. The jama'ah must function under the leadership of a competent Ameer (leader) who has an adequate knowledge of the subject. The believers must pledge themselves to listen to, and obey that Ameer. They must then conform to the discipline of the jama'ah. There is no other way for Muslims to preserve faith in this age of *riba*!**

In a *riba*-based economy the possessors of capital will not only remain permanently rich, since they eliminate the possibility of suffering losses, but they will grow constantly richer, since they will be sucking the wealth which belongs to others. They will grow richer at the expense of those who, if not already poor, will have to pay the price of becoming impoverished through the system of 'risk free investments'. *Risk-free investments are legalized theft*. The number of poor will constantly increase. And the level of poverty will descend lower and lower until it reaches destitution. Prophet Muhammad (*s*) said that people who live in a state of destitution can lose their faith in Allah, the Most High. *Riba*-based capitalism has today reduced the overwhelming majority of mankind to poverty. It thus forms part of the grand strategy through

which today's dominant godless civilization seeks to reduce all of mankind to godlessness!

Thus, unless the believers respond appropriately to the challenge of *riba*, the overwhelming majority of Muslims around the world can lose their faith.

When *Islam* assumes the role of a liberating force to liberate those who are being exploited and oppressed, it is subjected to relentless and intense demonization. The reason for this should be clear. The media is controlled by those who have established, and who sustain a world economy based on *riba*, and who are themselves oppressing mankind! It is they who demonize authentic *Islam* as fundamentalism. A corrupted version of *Islam*, however, which does not recognize bank interest, for example, as *riba*, and which consequently does not challenge the predatory elite for its economic oppression, is warmly recognized in the media as the true version of the religion.

If a truly evil people were to engage in *riba* for the purposes of sucking the wealth of mankind, they can achieve more than just the accumulation of fabulous wealth. **They can, in fact, succeed in enslaving all of mankind.** This would be *riba* as economic warfare. This book will endeavor to demonstrate, using the Torah, that this is the precise goal of those who corrupted the Torah in order to make *riba* permissible for them in their dealings with the rest of humanity.

It is because *riba* is, in fact, warfare, that Allah, the Most High, has declared war on those who consume *riba*:

*... and if you do not do it (i.e. if you do not give up your demand for the interest due to you) then take notice of (a*

*declaration of) war from Allah and His Messenger . . . .*

*(Qur'an: al-Baqarah:-2:279)*

If we do not heed the warnings from the *Qur'an* and *hadith*, then it will only be a matter of time before we are enslaved by a world government controlled by the predatory elite. We will be powerless to resist that slavery because *riba* would have sucked us dry of our wealth. Our poverty and helplessness will be exploited by our slave-masters to destroy our faith in *Islam*. There are some who will argue that we have already been enslaved.

Our purpose in writing this book is to alert the believers to the fact that the predatory elite has already achieved considerable success in its devilish grand design of waging war on mankind. The prophecy of our Prophet (*s*) concerning the universal consumption of *riba* has already been fulfilled. The Prophet (*s*) made it abundantly clear that the greatest danger to the integrity of the *ummah* and of the *iman* (faith) of the believers would come from *riba*. This confirmed the warning from Allah, the Most High, Himself which was pronounced in the choice of *riba* as the subject of the last revelation.

Not only has the prophecy of the Prophet (*s*) concerning the prevalence of *riba* today been fulfilled, it has been fulfilled in our own miserable lifetime! Specifically it has been fulfilled during the seventy years which have now elapsed since the Ottoman *khilafat* was abolished in 1924. Up to 1924 *riba*-based capitalist Europe could succeed in penetrating only the regimes which presided over the affairs of Muslims. The Ottoman *khalifa*, for example, had borrowed money on interest from Europe to such an extent that he was forced, in 1857, to succumb to European financial blackmail and, as a consequence, to abolish *jizyah* and *ahl adh-dhimmah* in all the territories of the Ottoman Empire as a *quid-pro-quo* for

debt and interest payments relief. This, incidentally, was a classic example of the financial imperialism which is today so commonplace. But it was also the beginning of the process of the dismantling of the sacred model of a public order (or State) in the world of *Islam* (*dar al-Islam*), and of replacing it with the secular European model in which sovereignty was taken away from Allah, the Most High, and given to the State. And that was an act of *shirk!* Since 1924, however, *riba* has penetrated the total economic life of Muslims all around the world. The financial imperialism inherent in *riba* has delivered the entire world of *Islam* by its very throat into the hands of enemies with sharpened knives. *Indeed all of mankind is now trapped in the world of riba.*

If we struggle to understand the truth in the *Qur 'an* and *Sunnah*, particularly as it pertains to the prohibition of *riba*, and to be faithful to it regardless of the price we may have to pay, it may still be possible for us to protect ourselves from that enemy who is waging economic warfare on us through *riba*. After all, did our Prophet (s) not warn us of seven great sins which we should avoid:

*"Abu Huraira narrated that the Prophet said: Avoid the seven great destructive sins. They (the people) asked: O Allah's Apostle! What are they? He said: To join partners in worship with Allah; to practice sorcery; to kill the life which Allah has forbidden except for a just cause (according to Islamic law); to consume riba, to consume the property of an orphan; to give one's back to the enemy and fleeing from the battlefield at the time of fighting, and to accuse chaste women who never even think of anything which violates chastity and are good believers."*

(Bukhari)

'We live, today, in a world in which the practice of *riba* has once again brought great economic oppression upon an unsuspecting

mankind. And the oppression grows worse every day. The twenty-five years which have elapsed since 1971, when the Bretton Woods Accord collapsed, have witnessed the virtual enslavement by a predatory global elite of the periphery of the usurious world economy. The warning of this book, published in New York in 1997, and written from an essentially *Qur'anic* perspective, is that the next twenty-five years are likely to confirm the economic enslavement of all humanity by that predatory global elite.

This book attempts to explain the claim that only *Islam* can liberate mankind from the economic oppression caused by *riba*.

African-Americans who, of all people, should be most interested in the subject of the prohibition of *riba*, have expressed themselves, time and again, on the subject of economic oppression. Yet the oppression of the African-American people in North America persists, and it grows worse. Racial, religious and political oppression of people identified on the basis of their black color, persists. But it is in economic oppression that the greatest danger lies.

Dr. Martin Luther King led his famous march of the oppressed to Washington D.C. in 1963 and spoke eloquently of his dream of a world free from oppression. He advocated nonviolent resistance to oppression as his basic philosophy for the liberation of the oppressed. That philosophy, of course, was borrowed from the Hindu Indian leader, Gandhi. Malcolm X went to Washington D.C. but did not participate in that march of '63. He remained skeptical that a march, and the basic philosophy of nonviolent resistance to oppression which inspired it, would result in any positive change in the condition of the oppressed. He was right! In fact, the night before the march he made gentle fun of the whole occasion. *Scotch and bourbon splashed; Malcolm watched, smiled and reminded everyone that the first result of the march was not the delivery of*



*the blacks but the closing of the saloons. No firewater for the Indians tomorrow, he teased.*<sup>1</sup>

Dr. King's dream has remained but a dream! The African-Americans are economically worse off today than they were at the time of that march. Dr. King was killed, and so was Malcolm. And oppression has increased. The noose around the neck of the oppressed masses is growing tighter! Not only has the economic condition of the oppressed in North America further deteriorated, but it has also weakened their capacity to resist. And a universal collapse of morals and values in the essentially decadent modern secular society indicates that the oppressed lack even more, today, the capacity to perceive, and the inner power, moral fibre and integrity with which to resist oppression.

More than twenty-five years ago, in 1970, non-European humanity dreamed of, and spoke of, the establishment of a New International Economic Order (NIEO) which would bring greater economic justice to mankind than obtained at that time. But that hope, also, for a new (just) international economic order (NIEO), has turned out to have been but a dream. It has never emerged! The UN was used as a forum within which a struggle could be waged. That effort has failed. That forum has failed. It is now twenty-five years later, and the rich have grown richer while the poor are poorer. The poor masses and the poor countries are in such debt today that they are, in effect, imprisoned by their creditors.

The fact is that the condition of the oppressed continues to deteriorate and their leaders, including Louis Farrakhan, do not have a clue as to the way they should proceed if the oppressed are to be liberated from economic oppression. As this book is being written the first anniversary of the million-man-march has come and gone, and nothing really has changed for the oppressed.

It is our view that all efforts at achieving economic justice will continue to fail until mankind turns for guidance to the uncorrupted truth which is in the *Qur'an*. Only the *Qur'an* can restore for mankind a world of justice and peace because it is only in the *Qur'an* that mankind can learn the truth about *riba*! This book reveals the secret weapon used by the oppressor to tighten the rope of oppression around the necks of mankind as *riba*! And the leaders of the oppressed have little or no knowledge whatsoever of this subject. The knowledge which they need to have is in *Islam*. The knowledge about the subject of *riba* is to be found in the uncorrupted Truth of the *Qur'an* and the *Sunnah* of *Allah's* last messenger, Muhammad (s)!

It is a matter of supreme significance, for example, that the *Qur'an* has called on the Muslims to wage *war*, when all peaceful efforts have failed, to liberate the oppressed from that economic oppression called *riba*. (*Qur'an*:-2:279). The *Qur'anic* call for war has emerged in the context of *Allah's* great anger against oppression. The very substance and foundation of *Islam*, the way of life of Truth, is opposition to oppression. Sincere Muslims who are associated with such sectarian *Islamic* movements as the *tableeghi jamaat* and the *modern-day salafis* need to take careful note of the fact that the *Qur'an* itself (Ch. 107) has declared non-participation in the struggle to bring relief to weak, vulnerable suffering humanity, to be the negation and repudiation of *Islam* (*kazb al-Din*).

The *Qur'an* not only prohibits *riba* but also declares that the *Torah* and the *Gospel* were altered to modify the divine prohibition of *riba*. As a consequence *riba* has survived, and because of *riba*, among other things, we live today in an age in which values are collapsing. Honesty, integrity, truthfulness, character and faith are fast disappearing from the world. Prophet Muhammad (s) has

spoken of the coming of such an age as a sign of the coming of the last day. He said:

*. . . A man would sleep and honesty (or faith) would be taken from his heart and only its trace will remain in his heart like the trace of a dark spot; then a man will go to sleep during which honesty will decrease further still, so that its trace will resemble the trace of a blister as when an ember is dropped on one's foot which would make it swell, and one would see it swollen but there would be nothing inside. People would be carrying out their trade but hardly will there be a trustworthy person. It will be said: In such-and-such a tribe there is an honest man, and later it would be said about some man: 'What a wise, polite and strong man he is'; - though he will not have faith equal even to a mustard seed in his heart . . .*

*(Bukhari)*

There are many today who would readily agree that the conditions described in this *hadith* are now fulfilled. And so, the prevalence of *riba* itself constitutes a sign of the coming of the last day! *Riba* has destroyed values. None can be trusted! A corrupted mankind, corrupted by unquenchable greed, would steal even the wealth of orphans today.

Muhammad Asad saw amongst modern Europeans the greed which the *Qur'an* described in *surah al-Kahf* (Chapter 18) and elsewhere. There is a powerful passage in 'Road to Mecca' in which he recorded what he saw: *At all times people have known greed: but at no time before this had greed outgrown a mere eagerness to acquire things and become an obsession that blurred the sight of everything else: an irresistible craving to get, to do, to contrive more and more - more today than yesterday, and more to-*

*morrow than today: a demon riding on the necks of men and whipping their hearts forward toward goals that tauntingly glitter in the distance but dissolve into contemptible nothingness as soon as they are reached, always holding out the promise of new goals ahead - goals still more brilliant, more tempting as long as they lie on the horizon, and bound to wither into further nothingness as soon as they come within grasp: and that hunger, that insatiable hunger for ever new goals gnawing at man's soul: Nay, if you but knew it you would see the hell you are in . . . . (see fn.)<sup>2</sup>*

This is the world created by *riba*. It corrupts and destroys. And so, now, more than ever before, it is important that mankind should seek guidance from the uncorrupted revealed Truth, - Truth which had previously been revealed in the Torah to Moses (*s*), in the Psalms to David (*s*), and in the Gospel to *Jesus* (*s*), but which had been corrupted, - Truth which was restored, and which is now eternally preserved in the *Qur'an* (revealed) to Muhammad (*s*).

The most important function of knowledge of the divine guidance in this age in which we live, - the last stage of history, is to preserve faith in Allah, the Most High, and in the Truth which has come from Him (*iman*). In order to preserve faith in this age people have been advised to show *endurance*. This was the advice of the blessed Prophet (*s*). The most destructive force in the world today, destroying the very foundations of faith, is *riba*! Nowhere else is there greater need for Muslims to show endurance than in resisting *riba*!

Our view is that the subject of the prohibition of *riba* constitutes a litmus test with which the true guides of mankind can be recognized, guides who truly know the Truth, and know how to guide and protect the sheep from the wolves of this age. *One learned believer*, said Prophet Muhammad (*s*), *is harder on Satan than a thousand ignorant worshippers* (ignorant, that is, of the revealed

Truth) - and so learned a Muslim was the Prophet's companion, Umar (*r*), that the Prophet said of him: *When Umar walks on one side of the street, Satan takes the other side.*

There are those today who claim to be shepherds and who cannot even recognize the wolves. Others, still, receive their salaries from the wolves and fraternize with them. As a consequence they lead the sheep directly into the jaws of the wolves. Even the governments which today control the world of *Islam* have callously betrayed *Islam* and entered into *riba* to such an extent that most Muslim countries now have *riba* debts which literally render them slaves to their creditors! Unless mankind turns to true guides with expert knowledge of the subject of the prohibition of *riba*, guides who faithfully present the guidance located in the *Qur'an* and *Sunnah*, mankind will not only remain in a state of loss but, also, will descend into greater poverty, destitution, oppression, suffering, violence and bloodshed! Indeed a new slavery will descend upon mankind. It is the learned followers of Muhammad, the Prophet (*s*) who must take the responsibility to expose to mankind the great curse of *riba* which has been brought upon the world today by those who corrupted the Torah, Psalms and Gospel. It is they who must lead the struggle against *riba*. (Lest there be any misunderstanding, this writer is certainly not suggesting that he is one of those true guides).

## **METHOD OF STUDY**

A proper study of the subject of the prohibition of *riba* in *Islam* requires that we turn, first of all, to the treatment of the subject in that revealed scripture in which is located the authentic uncorrupted Word of the One God. Such exists only in the *Qur'an*, which was revealed 1400 years ago to Prophet Muhammad (*s*), and which exists today exactly as it was revealed, without the change of a single word or letter. And so we have attempted an

analysis of the prohibition of *riba* in the *Qur'an*. We not only analyze the verses of the *Qur'an* which relate to the subject, but also examine the chronological sequence and historical circumstances of their revelation. This, in turn, reveals the three stages through which *Allah*, the Wise, the Supreme, dealt with the subject and, eventually, eliminated *riba* completely from the economy in which the *Qur'anic* revelation was first applied.

After the *Qur'an*, the second most authoritative and authentic source from which mankind may obtain knowledge of the subject would be the teachings and example of Prophet Muhammad (i.e. the *Sunnah* of the Prophet). It is for this reason that we also attempt a study of the prohibition of *riba* in the *Sunnah*. The student should constantly strive, throughout the effort to study this subject, to discover *the system of meaning* which links all that material together as a unity and as a harmonious integrated whole. Only such a methodology will deliver a grasp of the subject in its totality and admit the possibility of a penetrating insight into its very substance. The prohibition of *riba* in *Islam* needs to be studied with that methodology.

We have purposefully omitted from this book a review of the extensive and abstruse classical Muslim juristic literature on *riba* for two reasons:

firstly, its tenuous relevance to the contemporary economic dilemma posed by the challenge of *riba*, and secondly, the negative and intimidating influence it has sometimes exerted because of the confusing complexity of the material and the ceaseless legal conflicts.

**We have also made no effort to construct an alternative model of an economy to that of the *riba*-based capitalist economy which now controls the world. Our view is that the goal of Islam is simply to**

restore the free and fair market. And the elimination of *riba*, the inculcation of the business ethics of Islam, and the enforcement of the penal code of the *Qur'an* will have the effect of restoring the free and fair market!

What we have done is to suggest to those Muslims who now invest their savings in *riba* investments, an alternative which they can use for investment. Secondly, we have suggested to Muslims who now purchase houses and cars etc., with bank loans, an alternative way for buying houses without entering into *riba*.

The book also takes up the subject of *riba* and *Dar al-Harb* in view of the claim made by some scholars that USA, for example, is *Dar al-Harb*, and, hence, the prohibition against *riba* does not apply in that country. We demonstrate that it is false to declare any territory to be *Dar al-Harb* when there is no *Dar al-Islam* in the world today! Iran and Sudan can be recognized as *Dar al-Islam* if they were to extricate themselves from the provisions of the Charter of the United Nations Organization which obliges them to submit to the supreme authority of the Security Council of the UN. The claim of supreme authority by any, other than Allah, the Most High, is an act of *shirk*! Submission to such supreme authority would also be an act of *shirk*!

This is a book which attempts to offer guidance to the Muslim masses. It does not embrace within its scope guidance to those who have amassed fortunes by means both fair and foul and now wish, in a selective demonstration of religiosity, to invest their money in *halal* (i.e. religiously permissible) Wall Street investments! There is no shortage of Muslim financial engineers who would be eager to lend their expensive expertise to assist.

Finally there are parts of this book which may not be readily understood. We sincerely hope that such would not lead the reader

to a precipitate rejection of the statements made, or arguments raised, in the book. When prayer is joined to the act of reflection, contemplation, and earnest inquiry, then Allah, the Most High, who is Most Kind, surely bestows that critical insight which leads the earnest inquirer to understanding.

Let us now turn to our subject proper to attempt a definition of *riba*.

### NOTES OF INTRODUCTION

1. Goldman, Peter, *The Death and Life of Malcolm X*. Harper & Row. New York. 1973. p. 104

2. Muhammad Asad, 'Road to Mecca'. Islamic Book Trust. Kuala Lumpur. 1996. p. 310. The statement: *Nay, if you but knew it you would see the hell you are in* refers to the *Qur'anic* chapter (102) which declared:

"You are obsessed by greed for more and more  
Until you go down to your graves.  
Nay, but you will come to know!  
Nay, but you will come to know!  
Nay, if you but knew it with the knowledge of certainty,  
You would indeed see the hell you are in.  
In time, indeed, you shall see it with the eye of certainty:  
And on that Day you will be asked what you have done with the boon  
of life."



## CHAPTER TWO

### DEFINITION OF *RIBA*

Perhaps no modern scholar of *Islam* has understood the nature and substance of *riba* more accurately than an Austrian Jew named Leopold Weiss who became a Muslim in 1926 and took the Muslim name, Muhammad Asad. His autobiographical journey to *Islam*, and in *Islam*, is beautifully narrated in his book, 'Road to Mecca'.<sup>1</sup> He probed with a creative mind and with original thought to uncover the very essence of things. He wrote a translation and commentary of the Qur'an (*tafseer*) in the English language in which he made comments concerning the *Qur'anic* verses on *riba*. Those comments are so important that they capture the very essence of the definition of *riba* in a manner unsurpassed by any other work of *tafseer*, classical or modern. His success in penetrating the very essence of the subject was undoubtedly related to his own Jewish background and his knowledge of *riba* in Judaism.

We quote him at length: *In its general, linguistic sense, the term, riba, denotes an 'addition' to, or an 'increase' of a thing over and above its original size or amount; in the terminology of the Qur'an, it signifies any unlawful addition, by way of interest, to a sum of money or goods lent by one person or body of persons to another.*

*Considering the problem in terms of the economic conditions prevailing at or before their time, most of the early Muslim jurists identified this 'unlawful addition' with profits obtained through any kind of interest-bearing loans irrespective of the rate of interest and the economic motivation involved.*

*With all this, as is evidenced by the voluminous juridical literature on this subject, Islamic scholars have not yet been able to reach an absolute agreement on the definition of riba: a definition, that is, which would cover all conceivable legal situations and positively respond to all the exigencies of a variable economic environment. In the words of Ibn Kathir (in his commentary on 2:275), 'the subject of riba is one of the most difficult subjects for many of the scholars (ahl al-'ilm)'. It should be borne in mind that the passage condemning and prohibiting riba in legal terms (2:275-281) was the last revelation received by the Prophet, who died a few days later (cf. note 268 on 2:281); hence, the Companions had no opportunity to ask him about the shar'i implications of the relevant injunction, so much so that even 'Umar ibn al-Khattab is reliably reported to have said: 'The last (of the Qur'an) that was revealed was the passage (lit., the verse) on riba; and, behold, the Apostle of God passed away without (lit. before) having explained its meaning to us (Ibn Hanbal, on the authority of Sa'id ibn al-Musayyab).*

*Nevertheless, the severity with which the Qur'an condemns riba and those who practice it furnishes - especially when viewed against the background of mankind's economic experiences during the intervening centuries - a sufficiently clear indication of its nature and its social and moral implications. Roughly speaking, the opprobrium of riba (in the sense in which this term is used in the Qur'an and in many sayings of the Prophet) attaches to profits obtained through interest-bearing loans involving an exploitation of the economically weak by the strong and resourceful: an exploitation characterized by the fact that the lender, while retaining full ownership of the capital loaned, and having no legal concern with the purpose for which it is to be used or with the manner of its use, remains contractually assured of gain irrespective of any losses which the borrower may suffer in consequence of this transaction.*

*With this definition in mind, we realize that the question as to what kinds of financial transactions fall within the category of riba is, in the last resort, a moral one, closely connected with the socioeconomic motivation underlying the mutual relationship of borrower and lender; and, stated in purely economic terms, it is a question as to how profits and risks may be equitably shared by both partners to a loan transaction. It is, of course, impossible to answer this double question in a rigid, once-for-all manner; our answers must necessarily vary in accordance with the changes to which man's social and technological development - and, thus, his economic environment - is subject. Hence, while the Qur'anic condemnation of the concept and practice of riba is unequivocal and final, every successive Muslim generation is faced with the challenge of giving new dimensions and a fresh economic meaning to this term which, for want of a better word, may be rendered as 'usury'.<sup>2</sup>*

When we examine the manner in which modern *riba*-based banking operates we find that it merely takes time before wealth begins to be accumulated in the hands of the few to the misery of the masses. The misery is compounded by the fact that wealth then circulates only amongst the wealthy. And so, the poor now remain permanently poor. It does not take much more than common sense for that state of economic affairs to be recognized as economic oppression.

Let us now turn to the basic *Qur'anic* definition of *riba*. It is instructive that the definition should come in the very first *Qur'anic* revelation on the subject proper:

*And that which you put out (i.e. invest) in riba seeking increase (i.e. profit) through the wealth of others (i.e. at the expense of the wealth of others), will not increase in the sight of Allah (thus Allah disapproves of it); - whereas all that you give as charity, seeking Allah's Face (i.e. Allah's Pleasure); such will be blessed with multiple increase.*

*(Qur'an:- 30:39)*

At the time when this verse of the *Qur'an* was revealed *riba* was recognized as a loan which realized, through 'interest' an increase in capital. The verse declared that increase to have been realized at the expense of the wealth of others. In other words if 'my' capital increased through a *riba* transaction (in the form of a usurious loan) which I made with someone, then 'my gain' would be 'that person's loss'. Such a transaction did not qualify as 'business', rather it was a rip off. *Islam*, in fact, ordained an ideal in business of mutual consent (hence satisfaction) amongst all parties. (*Qur'an* 4:29)

This definition of *riba* and interpretation of the verse (30:39) was confirmed in the second *Qur'anic* revelation on the subject in which Allah, the Most High, condemned the Jews for their oppression, tyranny, evil or wicked conduct (*zulm*). Among their acts of oppression was their taking *riba*, *although it had been prohibited for them*, and, as a consequence of their taking *riba*, Allah, the Most High, went on to declare that they were:

. . . *consuming the wealth of mankind through means which were false and wrong (batil) . . .*  
(*Qur'an*:- 4:161)

With this revelation it was now quite clear that the *Qur'anic* definition of *riba* was *increase in capital, at the expense of the wealth of others, through means which are false and wrong*. Thus *riba* was a form of economic exploitation!

In the third and fourth revelation on the subject of *riba*, Allah, the Supreme, identified one form of *riba*, i.e. lending, on the condition that the principal sum lent be returned with a predetermined additional amount (today called interest). (*Qur'an*:- 3:130, 2:279). *Riba* thus results in an unjust transfer of wealth.

It is sometimes difficult to recognize *riba* because it is concealed as a system of legalized theft. (*Qur'an*:- 4:161). Professor Richard Falk of Princeton University used the term 'legalized theft' to describe the unjust transfer of wealth in 'predatory capitalism'.<sup>3</sup> Our view is that *all capitalism is predatory*.

How does this legalized theft take place? The *Qur'an* directed particular attention to one form of *riba* mentioned above, that of borrowing and lending on 'interest', i.e. transactions in which the principal sum which is 'lent' increases through its repayment with

a contractually predetermined extra amount known today as 'interest', regardless of the amount of 'interest' involved. This was clear from the *very last revelation* in the *Qur'an* (2:278-281) revealed to the Prophet (s) which ordered the believers to give up whatever remained of (their demand for) *riba*. It went on to explain that when a believer complied with this divine order he was then entitled to the return of 'only' the principal sum lent (i.e. the principal sum without any interest whatsoever). (*Qur'an*:- 2:278).

In fact the *Qur'an* rejected the view that such transactions as 'lending on interest' were business transactions. They are not! Allah, the Most High, made business permissible (*halal*) and made *riba* prohibited (*haram*). *Riba* was not business. Why was this so? From the perspective of *Islam*, all business ought to take place in the free and fair market, where there is risk, and where there can be profit or loss. In *riba*, however, the market is bypassed, circumvented or corrupted. The purpose of this circumvention of the market is to eliminate risk and, as a consequence, eliminate all possibilities of loss! But that is not fair! That circumvented market would no longer be a free and fair market.

**If A is insulated against loss, while B is forced to assume the risk of losses of both himself and A, it should be clear that there would be a one-way long-term transfer of wealth from B to A. B will, in fact, be absorbing all losses, - his, as well as those of A. And that is economic exploitation.**

The competition in interest rates between banks and other lending agencies does not provide evidence of a free and fair market. Rather it is analogous to the competition in rates between hired killers. Banks are constantly trying to relocate from those areas where poor people live, and banks don't like to lend to the poor. Such lending forces the banks to assume risks! *And banks do not*

want to assume risks since they want to eliminate all possibilities of loss.

Let us now turn to Prophet Muhammad (s) as we search for a definition of *riba*. When we do so we find that there are many different forms of *riba*, of which lending and borrowing on interest is only one. Indeed the Prophet (s) said that there were seventy different kinds of *riba*, and clearly most have emerged in today's economy!

### **DIFFERENT FORMS OF *RIBA***

Some of the different forms of *riba* would be:

- lending money on interest; This is known as *riba al-fadl*; credit transactions (*ba'i muajjal*);
- increasing the price of an article in consideration of deferred payment. This credit transaction is known as *riba al-nasi'ah*;
- employing deception as the basis for unfair profit, thus compromising the free market; this is called *gharar* and it takes many different forms, such as: speculative transactions - in which the masses work to earn their livelihood (*rizq*) and this *rizq* is then sucked away by the predatory elite in a sophisticated form of gambling;
- having someone artificially bid up the price in an auction, thus corrupting the free and fair market;
- hoarding in order to capitalize on the resultant artificially created scarcity in the market, and thus compromising the free market;
- monopoly which allows control over price. Such a situation would result in prices being fixed in accordance with the plan of the

monopolists rather than the free market;

- a sale on the condition of deferred payment but with an increase in price. The debt is then sold to a third party for cash at a price which allows both parties to share in the increase realized through deferred payment, *etc.!*

### **WHICH IS THE MOST DANGEROUS FORM OF *RIBA*?**

Since Allah, the Wise, has chosen to highlight one form of *riba* by way of making mention of it in the Qur'an, then clearly that must be the most dangerous form of *riba* in the sense of having the capacity for inflicting maximum damage on mankind.

That form of *riba* is 'lending on interest'. And it is precisely that form of *riba* which has embraced all of mankind today in its venomous deadly embrace. Perhaps it is the most dangerous form of *riba* because it has been legalized. It thus constitutes one form of legalized theft. There are, of course, other forms of legalized theft.

### ***RIBA* AND THE FREE MARKET**

It would appear that the definition of *riba* would include all such transactions which bypass the free market, or which modify, corrupt, or in any other way violate the free and fair market. Anything less than a free and fair market must lead to corruption which, in turn, destroys trade and business. Such *riba* transactions, which modify and corrupt the free and fair market, open the road for economic exploitation and oppression leading to poverty, destitution and even slavery.

It is remarkable that the capitalist west, which correctly pointed to the absence of a free market in communism as the cause of its



eventual collapse, is itself incapable of sustaining a free and fair market. Rather the capitalist economy has produced a veritable den of thieves who preside over the most despicable system of organized theft it has ever been the misfortune of mankind to witness since William Shakespeare created Shylock, - the Jewish moneylender (in his play: *Merchant of Venice*).

We have used very strong language to condemn today's *riba*-based capitalist economy. But we will soon see that Almighty *Allah* and Prophet Muhammad (*s*) have used even stronger language! And we have, in fact, used the very language which Jesus (*s*) used to condemn *riba*:

*And Jesus went into the temple of God (i.e. masjid al-'aqla) and cast out all those who sold and bought in the temple, and overthrew the tables of the money-changers (who were ripping-off the people through riba) . . . and said unto them: It is written, My house shall be called the house of prayer; but you have made it a den of thieves.*

*(Gospel of St. Matthew:- 21:12-3)*

For a free and fair market to be established the following are necessary:

- freedom of access to the market;
- freedom of competition in the market;
- freedom of the market to determine its own prices (i.e. there must be no fixed prices);
- freedom to choose the medium of exchange, (i.e. there must be no compulsion to accept artificial money in the form of paper currency, for example, as the medium of exchange. Indeed artificial money has to be prohibited if a free and fair market is to be restored);

- freedom to produce anything (for the market);
- freedom to sell anything in the market;
- freedom to buy anything in the market etc. (In a market controlled by Muslims, freedom to produce, sell, or buy would exclude that which is *haram*, i.e. prohibited by Allah, the Most High,);
- prohibition against selling at a price lower than the market price (and, by implication, above the market price);
- prohibition against deception in business transactions;
- prohibition against bypassing the market (as in lending on interest);
- prohibition against cheating and stealing.

One has merely to examine such things as the General Agreement of Trade and Tariffs (GATT) which regulates world trade, the international monetary system based on non-redeemable artificial money in the form of paper currency, and the universality of interest-based banking to find ample evidence that a free and fair market does not exist anywhere in the world today.

A free and fair market can neither be established nor sustained without a code of strict laws prohibiting *riba* in all its forms, a nondiscriminatory enforcement of those laws, and a penal code (or system of punishment) which functions as an effective deterrent against violation of the laws. *Islam*, and *Islam* alone, has them all!

Even an elementary understanding of the subject of the prohibition of *riba* in *Islam* reveals that the objective and goal of *Islam* is precisely to establish and sustain a free and fair market in the purest sense of the term. It is in this context that the world should understand the punishment in *Islam* for theft, and the utter nondiscriminatory application of that severest and most effective of deterrent punishments:

*Aisha said that when a thief was brought to Allah's Messenger and he had his hand cut off, those who brought him said: We did not think you would go so far as this with him. He replied: If Fatima (i.e. his daughter Fatima) had been the one, I would have had her hand cut off.*

*(Nasa'i)*

The cutting off of the hand of the thief in *Islam* would leave Wall Street with lots of people without hands. It would, in fact, act as a most effective punishment deterring predators from ripping off mankind of their wealth.

One of the main points being argued in this book is that Muslims can never succeed in restoring the free and fair market without waging a successful revolutionary struggle for restoring *dar al-Islam*. Only when Muslims have won control over a territory in the name of *Islam*, and *Allah's* sovereignty is restored in that territory, will it be possible to restore the free and fair market in that territory. That, in turn, will witness the elimination of *riba* in that territory.

#### **REPAYMENT OF A LOAN WITH AN EXTRA AMOUNT PERMITTED**

An extra sum can be added by a borrower, to the principal sum borrowed, at the time when a borrower is repaying a debt. Such an extra sum, however, has to be freely offered, i.e. it must not have been stipulated as a condition of the loan, and, as such, would not constitute 'interest' or *riba*. We learn this from the fact that the Prophet (*s*) himself acted in that way when repaying a loan: *Jabir said: I came to the Prophet while he was in the masjid, so he said: Pray two raka'ahs of prayer. Then, since he owed me a debt, he paid me and even gave me more (than was due).*

*(Bukhari)*

In order for any increase over and above the capital sum lent to be recognized as *riba*, that increase would have to be a condition of the loan.

### **HOW MUCH INTEREST CONSTITUTES *RIBA*?**

In the very last revelation of the *Qur'an* (2:278) Allah, the Most High, addressed all those who still had *riba* due to them (from loans extended prior to the prohibition of *riba*) and ordered them to give it up (or write it off). In the event that such people were to heed the divine command and make repentance (*tauba*) then, Allah, the Most High, declared, they would be entitled to the return of only the principal sum which had been lent. Allah, the Most High, did not say that they would be entitled to the return of the principal sum plus a service charge, or plus a reasonable amount of interest.

Thus it matters not whether interest is small or large (1% or 25%), it would still be *riba*, and would still be prohibited. In this respect *riba* is like alcoholic beverages. Whether the glass contains a small drink of whiskey, or whether you were offered a large drink, it makes no difference, it would still be prohibited in *Islam*.

Muslims are faced, however, with the curious phenomenon in today's world of *Islam*, of so-called *Islamic* scholars who are unable to grasp the simple fact that 'interest' in modern banking is *riba*! Christians are doubtless already accustomed to that. Yet it should be as plain as daylight to anyone who has studied the explanatory statements of the Prophet (*s*). And such so-called scholars should recall that Allah, the Most High, sent Prophet Muhammad (*s*), and not them, nor the Saudi Arabian Monetary Agency (SAMA), to teach the meaning of the *Qur'an*. (SAMA invests all the Saudi petrodollars in *riba* investments in western banks controlled by forces hostile to *Islam*).

Abdullah Yusuf Ali, whose otherwise brilliant English translation and commentary of the *Qur'an* has won widespread popularity, openly confesses that he disagrees with the *ulama* (i.e. religious scholars), *ancient and modern*, in respect of their definition of *riba*: *The definition I would accept would be: undue profit made, not in the way of legitimate trade, out of loans of gold and silver, and necessary articles of food, such as wheat, barley, dates, and salt (according to the list mentioned by the Holy Apostle himself). My definition would include profiteering of all kinds, but would exclude economic credit, the creature of modern banking and finance.*<sup>4</sup>

Abdullah Yusuf Ali (may *Allah* have mercy on him) is most certainly in grave error. The *Qur'an* does describe one form of *riba* as undue increase, i.e. when the rate of interest is such that interest payments doubles and triples the principal sum borrowed. (*Qur'an*: - 3:130) **But *riba* was never defined as undue profit, neither in the *Qur'an*, nor by the Prophet (s).** In fact *riba* even includes any material benefit whatsoever, over and above the capital sum lent, which a lender may derive from a borrower. Banks do not lend money for blessings. Nor do they charge interest for the purpose of recovering losses sustained through inflation. They do it for profit! And what enormous profits do they make! Thus economic credit, “the creature of modern banking” is most definitely *riba*, regardless of whether the interest-rate is high or low or compound or simple! Thus the Prophet said:

*Anas ibn Malik reported that the Messenger of Allah said: If you give a man a loan and he were to offer you a meal, do not eat it, because that is riba! - unless he used to invite you for meals prior to the loan, in which case you may eat. And again he said: If you give a man a loan and he offers you a ride on his animal, do not take it, because that is riba! - unless he used to offer you rides on*

*his animal prior to the loan; in which case you may take it.*

*(Sunan al-Bayhaqi)*

*Anas bin Malik also reported the Prophet as saying: If a man extends a loan to someone, he should not accept a gift (i.e. he should not accept a gift from the debtor while the loan is still outstanding, but may do so after the loan has been repaid to him).*

*(Bukhari)*

*Abu Burdah ibn Abi Musa said: I came to Madinah and met Abdullah ibn Salaam (the Jewish Rabbi who accepted Islam) who said: You (now) live in a country where riba is rampant; hence if anyone owes you something and presents you with a load of hay, or a load of barley, or a rope of straw, do not accept it for it is riba.*

*(Bukhari)*

*Fadalah ibn Ubayd said that the Messenger of Allah said: The benefit derived from any loan is one of the different aspects of riba.*

*(Sunan al-Bayhaqi)*

*Abu Umamah said that the Prophet said: Whoever makes a recommendation for his brother and accepts a gift offered by him has entered riba through one of its large gates.*

*(Abu Daud and Ahmad)*

To make matters worse we also have the extraordinary blunder committed by *Shaikh Muhammad Abduh*, the Rector of *Al-Azhar University*, Cairo, who toured Europe in the late nineteenth cen-

tury and then returned to Egypt to declare that in modern Europe he had found Islam, but no Muslims, while in Egypt he found Muslims, but no Islam, Malcolm X would never have made that mistake!

The Europe which Abduh visited was a Europe which had just experienced the French revolution. That event constituted the turning point in the transformation of Western European civilization from one based on faith in Christianity, to an essentially godless civilization.

In fact, the Europe which Abduh perceived as one which was based on *Islam*, was a Europe which had become the first target of evil forces created by Allah, the Most High, (*Qur'an:-113:2*) and released by Allah, the Most High, in the age of *fitan*. The Prophet (*s*) had described the last age before the end of the world as the age of *fitan*. *Fitan* is the plural of *fitnah*, which means: temptation, trial, charm, attractiveness, enchantment, captivation, fascination, enticement, temptation, infatuation, intrigue, sedition, riot, discord, dissension, civil strife. Those evil forces were *ya'jooj*, *ma'jooj*, and *al-Masih al-Dajjal*. The barrier which had been constructed by Dhul Qarnain to contain those evil forces had been destroyed by Allah, the Most High, and the evil forces had been released. Their primary function was to employ oppression and deception in order to destroy everything which was not pure faith. (See my book: *One Jama'ah - One Ameer: The Organization of a Muslim Community in the Age of Fitan*).

The secularization of politics in Europe, which created the new secular democratic State, resulted in the declaration that sovereignty now resided with the State rather than Allah, the Most High. And that was *shirk*! Indeed the *shirk* was even more fundamentally based on the new philosophical foundation of the civi-

lization, *i.e.* materialism. The definition of materialism was one which denied the existence of any reality beyond material reality. *Shaikh* Muhammad Abduh, the classically-educated Egyptian Islamic scholar, failed to see the new philosophical foundations of European modernity. He was deceived by *Dajjal*. He thus perceived the road to hell as the road to heaven. Dr. Muhammad Iqbal, on the other hand, the modern-educated Indian Islamic scholar, was not deceived.

Abduh appears to have been deceived by the superficial appearance of Truth (*i.e.* *Islam*) at the foundation of modern secular European society. He did not perceive that the European economy was significantly altered in a direction away from Truth as a result of the French revolution. The Catholic Church, in particular, which had waged a five hundred year struggle against *riba* in Europe, had finally lost the war to secularism, and *riba* now began to emerge as the very foundation of the capitalist European economy.<sup>5</sup> Abduh failed to see *exploitation* in the *interest* which formed the foundation of the European banking system. Since he did not notice it, he concluded that it was not there. That was his extraordinary blunder! He returned to Egypt and delivered his famous (or infamous) *fatwa* (juristic verdict) on the *interest* on savings accounts opened with the Egyptian Post Office. He declared that the 'interest' from those accounts was not *riba*!

Iqbal was not deceived by *Dajjal*. He recognized that *Islamic* civilization had deviated significantly from the path of *Islam*; but *Islam*, - the Truth, was still there and could be restored. When he viewed modern European civilization on the other hand, Iqbal's vision pierced beyond the external form of European 'character', 'honesty', 'integrity', 'willingness to work hard for a specified good', 'good-natured behavior towards other humans', 'trustworthiness', etc. Here is his verdict on the new Europe: *The idealism*



*of Europe never became a living factor in her life, and the result is a perverted ego seeking itself through mutually intolerant democracies whose sole function is to exploit the poor in the interest of the rich. [That is riba] Believe me, Europe today is the greatest hindrance in the way of man's ethical advancement.<sup>6</sup>*

The incapacity to penetrate the essentially predatory nature of the interest-based capitalist economy, and to thus recognize *riba* at its very foundation, appears to have been passed on from one generation of Egyptian *Islamic* scholars to another. *Shaikh* Tantawi, the former government-appointed *Mufti* of Egypt who is now *Shaikh al-Azhar*, as well as *Shaikh al-Ghazzali* (*may Allah have mercy on him*), both recent visitors to New York, appear to be similarly misguided. They have both argued that bank interest is not *riba*!

Let us not forget, however, that there have been many other prominent Egyptian *Islamic* scholars who have declared 'interest' to be *riba* and have vigorously opposed it! One of them, the blind and innocent *Shaikh* Omar Abdul Rahman, is paying the price for his vigorous denunciation of oppression in Egypt. He is serving a sentence of life-imprisonment in an American prison. The crime for which he was found guilty was the preaching of *Islam* in a manner which incites people to challenge their oppressors.

Classical higher *Islamic* education in this age of *fitan* seems to have acquired some strange deficiency making it difficult for so many classically-trained *Islamic* scholars to perceive reality correctly. What *Abduh*, the classically trained *Islamic* scholar, could not see, *Iqbal* saw so clearly. *Iqbal* never had a classical *Islamic* education. Our view is that something is significantly lacking in the classical methodology of *Qur'anic* interpretation (*usul al-tafseer*). *The meaning of the Qur'an could not possibly have been exhausted by the early Muslims (salaf). The classical works*

*of tafseer, therefore, cannot be said to have delivered the final word on the meaning of the Qur'an. Rather, the meaning of the Qur'an continues to unfold as concrete reality changes. It is on the basis of an acute observation of changing reality that one can discern new meaning to verses of the Qur'an, - meanings which do not unfold until the new reality has emerged. This is particularly true in respect the Qur'anic treatment of the age of fitan. It is, in fact, on the basis of observation and intuitive insight that one can arrive at the meanings of the Qur'an as they are directly related to this age.*

Abduh was influenced by the arch nationalist, Syed Jamaluddin Afghani. Abduh, in turn, influenced his disciple *Shaikh Rashid Rida*. It appears that they may have innocently opened the doors of Egypt to *riba*. And from that day to this the Egyptians have continued to pay a terrible price for that poison which first crippled, and then utterly destroyed the Egyptian economy. To make matters even worse the rest of the world of *Islam* tamely followed Egypt into *riba*.

Some scholars have felt it necessary to advise Muslims living in non-Muslim lands not to leave their *riba* earnings in the hands of non-Muslims. They advise that such *riba* money should be accepted and then given in charity. The terminology which they use is suspicious! The *shariah* (i.e. the sacred law) does not address 'non-Muslim lands'. It recognizes *dar al-Islam* (i.e. territory over which the believers have control, and in which they have the freedom to submit to the supreme authority of Allah, the Most High) and *dar al-harb* (territory which commits acts of aggression or oppression). *Imam* Shafe'i recognized territory which was in a state of contractual peace and non-aggression with *dar al-Islam* as *dar al-ahd*. Those scholars should have used this classical terminology rather than suspiciously introducing terminology - 'non-Muslim lands' - which has all the appearances of legitimiz-

ing the present system of nation-States which has replaced *dar al-Islam*.

If the non-Muslim land is designated *dar al-Harb* it would then be possible for some to argue that there is no *riba* in such a territory. But, until recently, no one ever designated USA as *dar al-Harb*.<sup>7</sup>

The argument concerning the validity of giving *riba* as charity in non-Muslim lands is therefore problematic, since what is *haram* (prohibited) for a believer to consume, is *haram* for his brother to consume!

Dr. Jamal Badawi, the learned scholar of *Islam*, rejects the opinion regarding the admissibility of interest for housing etc. in USA, on the basis of the application of the doctrine of necessity. His position is that 'necessity' does not apply in the general conditions obtaining today. It can apply only in specific conditions.<sup>8</sup> The subjects of '*Riba and dar al-Harb*, and '*Riba and the Doctrine of Necessity*', are dealt with in chapters five and six of this book.

## NOTES OF CHAPTER TWO

1. Reprinted by Islamic Book Trust, Kuala Lumpur, 1996.
2. 'The Message of the *Qur'an*'. *Dar al-Andalus*, Gibraltar. 1980. Fn. No. 35 to *Qur'an:al-Rum:- 30: 39*.
3. During a panel discussion in a conference on Human Rights held in Kuala Lumpur, Malaysia, in December 1994, Prof. Falk used the term

'legalized theft' to describe predatory capitalism.

4. Translation and Commentary to the Holy *Qur'an* by Abdullah Yusuf Ali. Note 324 to verse 2:275

5. Cf. R. H. Tawny. 'Religion and the Rise of Capitalism'. Penguin. 1926.

6. Muhammad Iqbal, Reconstruction of Religious Thought in Islam. Oxford University Press. London 1934. p. 170.

7. The blind Egyptian *Shaikh*, Omar Abdul Rahman, was tried and convicted of waging *jihad* against USA. But, as a blind man he could not be the *amir* who, alone, is competent to declare *jihad* (declaration of war).

Secondly, when *jihad* is declared then that territory in which it is to be waged is designated *dar al-harb* (i.e. zone of war). *Shaikh* Omar never made a pronouncement to the effect that USA was *dar al-harb*. Thirdly, Muslims are prohibited from residing in *dar al-harb*. They must vacate it. But *Shaikh* Omar applied for and was granted US Immigrant Visa (Green Card), thus adopting residence in this country. Fourthly, there is no Friday congregational prayer in *dar al-harb* for obvious reasons of security. That the *Shaikh* did not recognize USA as *dar al-harb* was quite clear! He, himself, led the Friday congregational prayers in USA every Friday until he was imprisoned. He is thus innocent of this charge brought against him! But this elementary explanation in this footnote could not reach the jury which decided his guilt on the charge brought against him because the judge ruled that no experts on Islam could testify! What a travesty of justice!

8. I posed the question to him at a meeting we both attended at the invitation of ISNA (Islamic Society of North America) which was held in Indianapolis in June 1995.

## CHAPTER THREE

### THE PROHIBITION OF *RIBA* IN THE QUR'AN

The Divine Wisdom established, through the process of the gradual revelation of the *Qur'an*, a stage-by-stage method for dealing with the subject of the prohibition of *riba*. It consisted of three distinct stages:

*Stage 1* - Education concerning the evil of *riba*, but with no legislation prohibiting *riba*; the language which is used is mild, not fearsome, and its basic purpose is to teach;

*Stage 2* - Legislation prohibiting *riba* while yet refraining from a retro-active enforcement of the legislation; - process of education also continued; the language which is now used is more graphic, - the believers are expected to be able to recognize the rip off that is *riba*;

*Stage 3* - Retro-active enforcement of the legislation prohibiting *riba*;

- Sanction for waging war to eradicate *riba*;
- Debt relief;
- Process of education continued.

In fact there was much similarity between this and the divine method employed for prohibiting the consumption of intoxicants, for prohibiting gambling, and for dealing with the institution of slavery. As a consequence, a study of the methods employed in the *Qur'an* for prohibiting intoxicants and gambling, and for dealing with slavery, would yield very useful knowledge for an understanding of the method used by the *Qur'an* for the prohibition and eradication of *riba*.

**It is important that the Islamic Movement pay serious attention to this stage-by-stage divine method of dealing with *riba*. If Pakistan were to embark on an effort to eradicate *riba* from the economy, the effort would easily end in failure if it does not commence with a massive campaign of skillfully designed public education.**

### **THE *QUR'ANIC* METHOD OF DEALING WITH *RIBA***

A significant aspect of the movement, from stage to stage, in the process of dealing with *riba*, is that while the first and second stages were initiated or promulgated by the *Qur'anic* revelation itself, the third stage was launched by the Prophet (*s*), in the *Khutbah al-Wida* (sermon at the farewell *hajj*), which he delivered from *Arafat*. It was after that sermon was delivered that Allah, the Most High, revealed the verse announcing the perfection of *Islam*. The action which he took in that sermon concerning *riba* was subsequently confirmed by Allah, the Most High, in the very last revelation of the *Qur'an* to reach the Prophet (*s*) shortly before his death!

On the authority of *ahadith* received from both Ibn Abbas (*ra*) and from Umar (*ra*) we know that the last revelation received by the blessed Prophet (*s*), shortly before his death, was the passage in *surah al-Baqarah* (*Qur'an*:- 2:278-281) which dealt with *riba*:

*Umar bin al-Khattab said: The last verse to be revealed was on riba, but Allah's Messenger was taken without having expounded it to us; so give up not only riba (usury) but also reebah (whatever raises doubts in the mind about its rightfulness).*

*(Ibn Majah, Darimi)*

*Oh you who believe! Fear Allah and give up what remains (due to you) from riba (from now onwards) if you are indeed believers . . . (up to) And none shall be dealt with unjustly. (Qur'an:- 2:278-281) Ibn Abbas said: This was the last verse revealed to the Prophet.*

*(Bukhari)*

It appears to us that such a last revelation, coming after the pronouncement of the perfection of the revealed religion and the completion of the divine favor, could only be used to reiterate something which lay at the very heart of the divine guidance. Alternatively it could be used to direct attention to that part of the divine guidance in which the faith of the believers would be most vulnerable to a future attack by enemies of *Islam*.

The choice of the subject of *riba* as the last revelation, the fact that Allah, the Most High, returned to the subject of *riba* after announcing the perfection of revealed religion, and the fact that He sent the last revelation shortly before the death of the Prophet (*s*), - all of this appears to us to constitute the most dire of all warnings *that riba will pose the gravest of all threats to the faith,*

*freedom and power of the believers. This, then, is the importance of the subject, that herein lies the potential for the most dangerous, destructive and devastating attack on the faith of the believers and the integrity and power of the ummah of the Prophet (s)!*

Why did Allah, the Most High, choose to allow the Prophet (s) to promulgate the third stage of the process for the eradication of *riba*? Our understanding is that this event, which occurred at the very end of the mission of the Prophet (s), was meant to demonstrate to Muslims, in the most dramatic way possible, that obedience of the Prophet (s) is equivalent to obedience of Allah, the Most High, ! And Allah, the Most High, knows best. Hence in all matters generally, but in particular in respect of the subject of *riba*, the word of the Prophet (s) is absolutely binding on the believers.

A study of the *Qur'anic* treatment of the subject of *riba* reveals the priority of *tazkiyah* (purification of the self) and *zikrullah* (remembrance of Allah, the Most High,) over *fikr* (contemplation). The heart must be purified before *nur* (divine light) can illuminate it and bestow understanding of that which, otherwise, may not be understood. For this reason the word '*riba*' did not appear, in the chronological sequence of the *Qur'anic* revelations, until some 6 - 7 years after the commencement of revelation of the *Qur'an*. The first mention of *riba* appeared in verse 39 of *Surah al-Rum* of the *Qur'an* (chapter 30).

*Riba*, in the *Qur'an*, is essentially the lending of money on interest, and the attack on *riba*, about to be launched, was directed towards the realization and preservation of social and economic justice and stability, and the unity and fraternity of society. The lesson from the divine delay in directly addressing the subject of the prohibition of *riba* in the *Qur'anic* revelation appears to be



that *riba* as a system of economic (or political) injustice, exploitation and oppression may not be readily discernible, even to scholars, businessmen and people in public affairs, and even more so to the masses, unless a prior awakening of the moral and spiritual consciousness of the individual and the society has been effected, - unless the individual has first been so purified that the veils before his eyes are removed. When veils (*ghishawa*) are removed then the light of truth (*nur*) can enter, and with that light it would be possible to see and understand that which otherwise could never be understood.

We now live in that age described by the Prophet (*s*) as the age which will witness the greatest evil from the time of Adam (*s*) to the last day. The most powerful and most dangerous attack ever has been launched upon mankind. The release of *ya'jooj* and *ma'jooj* (Gog and Magog) has commenced transcendently (i.e. in *al-ghaib*), and they have been spearheading that attack. *Al-Masih al-Dajjal* (the Anti-Christ) has also been released transcendently, and the prevalence of *riba* in the world today represents the success of his attack. It is an attack which is taking place by deception, not readily discernible. The prerequisite for penetrating that deception of *Dajjal* is spiritual illumination (*baseerah*) which is a gift from Allah, the Most High. Without that spiritual illumination scholarship is confined to the understanding of mere appearances. Musa (*s*) was taught a tremendously important lesson by Khidhr (*s*) in *Surah al-Kahf*. Unless one penetrates to the reality of a matter, one's judgement can always be mistaken. And reality is spiritual.

*Riba* is a form of exploitation and oppression which is sometimes concealed in the ultimate disguise. It operates with such deception that it may not be readily discernible, even by those who consider themselves to be experts. And so it was only after the Mus-

lim community had completed some seven years of struggle in the cause of Truth, and had experienced that prolonged moral and spiritual awakening and mobilization, that the first revelation concerning *riba* was sent down.

There is a profound lesson in this for today's Muslims. The lesson is that there will be many secularized Muslims - educated professionals occupying positions of prestige in contemporary Muslim society, who will not be able to recognize the evil presence of *riba* in the world today. Many of them will argue, as did Abdullah Yusuf Ali, that bank interest is not *riba*. Indeed there will be some who will argue that interest-based banking is the secret of the economic strength of Europe's capitalist economy and, hence, its most magnificent achievement. In arriving at this understanding such people reveal their total incapacity to perceive the fact that the modern euro-capitalist economy, which is based on *riba*, has been engaged in massive economic exploitation of all of mankind to the extent that it is literally sucking the blood of mankind.

The lesson for today's Muslims is that it will not be possible for misguided Muslims to perceive the universal presence of *riba* in the world today, unless and until the moral and spiritual consciousness can be penetrated. When veils are removed then such misguided Muslims will eventually be able to see that which they otherwise will never be able to see.

The penetration of the moral and spiritual consciousness is an immensely difficult task to accomplish. It needs specialized training - intellectual as well as spiritual. It also requires grace from Allah, the Most High. The authentic *sufi Shaikh* of old was the true specialist in that field. Wherever we find him in the world today he still remains the true specialist. Today's institutions of

higher *Islamic* learning do not provide that spiritual initiation, training and education which can produce such luminaries.

### **QUR'ANIC REVELATIONS PRIOR TO THE QUR'ANIC PROHIBITION OF *RIBA***

Perhaps the first revelation to indirectly address the subject of *riba* is the very early Makkan *surah* entitled the Scandal-Monger (*al-Humaza*):

*Woe to every scandal-monger (i.e. each and every one of them, and also each and every form of scandalous behavior); (Among the different types of scandal-mongers is) he who amasses wealth and realizes its constant increase; (always increase and never decrease); (or who counts on his wealth as a safeguard); He believes that his wealth will last forever (i.e. that he will remain rich for as long as he lives. In other words he feels that he has succeeded in blocking all avenues through which anyone, including Allah, can ever reduce his wealth, or ever make him poor. And that is precisely the ultimate objective of those who establish and sustain the system of riba). (The alternative translation is: He believes that his wealth will cause him to live forever).*

*By no means (will his wealth save him)! He will surely be thrown into al-hutamah (i.e. that which will smash him to bits). And what will explain to you al-hutamah? (It is) the fire of Allah's (anger) which has been kindled (to a blaze). (A fire) which ascends to the very heart. It shall surely be over them like a vault rising in columns outstretched. (They will choke and suffocate in that terrible fire).*

*(Qur'an: al-Humazah:-104:1-8)*

This *surah* of the *Qur'an* revealed a form of scandalous and sinful behavior which provoked *Allah's* anger. He is *al-razzaq* (the One who provides). And He has provided adequately for the needs of all:

*And We have provided therein (i.e. the earth) means of subsistence - for you and for those for whom you provide not.*

*(Qur'an: al-Hijr:-15:20)*

*And Allah ordained in due proportion therein (i.e. the earth) the sustenance thereof (for the purpose of fulfilling the requirements of its inhabitants) in four days : equal for those who seek (to fulfill their needs).*

*(Qur'an: al-Fussilat:-41:10)*

*And there is not a single living creature on earth but that Allah is responsible for its livelihood.*

*(Qur'an: Hud:-11:6)*

Allah, the Most High, allocated the wealth of the world amongst mankind but ordained that each must labor to earn that which has been allocated to him:

*And man can have nothing except that for which he strives (through labor) . . .*

*(Qur'an: an-Najm:-53:39)*

*And that his (man's) effort (i.e. his striving through labor) will be seen, then he will be repaid for it with fullest payment.*

*(Qur'an: an-Najm:-53:40-41)*

In no less than ten verses of the *Qur'an* Allah, the Most High, declared His capacity to increase, or be strict in measure, in respect of the wealth or sustenance He saw fit to provide mankind: *Allah increases, or is strict in measure, in respect of the sustenance He provides to whomsoever He wishes . . .*

*(Qur'an: ar-Ra'ad:-13:26. See also 2:240, 17:30, 28:82, 29:62, 30:37, 34:36, 34:39, 39:52, 42:12)*

If we spend in charity, for example, He not only returns to us that which we spent, but also multiplies the return (*Qur'an: ar-Rum:-30:39*).

But some people are not prepared to accept the fact that *rizq* is allocated by Allah, the Most High. Their love of wealth is great indeed. They devote their lives and efforts exclusively to the accumulation of wealth and to its continuous augmentation. They get rich, and then grow constantly richer. They get rich in such a way that convinces them that they will remain permanently rich. Their method of accumulating wealth, therefore, constitutes an attempt to take over from Allah, the Most High, His function of the allocation of *rizq*, and to nullify His capacity to redistribute wealth. They seek and obtain not only that wealth which Allah, the Most High, has allocated to them but, also, that which has been allocated to others. Since they get more than the share of wealth which Allah, the Most High, has provided for them, the implication is that it has been obtained by unlawful means. Whether it was obtained by theft, or legalized theft, or deception, or any other such means, it was obtained unlawfully! And that is *riba* - unlawfully acquired wealth.

Allah, the Most High, denounced such people and their ill-gotten wealth. Their resort to foul means results in terrible punishment

as *Allah's* fire rises in columns unto their hearts. Externally such people may appear, because of their wealth, to live in heaven itself. But internally their life is hell itself!

In another very early Makkan *Surah, al-Tafir* (dealing in fraud), Allah, the Most High, exposed that *riba* which takes place in the form of one of the most commonplace methods of unlawfully acquiring wealth, *i.e.* common theft by deception:

*Woe to those that deal in fraud; Those who, when they have to receive by measure from men, exact full measure; But when they have to give by measure or weight to men, give less than due . . . Do they not think that they will be called to account (for their theft)?*

*(Qur'an: al-Mutaffifeen:- 83:1-3)*

What these first revelations did was to both educate and to warn such people! The divine method thus taught the lesson that without knowledge and education concerning that which is evil, it is not possible to eradicate evil. In other words, if a people are immersed in an evil, then the way to extricate them from that evil would be to commence the process by teaching them that it was evil, and then warning them of the severe punishment Allah, the Most High, will give to those who commit such evil deeds. Allah, the Most High, delivers that warning time and again in the *Qur'an*:

*And spend (of your wealth) in the cause of Allah, and do not allow your own hands to contribute to your destruction. But do good. Allah loves those who do good.*

*(Qur'an: al-Baqarah:-2:195)*

*And how many a community have We (Allah) destroyed that became reckless in respect of (its structure of) livelihood. Now those habitations of theirs, after their destruction, are so deserted that only a few inhabitants are left. And We are certainly the heirs!*

*(Qur'an: al-Qasas:- 28:58)*

The *Qur'an* makes specific reference to *Qarun* (Korah) who was wicked in respect of his attitude to wealth. Allah, the Most High, punished him by having the earth swallow him and his wealth:

*Qarun was, doubtless, of the people of Moses; but he acted insolently towards them: Such were the treasures We had bestowed on him, that their very keys would have been a burden to a body of strong men. Behold, his people said to him: Exult not, for Allah loveth not those who exult (in riches). But seek, with (the wealth) which Allah has bestowed on thee, the Home of the Hereafter, nor forget thy portion in this world: but do thou good, as Allah has been good to thee, and seek not (occasions for) mischief in the land: for Allah loves not those who do mischief. He said: This has been given to me because of a certain knowledge which I have. Did he not know that Allah had destroyed before him (whole) generations which were superior to him in strength and greater in the amount (of riches) they had collected? But the wicked are not called (immediately) to account for their sins. So he went forth among his people in the (pride of his worldly) glitter. Said those whose aim is the Life of this World: Oh! that we had the like of what Qarun has got! He is truly a Lord of mighty good fortune! But those who had been granted (true) knowledge said: Alas for you! The*

*reward of Allah (in the Hereafter) is best for those who believe and work righteousness: but this none shall attain, save those who steadfastly persevere (in good). Then, We caused the earth to swallow up him and his house; and he had not (the least little) party to help him against Allah, nor could he defend himself.*

*(Qur'an: al-Qasas:-28:76-81)*

The Qur'an singles out the Jews for special mention as a people who commit this sin:

*(They are fond of) listening to falsehood (and) of devouring ill-gotten wealth (obtained through the exploitation of others) . . .*

*(Qur'an: al-Maidah:-5:45)*

*And thou shalt see many of them (Jews) hastening towards sin and transgression and their devouring of ill-gotten wealth (obtained through the exploitation of others). Vile indeed are the things that they do.*

*(Qur'an: al-Maidah:-5:65)*

goes on to question: why do the rabbis not do something about it?

*Why do the Rabbis and the Doctors of Law not forbid them from their habit of uttering sinful words and consuming ill-gotten wealth (obtained through the exploitation of others)? Evil indeed are their works.*

*(Qur'an: al-Maidah:-5:66)*



## FIRST REVELATION ON RIBA

It is after having laid bare the evil involved in the act of economic exploitation that the *Qur'an* names, for the first time, *riba* as a form of economic exploitation:

*And that which you lend (or invest) in riba (usurious investment, lending on interest) seeking increase (usurious profit, interest on the loan) through (feeding upon) the wealth of others, will not increase with Allah (thus Allah rejects it as a legitimate form of business. It is not business. It is economic exploitation); - whereas all that you give as charity (or lend as a charitable loan, i.e. qard hasana), seeking Allah's Face (i.e. Allah's Pleasure), such are the ones who will be blessed with multiple increase.*

*(Qur'an: al-Rum:- 30:39)*

When money by itself, independent of any human labor or effort, is transformed into capital which is invested usuriously, the increase which the capital sum realizes (which is called *riba*) is acquired at the expense of the wealth of others. That is robbery. It is obnoxious to Allah, the Most High. It earns no blessings! When, on the other hand, money is spent charitably it earns blessings. For this reason Allah, the Most High, exhorted the believers, in the verse of *Surah ar-Rum* which preceded the verse on *riba*, to be charitable:

*So give what is due to kindred, the needy, and the traveler. That is best for those who seek the Countenance of Allah, and it is they who will prosper.*

*(Qur'an: al-Rum:-30:38)*

We noted earlier that *riba* is here described as ‘increase in capital at the expense of the wealth of others’. In other words in *riba* the ‘loss’ of one is the ‘gain’ of the other. Such a transaction does not qualify as ‘business’; rather it is the opposite of ‘business’! Allah, the Most High, made ‘business’ permissible (*halal*), and *riba* prohibited (*haram*)! *Islam* ordains an ideal of mutual consent, and hence, satisfaction amongst all parties to a business transaction. (*Qur’an; al-Nisa:- 4:29*)

Muhammad Asad is, in our view, the most perceptive of all the commentators of the *Qur’an*, classical as well as modern, in so far as his comments on the *Qur’anic* verses pertaining to *riba* are concerned. For this reason we have taken the extraordinary liberty to quote at length, at the beginning of chapter one, his comments on the *Qur’anic* revelations pertaining to *riba*. We now quote his comments on the above verse (*Qur’an; al-Rum:-30:39*). First of all, this is how he translates the verse:

*And (remember) whatever you may give out in usury so that it might increase through (other) people’s possessions will bring (you) no increase in the sight of God - whereas all that you give out in charity, seeking God’s countenance, (will be blessed by Him) for it is they (who thus seek His countenance) that shall have their recompense multiplied! <sup>1</sup>*

Asad then proceeds to make the following comment concerning the verse in which he identifies *riba* with ‘interest’:

*This is the earliest mention of the term and concept of *riba* in the chronology of *Qur’anic* revelation. In its general, linguistic sense, this term denotes an ‘addition’ to, or an ‘increase’ of a thing over and above its original size or amount; in the terminology of the *Qur’an*, it signifies any unlawful addition, by way of interest,*

*to a sum of money or goods lent by one person or body of persons to another. Considering the problem in terms of the economic conditions prevailing at or before their time, most of the early Muslim jurists identified this 'unlawful addition' with profits obtained through any kind of interest-bearing loans irrespective of the rate of interest and the economic motivation involved.<sup>2</sup>*

Asad is careful to point out that there have always been some differences as to what exactly constituted *riba*:

*Islamic scholars have not yet been able to reach an absolute agreement on the definition of riba: a definition, that is, which would cover all conceivable legal situations and positively respond to all the exigencies of a variable economic environment.<sup>3</sup>*

But he forges for himself a creative definition of *riba* in which his primary focus is directed to the social and moral implications of economic transactions. As a consequence he succeeded, as no other commentator before did, in reaching the very substance of the *Qur'anic* prohibition of *riba*, namely *riba* as a vehicle of economic exploitation.<sup>4</sup>

If we were to compare Asad's translation and commentary of this verse with that of another famous modern commentator, *Maulana* Abul 'Ala Maududi, we will begin to appreciate the depth to which he penetrated the subject. Here, for example, is *Maulana* Maududi's translation of verse 39 of *surah al-Rum* of the *Qur'an* (i.e. 30:39)

*The interest that you give in order to increase the wealth of the people, does not increase in the sight of Allah; and the zakat that you pay in order to win Allah's approval, its payers do indeed increase their wealth.<sup>5</sup>*

Maulana Maududi understands this verse as follows: *This is the first verse revealed in the Qur'an that condemned interest. It only says this: You pay interest thinking that it will cause an increase in the wealth of the money-lender. But actually, in the sight of Allah, interest does not increase the wealth, but the wealth is increased by the payment of zakat.*<sup>6</sup>

Another modern commentator, Maulana Abd al-Majid Daryabadi, translates the same verse of *surah al-Rum* (30:39) as follows:

*And whatever you gave in gift in order that it may increase among the substance of men increaseth not with Allah; and whatever you give in poor-rate seeking the countenance of Allah - then those, they shall have increase manifold.*<sup>7</sup>

The commentary of Maulana Daryabadi on the verse is even more astonishing. His comments are placed in small type within his translation of the verse: *And whatever you gave in gift* [*Riba* is literally 'an excess and an addition'. Here it means anything that is spent, not in the way of God, but merely to conform to convention, such as is the practice on many ceremonial occasions, and with a view to receiving back more] *in order that it may increase among the substance of men* [and come back to you in an augmented form] *increaseth not with Allah* [i.e. although this form of expenditure is not strictly forbidden, yet there will be no recompense for it from God, nor will He bless it]; *and whatever you give in poor-rate seeking the countenance of Allah - then those* [i.e. the persons who pay the poor-rate], *they shall have increase manifold.*<sup>8</sup>

Asad's translation and commentary of the verse of the *Qur'an* in which Allah, the Most High, targets *riba* by name for the first time (*Qur'an*:30-39) is superb. His definition of *riba* and com-

ments on *riba* are confirmed by later revelation on the subject in which Allah, the Most High, condemns the Jews for their oppression, tyranny and evil or wicked conduct (*zulm*). Among their acts of oppression was their taking *riba*, *although it had been prohibited for them*, and, as a consequence of their taking *riba*, Allah, the Most High, went on to declare, they were:

*. . . consuming the wealth of mankind through means which were false and wrong (batil) . . .*

*(Qur'an: al-Nisa:- 4:161)*

And so the *riba* which the *Qur'an* is here denouncing would be increase in loan capital which is realized at the expense of the wealth of others through means which are false and wrong.

The first lesson taught by the *Qur'an*, in connection with the evils of *riba*, belongs to that branch of knowledge which can best be described as the sociology of economics, *i.e.* the implications of economic thought and conduct on the fabric of society. Lending is a humanitarian institution. It should be used for helping those in need. Lending should be spiritualized. Between lenders (the 'haves') and borrowers (the 'have nots') there ought to be a human, fraternal and spiritual bond. When lending becomes a business, the value of charity will vanish. Lenders will become predators preying on the needs or misfortunes of mankind in order to unjustly appropriate their wealth. This will result in incalculable harm to the very fabric of the healthy stable society. The charitable loan functions in a way which witnesses wealth at work in restoring and consolidating fraternity of the human family and stability to the social order. The predatory loan (*i.e. ribà*), on the other hand, witnesses wealth at work in destroying that fraternity and destabilizing the social order.

This is precisely what has happened to Judeo-Christian western civilization as a consequence of the embrace of a capitalist economic system based on *riba*. So great has been the collapse of the idea of 'society as a family', with mutual ethical obligations between individuals similar to those within a family, that a former President of the United States of America, Ronald Reagan, gave a loan to his own daughter and charged her interest (*riba*) on the loan. *Riba* destroys the concept of society as a family. Where formerly the community was the insurance which insured individuals against catastrophic losses, now individuals have to fend for themselves. And it was precisely because individuals now have to fend for themselves that this curious institution emerged in the modern capitalist economy, i.e. *the insurance company*! Insurance appears to be very closely inter-linked with *riba*. Indeed a *riba*-based economy cannot, perhaps, fully emerge without insurance.<sup>9</sup>

This is by no means the only reason why *riba* is obnoxious to Allah, the Most High. There are other reasons besides. But Allah, the Most High, chooses to confine Himself, in this the first revelation, to simply pointing to the enormous damage which would result for society if the institution of charity were to be weakened. Society would be rendered vulnerable if individuals were all left to fend for themselves, and the sharks of *riba* would then have an opportunity to enter and devour the wealth of the society.

Indeed, not only is charity weakened when 'lending' becomes a business, but that which takes the place of charity is quite corrosive.

It is instructive that *Allah ta'alah* should, in the very first reference to *riba* in the *Qur'an*, compare it with charity. It is in the comparison of the two that we can penetrate the veils and see the true nature of *riba*. In *riba* there is only taking with no giving in

return. In true charity there is only giving with no taking in return. In charity we give to those in need, - and take nothing in return! In *riba* the lender takes from the borrower and gives nothing in return.<sup>10</sup>

There is a world of difference between 'taking' and 'giving', particularly when it concerns those who are in need. In charity both the receiver and the giver gain. Also, 'giving', which is charity, brings the society together and cements it as a family. In *riba* the 'gain' of the lender is the 'loss' of the borrower. *Riba*, which is 'taking' in a way which violates justice, destroys the family and divides the society into those who exploit the needs of others for their own benefit, and those who are in need, and whose very need causes them to be subjected to injustice and exploitation. *Riba* thus destroys the fabric of society.

The *riba*-based capitalist economy is doing precisely this. It is destroying the unity of society and is, instead, creating class warfare, - creating a society and a world order of 'sharks' and 'sardines' - i.e. those who exploit the needs of others, and those who are exploited. The Latin American statesman, Juan Domingo Alvarado, was the first to use the expression 'sharks and sardines' to describe the economy produced by interest-based capitalism. It is this, more than anything else, which aroused the anger of Karl Marx and produced communism. Marx, of course, was quite wrong in the alternative which he advocated, and which was imposed, in place of the *riba*-based capitalist economic system. In destroying the free and fair market by way of State control over the market, Marx replaced one form of *riba* with another. It lead to *fasad* (*corruption, turmoil, anarchy*).

I have vivid memories of one of my teachers of international economics, Bernard Coard, making devastatingly accurate analyses of Latin American economies and directing attention to the eco-

conomic exploitation which was taking place. It was *riba*, but he could not recognize *riba*. Another of my teachers of monetary economics, Mrs. Patricia Robinson, spent a long time patiently responding to my numerous classroom inquiries, but could not recognize any exploitation or injustice involved in the lending money on interest.

### ***RIBA LEADS TO FASAD***

*Surah ar-Rum* went on to establish a cause-and-effect relationship between *riba* and *fasad*. *Riba* leads to *fasad*. *Fasad* is a comprehensive term which stands for all of the following: rottenness, spoiledness, corruption, decay, decomposition, putrefaction, putridity, depravity, wickedness, viciousness, iniquity, immorality, weakness, pervertedness, wrongness, incorrectness, etc. We noted earlier that *riba* was introduced by name in the *Qur'an* for the first time in verse 39 of *surat Rum* (quoted above). Immediately thereafter, in verse 41, *Allah, the Most High*, delivered the following ominous warning:

*Corruption has appeared on land and sea because of that which the hands of men have earned; That Allah may give them a taste of (the consequences of) some of their deeds, in order that they may turn away from evil.*

*(Qur'an: al-Rum:-30:41)*

The implication of this verse is clear. It warns of the consequences of *riba*. Corruption, anarchy, violence, etc. will bring havoc upon such societies. The cities of Karachi in Pakistan, and Harlem in upper Manhattan, are classic examples of the violence which is bred by *riba*!



## THE PROHIBITION OF *RIBA* IN THE TORAH

After the revelation of the verse of *Surah ar-Rum*, the next revelation of the *Qur'an* in which *riba* is targeted by name, is located in *Surah an-Nisa* (*Qur'an*: - 4:161). In it the *Qur'an* condemned the Jews for consuming *riba*. Again, as in the previous revelation on the subject, *riba* referred to usurious investments, or lending on interest. This revelation came down shortly after the *hijrah*, when the Prophet (s) was living in the midst of Jews in Madinah.

Madinan society appears to have been permeated and saturated by *riba*, and the Jews of Madinah appear to have dominated the market for lending on interest. Makkah was a prosperous commercial center and *riba* in Makkah society was almost exclusively manifested in production loans which tribes, as corporate entities, would take for the purpose of raising capital to increase business. The tribe, in turn, took care of the needs of its individual members who were in need. Madina's economy was much poorer, on the other hand, and was almost exclusively agricultural and pastoral. *Riba* in Madinah extended beyond production loans to also include consumption loans, *i.e.* loans sought by those who were in need.

The extent of the penetration of *riba* into the pre-Islamic economy of Madina was graphically depicted by the Jewish convert to *Islam*, the Rabbi Abdullah bin Salaam:

*Abu Burda said: I met Abdullah bin Salaam. He said . . . You are in a territory (i.e. Madina) where the practice of riba is prevalent; so if someone owes you something and he sends you a present of a load of chopped straw, or a load of barley, or a load of provender, do not take it, for it is riba.*

*(Bukhari)*

It would appear that the revelation on *riba* in *Surah al-Nisa* must have played a significant role in the Jewish rejection of the prophethood of Muhammad (s). And Allah, the Most High, knows best! The revelation condemned the Jews for taking *riba*: *although it had been prohibited for them* (by Allah, the Most High). It castigated such conduct as disbelief (*kufr*). And it warned of a truly terrible punishment which would be visited upon those who commit such *kufr*:

*So, then, for the wickedness committed by those who follow the Jewish faith, did We deny unto them (in the Torah) certain of the good things of life (e.g., certain foods) which previously were permitted for them; and (We did this) for their having led so many astray from the path of Allah.*

*And for their taking riba (usury) although it had been forbidden to them, and (in consequence of taking riba) their wrongful acquisition of the wealth of others (which is really cheating and robbing people of their wealth). And for those Jews who reject Truth (by taking riba) We have prepared a terrible, terrible punishment.*

*But those among (the Jews) who penetrate knowledge, as well as those (Muslims who follow Muhammad), who believe in that (i.e. the Qur'an) which was revealed to thee (i.e. Muhammad), as well as that which was revealed previously (both of which prohibit riba) . . .*

*(Qur'an: al-Nisa:-4:160-3)*

The education provided in this revelation was quite startling. It described the profit from *riba*-based investments as the unlawful

appropriation of other peoples' wealth. This charge was already present in the first revelation (*i.e. . . . seeking increase through the wealth of others . . .*). This was cheating. This was theft. Usury was therefore immoral. It was a violation of justice. In a *riba*-based economy, as a consequence, those who pay *riba* will become poorer and poorer. On the other hand, whatsoever is used for charitable purposes will be returned by Allah, the Most High. It is Allah, the Most High, Who apportions *rizq* (wealth which is provided by Allah, the Most High). When a borrower spends from that *rizq* to pay *riba* (such as 'interest' on a loan) that will not be replaced by Allah, the Most High. The lender's gain is the borrower's loss!

But the revelation did more than reveal the iniquity of *riba*. It directed attention to the Jews and disclosed that they had been forbidden from taking *riba*, and that they had violated that prohibition. Indeed, in an earlier revelation at the beginning of *Surah al-Baqarah*, Allah, the Most High, accused the Jews of changing the Word of Allah, the Most High, in order to derive financial benefit:

*O! Banu Israil, remember the favors which I bestowed upon you. Be faithful to your covenant with me, and I will be true to My covenant with you. Have faith in that which I have (now) revealed (i.e. the Qur'an) which confirms your scriptures. Do not be the first to reject it (i.e. the Qur'an). And do not sell My revelations for a paltry price and guard yourselves from Me.*

*(Qur'an: al-Baqarah:-2:40-3)*

An examination of the Torah reveals the changes:

In the Book of Leviticus, the Torah addresses the subject of *riba*:

*If your brother Israelite meets with difficult times and you give shelter and lodging as though he were an alien guest, let him live with you and do not exact from him any interest (riba) over and above that which you have spent on him. You have the anger of God to fear. See to it that your brother has freedom to live with you. It is not permissible for you to receive interest (riba) on what you spend, or what you write off.*

(Leviticus:-25:35-7)

Again in the Book of Exodus, the Torah deals with *riba*:

*And if you lend money to some poor neighbor among My people, do not drive him hard as extortioners do, nor burden him with interest (riba).*

(Exodus:-22:24)

And finally the Torah addressed the problem of *riba* in the Book entitled Deuteronomy:

*Do not charge interest (riba) to the fellow-Israelite when you lend him money or grain or anything else. You may charge interest (riba) when you make loans to foreigners (i.e. gentiles). To your brother you shall lend without interest (riba) all that he needs, so that the Lord, your God, may bless you . . .*

(Deuteronomy:-23:19-20)

A comparison of the *Qur'anic* verse, with its stinging denunciation of the Jews for consuming *riba*, and the verses in the Torah which permit the Jews to charge *riba* from non-Jews, leads us to the unambiguous conclusion that the text of the Torah was changed.

The *Qur'an* confirms this:

*But the wicked (people) changed the text which had been given to them . . .*

*(Qur'an: al-Baqarah:- 2:59)*

*Woe unto those who write the (revealed) Book with their own hands, and then say: This is from Allah, in order to acquire a trifling gain. Woe unto them for what their hands have written, and woe unto them for all that they may have gained.*

*(Qur'an: al-Baqarah:- 2:79)*

The punishment for this scriptural crime will be terrible indeed:

*Verily, as for those who suppress ought of the revelation which Allah has bestowed from on high (and this includes concealing the prohibition against *riba* by corrupting the text of the scripture), and barter it away for a trifling gain, - they but fill their bellies with fire. Allah will not speak to them on the Day of Resurrection, nor will He cleanse them (of their sins), and a truly terrible punishment awaits them.*

*(Qur'an: al-Baqarah:- 2:174)*

We should here recall that the *Qur'an* had indirectly addressed the subject of *riba* in the very early Makkan *surah* entitled the Scandal-Monger (*al-Humaza*), and that the revelation denounced *riba* as a form of scandalous and sinful behavior which provoked Allah's anger.:

*Woe to every scandal-monger (i.e. each and every one of them, and also each and every form of scandalous*

*behavior); (Among the different types of scandal-mongers is) he who amasses wealth and realizes its constant increase; (always increase and never decrease); (or who counts on his wealth as a safeguard); He believes that his wealth will last forever (i.e. that he will remain permanently rich. In other words he feels that he has succeeded in blocking all avenues through which anyone, including Allah, can ever reduce his wealth, or ever make him poor. And that is precisely the ultimate objective of those who establish and sustain the system of riba).*

*By no means (will his wealth save him)! He will surely be thrown into al-Hutamah (i.e. that which will smash him to bits). And what will explain to you al-Hutamah? (It is) the fire of (Allah's anger) which has been kindled (to a blaze). (A fire) which ascends to the very heart. It shall surely be over them like a vault rising in columns outstretched. (They will choke and suffocate in that terrible fire).*

*(Qur'an: al-Humazah:-104:1-8)*

And so, when the *Qur'an* identified the Jews by name and denounced them for their *riba*, and the scriptural crime which permitted it, it must have had a truly shattering impact on their obstinate psyche. We must remember that the *Qur'anic* denunciation of Jewish misconduct was truly powerful:

*(They are fond of) listening to falsehood (and) of devouring ill-gotten wealth (obtained through the exploitation of others) . . .*

*(Qur'an: al-Maidah:-5:45)*

*And thou shalt see many of them (Jews) hastening towards sin and transgression and their devouring of ill-gotten wealth (obtained through the exploitation of others). Vile indeed are the things that they do.*

*(Qur'an: al-Maidah:-5:65)*

We should also remember that the Qur'an singled out their rabbis and took them to task asking why were they not doing something to prevent this scandalous conduct:

*Why do the Rabbis and the Doctors of Law not forbid them from their habit of uttering sinful words and consuming ill-gotten wealth (obtained through the exploitation of others)? Evil indeed are their works.*

*(Qur'an: al-Maidah:-5:66)*

When the *Qur'anic* revelation denounced the Jews for their *consuming riba* although it had been prohibited for them (4:161) the *Qur'anic* reference was not restricted to the Torah. Other Prophets of Allah, the Most High, besides Moses had prohibited the Jews from consuming *riba*. And so Jews were violating the commands of those Prophets as well. Among them were the following.

#### **THE PROHIBITION OF *RIBA* IN THE PSALMS OF DAVID (ZABUR))**

Not only did *Banu Israil* receive from Allah, the Most High, many Prophets, they also received several divine books. Among them was the Torah, revealed to Moses (*s*) and the Psalms, revealed to David (*s*). We have just examined the subject of the prohibition of

*riba* in the Torah, now let us look at the subject in the Psalms of Prophet David (s). When we do so we find that the Psalms consider it to be an act of virtue for one to refrain from lending on interest:

*Psalm 15:*

*Lord, who may abide in your tent?*

*Who may dwell on your holy mountain?*

*Whoever walks without blame, doing what is right, speaking truth from the heart;*

*Who does not slander a neighbor, does no harm to another, never defames a friend;*

*Who disdains the wicked, but honors those who fear the Lord;*

*Who keeps an oath despite the cost, who lends no money on interest, and accepts no bribe against the innocent.*

*Whoever acts like this shall never be shaken (i.e. his faith will be unshakable).*

#### **DHUL KIFL AND RIBA**

Allah, the Most High, sent to *Banu Israil* a Prophet named *Dhul Kifl*. He is known to them as *Ezekiel*. He also taught them a moral code which equated abstinence from *riba* with virtue:

*If a man is virtuous, if he does what is right and just, if he does not eat on the mountains (i.e. at the heathen altars), nor raise his eyes to the idols of the house of Israel, if he does not defile his neighbor's wife, nor have relations with a woman in her menstrual period; if he oppresses no one, gives back the pledge received for a debt, commits no robbery; if he gives food to the*



*hungry and clothes the naked; if he does not lend at interest nor exact usury; if he holds off from evildoing, judges fairly between a man and his opponent; if he lives by My statutes and is careful to observe My ordinances, that man is virtuous - he shall surely live says the Lord God.*

*(Ezekiel:-18:5-9)*

## **THE PROHIBITION OF RIBA IN THE GOSPEL OF JESUS**

Christians should be cautious in their denunciation of Jewish money-lending on interest since 'people who live in glass houses should not throw stones'! The Gospel of Jesus (*s*) according to St. Matthew contains evidence of precisely the same rewriting of the Word of God as it pertains to the prohibition of *riba*. After all, Jesus had clearly challenged Deuteronomy and had directed the Jews to a return to the non-usurious path when he declared:

*No, you must love your enemies and help them, and you must lend to them without hoping for any return (i.e. on your investment); and your reward shall be great, and ye shall be the children of the Highest : for He is kind even to the ungrateful and the evil.*

*(Gospel of St. Luke:-6:35)*

Now here is a story which a truly evil-being invented and placed in the Gospel of Jesus (*s*):

*The case is that of a man going abroad, who summoned his servants and handed over his property to them; to one he gave five talents, to another two and to another one; each got according to his capacity. Then the man went abroad.*

*The servant who got the five talents went at once and traded with them, making another five talents. Similarly the servant who got*

*the two talents made another two. But the servant who got the one talent went off and dug a hole in the ground and hid his master's money.*

*Long afterwards, the master of those servants came back and settled accounts with them. Then the servant who got the five talents came forward, bringing five more; he said, 'You handed me five talents, sir; here I have gained another five'. His master said to him, 'Capital, you excellent and trusty servant! You have been trusty in charge of a small sum: I will put you in charge of a large sum. Come and share your master's feast.' Then the servant with the two talents came forward. He said, 'You handed me two talents, sir; here I have gained another two.' His master said to him, 'Capital, you excellent and trusty servant! You have been trusty in charge of a small sum: I will put you in charge of a large sum. Come and share your master's feast.' Then the servant who got the one talent came forward. He said, 'I knew you were a hard man, sir, reaping where you never sowed and gathering where you never winnowed. So I was afraid; I went and hid your talent in the earth. There's your money!' His master said to him in reply: 'You rascal, you idle servant! You knew, did you, that I reap where I never sowed and gather where I never winnowed! Well then, you should have handed my money to the exchangers (bankers), and I would have gotten my capital with interest (i.e. riba) when I came back . . . .*

*(Matthew:- 25:14-27)*

And yet the same Gospel of St. Matthew narrated an incident in which Jesus (*s*) reacted with total fury to *riba*. While it was not *riba* in the form of interest, as in the above, it was still *riba* since it was 'business by deception' in which people were being cheated of their wealth:

*And Jesus went into the temple of God (i.e. masjid al-aqsa) and cast out all of them that sold and bought in the temple, and overthrew the tables of the money-changers (who were ripping-off the people through riba) . . . and said unto them: It is written, My house shall be called the house of prayer; but you have made it a den of thieves.*

*(Gospel of St. Matthew:- 21:12-3)*

There were two kinds of coins in use at that time. The first, secular Roman coins, could not be used in the Temple because of the graven images of the Roman Emperor on the coins; the second, sacred coins, could be used because they were specially minted without any graven images. The money-changers were cheating the people in the exchange of secular for sacred coins and vice-versa, and this was *riba!*

Had the Jews accepted the *Qur 'an* as the Word of Allah, the Most High, they would have corrected themselves and desisted from lending money on interest. But they did not. So long as Jews lived under Muslim rule, *i.e.* within *Dar al-Islam*, the opportunity never arose for them to engage in *riba* with all its attendant mischief. But when Muslim rule over Spain came to an end Jews had to flee persecution. Many of them fled to other parts of Europe and thus lived amidst Christians. It was in this setting that Jewish money-lending on interest re-emerged, actively encouraged by Christians. And it created such serious ethical problems that no less a literary giant than William Shakespeare devoted an entire play, 'Merchant of Venice', to the vice of usurious Jewish money-lending (in the event that it was indeed Shakespeare who wrote 'Merchant of Venice').

It is instructive to note that the dominant forces at work behind the scenes in the French Revolution were forces which sought to remove all obstacles preventing the emergence of a fully *riba*-based economy in Europe. And yet, despite the above story planted by evil hands in the Gospel to justify *riba*, the greatest of all such obstacles was the Roman Catholic Church, - hence the dominant anti-clerical and militantly secular characteristic of the revolution. The victory against the Church led to full-blown *riba* all over Europe.

The French Revolution, and the American Revolution which preceded it, were events so momentous in religious, political and economic history that it was as if an iron curtain (built by *Dhul Qarnain*) was breached and two very evil forces (*ya'jooj* and *ma'jooj*) were let loose in the world. The evil of *ya'jooj* and *ma'jooj* was the greatest possible evil. Firstly they created the secular State with its claim to sovereignty. That was *shirk*! And the second was *riba*. And, next to *shirk*, *riba* was the greatest evil in the world!

The Jews had made capital of every opportunity for lending money on interest and engaging in other forms of *riba* in Europe. But this had led, time and again, to their expulsion from nearly every European country. The French Revolution put an end to this continuous assault on Jews for their economic crimes. Now they had unprecedented freedom. But this led to such unprecedented economic crimes against the German peoples that it was responsible for the Jewish holocaust which was unleashed by Hitler on the soil of Europe. It also paved the way for the emergence of today's Western Capitalist economy which is based on *riba*. *Riba* then produced a world order based on the economic exploitation of humanity with an international political system which supported and protected the system of economic exploitation.

In a revelation located immediately after the revelation which promulgated the fast of *Ramadan*, and which therefore came down in the month of *Shaban* in the year 2H, *Allah, the Most High*, warned the Muslims against the economic behavior for which He had just condemned the Jews:

*And do not (through riba and other forms of fraudulent transactions) wrongfully acquire the wealth of others, nor employ legal artifices with a view to devouring sinfully, and knowingly, anything that by right belongs to others.*

*(Qur'an: al-Baqarah:- 2:188)*

This is precisely what many Jews did, and have been doing ever since the Torah was rewritten. In fact the situation has become much worse with Jews charging interest from other Jews as well. In the Modern Commentary on the Torah, edited by W. Gunther Plaut,<sup>11</sup> the editor comments on this aspect of the subject of the prohibition of *riba*: *The sentiment against taking interest from one's people persisted into post-Biblical days and was in fact expanded by the Rabbis. A person refraining from charging it was praised as one who had accepted the yoke of the Kingdom of Heaven. In time, however, legal subterfuges were approved that permitted interest-taking, in order to accommodate changed economic conditions.*<sup>12</sup>

As a consequence of the changes which have taken place a situation has arisen which, according to Gunther Plaut: . . . *(is) a total reversal of the original intent of the Torah . . .*<sup>13</sup>

Again in *Surah an-Nisa*, the same *surah* in which *Allah, the Most High*, revealed the wickedness of those Jews who changed the Torah to modify the prohibition against *riba*, *Allah, the Most High*, again warns the Muslims:

*Oh you who believe! Do not devour one another's possessions wrongfully (through riba and other forms of fraudulent transactions). Rather let there be amongst you trade based on mutual goodwill. And do not kill (or destroy) yourselves (through cheating people of their property). Verily Allah has been most Merciful to you.*

*And as for any who does this with malicious intent and a will to do wrong - soon shall We cast them into the fire, for this is indeed easy for Allah.*

*(Qur'an: al-Nisa:- 4:29-30)*

The lesson from these revelations was quite instructive. The alternative to *riba* is trade which is conducted on the basis of mutual goodwill. Trade can never engender mutual goodwill when it is exploitative - when it is always a rip off! A society which embraces *riba* in its economy will lose that business culture of mutual goodwill, and will, instead, witness such a corruption of economic life as would result in the collapse of values and the emergence of grave social diseases.

Grave social diseases in turn lead to violence and such societies and civilizations self-destruct. Allah, the Most High, warns of such a fate when He says:

*. . . soon shall We cast them into the fire, and this is indeed easy for Us.*

*(Qur'an: al-Nisa:-4:30)*

## JEWISH REJECTION OF MUHAMMAD AND OF THE QUR'ANIC PROHIBITION OF RIBA LEAD TO THE CREATION BY ALLAH OF A NEW UMMAH (RELIGIOUS COMMUNITY)

The chronological sequence of *Qur'anic* revelations as they pertain to the change in *qibla* (direction of prayer), the promulgation of compulsory *saum* (fasting), the promulgation of *qital* (fighting), the denunciation of the Jews for consuming *riba*, and the *Qur'anic* revelation prohibiting *riba*, appear all to be chronologically related to the Jewish response towards the Prophet (s) and his message.

On arrival in Madinah, after the *hijrah*, the blessed Prophet (s) did two things which were profoundly significant for Christians and Jews. Firstly, he performed his prayers (*salaat*) while facing in the direction of Jerusalem, and ordered all his followers to do likewise. The Jews held Jerusalem to be their spiritual capital (and *qiblah*). The Christian attachment to Jerusalem was so profound that Euro-Christianity waged, in the medieval age, several crusades (holy wars) in an attempt to wrest control of the city from Muslims. In establishing Jerusalem as the first *qiblah* of the Muslims, Prophet Muhammad (s) dramatically impressed upon the Jews and Christians his link with the following:

David and Solomon who, as Prophet-Kings, had established the holy city of Jerusalem,

The Temple built by Solomon (*masjid al-aqsa*),

The Rock (*sakhrat*) which Jews and Christians held to be sacred because of their (erroneous) belief that it was associated with Abraham's momentous sacrifice (the original reason for it being sacred appears to have been because it was selected by Allah, the Most High, Himself to function in the same capacity as the black stone at the *kaaba*),

The Truth which had been preached by Abraham, David, Solomon, Moses, Jesus etc. (Allah's blessings be upon them)

Secondly, the Prophet (s) fasted with the Jews on those days when they fasted. And he fasted in accordance with the law of the Torah. Thus, as stated earlier, the fast commenced after the night prayer and did not end until the next night. And during the time of fasting food, drink and sex were prohibited.

The Jewish Law can still be located today in Leviticus (23:26-32) where, in respect of the Day of Atonement (*yom kippur*), the Torah states as follows:

*It shall be a sabbath of complete rest for you, and you shall practice self-denial (i.e. fasting); on the ninth day of the month at evening, from evening to evening, you shall observe this your sabbath.*

The decision by the Prophet (s) to fast with the Jews served to reinforce the previous decision (to pray in the direction of Jerusalem) in impressing upon the Jews in Madinah (and Christians in Palestine, Syria, South Arabia and Abyssinia) that he recognized the Torah as divine revelation.

Our assessment is that these acts of the Prophet (s) were supposed to facilitate Jewish assessment and acceptance of his claim to be the Prophet of Allah, the Most High, whose advent was prophesied by Moses (s). And Allah, the Most High, knows best!

Shortly after the arrival of the Prophet (s) in Madinah the Jewish rejection of his prophethood became manifest. The event which triggered their open hostility, and which exposed in public what was concealed in their hearts for some time, was the conversion



to *Islam* of their learned Rabbi, Husain ibn Salaam, Rabbi of the Jewish tribe of *Banu Qainuqa*.

Husain Ibn Salaam, who was renamed Abdullah ibn Salaam by the Prophet (s), came with his entire family to the Arab Prophet (s) and took the *shahadah*, thus recognizing Muhammad (s) as the awaited Messenger of Allah, the Most High, whom the Jews were expecting. In doing so he affirmed, of course, that Allah, the Most High, had chosen, as His final messenger, one who was not a Jew. The implication of this was that Allah, the Most High, in His final chapter of revealed Truth, i.e. the appointment of the last Prophet and the revelation of the last scripture, had turned away from the Jews on account of their wickedness. With the acceptance of the prophethood of Muhammad (s), the Arab, by their own learned Rabbi, the moment of truth had arrived for the Jewish people. And this was the bitter truth. Allah, the Most High, had fulfilled His promise to Abraham - *I will make thee an Imam (leader) to mankind*. Abraham had responded by asking whether that promise would also include his progeny. And to that question Allah, the Most High, had responded with the statement: *My promise will certainly not extend to the wicked (from your progeny)*. (*Qur'an: al-Baqarah:-2:124*).

Allah, the Most High, turned away from the Jews when appointing His last Prophet (s), and it was this which was so unpalatable, i.e. the fulfillment of the warning: *My promise will not embrace the wicked (from your offspring)*. (2:124) The majority of the Jewish people had committed enormous acts of wickedness. Allah, the Most High, recounted some of those acts of wickedness:

*We commanded them: Transgress not in the matter of the Sabbath. And We took from them a solemn covenant. They have incurred divine displeasure in that they broke their*

*Covenant; that they rejected the Signs of Allah; that they slew the Messengers (of Allah) in defiance of right; that they said: Our hearts are wrappings (which preserve Allah's Words - We need no more); - nay Allah has set a seal on their hearts because of their blasphemy, and little is it they believe.*

*That they rejected faith; that they uttered against Mary a terribly false charge. (i.e. that she fornicated and, as a consequence, that Jesus was a bastard child!)*

*That they said (in boast): We killed Christ Jesus the Son of Mary, the Messenger of Allah . . . (i.e. the bastard child of Mary the fornicator, who dared to claim that he was the Messiah).*

*Because of the wickedness of the Jews We have made unlawful for them (many) good things which previously had been lawful for them. (We have done this also) because they obstructed (and led astray) so many from the Path of Allah.*

*And (because) they took usury (riba) although they were prohibited from doing so; and because they cheated people of their wealth (through a system of legalized theft) . . .*

*(Qur'an: al-Baqarah:-2:154-161)*

When Abdullah ibn Salaam recognized Muhammad (s) as the Prophet of Allah, the Most High, he was able to swallow national pride and embrace the divine verdict against the Jews. The *Qur'an* affirms that the Jews, also, were all able to recognize that which their Rabbi affirmed:

*The people of the Book know this (that Muhammad is the Messenger of Allah) as they know their own sons.*

*(Qur'an: al-Baqarah:-2:146)*

The Jews could not reconcile themselves to the fact that the long-awaited Prophet was not a Jew from *Banu Israil*. He was an Arab. What must have truly shaken them was the verdict that their wickedness had caused this. And the Qur'an declared the Jewish consumption of *riba* to be one of their many acts of wickedness.

When Abdullah ibn Salaam took the *shahadah* (declaration of faith in *Islam*) and recognized Muhammad (*s*) as the Prophet of Allah, the Most High, he expressed his fear to the Prophet (*s*) that the Jews would accuse him of being a liar if they were to learn that he had become a Muslim. The Prophet (*s*) waited until some Jews came to him and he then questioned them concerning their Rabbi. They replied: *He is the best amongst us, and he is our chief and the son of our chief.* The Prophet (*s*) then asked: What would you think if Abdullah bin Salaam embraced *Islam*? They replied: May Allah, the Most High, protect him from this! Then Abdullah came out before them and announced: I testify that none has the right to be worshipped but Allah, the Most High, and that Muhammad is the Messenger of Allah, the Most High. The Jews then said: Abdullah is the worst of us and the son of the worst of us, and cursed their Rabbi, insulted him, vilified him and, in doing so, poured out all their pent-up and concealed hatred for Muhammad (*s*) and for the *Qur'an*.<sup>14</sup>

The Jews not only made manifest their rejection of Muhammad (*s*), the Prophet, and the Qur'an, the Word of Allah, the Most High, but their hostility led them to now conspire for the destruction of *Islam*. Allah, the Most High, responded to the Jewish re-

jection of, and hostility to the Prophet (s) with revelations of great significance indeed. First of all He condemned them in very harsh language:

*Will you then, O Jews, every time a prophet comes to you with what you yourselves do not like, you take to false pride and arrogantly reject some and kill others? They rationalize and seek to excuse themselves by admitting to dimness of vision. Allah, however, curses them for their disbelief. Little are they convinced of the Truth. And when the Book which came from Allah and which confirmed their own scripture was brought to them and invoked for their own benefit, they denied it. Hitherto they were boasting of such revelation and deriding the disbelievers (who did not believe in One God, for example) for not receiving any. Now that the same Truth which they had known beforehand has come to them from Allah, they reject it. Allah's curse will surely fall upon the disbelievers (who reject the Qur'an).*

*(Qur'an: al-Baqarah:- 2:87-89)*

It was shortly after this, in the month of *Shaban* in the year 2 H, after the Muslims had prayed in the direction of Jerusalem for seventeen months, that *Allah, the Most High*, sent down the revelation ordering the Muslims to pray in the direction of the *ka'aba* in Makkah. *Allah, the Most High*, explained the purpose of the change in *qibla*:

*We decreed your former qiblah only in order that We might sift the true followers of the Messenger of Allah from the apostates and deceptors.*

*(Qur'an: al-Baqarah:-2:143)*

And so a new *ummah* was born. And it excluded those who rejected Muhammad (s) and clung to Jerusalem as the *qiblah*. At this time also, Allah, the Most High, made fighting (*al-qital*) compulsory. And then, in order to teach the lesson that power must first be acquired internally before it can be projected externally on the battlefield, Allah, the Most High, sent down the compulsory fast of *Ramadan*. Then, in a revelation located immediately after the revelation which promulgated the fast of *Ramadan*, and which therefore came down in the month of *Shaban* in the year 2H, Allah, the Most High, repeated His warning to the Muslims in connection with the economic oppression caused by *riba* for which He had just condemned the Jews:

*And do not (through riba and other forms of fraudulent transactions) wrongfully acquire the wealth of others, nor employ legal artifices with a view to devouring sinfully, and knowingly, anything that by right belongs to others.*

*(Qur'an: al-Baqarah:- 2:188)*

And so our conclusion is that the Jewish rejection of the *Qur'anic* prohibition of *riba* and the Jewish insistence on the consumption of *riba* played a major role in their rejection of the prophethood of Muhammad (s). And, as a direct consequence of their rejection of Muhammad (s) Allah, the Most High, responded by creating a last new religious community (*ummah*) which would be, among other things, a *riba*-free model unto mankind. Allah, the Most High, also warned the Blessed Prophet (s) and the Muslims concerning the Jews and the distinct possibility that they will seek to seduce Muslims away from the Truth, such as the *Qur'anic* prohibition of *riba*:

*Take care lest they sway you away from some of the revelations made to you. If they turn away from you, know*

*that Allah is punishing them for some of their misdeeds.  
Most of them are immoral . . .*

*(Qur'an: al-Maidah:- 5:49-50)*

It must therefore be recognized that the embrace of *riba* by the contemporary *ummah* constitutes the ultimate betrayal of *Islam*!

### **THE SECOND STAGE OF THE QUR'ANIC PROHIBITION OF RIBA**

The second stage in the process of revelation dealing with *riba* was promulgated in a verse of the *Qur'an* located in *Surah Aal-'Imran* (Ch. 3) and revealed shortly after the battle of *uhud* (3H). It continued the process of education by expanding the treatment of the subject through directing attention to one of the glaring injustices which occurs in *riba*:

*Oh you who believe, do not gorge yourselves on riba, doubling and redoubling (the sum lent), but fear Allah that you may be successful. Fear the fire which is prepared for those who reject faith, And obey Allah and the Messenger that you may obtain mercy.*

*(Qur'an: Aal-'Imran:- 3:130)*

It is manifestly immoral and a grave act of economic injustice, indeed a form of extortion, that a debtor should have to pay in interest two, three and more times the sum borrowed, in order to liquidate a debt. The *Qur'an* therefore pointed to the grave injustice which is inflicted on the borrower through the usurious loan or *riba*.

But the second stage of the process of dealing with *riba* was also achieved in this revelation since it promulgated legislation. The law now prohibited *riba* transactions. If anyone were to contract a *riba* transaction after this verse had been revealed, it would have no legal validity.

It is of crucial importance for us to note that while legislation was promulgated prohibiting *riba*, there was no retroactive enforcement of the prohibition. Thus all *riba* loans which were contracted before the legislation prohibiting *riba* was revealed, still remained legally valid. The debtor still had to pay the interest. It was only that loan which was contracted after the prohibition of *riba* was revealed, and which required the debtor to repay the loan with interest, which was now invalid.

The reason for this reluctance to enforce the legislation retroactively appears to be located in the tremendous disruption in the economic life of the society which such a policy would produce. The forces of oppression would greedily exploit such a situation to advantage to seek to turn public opinion against the prohibition. Secondly, it appears that the elimination of *riba* from an economy cannot be effected solely on the basis of legislation. *There must also be a concomitant spiritual revolution which would bring public opinion to bear in support of the goal.*

It was for this reason, perhaps, that the second stage of the *Qur'anic* process of eliminating *riba* lasted for some six years. During this period, as we just noted, old *riba* loans were still legally valid. It was new loans which would be invalid. The strategy at this stage was to put moral and spiritual pressure to bear on those who still demanded their *riba*. The objective was to penetrate their hearts and conscience, arouse their humanity, and persuade them to voluntarily give up their demand of *riba*.

It is truly an amazing thing to behold that William Shakespeare, in his famous play *Merchant of Venice*, accurately penetrated the very substance of this, the second stage of the divine method of attacking and eradicating *riba*. Shylock, the Jewish money-lender, had become quite wealthy in Venice while practicing his profession of lending money on interest. The borrower usually had to pledge a bond (i.e. some item of his which was of greater value than the sum being borrowed) and Shylock would often get wind-falls in profits from forfeiting bonds for loans which had gone into default.

His nemesis was a Christian merchant named Antonio who would rail against him publicly in the market denouncing him for practicing a profession which God had prohibited namely, lending money on interest.

Antonio was one day forced to approach Shylock for a loan so that he could help a friend who was in desperate need. Shylock saw his chance to get even with his tormentor, Antonio. He entered into a contract to lend a sum of money on the condition that it be repaid within a specific period of time. He waived the requirement of interest on the loan. The loan, however, was unsecured. All of Antonio's wealth was on trading ships at sea. The borrower therefore had no property which could be secured as collateral. Shylock saw his chance and suggested that the loan be secured with a pound of the borrower's flesh which was nearest to the heart. Antonio thought that it was a joke and agreed. The contract therefore stipulated that in the event the loan went into default Shylock was entitled to take that pound of Antonio's flesh.

Antonio received news, some time later, that his ships were all lost at sea. When the loan went into default Shylock went to court and demanded his pound of flesh. The Jewish money-lender could not allow such a loan to go into default and not seize the opportu-



nity of exacting some retributive as well as deterrent punishment on a borrower who had persistently obstructed him in his chosen profession. Antonio now realized to his great surprise and dismay that the Jewish money-lender was not joking. He really wanted his pound of flesh.

Shakespeare appointed a defense attorney, Portia, who pleaded with Shylock with the greatest ethical eloquence, attempting to invoke his humanity, and urging him to show kindness, compassion and sympathy. Shylock was, of course, legally entitled to the *riba* which Shakespeare, in a magnificent demonstration of his understanding of the subject, symbolized with a **pound of human flesh**. But Portia argued that the pursuit of that legal demand was creating a moral and spiritual stench.

Portia's eloquent appeal to higher values was quite similar in nature to the second stage in the process through which the *Qur'anic* revelation addressed the subject of *riba*. It was as though Shakespeare himself (or whoever may have been the true author of the play) studied the subject in the *Qur'an* and had grasped the essential guidance.

Portia first established that the loan was in default and that the contract now permitted Shylock to take a pound of flesh. She then pleaded with Shylock to show mercy. She drew his attention to the fact that friends of Antonio were prepared to pay him up to twenty times the principal sum lent. Despite Portia's eloquent pleas Shylock did not yield from his demand for the pound of flesh. Shylock's heart was as hard as stone. The *Qur'an* described precisely that condition in the hearts of Jewish people:

*Thenceforth your hearts hardened: they became like a rock and even worse in hardness. For among rocks there are some from which rivers gush forth; others there are*

*which when split asunder send forth water; and others which sink for fear of Allah. And Allah is not unmindful of what you do.*

*(Qur'an: al-Baqarah:- 2:74)*

Shylock had lost his humanity, lost consciousness of his true nature. It was as though Satan had driven him to a kind of madness by his touch! The *Qur'an* speaks of precisely such a state:

*Those who consume riba will not stand (i.e. behave) except as stands (or behaves) he who has been driven to madness by the touch of Satan.*

*(Qur'an: al-Baqarah:- 2:275)*

Portia, the judge, delivered her judgement in the case and declared that Shylock was entitled to his pound of flesh. She invited Shylock to take his pound of flesh nearest to the heart of the debtor as stipulated in the contract. As the greedy heartless Shylock moved foreword to cut with his sharp knife Portia suddenly warned him that while the contract did entitle him to a pound of flesh, it said nothing about spilling blood. If Shylock were to spill a single drop of Christian blood then, as a Jew, all his property would be forfeited by the State of Venice. Portia also drew to his attention that he was entitled to just one pound of flesh, - not an ounce more, nor less. If Shylock failed to take that exact amount in weight then the law would require his execution with half of his property confiscated by the State and half given to the defendant in the case.

Shylock beat a hasty retreat and decided to accept the repayment of the loan on the terms which had been offered. Portia would have none of that. That opportunity had been offered and refused. It was no longer possible to accept that offer.

Shakespeare then placed the Christian Antonio in the position of one who shows mercy, thus sending a message to the Jewish world that they should emulate Christian mercy. Antonio pleaded for Shylock's life to be spared. He also waived his right to half of Shylock's property. But all of this would be on the condition that Shylock become a Christian (and thus renounce *riba*) and that his daughter (who had eloped with a Christian and had converted to Christianity) would inherit from him. Shylock accepted the conditions.

While Shakespeare could write such a happy ending for the debtor in *Merchant of Venice*, life itself is quite different today. Shylock, and the world of Shylocks, in real life today, are in control of the world economy and are constantly carving out their pound of flesh from the dying carcass of gentile humanity. The supreme Shylocks of today are the bankers, of whom Jewish bankers take pride of place, the International Monetary Fund and the World Bank, in which Jewish influence is significant, and the governments of the western world which today control the global economy, and in which Jews wield significant influence.

Now, to return to our subject, the second stage of the *Qur'anic* revelation thus witnessed legislation prohibiting *riba*. Allah, the Most High, in His wisdom, then chose to allow a period of seven years to elapse before He directed the Prophet (*s*) to promulgate the third and final stage in the process of the eradication of *riba*. And during those seven years an effort was made, through moral and spiritual persuasion, to get creditors to voluntarily give up 'interest' due to them, and to thus renounce *riba*.

Finally, it was during this stage of the process that the Prophet spoke most extensively about the evil of *riba* and about the many different forms of *riba*. This subject is dealt with in the chapter on the prohibition of *riba* in the *Sunnah*.

### THIRD STAGE OF THE QUR'ANIC REVELATIONS FOR THE PROHIBITION OF *RIBA*: THE TOTAL ELIMINATION OF *RIBA* FROM THE ECONOMY

It was a matter of great moment that the Prophet (*s*) chose his sermon on the occasion of the farewell pilgrimage, just three months before his death, to launch the effort for the final and complete elimination of *riba* from Muslim society:

*O People, listen to my words, for I do not know whether I shall meet you again on such an occasion in the future . . .*

*All interest (riba) obligation shall henceforth be waived. Your capital, however, is yours to keep. (In accepting the return of only the principal sum lent) you shall neither be inflicting injury, nor yourselves suffering inequity. Allah has judged that there shall be no interest (riba) and that all the interest due to 'Abbas ibn 'Abd al-Muttalib shall hence-forth be waived . . .*<sup>15</sup>

What the Prophet (*s*) did was to enforce the legislation prohibiting *riba* (revealed in *Surah ale-'Imran*) retroactively. Thus the third stage of the process of dealing with *riba* was one which witnessed the total and complete eradication of *riba* from the society.

Some two months later came the last *Qur'anic* revelation on *riba*, which was also the last revelation in the *Qur'an*, and which came down to complete the revelation of the entire *Qur'an*. It was revealed shortly before the death of the Prophet (*s*) and it confirmed the third stage which had already been promulgated by the Prophet (*s*) at Arafat. It applied the prohibition against *riba* retroactively in order to achieve the complete eradication of *riba* from

the economy. It annulled all outstanding *riba* transactions, thus effecting a total and complete elimination of *riba* from the economy. It instructed Muslims to recover only the principal sum lent, and thus eliminated even small interest payments or service charges. It urged the creditor to forego even the principal in case of the borrower's hardship thus bringing about debt relief. The revelation again severely censured *riba*, but this time it responded to those who argued that *riba* is but a form of trade. The *Qur'an* rejected that argument and went on to establish a clear distinction between trade and *riba*:

*Those who spend their wealth by night and by day, secretly and openly, - surely for such (people) there is reward with their Lord, nor shall they have cause for fear or grief.*

*Those who live off the interest (riba) on loans behave but as might behave those whom Satan has confounded with his touch; That is because they say: Trade is similar to taking interest (riba). Yet Allah has permitted trading and forbidden taking interest (riba). Anyone who receives such an instruction from his Lord and thereupon desists (from riba) may keep his past gains (i.e. the riba he previously accepted), and his affair rests with Allah (i.e. it will be for Allah to judge him). But as for those who return to it - they are destined for the fire, therein to abide forever!*

*(And remember that) Allah deprives riba (usurious gains) of all blessings, whereas He blesses charitable deeds with manifold increase. And Allah does not love anyone who is stubbornly ingrate and persists in sinful ways. (So do not be stubborn and persist in riba even after this revelation has reached you).*

*Verily, those who have attained to faith and do good works, and are constant in prayer, and dispense charity - they shall have their reward from their Lord, and no fear need they have, and neither shall they grieve. O you who have attained to faith! Remain conscious of Allah, and give up all the riba which is outstanding (i.e. which people still owe you) if you are truly believers.*

*If you do not do so (i.e. if you do not give up outstanding riba) then take notice of war from Allah and His Messenger (i.e. take notice of an ultimatum of war for the liberation of debtors unjustly dealt with and oppressed). But if you turn away (i.e. if you give up riba) then you shall have (i.e. you will be entitled to) only your principal sums (which you had lent on the basis of riba) (i.e. you may have only the principal, - not the principal plus a reasonable amount of interest).*

*You deal not unjustly, and you shall not be dealt with unjustly. (This might more properly be understood as follows: In accepting the return of only the principal sum lent you will not be inflicting injustice on the borrower, and in giving up the interest which was due you will not, yourself, be subjected to any injustice.)*

*If the debtor is in difficulty, grant him time until it is easy for him to repay. But if you remit it (i.e. if you write off the debt) by way of charity, that will be best for you, if you only knew.*

*And fear the Day when you shall be brought back to Al-*

*lah, then every soul will be paid what it earned and you shall not be dealt with unjustly.*

*(Qur'an: al-Baqarah:- 2:275-281)*

An indication of the tremendous importance which Allah, the Most High, devoted to the elimination of *riba* can be discerned from the fact that this was, as we noted earlier, the last revelation of the *Qur'an* to be sent down (the last revelation was, in fact, verses 179-181, and so 174-178 must have been revealed earlier). The declaration of war against usurers by Allah, the Most High, and His Messenger is by far the most forceful language used in the *Qur'an* against sinners.

Now a declaration of war by Allah, the Most High, and His Messenger must definitely implicate the believers. The implication is that the oppressed were given a divine sanction to wage war, to kill and to be killed, in an effort to extricate themselves from the oppression that is inherent in *riba*. The believers were also required to wage war to eradicate *riba* from any society and from any territory whose oppressed people were crying out for help. My teacher of blessed memory, *Maulana* Dr. Muhammad Fadlur Rahman Ansari (*may Allah have mercy on him*) further argued the case for the use of force in view of the fact that the *Qur'an*: . . . enjoins active steps, through coercive authority, for ending exploitation.<sup>16</sup> He quoted, in this connection, the following verse:

*If two parties among the believers fall into a quarrel, make peace between them. But if one of them transgresses beyond bounds against the other then fight (all of you) against the one that transgresses until it complies with the command of Allah.*

*(Qur'an: al-Hujurat:-49:9)*

He went on to explain that the verse, in its general bearing: . . . *provides also the principle that if a group of Muslims tries to exploit another group, it is the duty of the Islamic State to restrain the exploiters by force.*<sup>17</sup> And he concluded by pointing out that: *The prohibition of usury and interest (riba), whereby the rich exploit the poor, is part of the Qur'anic legislation (requiring the use of force for eradicating it).* . . .<sup>18</sup>

Finally, the last revelation to be sent down concerning *riba* continued the process of education which characterized all previous revelations on the subject. In the last revelation Allah, the Most High, again effected a contrast between 'charity' and '*riba*', and between 'spending' and '*riba*'. Of course spending should not be understood in terms of conspicuous consumption, spending on luxury items, etc.

When people spend of their wealth, wealth circulates in the economy. Everybody benefits from such. Or anyone can benefit from such. When spending bypasses the market, however, which is what happens in *riba* transactions, then only some will benefit. Thus when an economy is based on *riba* it should be as clear as daylight that the rich will always remain rich and the poor will be permanently poor. In fact, it is worse than that. The rich will keep on growing richer, and the poor will become poorer. That is a recipe for the breakdown of any social order. And that is precisely what the world has been witnessing for at least one hundred years now.

Thus the last stage of the *Qur'anic* revelation dealing with *riba* accomplished the following:

retro-active enforcement of the legislation prohibiting *riba*;  
- sanction for waging war to eradicate *riba*; debt relief;  
process of education continued.



## JESUS, IMAM AL-MAHDI AND THE END OF RIBA

This very important section of the subject, which informs of the prophecies of Prophet Muhammad (s) in which he prophesies the collapse of the capitalist *riba*-based world economy, should not only bring a sense of relief to the believers but, also, strengthen their resolve to resist *riba*.

The Prophet (s) has, first of all, prophesied the collapse of artificial (paper, plastic and electronic) money in the following *hadith*:

*Miqdam bin Ma'dikarib said that he heard Allah's Messenger say: A time is certainly coming to mankind when only the dinar (i.e. a gold coin) and the dirham (i.e. a silver coin) will be of use.*

*(Ahmad)*

The event which is likely to bring about that meltdown of artificial money can be the sudden introduction of huge quantities of real money into the market. That influx of real money can take place if there occurs a discovery of a huge quantity of gold outside of the control of the dominant civilization. If that gold were to be minted and then used anti-systemically, *i.e.* used to destabilize the market, paper-money will collapse. The Prophet has prophesied precisely such an event in the following *ahadith*:

*Abu Huraira reported Allah's Messenger as saying: The Euphrates is soon to uncover a treasure of gold, but those who are present must not take any of it.*

*(Bukhari, Muslim) (Please note that this hadith is mutafaqqun alaihi, i.e. it is the strongest possible hadith)*

*Abu Huraira also reported that Allah's Messenger said: The last hour will not come before the Euphrates uncovers a mountain of*

*gold for which people will fight, ninety-nine out of each hundred of whom will be killed; but every man among them will say that perhaps he will be the one who will escape.*

*(Muslim)*

*Abu Huraira also reported Allah's Messenger as saying: The earth will vomit oblong pieces of its liver like columns of gold and silver . . .*

*(Muslim)*

Now, it is in the very nature of *riba* that it so corrupts an economy that it eventually leads to the impoverishment of the society. This is precisely what the Prophet said:

*Ibn Mas'ud reported Allah's Messenger as saying: Even though *riba* be much, it leads in the end to penury (i.e. lack of money, extreme poverty, destitution).*

*(Ibn Majah, Baihaqi, Ahmad)*

And this is what has now happened to the masses around the world who live in the periphery of the *riba*-based economy. And so, a change which will bring about an abundance of wealth in the hands of the masses would indicate the collapse of *riba*. This is what Prophet Muhammad (s) has prophesied:

*Abu Said al-Khudri reported the Prophet as saying in the course of the story about the Mahdi, that a man will come to him and say: Give me, give me, Mahdi; and he will pour out into his garment as much as he is able to carry.*

*(Tirmidhi)*

*Abu Huraira reported Allah's Messenger as saying: The last hour will not come before wealth is abundant and overflowing, (and)*

*before a man brings the zakat on his property and cannot find anyone to accept it from him . . .*

*(Muslim)*

*Jabir reported Allah's Messenger as saying: In the last days there will be a khalifa who will distribute wealth without reckoning it. In another version of the hadith he said: Among the last of my people there will be a khalifa who will pour out wealth without counting it.*

*(Muslim)*

*Abu Huraira reported Allah's Messenger as saying: By Him in whose hand is my soul, the son of Mary will soon descend among you as a just judge. He will break the cross, kill swine, and abolish jizyah (since Christianity, i.e. breaking the cross, and Judaism, i.e. killing the swine, will cease to exist as religions upon the return of Jesus), and wealth will pour forth to such an extent that no one will accept it, and one sajda (prostration) will be better than the world and what it contains.*

*(Bukhari, Muslim) (This hadith, also, is muttafaqqun alaihi and, hence, of the greatest possible authenticity)*

*Abu Hurairâ reported Allah's Messenger as saying: I swear by Allah that the son of Mary will descend as a just judge, and will break crosses, kill swine, abolish jizya, and leave the young she-camels so that collectors of zakat will not be employed for them. Spite, mutual hatred and jealousy of one another will certainly depart, and when he summons people to accept wealth no one will do so (since there will be an abundance of wealth and none will be in a state of need).*

*(Muslim)*

The advent of *Imam al-Mahdi* will be followed quickly by the descent of Jesus (*s*). This will happen since *al-Masih al-Dajjal* will attempt to destroy *Mahdi* and Allah, the Most High, will respond by sending Jesus (*s*) back to earth to kill *Dajjal*. Thus *Mahdi* will be saved when Jesus (*s*) appears and kills *Dajjal*. The death of *Dajjal* will be quickly followed by the release of (the last wave of) *ya'jooj* and *ma'jooj*. They will then be killed by Allah, the Most High, Himself.

Now Ibn Abbas has spoken of a link between *riba* and *Dajjal*. Obviously he could not have done so had he not been so informed by the Prophet (*s*):

*Ibn Abbas said: The first people to follow Dajjal will be seventy thousand Jews . . . . . and among the signs of the release (i.e. the coming out) of Dajjal are . . .the consumption of riba . .*

*(Ishaq ibn Basheer and Ibn Asakir in Kanz al-Ummal)*

It would thus appear that the killing of *Dajjal* by Jesus (*s*), and the destruction of *ya'jooj* and *ma'jooj* by Allah, the Most High, will cause the very backbone of that godless civilization which today dominates the world to be broken. The challenge of that dominant civilization by *Imam al-Mahdi* and Jesus (*s*) and the collapse of the evil empire of *riba*, will then witness the total collapse of the world order created by the West and the triumph of *Islam* over all rivals. It is in this context that we envisage the end of *riba*. And Allah, the Most High, knows best!

The evil age of *ya'jooj*, *ma'jooj* and *Dajjal* will, of course, be followed by the triumph of *Islam* and then will come *yum al-qiyamah*, the end of the world. Of those who lived through the evil age, however, and who had to face the challenge of *riba*, very

few would enter into heaven. The following *hadith* should be studied with fear and with care by those who still remain to be persuaded about the great danger of *riba*:

*Abu Saïd narrated that the Prophet said: Allah will say: O Adam! Adam will reply: labbaik and sa'daik (I respond to Your Calls, I am obedient to Your orders), wal khair fi yadaik (and all the good is in both Your Hands)! Then Allah will say (to Adam): Bring out the people of the Fire. Adam will say: What (how many) are the people of the Fire? Allah will say: Out of every thousand (take out) nine-hundred and ninety-nine (persons) (i.e. for jahannam). At that time children will become hoary-headed and every pregnant female will drop her load (i.e. miscarriage) and you will see the people as if they were drunk, yet not drunk; But Allah's punishment will be very severe.*

*That news distressed the companions of the Prophet very much, and they said: O Allah's Apostle! Who amongst us will be that man (the lucky one out of one-thousand who will be saved from the Fire)? He said: Have the good news that one-thousand will be from ya'jooj and ma'jooj, and the one (to be saved will be) from you. The Prophet added: By Him in Whose Hand my soul is, I hope that you (Muslims) will be one third of the people of paradise. On that, we glorified and praised Allah and said: Allahu Akbar. The Prophet then said: By Him in Whose Hand my soul is, I hope that you will be one half of the people of paradise, as your (Muslims) example in comparison to the other people (non-Muslims) is like that of a white hair on the skin of a black ox, or a round hairless spot on the foreleg of a donkey.*

*(Bukhari)*

### NOTES OF CHAPTER THREE

1. Muhammad Asad, 'The Message of the *Qur'an*'. *Darul Andalus*. Gibraltar. 1980. p. 622
2. *Ibid.* fn. 35 to verse 30:39
3. *Ibid.*
4. For a detailed statement by Asad in which he defines and describes *riba*, see the quotation of his which we have used as the foreword of this book.
5. Abul 'Ala Maududi, 'The Meaning of the *Qur'an*'. Islamic Publications Ltd. Lahore. 11th. Edition. 1994. Vol. 3 p. 209
6. *Ibid.* Vol. 3 p. 216. fn. 59 to verse 30:39
7. Abdul Majid Daryabadi, 'The Holy *Qur'an* with English Translation and Commentary'. Taj Company. Karachi. 1st. Edition. 1971. Vol. 2. p. 399
8. *Ibid.* p. 399-A fns. 187-90
9. There is an interesting work by Stephen Passamanek, 'Insurance in Rabbinic Law' in which he explores Jewish religious response to insurance in the context of the prohibition of *riba*. Edinburgh Univ. Press. 1974. We have not, ourselves, made an adequate study of the subject of insurance in the light of the *shari'ah*, and, as a consequence, we are not as yet able to evaluate its legal status (in Islam) in a definitive way.
10. Asad comments as follows: "The subject of usury connects logically with . . . the subject of charity because the former is morally the exact opposite of the latter: true charity consists in giving without an expectation of material gain, whereas usury is based on an expectation of gain without any corresponding effort on the part of the lender."
11. W. Gunther Plaut ed., 'Modern Commentary on the Torah'. Union of American Hebrew Congregations. New York. 1981.
12. *Ibid.* p.1501
13. *Ibid.* p.1501
14. *Imam* al-Bukhari, *Sahih.* Bk. 60 Ch. 8
15. Muhammad Haykal, 'The Life of Muhammad', trans. By Isma'il Faruqi. American Trust Publications. 1976. p. 486
16. F.R. Ansari, 'The *Qur'anic* Foundations and Structure of Muslim Society'. World Federation of Islamic Missions, Karachi. 1973. Vol. 2 p. 372
17. *Ibid.*
18. *Ibid.*

## CHAPTER FOUR

### THE PROHIBITION OF *RIBA* IN THE *SUNNAH*

#### THE STRONG LANGUAGE OF THE PROPHET ON *RIBA*

The Prophet (*Allah's* blessings be upon him) emphasized the extreme danger inherent in *riba* by himself using the strongest possible language in order to warn mankind and Muslims about it. He said:

*Abu Huraira said that the Messenger of Allah said: Riba is of seventy different kinds the least grave being equivalent to a man marrying (i.e. having sexual intercourse with) his own mother.*

*(Ibn Majah, Baihaqi)*

(I know of people who have accumulated wealth through *riba* and who, instead of responding with terror in their hearts, are highly offended by the above *hadith*).

*Abdullah ibn Hanzala reported that the Messenger of Allah said: A dirham (silver coin) of riba, which a man receives knowingly, is worse than committing adultery thirty-six times. (Ahmad) Baihaqi transmitted it, on the authority of Ibn Abbas, with the addition that the Prophet continued to say: Hell is more fitting for him whose flesh is nourished by what is haram.*

*Abu Hurairah reported Allah's Messenger as saying: On the night I was taken up to heaven I came upon people whose bellies were like houses which contained snakes which could be seen from outside their bellies. I asked Gabriel who they were and he told me that they were people who had consumed riba.*

*(Ahmad, Ibn Majah)*

*Abu Huraira reported that the Prophet said: Allah would be justified in not allowing four persons (i.e. four kinds of people) to enter paradise or to taste its blessings: he who drinks habitually, he who takes riba, he who usurps an orphan's property without right, and he who is unmindful to his parents.*

*(Mustadrak al-Hakim, Kitab al-Buyu')*

*Samura bin Jundab reported that the Messenger of Allah said: This night I dreamt that two men came and took me to a holy land whence we proceeded on till we reached a river of blood, where a man was standing, and on its bank was standing another man with stones in his hand. The man in the middle of the river tried to come out, but the other threw a stone in his mouth and forced him to go back to his original place. Whenever he tried to come out the other would throw a stone in his mouth and force him to go back. I asked: Who is this? I was told: The person in the river was one who consumed riba.*

*(Bukhari)*



We are here reminded of an incident which occurred at an Egyptian cemetery in late seventies and which was narrated by the late blind Egyptian *Shaikh*, Abdul Hameed Kishk, in one of his public lectures (before the Egyptian government shamelessly silenced him). Here is the story:

An Egyptian grave-digger does not always have to dig a grave. He sometimes only opens vaults into which dead bodies are placed. This is recognized as a form of burial. After the dead body has been interred, the door of the vault is sealed until the next dead body arrives.

Shaikh Kishk narrated the incident in which a grave-digger was one day on a routine job of opening a vault and preparing it to receive a dead body. The funeral was to take place later in the day and so the vault had to be prepared. As he opened the door he was terrified to see a huge snake inside the vault. He quickly shut the door of that vault and fled in terror! After regaining his composure he attempted to open another vault, and again the same huge snake was inside. Again he fled in terror. But since he had a job to perform for his very livelihood, and a limited amount of time at his disposal to prepare the vault for the burial, he was forced to return and to open a third vault. When he found the same snake in the third vault as well his exasperation knew no limits. His terror gave way to anger. He spoke to the snake and demanded that he be allowed to bury the dead. The snake appeared to understand what was spoken for it promptly left the vault. The moment the burial was completed, however, and the vault was about to be closed, the snake reappeared and dashed into the vault just as it was being closed. As the door of the vault came down the grave-digger heard the jaws of the snake crunching the very bones of the dead man.

The grave-digger was certain that there must be an explanation for that horrible scene he had witnessed. He inquired from the dead man's family as to his way of life and his means of livelihood and was told that the dead man was a money-lender who lent money on interest (*riba*) and consumed the *riba* he derived from his loans. Through lending money on interest he had been able to amass a fortune! For this reason a snake from the hell-fire was waiting for him in his grave, and the punishment of Allah, the Most High, was truly dreadful. That was the story!

The *ahadith* of the Prophet which we have quoted have amply demonstrated the extent of the divine anger at the oppression caused through *riba*.

The Prophet (*s*) also reaffirmed the declaration of war from Allah, the Most High, and His Messenger in connection with the prohibition of *riba* in the following *hadith*:

*Jabir bin Abdullah said: I heard the Messenger of Allah say: If any one of you does not leave mukhabarah he should take notice of war from Allah and His Messenger. Zaid bin Thabit said: I asked: What is mukhabarah? He replied: That you have the land for cultivation for a half, a third, or a quarter (of the produce). (The danger here is that it leads, deceptively, to slave labor).*

*(Abu Daud)*

The above *hadith* should open the eyes of the reader to the enormous dangers involved in *riba*. It can lead to slavery. Most of the arable land in Pakistan is owned by big absentee landlords. They employ peasant labor to cultivate the land and ensure that such labor is not only permanently available, but is available to them at a heavily discounted price. They employ the system of *mukhabarah*

for literally imprisoning the peasants in a system of permanent poverty. That is *riba*. And it has produced a system of slavery in Pakistan. If ever the *Islamic Movement* wins power in Pakistan it will have to move quickly and forcefully to dispossess the big absentee landlords of their title to the agricultural lands of Pakistan.

It should be clear from the statements of the Prophet presented above that the subject of the prohibition of *riba* is of supreme importance. *Riba* poses the gravest of all dangers to which the *ummah* of the Prophet (s) is exposed today. Nearly every other danger pales into insignificance when compared with it.

#### **THE PROPHET AND DIFFERENT FORMS OF RIBA**

While the *Qur'an* had identified 'lending on interest' as *riba*, it was left to the Prophet (s) to elaborate and to explain the many different forms of *riba*. Perhaps the most important of such explanations given by the Prophet (s) is the *hadith* reported by Jabir:

*The Messenger of Allah (s) cursed the one who takes (i.e. consumes) riba, the one who gives (i.e. pays) riba, the one who records the transaction, and the two witnesses thereof. He said: They are all equally guilty.*

*(Muslim)*

A similar statement of the Prophet is reported by Abu Juhaifa:

*The Prophet cursed the lady who practices tattooing and the one who gets herself tattooed, and the one who consumes riba and the one who gives it. And he prohibited taking the price of a dog, and the money earned by prostitution, and cursed the makers of pictures.*

*(Bukhari)*

Thus every time a Muslim writes out a check to pay the installment of a *riba*-loan (i.e. a loan on interest) which he has taken from a bank for purchasing a house or car etc., he should be aware that he is engaged in *riba* and that the Prophet Muhammad (s) has cursed him! If he dies without making *tauba* and without making every possible effort to extricate himself from *riba*, then he could end up in the fire of hell!

#### **DIFFERENT FORMS OF RIBA**

The Prophet (s) declared that there are seventy different kinds or forms of *riba*:

*Abu Huraira reported Allah's Messenger as saying: Riba has seventy parts, the least serious being equivalent to a man marrying his own mother (which is the polite language of the Prophet with which to describe the abominable act of a man having sex with his own mother).*

*(Sunan, Ibn Majah)*

But he did not identify all seventy. In fact he described only a few of the different forms of *riba*. The implication, therefore, was that there are, or will be, forms of *riba* existing in the world which have not been specifically identified as such by the Prophet (s). Indeed Umar (r) lamented the fact that the Prophet (s) died without specifically identifying all the different types of *riba*:

*Ibn Umar said: Umar delivered a sermon on the pulpit of Allah's Apostle saying: . . . I wish Allah's Messenger had not left us before he had given us definite verdicts concerning three matters, i.e. how much a grandfather may inherit (of his grandson), the inheritance of al-kalala (the deceased person among whose*

*heirs there is no father or son) and the various types of riba.*

*(Bukhari)*

It remains for the scholars of *Islam* to use inference and analogy to locate other forms of *riba* not identified by the Prophet (*s*) and which may not have appeared as yet in the world at the time of the Prophet (*s*), but have now made their appearance, particularly in this evil age which has witnessed the transcendental release of *ya'jooj, ma'jooj*, and *al-Masih al-Dajjal!* Muhammad Asad has envisaged a creative role for *Islamic* scholarship in this respect. He observes:

*... while the Qur'anic condemnation of the concept and practice of riba is unequivocal and final, every successive Muslim generation is faced with the challenge of giving new dimensions and a fresh economic meaning to this term which, for want of a better word, may be rendered as 'usury'.<sup>1</sup>*

Here are some of the forms of *riba* described by the Prophet (*s*):

1 - Credit transactions (*bai muajjal*). There are some credit transactions which have been prohibited by the Prophet (*s*) because they involve *riba*:

*Usama bin Zaid reported the Prophet as saying: Credit involves riba. In another version he said: There is no riba when payment is made on the spot.*

*(Bukhari, Muslim)*

Such a credit transaction would, for example, be one in which an animal is traded for another animal:

*Samura b. Jundub said that the Prophet forbade selling of animals for animals when payment was to be made at a later date.*

*(Tirmidhi, Abu Daud, Nasai, Ibn Majah and Darimi)*

The reason for the prohibition appears to be the element of uncertainty in which death, for example, might occur to an animal, or it may fall ill etc. Such an occurrence can lead to disagreement and conflict between the parties to the credit agreement. Credit is also discouraged because when payment is to be made at a later date one may not be able to make the payment and that could have serious consequences. In Latin America the white plantation owners deliberately encouraged the Indian peasants to take credit and when they could not pay on time they had to give their labor instead. And so the *latifundia*, or Latin American plantation economy was built on a scarcely disguised form of slavery. One of the most powerful statements we have ever heard during our five years in New York came from Tracy Riggs, an African-American inmate at the Morristown Prison in the State of New Jersey. *Credit*, he said to me, *is the first step back to slavery.*

The system of *riba* creates its own self-generating and self-sustaining apparatus in the form of credit-worthiness of individuals. A person has good or bad credit. The system forces every individual to struggle to establish and sustain a good credit record. It does so by punishing those who have bad credit! If someone has never borrowed money on interest and, as a consequence, does not possess a credit record, he is looked upon with grave suspicion!

**[NOTE ON BA'I MUAJJAL]**

*Ba'i Muajjal* is a credit transaction. An article is purchased on credit, i.e. with the price of the article purchased to be paid at a

later time. But this does not always constitute *riba*. The Prophet (s) himself purchased food-grain on credit. (See *hadith* quoted here-under). But it was not *riba*! It is important for us to note, however, that this credit (*bai muajjal*) was quite different from today's ordinary credit transactions because of the following:

i) *there was no increase in price in consideration of credit*. The reader should please note that all mortgages for the purchase of cars or houses, etc, today, are such that there is an increase in price in consideration of credit. And that is *riba*!

ii) *the debt was secured through a mortgage*, i.e. the price of the article purchased on credit was essentially guaranteed in an article which was mortgaged. In the event that the buyer of the article (on credit) were to die before the debt was redeemed, he would die without a debt - since the mortgaged article would be sold in order to recover the price of the article in the original sale.

iii) the article which was purchased on credit was not such as admitted the possibility of future complications and conflicts (such as a mango crop which was not yet ready to be harvested).

As a consequence, there was no *riba* in such a credit transaction (*ba'i muajjal*). Thus we find that the Prophet (s) himself entered into such a credit-cum-mortgage transaction:

*Aisha (the wife of the Prophet) said that Allah's Messenger bought food grains from a Jew on the basis of deferred payment and mortgaged his armor to him. (Bukhari, Muslim) She said that when Allah's Messenger died his coat of mail was mortgaged to a Jew for thirty sa's of barley (a sa being a measure of weight).*

*(Bukhari)*

Credit involves debt. A Muslim should never enter into debt which he does not possess the means to liquidate, unless it be for grave necessity (*i.e.* for matters pertaining to basic biological needs). Unsecured debt is something to be feared! Secondly debt should not remain outstanding indefinitely. If a debtor cannot repay a debt then the creditor is urged to accept whatever the debtor can pay and to remit the balance (*i.e.* to write it off). Alternatively the debt should be remitted after a reasonable period of time. In fact the Torah decreed a period of seven years for remission of debts.

There is, however, an ominous double standard in the prescription of the Torah which laudably requires that:

*Every seventh year you shall practice remission of debts. This shall be the nature of the remission, - every creditor shall remit the due which he claims from his neighbor; he shall not dun (i.e. insistently demand of the debtor the payment of a debt, even to the extent of constant annoyance) his neighbor or kinsman (i.e. a fellow Jew), for the remission proclaimed is of the Lord.*

*(Deuteronomy:- 15:1)*

but which then goes on to declare a free hand with those who are not Jews:

*You may dun the foreigner (i.e. those who are not Jews); but you must remit whatever is due from your kinsman.*

*(Deuteronomy:-15:1)*

There is also a clear indication of financial imperialism in what follows:



*For the Lord your God will bless you as He promised you: you will extend loans to many nations (i.e. non-Jews), but require none yourself (i.e. from those who are not Jews); you will (as a consequence) dominate many nations, but they will not dominate you.*

*(Deuteronomy:- 15:6)*

Whoever did the rewriting of the Torah which appears above must have had Satan himself as a guide! *Verses like these are the true Satanic Verses.* What those ghost writers wrote constitute a recipe for all of mankind to hate Jews, and for Judaism itself to self-destruct. Those who are learned and pious need to act decisively to retrieve the pure religion of Abraham and the Truth revealed to Moses! The pure religion of Abraham and the Truth revealed to Moses were corrupted and now do not exist anywhere else in the world but in the *Qur'an* and the teachings of the Prophet Muhammad (s).

2 - Increasing the price of an article in consideration of deferred payment. This credit transaction is known as *riba al-nasi'ah*;

*From Usama bin Zaid: The Prophet said: There is no riba except in nasi'ah (waiting).*

*(Bukhari)*

This was the most common form of *riba* in Makkah. The principle involved was that if you had to wait for your money you deserved to get an additional amount. A debtor was given an extension in time because he could not pay his debt on time. The amount he owed was increased, however, in consideration for the extension in time.

If capital can increase in consideration of time then money can, by itself, generate more money. No effort will be required. But the

*Qur'an* teaches that such is not possible. (*Qur'an*:53:39) Money cannot increase without effort. When the law permits money to be lent on interest, thus recognizing that time equals money, then the lender lives of the sweat of the borrower in much the same way that a pimp lives of the sweat of a prostitute. When this form of *riba* permeates the economy then the predatory elite lives of the sweat of the masses. Money, in such an economy, will equate with power. Money will be king! And the value of human labor will continuously diminish until labor will find itself at the mercy of capital! That is the world today! *Hunger creates the opportunity for capital to rule the worker more surely than it was given to the aristocracy by the legal authority of kings. All people are chained down to heavy toil by poverty more firmly than ever they were chained by slavery and serfdom.*

The principle of price increase in consideration of credit operates all over the modern capitalist economy.

Some may question our opposition to 'money increasing because of time' as a result of their perception that the value of property and of goods also increase over time. In fact the increase of price of an article, through inflation, does not indicate an increase in value. Indeed in some instances a higher price may mask a lower value. Price increase, because of inflation, is an indication that the value of paper money is falling. The fall in the value of paper-money is itself a form of *riba* since the one who possesses his wealth in the form of paper-money will suddenly have lost part of his wealth.

#### **MURABAHA (TO SELL AT A PROFIT)**

*Islamic* banks around the world are attempting to by-pass *riba* through a process of devilish financial engineering. Most of the

alternatives to *riba* which they offer the gullible Muslim public are nothing more than scarcely disguised forms of *riba*. For example, they utilize a financial mechanism which they erroneously define as *murabaha*. The bank would purchase an article for *cash* and then sell it for *credit* at a higher price than that for which it was bought. The bank argues that since there is agreement on the new price between buyer and seller the transaction is *halal*.

If the bank were to purchase a car for \$15,000 *cash*, and then proceed to sell that very car for \$25,000 *cash* in the same market in which it was purchased, the transaction would be of doubtful validity since the market price would be manifestly violated. Indeed, why would anyone pay \$25,000 *cash* for a car when the market price is \$15,000? If the buyer was unaware that the market price was \$15,000, and the seller exploited the buyer's ignorance, the transaction would constitute *riba* since it would be a form of deception.

*Anas ibn Malik said that the Messenger of Allah said: Deceiving a mustarsal (someone who is unaware of market prices) is riba.*

*(Bayhaqi)*

If the buyer purchased the car for \$25,000 despite the fact that he was aware of the market price, it would indicate the presence of some improper hidden element to the transaction. He could, for example, be mentally unbalanced. That would invalidate the transaction!

If, on the other hand, the bank were to buy the car for \$15,000 *cash* in one market, and then proceed to sell it, in the same market, for \$25,000 on *credit*, there would be no other justification for the increase in price other than the factor of time (i.e. *credit*).

Such a transaction would be one in which money would increase in consideration of time, - or money breeds money over time! It would be no different from *riba al-nasi'ah* in the time of the Prophet (s). In fact, it would be pure *riba!*

Those misguided Muslims who obstinately cling to this false *murabaha* should fear *Allah, the Most High*, and stop misguiding Muslims. They should fear the double punishment which awaits those who misguide others:

*These, Lord, are the men who led us astray. Let their punishment be doubled in the Fire.*

*(Qur'an:-7:38)*

The argument that such a transaction does not constitute *riba* because there is an element of risk in it is entirely spurious and without any substance whatsoever. The party which is selling on the basis of credit usually endeavors to eliminate risk as much as is possible. And so such a transaction usually requires a mortgage through which the seller would recover the money owed to him in the event that the buyer defaults in fulfilling his obligations under the credit contract.

**When the Islamic Movement assumes power in Pakistan, for example, it will not only immediately prohibit the lending of money on interest, but will block all avenues through which money is invested in risk-free investments and in investments in which the increase in capital is derived without any effort on the part of the owner of the capital.**

**3 - Having someone artificially bid up the price in an auction, thus corrupting the free and fair market; this is a form of *riba* known as *gharar*:**

*From Abdullah ibn Abi Awfa: The Prophet said: A najish [one who serves as an agent to bid up the price in an auction] is a cursed taker of riba.*

*(Bukhari)*

4 - Employing deception (*gharar*) as a marketing technique, thus compromising the free market;

*Abdullah bin Abu Aafa said: A man displayed some goods in the market and took a false oath that he had been offered so much for them though he was not offered that amount. Then the following divine verse was revealed: Verily! Those who purchase a little gain at the cost of Allah's covenant and their oaths . . . will get painful punishment. (3:77) Ibn Abu Aafa added: Such a person (as described above) is a treacherous consumer of riba.*

*(Bukhari)*

*Anas ibn Malik said that the Messenger of Allah said: Deceiving a mustarsal (someone who is unaware of market prices) is riba.*

*(Bayhaqi)*

*Abu Hurairah reported that the Messenger of Allah once came upon a heap of grain, and when he put his hand into it his fingers felt some dampness, so he asked the owner of the grain how that came about. On being told that rain had fallen on it he said: Why did you not put the damp part on the top of the grain so that people might see it? He who deceives has nothing to do with me.*

*(Muslim)*

*Wathila b. al-Asqa said that he heard Allah's Messenger say: If anyone sells a defective article without drawing attention to it, he will remain under Allah's anger or, the angels would continue to curse him.*

*(Ibn Majah)*

The reader would easily recognize deception and theft in the replacement of real money by artificial money all over the world today. In real money the value of the money is intrinsic in the money itself. Such would be the case of gold coins; for example. When real money is replaced by artificial paper money then the value of the paper money (even when it is the US dollar) keeps on being diminished. And so people are deprived of their wealth by deception. That is *riba!* (See *Qur'an*:- 7:85, 11:85, 26:183)

The cancer of deception in trade did not exist in *Dar al-Islam*. The markets of the Ottoman *Islamic Empire*, for example, were policed by specially appointed market police officers and magistrates who were constantly on hand to adjudicate cases of deception or fraud in business transactions and to deliver appropriate on-the-spot punishment. That free and fair market will be restored to the world of *Islam Insha Allah*, if and when the *Islamic movement* succeeds in the revolutionary struggle to restore *dar al-Islam*.

5 - Hoarding in order to capitalize on the resultant artificially created scarcity in the market, and thus compromising the free market;

*Ma'mar reported Allah's Messenger as saying: If anyone keeps goods till the price rises, he is a sinner.*

*(Muslim)*

*Umar reported the Prophet as saying: He who brings goods for sale is blessed with good fortune, but he who keeps them till the prices rise is accursed.*

*(Ibn Majah, Darimi)*

*Ibn Umar reported Allah's Messenger as saying: If anyone withholds grain for forty days thereby desiring a higher price, he has renounced Allah and Allah has renounced him.*

*(Razin)*

Hoarding results in profit which is unjust. That is *riba*!

6 - A monopoly is usually understood as control over the market in such ways as would result in freedom to fix prices. Such a situation would result in prices being fixed in accordance with the plan of the monopolists rather than the free market. As such, it is similar to hoarding. Wealth is sucked from the masses by deception. That is *riba*! If the plan of the arch-enemy was simply to rip us off of our wealth that would have been bad enough. His plan is worse than that. The plan of the enemy is to derive *power* from monopoly of the market. That power is then used to institutionalize such oppression as amounts to the enslavement of all mankind and, in particular, the *ummah* of the Prophet Muhammad (s).

7 - A sale on the condition of deferred payment but with an increase in price. The debt is then sold to a third party for cash at a price which allows both parties to share in the increase realized through deferred payment;

8 - Speculative transactions. These are transactions in which one buys goods or stocks etc., anticipating that the price would rise. When it does, one then sells and makes a killing. Alternatively one may sell goods, stocks etc., anticipating that the price would fall.

When it does, one then buys back and makes a killing! Such profit is unjust. There is no effort or labor involved. It is, in effect, gambling!

But the predatory elite of financial crooks, who become masters of the market of speculative transactions, effect their transactions on the basis of insider information, *i.e.* one gets secret information that there will soon be a rise or a fall in price and one then takes advantage of that information to buy or sell and reap a wind-fall profit. This would now be more than a speculative transaction. It would also be such a deception in trade as would be easily recognized to be fraudulent. Speculative transactions are *haram* because they are just a sophisticated form of gambling. There is no productive effort involved in a speculative transaction. It is amazing that today's capitalist world economy is currently witnessing a phenomenon in which some sixty percent of all financial transfers are for speculative transactions. In other words the majority of the capital in the world economy is being gambled in a mad frenzy in search of profits. Even Muslims are also in the gambling disease.

*Speculative transactions based on privileged insider information is pure riba.*

When commerce and industry is established on a speculative basis, and when the masters of *riba* have access to insider information, the result is that what is withdrawn from the land by industry (and sweat) will slip through the hands and pass into speculation, and that puts it into the hands of the intelligent cunning satanic masters of *riba*! The wealth which was accumulated through generations of hard work will slip into their hands in a single day through speculative transactions based on insider information and the manipulation of the market.



9 - Options. Sometimes a speculative transaction can result in a disappointment. The price was expected to rise but it did not. The speculator does not want his money to be tied up in a transaction which may go wrong. So what he does is to buy from the owner of the goods an option to purchase the goods during a specific time frame for a price agreed upon. He pays a non-refundable fee for the purchase of this option. If the price does rise during the period of the option he exercises his option, buys the goods and immediately resells it at a profit. If the price does not rise he simply chooses not to exercise his option. His only loss will then be the fee he paid to purchase the option.

In a free and fair market the rise and fall of prices will be determined by Allah, the Most High, ! He can use it for distributing and redistributing wealth. Options constitute a means of bypassing *Allah's* prerogative of fixing prices. It is thus *haram!*

10 - Bribery and corruption. *Riba* sometimes takes the form of a bribe, or of patronage which is dispensed in order to win influence or control over individuals and institutions. Take the example of a huge prize of five hundred thousand dollars (US) which is awarded by Saudi Arabia, to a scholar of *Islam* chosen by the Saudis. When an *Islamic* scholar accepts that prize he has, in effect, been imprisoned. He, and the movement which he leads, are neutralized. They cannot participate in any effort towards liberating that country from the influence and control of the enemies of *Islam* and restoring its freedom. This has already occurred! This is the triumph of the enemy. Indeed they boast of their success:

*Our triumph has been rendered easier by the fact that in our relations with the men whom we wanted we have always worked upon the most sensitive chords of the human mind, upon the cash account, upon their cupidity, upon the insatiability of the mate-*

*rial needs of man: and each one of these human weaknesses, taken alone, is sufficient to paralyze initiative, for it hands over the will of men to the disposition of him who has bought their activities!*

Theodor Herzl, the originator of Zionism, said of the Jewish people in his book 'The Jewish State': *When we sink we become a revolutionary proletariat, the subordinate officers of the revolutionary party: when we rise, there rises also our terrible power of the purse.*<sup>2</sup>

**11** - Pyramid schemes. The last twenty-five years have witnessed the emergence of new devilish schemes through which truly evil forces exploit human greed in order to rob people of their wealth. Many people, innocent and gullible or greedy, have lost their money in such schemes as the 'pyramid' scheme.

A finance company is established which offers financial investors a significantly higher return on their investments than that offered for fixed deposits in banks. The finance company uses the deposits which have been invested with it for the purpose of paying the high dividends promised to investors. As word spreads that the company is indeed paying the high dividends, greed enters the bloodstream of the masses and they flock to invest their savings. When a large enough amount of cash investments have been realized the company, which has reached the pyramid, simply folds up (either through a disappearing act, or by filing for bankruptcy) and the investors are robbed of their money. This, also, is *riba*. And this is precisely what occurred in Albania, a majority Muslim country!

**12** - Lottery. We now live in an age in which governments around the world are using State lotteries or national lotteries as a means

of skimming money from the masses. The principle involved in the scheme called lottery is the same as in the pyramid scheme, - to wit, to exploit greed and fantasy in the human psyche. The masses pour in their money as the lottery grows in the size of the prize. Fantasy was stroked when some poor or middle-class person won a previous lottery and suddenly became fabulously rich. Everyone who now purchases a lottery ticket fantasizes that he or she will win the lottery and suddenly become fabulously rich.

In fact what occurs is that the State, which organized the lottery, ripped off the masses to realize an unearned income through deception. It is a rip off since only a fraction of the money received is paid as prize money. The State usually attempts to give a humane welfare appearance to the lottery by spending part of the proceeds on such high-profile emotionally charged projects as education (e.g., building schools). But this essentially constitutes an attempt to camouflage the predatory nature of the lottery. And so lotteries operate on the basis of *riba*.

There are many other forms of *riba* in the world today which are readily identifiable by businessmen. Some of them constitute new forms of *riba*. Muslims must make themselves aware of the different forms of *riba*, and must exercise the greatest care to avoid them.

#### **BANK LOANS AND *RIBA AL-FADL***

Buying and selling money today takes the form of borrowing from a bank on interest. It is *a form of riba* known as *riba al-fadl* and is strictly prohibited! The Prophet (*s*) is reported to have made mention of two precious metals (gold and silver)

and four commodities (wheat, barley, dates and salt) and prohibited any transaction of *like for like* which is not also *equal for equal* and *hand to hand* (i.e. no credit) in so far as these metals and commodities were being traded. Any violation of that law would entail *riba*:

*Ubada bin al-Samit reported Allah's Messenger as saying: Gold is to be paid for by gold, silver by silver, wheat by wheat, barley by barley, dates by dates, and salt by salt, like for like and equal for equal, payment being made on the spot. If these classes differ (i.e. if it is not like for like) sell as you wish if payment is made on the spot.*

(Muslim)

(See below for an explanation of the above *ahadith* and the ones which follow)

*Abu Said al-Khudri reported Allah's Messenger as saying: Gold is to be paid for by gold, silver by silver, wheat by wheat, barley by barley, dates by dates, and salt by salt, like for like, payment being made on the spot. If anyone gives more or asks more he has dealt in *riba*. The receiver and the giver are equally guilty.*

(Muslim)

*Abu Said and Abu Huraira told that Allah's Messenger appointed someone as a governor over Khaibar. When the man came to Madina he brought him dates of a very fine quality called *janib*. The Prophet asked him: Are all the dates of Khaibar of this kind? The man replied: No! Oh messenger of Allah we exchange two *s'as* of bad dates for one *s'a* of this kind of dates (i.e. *janib*), or exchange three *s'as* for two. On that, the Prophet said: Do not do so, as it is a kind of *riba*. But*

*sell the dates of inferior quality for money, and then buy janib with the money. The Prophet said the same thing about dates sold by weight.*

*(Bukhari)*

*Abu Saïd al-Khudri said: Once Bilal brought barni (i.e. a kind of dates) to the Prophet and the Prophet asked him: From where have you brought these? Bilal replied: I had some inferior type of dates and exchanged two s'as of it for one s'a of barni dates in order to give it to the Prophet to eat. Thereupon the Prophet said: Beware! Beware! This is definitely riba! This is definitely riba! Don't do so, but if you want to buy (a superior kind of dates) sell the inferior dates for money and then buy the superior kind of dates with that money.*

*(Bukhari)*

*Abu Saeed said that Bilal brought the Prophet some barni dates, and when he asked him where he had gotten them he replied: I had some inferior dates so I sold two sa's of them for one sa (of this). He said: Ah! The very essence of riba, the very essence of riba. Do not do so, but when you wish to buy, sell the dates in a separate transaction, then buy with what you get.*

*(Bukhari, Muslim)*

*Yahya bin Sa'id reported that Allah's Messenger ordered the two Sa'ads to sell off all gold and silver plates obtained in booty (enemy property seized in warfare). They sold three plates for four (or four for three). The Prophet said: You have taken riba. Annul the sales.*

*(Muwatta, Imam Malik)*

*Malik reported that it reached him from Qasim bin Muhammad that Umar bin al-Khattab said: A dinar for a dinar and a dirham for a dirham and a sa for a sa. Do not sell cash for credit.*

*(Muwatta, Imam Malik)*

*Malik bin Aus bin Hadthan al-Nasri reported: I had need for changing one hundred dinars into dirhams. He said Talha bin Ubaidullah sent for me. We agreed on it (barter of gold and silver for gold and silver). He took gold from me and turned it over in his hands and said: Wait until my cashier arrives from Ghabah. Umar bin al-Khattab heard of this and declared: By Lord, do not leave him until you take money from him. He then said, the Prophet had said that the exchange of gold for silver is riba except when it is a cash transaction, the selling of wheat for wheat is riba except when it is a cash transaction, and the selling of dates for dates is riba except if it is a cash transaction, the selling of barley for barley is riba except when it is a cash transaction, and the selling of salt for salt is riba except when it is a cash-transaction.*

*(Muwatta, Imam Malik)*

*Ibn Shihab reported that Malik bin Aus said: I was in need of change for one hundred dinars. Talha bin Ubaidullah called me and we discussed the matter, and he agreed to change my dinars. He took the gold pieces in his hands and fidgeted with them, and then said: Wait until my store-keeper comes from the forest. Umar ibn al-Khattab was listening to that and said: By Allah you should not separate from Talha until you get the money from him, for the Prophet said: The selling of gold for gold is riba, except if the exchange is from hand-to-hand and equal in amount, and similarly, the selling of wheat for wheat is riba unless it is from hand to hand and equal in amount, and dates for dates is riba unless it*

*is from hand to hand and equal in amount, and barley for barley is riba unless it is from hand to hand and equal in amount.*

*(Bukhari)*

*Abu Salih al-Zaiyat said: I heard Abu Said al-Khudri saying: The selling of a dinar for a dinar, and a dirham for a dirham (is permissible). I said to him: Ibn Abbas does not say the same. Abu Said replied: I asked Ibn Abbas whether he had heard it from the Prophet or had seen it in the holy book. Ibn Abbas replied: I do not claim that, and you know Allah's Messenger better than I do. But Usama informed me that the Prophet had said: There is no riba (in money exchange) except when it is not done hand to hand (i.e. when there is delay in payment).*

*(Bukhari)*

The above *ahadith* have created some problems in understanding even for those who are teaching *Islam* in New York. In fact the implications are quite simple. If one person gives a loan of one gold *dinar* to another, then the contractual obligation for repayment of the loan should not exceed one gold *dinar*. Secondly, just as we need to buy French francs when we visit France, so too, in a market which uses real money, people need to buy money. Just as we may seek to buy the French francs with US dollars, so too, in a market which uses real money, we may seek to buy gold *dinars* with silver *dirhams*. Or we may wish to purchase a dozen larger size gold coins with a weight of one dozen ounces, with smaller size gold coins (and this is like changing five US\$20. currency notes for a US\$100. currency note, - with the exception that paper money is itself *riba*). Such money transactions, i.e. in which money is exchanged for money, are required to meet the condition of equal for equal and hand to hand in order to avoid *riba*.

It is of crucial importance for us to carefully note that while *like for like* required an *equal for equal* transaction which was also a *spot* transaction, when gold, silver, dates etc., were being bought and sold, this was not so for camels:

*Hassan bin Muhammad bin Ali bin Abi Talib reported that Ali bin Abi Talib sold his camel, named 'Usaifir, in return for twenty camels (on credit).*

*(Muwatta, Imam Malik)*

*Nafi' reported that Abdullah bin Umar bought a she-camel in exchange for four camels and arranged that those four camels should be delivered to the owner at Rabdhah.*

*(Muwatta, Imam Malik)*

The reason for this was that camels were not used as money, while dates were sometimes used as money. And so four young camels could be exchanged for one adult camel, but two baskets of inferior quality dates could not be exchanged for one basket of superior quality dates.

What would be the implication of the above *ahadith* if one were to take a bank loan in US dollars and were required to repay the loan in US dollars? This would be a *like for like* transaction involving something which, like gold, silver, wheat etc., is being used as *a medium of exchange*. Since it would be a *like for like* transaction, the Prophet (s) ordered that it be *equal for equal*. The *hadith* would thus prohibit bank interest charged on paper, plastic and electronic money.

It is my understanding that gold, silver, wheat, barley, dates and salt were mentioned by the Prophet (s) in connection with *riba* transactions because each of these precious metals and commodities had served, or could serve, as *a medium of exchange*.



As a consequence it would follow that anything else, not mentioned in the *hadith*, which was adopted by mankind as *a medium of exchange (i.e. as money)*, would have the same restrictions applied to it.

This opinion appears to be supported by the following quote which appears in the *muwatta* of *Imam Malik*:

*Abu Zinad reported that he heard Sa'id bin al-Musayyib saying: There is no riba but in gold and silver or in articles of consumption sold by weight or measure.*

Thus a bank loan of US\$1,000 in paper currency must require repayment of nothing more than the US\$1,000 which was borrowed. Any repayment greater than US\$1,000 which is stipulated as part of the loan agreement, would be *riba*. If the bank were to require of you that you must repay the \$1,000 plus some additional amount (as interest, say 6%) then that would be *like for like* but not *equal for equal*. It would thus most certainly be *riba*. This is so because US dollars are used as money in the form of a medium of exchange. It is, of course, another matter as to whether or not it is *halal* for us to use US dollars, or any other artificial money, as a medium of exchange. The answer is that paper money and all other forms of artificial money are themselves pure *riba* and, therefore, *haram* for a Muslim. We have attempted to explain the reason for this in several places in this book. (*See below: The Prophet, artificial money and inflation*).

What can we do about it? Obviously we must strive to return to such money as is real money, and turn away from artificial money. The problem we face, however, is that gold appears to be indispensable to any effort of return to real money. And the enemy has seen to it that the bulk of the world's supply of gold (both raw and minted) is under their control.

## BANK INTEREST AND *RIBA* - SOME DISSENTING VIEWS

Shaikh Muhammad al-Ghazzali (*rahimahullah*), the venerable Egyptian scholar of *Islam*, visited New York shortly before his death and ruled that bank interest was not *riba* because banks invested their money and paid interest from the profits realized from the investments. He therefore equated bank interest with dividends which are paid to share-holders of a company. In fact banks are financial institutions which lend money on interest. They do not usually invest money. The principle involved in an investment is that the investor will receive a share of the profits, if the business realizes a profit, but will also share in the loss, if there is a loss. What a bank does is to borrow money from its depositors at a lower rate of interest and then lend that money to others at a higher rate of interest. The difference between the borrowing and lending rates (of interest) is pocketed by the bank as its profits. Sometimes, though very rarely, a bank commits itself to pay to depositors a higher rate of interest than the bank can itself get when it attempts to lend that money. This is one of the reasons why banks sometimes collapse.

The ruling of *Shaikh* Ghazzali was made, perhaps, with a defective understanding of how banks operate. **If banks were to invest their money, rather than lend, that would have a tremendously beneficial impact on the market.** Prices will immediately fall. The reason why the banks would rather not invest their money is because investment is a form of business, and like all other forms of business, it involves risk. Risk, in turn, opens up the possibility of losses.

The government-appointed *Mufti* of Egypt, *Shaikh* Tantawi, who has now been appointed by the Egyptian government as *Shaikh al-Azhar*, also holds the view that bank interest is not *riba*. He

delivered a *fatwa*, published in the Egyptian newspaper, *Al-Ahram*, on September 8, 1989, declaring lawful, under *Islamic* law, the interest on savings and on certificates of deposits issued by banks. They are known in Egypt as *investment certificates*. Such investments may have a variable rate of profit, but because they are immune from loss they are essentially risk-free investments and, hence, constitute *riba*.

### **THE PROPHET - ARTIFICIAL MONEY - INFLATION AND RIBA**

There are some so-called *Islamic* scholars who adopt the curious position that 'bank interest' is justified since it makes up for losses sustained through inflation. This is manifestly false! In the first place 'interest' or *riba* is itself one of the causes of that modern economic curse which is known as inflation. Inflation is the creature of the modern interest-based capitalist economy. It did not exist prior to the emergence of modern capitalism based on *riba*.

Secondly, interest does much more than simply make up for anticipated inflation. Banks anticipate inflation and still operate for profit. Also, banks are assisted by institutions such as the Federal Reserve Bank which intervene to ensure that inflation does not ruin the banking industry. Indeed banks make more profit than most businesses. And they get most of their income from interest payments made by long-term borrowers. The economic philosophy which permits this is one which claims that money itself must have a cost. Therefore money can, independently of any human effort or struggle, earn more money. The *Qur'an* provides a completely different economic philosophy which proclaims that reward (economic and otherwise) is always linked to effort and struggle:

*And that man shall have nothing except that for which he strives.*

*(Qur'an: al-Najm:-53:39)*

Thirdly, inflation is directly related to the money supply in an economy, and to the demand for goods and services. Where previously it was Allah, the Most High, Who determined *rizq* (money supply) and Who delivered real money as the store of value (i.e. gold dinars, silver dirhams, wheat, barley, dates, even salt etc.), in the modern interest-based capitalist economy it is bankers and governments who determine money-supply. They have achieved this by *secularizing* money through creating artificial money in the form of paper currency with no convertibility to real money, and then persuading a woefully ignorant humanity to accept that artificial money as an acceptable store of value. That is deception. It is *gharar*. It is *riba*!

But they have now been trapped by the creature they themselves invented. They attempt to do a better job of money supply than Allah, the Most High, Himself did (and we seek protection with Allah, the Most High, from such).

If money can be created by governments (for example) then the quantity of such artificially-created money in an economy can be controlled and, indeed, must be controlled. It is seldom, perhaps never, controlled as it ought to be controlled. Therein lies the origin of the curse of inflation. Milton Friedman, the monetary economist, agrees:

*It follows . . . that inflation is always and everywhere a monetary phenomenon in the sense that it is and can be produced only by a more rapid increase in the quantity of money than in output.<sup>3</sup>*

Not only does the US dollar no longer have a specific assigned value, it has been printed so excessively that it is now entirely dependent on the extraordinary foreign demand for dollars from averting collapse in the form of inflation.

Thomas Jefferson, the American statesman, scholar and visionary, condemned banks in 1816 for doing what the US government has now done:

*I sincerely believe . . . that banking establishments are more dangerous than standing armies; and that the principle of spending money to be paid by posterity, under the name of funding, is but swindling futurity on a large scale.<sup>4</sup>*

He demanded a specific assigned value for the dollar. He did this in 1784 in a debate on the proper monetary role of the US government:

*If we determine that a dollar shall be our unit, we must then say with precision what a dollar is.<sup>5</sup>*

As late as the 1920s the US government did honor that imperative of precision. Paper money in the form of gold certificates stated:

*This certifies that there had been deposited in the Treasury of the United States of America twenty dollars in gold coins payable to the bearer on demand.*

Any one could go to any bank and redeem paper money for real money in the form of gold coins. Later this inscription was changed. It stated:

*Redeemable in lawful money at the United States Treasury, or at any Federal Reserve Bank.*

The new inscription amounted to a curtailing of the rights of paper currency holders to freely convert such to gold at a precise conversion. Today US currency states:

*This note is legal tender for all debts, public and private.*

It may be legal, but it is manifestly immoral, because it cannot be redeemed for real value (i.e. gold or silver etc.). No bank, not even the US Treasury or the Federal Reserve Bank would redeem US dollars for gold. If the paper dollar has any real value, it now resides in the paper itself. In effect, it resides in the value which the market wishes to assign to it. That is a hoax. It is false. It is fraudulent! It is *riba*!

Artificial paper, plastic and electronic money (i.e. fiat money) cannot but be susceptible to instability since, for example, it is vulnerable to speculation. The European Community took the courageous decision to attempt to adopt a single currency for the entire Community. This, if achieved, would have constituted a step in the right direction. And it would have taught a lesson to Muslims who claim to follow the Prophet (s). It would have laid the foundation for the second stage in which that single currency would have had its convertibility to gold restored. Europe has not succeeded, and is unlikely to succeed, because the power of speculative transactions in the world currency market is now beyond the capacity of governments to resist.

Hence inflation and speculation, which have largely imprisoned mankind, are creatures of our own sin of abandoning that currency which was created by Allah, the Most High. Only that currency is immune from instability. Thus to argue that modern economic credit is justified since it makes up for losses suffered through inflation is to display a dangerously shallow understanding of the subject.

What misguided Muslims who use the inflation argument to justify *riba* should do, is to calculate the value, in gold, of the sum borrowed from a bank, then calculate the equivalent value, in gold, of the sum which is to be repaid to the bank. If there is any difference between the two such that the sum to be repaid is greater than the sum borrowed, that would be evidence of the *riba* which *Islam* prohibits.

We may also note that when the Prophet (*s*) ordered *gold for gold* and *equal for equal* the implication is that the lender who lends 100 gold dinars in 1989 is entitled to the return, in 1994, of no more than the same 100 gold dinars (i.e. an equal amount of gold) from the borrower. But the value of one hundred gold dinars lent in 1989 may change by 1994 in relation to the quantity of wheat, for example, which can be bought with it. The price of wheat may increase by 1994 because of a shortage of wheat in the market. The same 100 gold dinars can no longer purchase in 1994 the amount of wheat which could have been bought in 1989. Despite that, the law would still remain unchanged: 'gold for gold - equal for equal'! Finally, it is time for us to understand that inflation is itself a form of *riba*. It is, in fact, a creeping *riba* which robs us of our wealth without our being even aware of the fact that we are being robbed. The 'smart-men' in the economy, who know how to use the system for their advantage make wind-fall profits, through inflation, at the expense of the dumb-innocent 'suckers' who keep on working harder and yet harder for less and less as artificial paper money continuously loses its value.

It is a matter of absolutely critical importance that Muslims should carefully study the prophecy of the Prophet (*s*) in which he has prophesied the collapse of artificial secular currency (i.e. paper, plastic and electronic money, etc.):

*Abu Bakr bin Abu Maryam reported that he heard the Messenger of Allah say: A time is certainly coming over mankind in which there will be nothing (left) which will be of use (or benefit) save a dinar and a dirham (gold and silver coins).*

*(Ahmad)*

That prophecy of Prophet Muhammad (s) is about to be fulfilled. Today's monetary system uses *paper* to make *gold*. That is fraudulent! Paper-money is *riba*. Let us explain.

Suppose your grand-father died in 1971 and left an estate of 100 gold coins which you inherited. And suppose further, that since you were a baby the money was kept securely stored away for you. Twenty-five years later, in 1996, you asked for your money. The box in which it was stored was opened and you were given the 100 gold coins. Your money had neither increased nor decreased. It remained the same. Gold had functioned successfully as money! It had succeeded in performing one of the most important functions of money, i.e. to be a store of value! It has faithfully performed this function for all of recorded human history.

And now, let us suppose that in 1971 those who were entrusted with the 100 gold coins decided to convert them from *real* money into *artificial* money. They felt that paper was a more appropriate and reliable form of money than gold. They were highly impressed by the strength of the American dollar. And they trusted because the American dollar itself proclaimed: **In God We Trust**. And so they converted the 100 gold coins (i.e. 100 ounces of gold) into American dollars and obtained US\$3,500 That was 1971. They put the money away very securely. It could not have been invested because your grandfather had left specific instructions prohibiting such.



In 1996 you asked for your money and they then brought you the American dollars. You declared that you wanted the money which your grand-father had left for you. They then went to the market to reconvert the dollars to gold and, of course, they continued to believe in the dollars since it declared: **In God We Trust**. But, to their great surprise, the market gave them only 8 gold coins for the US \$3,500. A great tragedy had occurred during those 25 years. 92% of your wealth had been lost. Paper had failed miserably as money. It did not function as a reliable store of value. In fact your loss was someone else's gain. Predators had struck. They had ripped you off by deception. That is *riba*.

Artificial money is quite different from real money. Real money has intrinsic value, paper money has none. Its only value is that conferred upon it by market forces. The market value of paper-money will last only for as long and to the extent that there is demand for it in the market. Demand is based on confidence. The currency market is now controlled by the most vicious of all speculative forces, - forces fueled by compelling greed with no loyalties and no patriotism. Anything which seriously disturbs market confidence will cause the speculative stampede which will fulfill the prophecy of the Prophet (s),

Here is an example: If Muslims gain control over their oil resources and demand that they be paid for their oil exports with gold rather than dollars made of non-redeemable artificial paper money, there will be significant loss of confidence in paper currency. Why should this be so? Non-redeemable paper, plastic or electronic money has value only to the extent that people are prepared to recognize it as possessing value. When public confidence in a currency is shaken, its value will collapse. A demand for gold, as payment for oil, will have the effect of shaking confidence in paper money. Speculative forces in the currency market will greedily seize that opportunity to make the killing of a lifetime. That in

turn can cause the collapse of today's fraudulent international monetary system based on non-redeemable paper money. Money is the very foundation of capital. The collapse of money in what may best be described as a money melt-down, will witness the collapse of *riba*-based capitalism. Those who have real money will survive while those speculators who successfully exploit the collapse will make the greatest profits ever. The masses will lose their wealth. They will be caught with worthless paper parading as money. That is a financial holocaust which is just waiting to occur. And it has been predicted by others as well, besides the Prophet (s). Judy Shelton, for example, uses the term: '*Money Meltdown*' as the very title of an excellent book which she has written in international monetary economics.<sup>6</sup>

We should not forget, nor allow the world to forget, the dramatic, ominous and unprecedented collapse of the US dollar in January 21, 1980, when the value of the dollar relative to gold fell to \$850 an ounce! In 1970 it was \$35 an ounce. Its present value is about \$380 an ounce. This collapse of the dollar took place in the immediate wake of the successful anti-western *Islamic* revolution in Iran which gave control of the vast oil resources of Iran to an anti-systemic *Islamic* government. Iran's government is anti-systemic since it is based on non-secular foundations and it challenges the secular model of society and the political and economic world order produced by modern Godless European secular civilization. **The stabilization of the price of gold at its present level is the result of the success of policies which were designed to contain the Islamic revolution to Iran.**

Why should an *Islamic* revolution in Iran threaten a collapse of the international monetary system? The experts in international monetary economics are silent! The predatory speculative forces which precipitated that collapse are even more silent. This is because they are aware of the prophesy of the Prophet (s). They

feared that the prophesy was about to be fulfilled. In fact, it was not the moment. It was only the first whiff of smoke from the fire which is coming!

There is perhaps, no other medium through which more of mankind are touched by *riba* today than through paper currency issued by corrupt unscrupulous governments. Today's paper currency no longer functions as receipts redeemable for gold and silver, i.e. precious metals which were created by Allah, the Most High, to serve as currency (among other things). Paper currency is entirely artificial wealth and, as such, is most certainly fraudulent. And fraudulent transactions which damage the entire structure of the *free and fair market* are a form of *riba*! It is through the universal prevalence of fraudulent paper currency today (*i.e.* paper currency which cannot be redeemed for real value) as well as through the fact that lending and borrowing on interest constitute the very foundation of the capitalist economy which now dominates mankind, that the prophesy of the Prophet (*s*) regarding *riba* has now been fulfilled. In fact it has been fulfilled within the lifetime of some who are still alive today:

*Abu Hurairah reported that the Messenger of Allah said: A time will come over mankind when not a single person will remain who does not consume riba, and if one does not consume it, its vapor (or alternatively its dust) will reach him.*

*(Ahmad, Abu Daud, Nasai, Ibn Majah)*

The world of *Islam* was still largely free of *riba* and of fraudulent artificial paper currency up to the moment when the Ottoman Caliphate was abolished. The abolition of the Caliphate in 1924, and its replacement with secular nation States all over the Muslim world, opened the floodgates for the wholesale incorporation into the body of the *ummah* of all the evils of secular western

capitalist economy including *the total corruption of the free market!* The *Islamic Movement* will have to take the initiative, wherever it is possible to do so, to try to restore the *free market*, and this requires the reintroduction of gold and silver coins as the medium of exchange. We should not only recall, but also deliberate seriously over the prophecy of the Prophet (s) quoted above:

*Miqdam bin Ma'adikarib said that he heard Allah's Messenger say: A time is certainly coming to mankind when only the dinar and the dirham will be of use.*

*(Ahmad)*

This indicates a prophecy of Prophet Muhammad (s) of truly momentous importance to the effect that the entire monetary system of artificial money in the form of paper, plastic and electronic money will collapse one day. On that day, and henceforth, all paper currency will be worthless paper.

Allah, the Most High, provided us with an opportunity, in 1973-4, to realize the fraudulent nature of paper money. Up to August 1971 the US dollar was convertible into gold, at the request of foreign governments (in accordance with the Bretton Woods Agreement), at the rate of \$35 for one ounce of gold. If Saudi Arabia had sold oil up to 1970 and had accumulated 35 billion US dollars from the sales, Saudi Arabia would know that it was worth 1 billion ounces of gold. Saudi Arabia may have chosen not to demand that the dollars be redeemed for gold because of trust in the Bretton Woods Agreement.

In August 1971 the US government reneged on the Bretton Woods Agreement and abandoned its obligation to redeem dollars for gold. Suddenly the 1 billion ounces of Saudi gold began to decrease. In late 1973 the Egyptian army attacked Israel and won some significant initial victories. The US government then estab-

lished an air bridge to supply Israel with sufficient advanced weapons to reverse the tide of the war. The Muslim world responded to that with an oil boycott of USA. It created a tremendous shock to the capitalist stock markets and the value of the US dollar fell dramatically! Instead of an ounce of gold having a worth of \$35, it was now worth more than \$160.

What was the price which the Saudis, who led the boycott, had to pay? This was the price: Their one billion ounces of gold had suddenly evaporated with the collapse of the dollar. All that was left was a paltry 220 million ounces of gold (based on the new value of the dollar, *i.e.* \$160 per ounce of gold). Almost 800 million ounces of gold had evaporated into thin air. The Saudis, and the world of *Islam*, had to pay an even bigger price when King Faisal (*may Allah have mercy on him*) was assassinated in a *Mossadic* operation bearing the same fingerprints as the World Trade Center bombing, the sting operation launched to attempt to silence the innocent blind Egyptian Shaikh, Omar Abd al-Rahman.

In January 1989, at the time of the *Islamic* revolution in Iran, the price of gold rose to \$850 an ounce. This meant that the US dollar had fallen to US\$850 as the value of one ounce of gold. If Saudi Arabia had sold thirty-five billion dollars worth of oil in 1970 and assumed that their money was worth one billion ounces of gold, they awoke in January 1989 to find that 96% of the gold had vanished, and that their thirty-five billion dollars could now buy only 4 % of one billion ounces of gold! It is truly amazing that there are so-called *Islamic* scholars, experts in the subject of *riba*, who cannot recognize *riba* in paper (*i.e.* fiat) money.

The US dollar is presently trading at approximately \$380 per ounce of gold. Our view is that if the Muslim world were to recover control of its oil resources, and even before it demands that oil be

paid for in gold, the value of the US dollar will tumble catastrophically, as it did in 1974 and again in 1989. Muslims should not wait on that day to wake up to the reality of the gigantic fraud called inflation made possible through the use of paper money. Muslims, at least, should return to the use of *real money*.

Eventually, *Insha Allah*, we will succeed in restoring *Dar al-Islam* when *Imam al-Mahdi* arises (or, perhaps, before that) and then, in that territory, we will have to restore real money to the market. Some American political scientists and economists have the same goal. They wish to restore integrity to money through another international agreement similar to the Bretton Woods Agreement. Personally I believe that the standard of public morality required for a return to monetary integrity no longer exists in western society. In fact the world has witnessed a return to the fraudulent economy of Madyan which confronted the Prophet Shuaib (s). He preached to them:

*Oh my people! Worship Allah! You have no other God besides Him! There has now come to you a clear sign from your Lord! Give just measure and weight, and do not diminish the value of the property of the people. And do not commit fasad on the earth after it has been set in order . . .*

*(Qur'an: al-'Araf:-7:85)*

Allah, the Most High, destroyed Madyan with terrible earthquakes which left them dead inside their ruined homes. And Allah, the Most High, warns in *Surah al-Kahf* that He will do the same to today's world created by fraudulent *riba*-based capitalism:

*Verily We shall reduce whatever is on (the earth) to barren dust.*

*(Qur'an: al-Kahf:-18:8)*

The argument that inflation justifies interest is thus false. It is also very dangerous! Scholars who adopt this argument are leading all their innocent sheep straight into the jaws of the wolves. Both the sheep and their shepherds should fear the fire of Hell! Indeed the *Qur'an* speaks of a people who were misled by their leaders and who, when they ended up in hell, asked Allah, the Most High, to give double punishment to those leaders who misguided them:

*These, Lord, are the men who led us astray. Let their punishment be doubled in the Fire.*

*(Qur'an: al-'Araf:-7:38)*

The strategy of restoring integrity to money by restoring gold is a strategy which can be truly pursued only when Muslims take control of the State, *i.e. Dar al-Islam*. One of the reasons for this is because the freedom to own and keep gold bullion can be taken away, and has been taken away from the people by the State. In USA, for example, this freedom was taken away by the Roosevelt administration in 1933. Lincoln also took it away in the Civil War, and it was taken away twice before the signing of the US Constitution.

The laws of gold confiscation are very clear. During any time of national crisis, it becomes illegal to buy, sell, or 'hoard' gold bullion in any form. It is delineated under an Executive Order and can be administered as quickly as the assets in your checking account can be frozen. The penalties, under US law, for violation are 10 years in prison, \$10,000 fine, or both!

A national crisis can be as simple as a state in which a government is broke. It needs money to balance its books, to continue foreign trade etc. How does it solve the problem? Well, one way is by appropriating all available valuable assets, and having them re-

appraised upward. Here is an example.

In 1933 the FDR Administration in USA confiscated all private gold. Government paid for the gold at \$20.57 an ounce. Here is what the announcement looked like:

\*\*\*\*\*

Post Master Please Post in a Conspicuous Place  
James A. Farley  
Post Master General

**UNDER EXECUTIVE ORDER OF THE PRESIDENT**

issued April 5, 1933

**all persons are required to deliver**

**ON OR BEFORE MAY 1, 1933**

*all Gold Coin, Gold Bullion, and Gold Certificates  
now owned by them to a Federal Reserve Bank,  
branch or agency, or to any member bank of the  
Federal Reserve System.*

**Criminal Penalties for Violation of Executive Order  
\$10,000 fine or 10 years imprisonment, or both, as  
provided in Section 9 of the order.**

*Secretary of the Treasury*

\*\*\*\*\*



Once the gold was gathered, the US Government announced that the new price of gold was \$35 per ounce, - an increase of approximately 70%. The US government solved its problem by cheating and robbing people of their wealth. It's called *riba*! No *Islamic* government, functioning in accordance with the laws of *Islam*, has ever cheated the people.

Today's world of *riba*, in the form of artificial money, has witnessed the return of that age of evil which has been described in *surah al-Kahf*. There were young men who believed in *Islam* and who were being persecuted and tyrannized by a world which had no faith in Allah, the Most High, and which committed *shirk* by worshipping others besides Allah, the Most High. Today's world has created the State, Constitution, Parliament, Supreme Court and the U.N. Security Council etc. as the supreme authority instead of Allah, the Most High. Thus, like that age in *Surah al-Kahf*, this age, also, is an age of *shirk*! In order to preserve their faith in *Islam* the young men in *Surah al-Kahf* fled to a cave where Allah, the Most High, put them to sleep for three hundred (solar) years or more. When He roused them they felt hungry, and hunger drove them to send one of them to buy some (*halal*) food from the market. But when the *Qur'an* made mention of the money which the youth would take to buy the food it used the word *wariqikum*. While this word is universally understood to mean silver coins, it is possible that this was hint of *waraq* (paper-money), indicating that *the emergence of artificial paper money* (fiat money) would be a sign of the return of the evil age described in *Surah al-Kahf*. And Allah, the Most High, knows best!

To conclude, artificial paper money is *riba*, and it functions as an important means through which mankind is ripped off of the wealth which is the fruit of their labor, and *rizq* from Allah, the Most High.

## NOTES OF CHAPTER FOUR

1. Muhammad Asad, 'The Message of the Qur'an'. Op. Cit. Footnote No. 35 to verse 30:39.
2. Quoted by Misbahul Islam Faruqi in: 'Jewish Conspiracy and the Muslim World', published by the author in Karachi. 1967
3. Milton Friedman, "Quantity Theory of Money" in 'The New Palgrave': Money', ed. John Eatwell, Murray Milgate, and Peter Newman. New York: Norton, 1989. p. 28
4. Thomas Jefferson, 'Writings', New York: Literary Classics of the United States, 1984. p. 1391
5. Quoted in Ron Paul and Lewis Lehrman, 'The Case for Gold : A Minority Report of the US Gold Commission". Washington, D. C.: Cato Institute, 1982. p. 1.
6. Judy Shelton, 'Money Meltdown : Restoring Order to the Global Currency System'. (The Free Press. NY. 1994).

## CHAPTER FIVE

### SOME BASIC RESPONSES TO *RIBA*

The only possible way that Muslims can extricate themselves from the poisonous embrace of *riba* today, and so salvage something of their *Iman*, is through waging a revolutionary struggle to win control of territory in the name of *Islam* and thus to restore *Dar al-Islam*. Since *Dar al-Islam* no longer exists anywhere in the world today, Muslims have, in respect of their collective lives, returned to the *pre-hijri* stage of *Islam*.

Their most important goal, for which all Muslims must collectively strive, is the goal of journeying *From Makkah to Madina One More Time*.

As soon as Muslims gain control of territory in the name of *Islam* the following steps must immediately be taken to combat *riba*:

1) *No transaction involving lending-for-gain (i.e. lending on interest) would be legally recognized as a valid transaction. Thus the lender cannot sue the borrower for recovery of interest due on a loan.*

2) *Any credit transaction on the basis of a price higher than the market price, and without any justification for the increase in price other than the consideration of credit, would have no legal validity.*

3) *The gold dinar and silver dirham must be recognized as legal tender. When that takes place then all workers and all sellers of goods, property and services would be entitled to demand that they be paid in gold and silver rather than paper, and would also be entitled to renegotiate agreements so that they be based on real money rather than artificial paper money. The Islamic State will itself set the example, in its external trade of oil, for example, by demanding payment in gold rather than dollars!*

4) *The law must provide for exemplary punishment which would function as an effective deterrent for those who may be tempted to violate laws pertaining to the elimination of riba from the economy.*

When banks can no longer lend money on interest they will be forced to invest their money in the market. As soon as they do so there will be a premium in that market for honesty, integrity and business acumen. Prices will also fall.

The introduction of gold and silver coins as legal tender will eventually cause the collapse of paper money, and that will be entirely to the advantage of the poor masses who have little or nothing to

lose. It will be an unmitigated disaster, however, for the predatory elite who will no longer be able to increase their wealth unlawfully, and who may also suffer great losses through that collapse.

### **DEBT AND THE ECONOMIC SUNNAH**

Until such time as Muslims can restore *Dar al-Islam* there is need for an effective strategy through which the danger of *riba* can be minimized. There is much in the economic *Sunnah* which can be used for this purpose.

Muslims must be taught that they should abstain from entering into debt except in cases of grave necessity, and if they are already in debt they should make every effort possible to extricate themselves from *debt*. This would lay the foundation for a measure of protection from the most prevalent form of *riba* which now infects Muslim society, i.e. borrowing on interest from banks and other financial institutions. In the process of restoring the economic *Sunnah* regarding *debt* we would, in fact, be pursuing an effective strategy against *riba*. And so we commend a strategy which commences with education concerning *debt* and the *economic Sunnah*.

Muslim communities around the world today should study, apply and teach the following *ahadith* of the Prophet (*s*) pertaining to *debt* which are particularly relevant. This material should be published in fliers for distribution after *salaatul jumu'ah*. The *khateeb* for *salatul jumu'ah* should deliver a *khutbah* on the subject of *debt and the economic Sunnah*. Fliers should also be put up in large print on notice boards at *masajid* and should be taught at weekend *Islamic schools*:

*Aisha said: The Messenger of Allah used to make duah (suppli-*

cation) while performing *salaat* (prayer), and used to say: *Oh Allah I seek refuge with Thee from sin and from being in debt. Someone asked him: How often, O Messenger of Allah, do you seek refuge from being in debt? He said: When a man is in debt he speaks and tells lies, and he promises and breaks the promise.*

(Bukhari)

The Prophet (*s*) sought refuge with Allah, the Most High, from debt and, as a consequence, debt is recognized as an evil. Debt ruins not only individuals but, also, nations and States. Indeed the entire *Islamic* civilization has today been ruined through debt. And for this we must lay the blame squarely where it is due, i.e. with those sophisticated secularized bureaucrats and technocrats, holding economics degrees from secular western universities, who presided over the economic betrayal of the entire Muslim world as well as most of non-European humanity. We must also blame their excellencies, majesties, royal highnesses etc., and the governments which rule over Muslims today on behalf of (what I recognize as) the dominant European civilization of *ya'jooj* and *ma'jooj*. The deadly embrace of the world of *Islam* with debt really took place after Europe succeeded in destroying the *khilafat* (Caliphate) and replacing it with small native *ya'jooj* and *ma'jooj* governments all around the world of *Islam*. They are *ya'jooj* and *ma'jooj* because those governments are constituted by and serve the interests of the predatory elite.

There are 32 countries now classified by the World Bank as severely indebted low-income countries (SILICs). They have debt-service-to-gross-national-product ratios of more than 80 per cent, or debt-service-to-export ratios of over 220 per cent. Twenty-five are in sub-Saharan Africa, precisely the part of the world which has felt, and continues to feel, the deepest and most enduring penetration of predatory European colonialism.

The combined debt stock of these countries of just under \$210 billion in 1994 was four times higher than in 1980. In 1995 repayments of \$16 billion fell due, but they were able to pay less than half this amount, with the rest added to arrears. For an ever-increasing number of countries in the world today the gap between debt and interest repayment obligations and ability to pay has grown well beyond what could ever be paid back. Had these countries been individuals, they could get out of their predicament by filing for bankruptcy. They would be relieved of the burden of debt and would have a chance to start afresh. But this does not apply to human societies when organized as modern States. Their enslavement is now complete. That is the fate which awaits the rest of the world.

What does *Islam* have to offer as guidance in dealing with the problem of debt?

*Salamah reported: A janazā (bier) was brought to the Prophet that he might perform the salat al janazah (funeral prayer) over it. He asked: Was he in debt? They said: No! So he performed the prayer over it. Another janazah was brought to him and he asked: Was he in debt? They said: Yes! He said: (You) say prayers over your companion. Abu Qatadah said: I will pay his debt Oh Messenger of Allah! So he said the funeral prayer over it.*

(Bukhari)

*Abu Dharr said: I was once with the Prophet. When he saw the mountain of Uhud, he said: I would not desire that this (mountain) should be turned into gold for me, then there should remain with me one dinar out of it beyond three days, except a dinar I should keep for payment of a debt!*

(Bukhari)

This *hadith* also establishes the economic *Sunnah* which abhors the hoarding of wealth and encourages spending instead, - thus the Prophet (s) would have spent the mountain of gold within three days. When wealth is spent it is injected into the economy and this strengthens the economy. Spending should be effected, however, in such a way that the *Sunnah* of simplicity and austerity of the personal lifestyle of the Prophet (s) is maintained! Thus spending is to be directed towards production rather than consumption. Spending is also for charitable purposes.

*Abu Hurairah said: The Messenger of Allah said: It is an act of zulm (wickedness or injustice) that a person with wealth (enough to pay his debt) should delay (in the payment of that debt).*

*(Bukhari)*

(If at all there was any doubt about it, these statements of the Prophet (s), as well as those which follow, establish beyond any doubt whatsoever that someone who is in debt should first pay his debt before attempting to perform the pilgrimage to Makkah).

*Al-Sharid reported the Prophet as saying: Delay in paying a debt by one who has the means to pay makes it lawful to dishonor and punish him. Ibn al-Mubarak said that 'dishonor' means he can be spoken to harshly or roughly, and 'punish' means he may be imprisoned for it.*

*(Abu Daud, Nasa'i)*

*Abu Qatadah told of a man saying: Tell me, Messenger of Allah, if I am killed in Allah's Path showing endurance, seeking my reward from Allah, advancing and not retreating, will Allah efface my sins? He replied, Yes! But when the man turned away he*



*called him and said: Yes, with the exception of a debt. Thus said Gabriel.*

*(Muslim)*

*Abdullah bin Amr reported Allah's Messenger as saying: Every fault but a debt will be forgiven to a martyr.*

*(Muslim)*

*Abu Hurairah reported Allah's Messenger as saying: A believer's soul is attached to his debt till it is paid.*

*(Shafe'i, Ahmad, Tirmidhi)*

*Abu Musa reported the Prophet as saying: The greatest sin in Allah's sight, after the serious sins which Allah has prohibited, which a man can bring into His presence is that he should die in debt without leaving enough to discharge it.*

*(Ahmad, Abu Daud)*

*Muhammad bin Abdullah bin Jahsh said: When we were sitting in the courtyard of the masjid where the biers were laid down and Allah's Messenger was sitting in the midst of us, he raised his eyes to the sky and looked, then lowering his eyes and putting his hand on his forehead he said: Glory be to Allah! Glory be to Allah! What severity has come down! We said nothing all day and night and experienced nothing but good till the morning. Then I asked Allah's Messenger what the severity was which had come down, and he replied: It has to do with debts. By Him in whose hand Muhammad's soul is, if a man were to be killed in Allah's Path then come to life, be killed again in Allah's Path then come to life, and be killed once more in Allah's Path and*

*then come to life owing a debt, he would not enter paradise till his debt was paid.*

*(Ahmad)*

Debt is such a terrible burden that Allah, the Most High, Himself intervenes on behalf of the debtor to urge that he be assisted:

*. . . And if the debtor is in difficulty then give him time till it is easy for him to pay off the debt. But that you should remit it as charity is better for you if only you knew.*

*(Qur'an: al-Baqarah:- 2:280)*

*Alms are for the poor and the needy, and for those employed to administer (the funds), and for those whose hearts have been recently reconciled (to Truth); for those in bondage and for those in debt . . .*

*(Qur'an: al-Tauba:- 9:60)*

I have distinct memories myself, after the death of my father in 1957, of my widowed mother who was forced to borrow money on a few occasions, and who was then unable to digest her food or even to sleep properly because of her concern about being in debt. Our parents were like that. Indeed America was like that before *the commencement of the release of ya'jooj, ma'jooj and al-Masih al-Dajjal*. These evil forces successfully corrupted a culture which frowned on debts. When people come to USA and become part of this society those precious values are easily lost. Muslims need to recognize the danger and teach themselves and their children the values located in the economic *Sunnah!*

Shakespeare has preserved for us the values which European civilization of both East and West used to uphold before the Ameri-

can, French and Bolshevik revolutions completed their transformation into essentially godless societies incapable of sustaining values. He says, for example, in Hamlet Act 1, Scene 2:

*Neither a borrower nor a lender be,  
For loan oft loses both itself and friend,  
And borrowing dulls the edge of husbandry (i.e. hard work).*

*This above all, - to thine own self be true  
And it must follow, as the night the day,  
Thou can'st not then be false to any man.*

### **HELPING TO PAY THE DEBTS OF OTHERS**

Muslim communities around the world should embark on projects of public education and mobilization not only for warning Muslims about the peril of entering into debts but, also, for assisting those in greatest need in order that they may have relief from the burden of debt.

Thus the Prophet (s) encouraged Muslims to help pay the debts of brother Muslims who had debts they could not pay, or may have died without being able to pay:

*Abu Saïd al-Khudri reported that the Prophet responded when Ali ibn Abi Talib paid the debt of a Muslim who had died with debts by saying: May Allah redeem your pledges from hell as you have redeemed the pledges of your brother Muslim! No Muslim will discharge his brother's debt without Allah redeeming his pledges on the day of resurrection.*

*(Sharh as-Sunnah)*

*Imran bin Husain reported Allah's Messenger as saying: When anyone has something due to him from another he will be credited with sadaqa for every day he allows the other to postpone payment.*

*(Ahmad)*

*Sumarah said: The Prophet asked: Is there anyone from such-and-such a tribe present? No one replied. Again he asked. Again no one replied. Then again he asked. Then a man said: I am here Oh Prophet. He asked: What prevented you from replying the first two times? I wish to tell you something good. Your companion had been detained from entering paradise on account of a debt. Then I saw that the debt was paid off (by you) and there remained no one to demand from him anything.*

*(Abu Daud)*

*Jabir said: The Prophet would not say funeral prayers over a person who died with a debt. A janaza was brought and he asked: Did he have debts? They said: Yes! Two dirhams. He said: Pray over your companion. Abu Qatadah al-Ansari said: I will pay the debt. The Prophet then prayed. When Allah granted conquests to the Prophet he said: I am nearer to every believer than himself. So if anyone dies and leaves a debt I shall be responsible for paying it. And if anyone leaves property it is for his heirs.*

*(Abu Daud)*

In the process of educating and convincing Muslims to make every effort to extricate themselves from debt, and in the process of assisting them to do so, Muslim community educational programs will be making considerable progress towards extricating Muslims from *riba*.

## **QARDHASANA**

Assisting someone to pay his or her debt can take two forms. The debtor can be assisted with a grant or a loan. Loans, in turn, are of two kinds: *dain*, i.e. a debt contracted with some definite term fixed for repayment (of principal sum without interest), and *qard hasana*, i.e. a loan given without any fixed term for repayment (of principal sum without any interest).

The *Qur'an* makes mention of *dain* in the following:

*Oh you who believe, when you contract a debt (dain) for a fixed period, put it in writing . . . So do not fail to put your debts (dain) in writing, be they small or big, together with the date of payment. This is more just in the sight of Allah . . .*

*(Qur'an: al-Baqarah:-2:282)*

The *Qur'an* also makes mention of *qard hasana* (a generous loan) in several verses. Although the reference is always to making a generous loan to Allah, the Most High, (2:245) (5:12) (57:11) (57:18) (64:17) (72:20), the term *qard hasana* has been used to designate a loan which is given without any fixed term for repayment; it being also understood that if the debtor has difficulty in repaying the loan it will be written off: *Qard hasana* therefore constitutes a charitable loan.

*Who will grant Allah a generous loan (qard hasana) ? He will repay him many times over. It is Allah who enriches and makes poor and to Him shall all return.*

*(Qur'an: al-Baqarah:- 2:245)*

A *qard hasana* which is extended to assist someone to pay a *dain* will still constitute a charitable loan and will thus bring a manifold reward from *Allah, the Most High!*

### ON SEEKING HELP AND ENTERING INTO DEBT

Even though one may be in great need, a Muslim should still hesitate to take a loan, or to ask for help:

*Ibn Abbas reported Allah's Messenger as saying: If anyone is hungry or in need and conceals it from others, it will be due from Allah Who is great and glorious to give him a year's provision from what is lawful.*

*(Baihaqi)*

*Imran bin Husain reported Allah's Messenger as saying: Allah loves His poor believing servant who refrains from begging and yet has children. (I understand this to mean: who refrains from begging even though he has (hungry) children).*

*(Ibn Majah)*

*Abu Kabsha al-Anmari said that he heard Allah's Messenger say: There are three things which I swear to be true, and I shall tell you something else so keep it in memory. The three things which I swear to be true are - that a man's property does not become less on account of sadaqa, that when a man is wronged and bears it patiently Allah will give him greater honor on that account, and that when a man opens a door towards begging Allah opens for him a door towards poverty. The thing I am going to tell you which you must keep in memory is this. The world has four types of people, a man whom Allah provides with property and knowledge in which he fears his Lord and joins ties of relationship, acting in it towards Allah as is due to Him, this*

*man being in the most excellent station; a man whom Allah provides with knowledge but not with property, who says with sincere intention that if he had property he would act as so and so does, their reward being equal; a man whom Allah provides with property but not with knowledge, in which he acts in a random manner ignorantly, not fearing his Lord respecting it, or using it to join ties of relationship, or dealing with it in a right way, this man being in the worst station; a man whom Allah provides with neither property nor knowledge, who says that if he had property he would deal with it as so and so does, (i.e. the third man) and has this intention, the load they have to bear being equal.*

*(Tirmidhi)*

#### **AUSTERITY AND THE ECONOMIC *SUNNAH***

Muslims must be advised to adopt that life of moderation, simplicity and austerity which is the essence of the economic *Sunnah* and which not only makes it possible to extricate themselves from *debt* and *riba* but, also, makes savings possible. And so, a major element in the overall strategy against *riba* must be the inculcation of the economic *Sunnah* as it relates to simplicity, austerity and moderation in living. Such a lifestyle is not possible for those given to excessive consumption, an example of which is commonly found in overeating. And so the *Qur'an* warns, with language of great severity, against such:

*Eat of the good (and wholesome) things which We have provided for your sustenance, but commit no excess therein, lest My wrath should justly descend on you; and those on whom My wrath descends surely perish.*

*(Qur'an: Ta Ha:-20:81)*

*... and eat and drink, but do not be immoderate or intemperate: verily He does not love those who are immoderate or intemperate.*

*(Qur'an: al-'Araf:-7:31)*

*Abu Hurairah reported Allah's Messenger as saying: My Lord has given me nine commands - to fear Allah in private and in public; to speak justly both when angry and when pleased; to show moderation both when poor and when rich; to reunite friendship with those who have broken it off with me; to give to him who refuses me; to forgive him who has wronged me; that my silence should be occupied with thought; that my utterance should be occupied with mention of Allah; that my looking should be an admonition; and that I should command what is good and virtuous.*

*(Razin)*

The Prophet (s) is also reported to have said:

*Each one of us does not need more, in this world, than the provisions which a traveler takes with him on a journey.*

How much, we well may ask, did he, the Messenger of Allah, the Most High,, take with him during his journey of life?

*Aisha said that Muhammad's family did not have enough barley-bread to satisfy them on two consecutive days up to the time when Allah's Messenger was taken in death.*

*(Bukhari, Muslim)*

*Sa'id al-Maqburi quoted Abu Hurairah to the effect that when he passed some people who had a roasted sheep in front of them*



*and invited him to eat, he refused to do so, saying: Allah's Messenger left this world without ever having had a full meal of barley bread.*

*(Bukhari)*

*Anas said that he took some barley bread and rancid fat to the Prophet who had given a coat-of-mail of his to a Jew in Madinah and received from him some barley for his family. The transmitter reported that he heard Anas say Muhammad's family never had in the evening a sa of wheat or a sa of grain, yet he had nine wives.*

*(Bukhari)*

*Umar said that he went in to see Allah's Messenger and found him lying on a reed mat with no sheet between him and it, with marks of the mat on his side, and supporting himself on a leather cushion stuffed with palm fibers. I said: Messenger of Allah, pray to Allah to enrich your people, for He has enriched the Persians and the Byzantines, yet they do not worship Allah. He replied: Is that how you feel, Ibn Khattab? These people have been given their good things in advance in the present world. A version has: Are you not pleased that they should have the present world and we should have the next?*

*(Bukhari, Muslim)*

*Mu'adh bin Jabal said that when Allah's Messenger sent him to Yemen he said: Beware of living extravagantly (or sumptuously), for Allah's servants do not live extravagantly.*

*(Ahmad)*

*Ali reported Allah's Messenger as saying: If anyone is satisfied with small provisions from Allah, Allah will be satisfied with a few good deeds from him.*

*(Baihaqi)*

## ECONOMIC *SUNNAH* OF SPENDING

Many Muslims ask: If we are not allowed to place our savings in Fixed Deposits or Savings Accounts in the bank, then what shall we do with such money? The answer is that it must be spent, not hoarded. Spending, however, must be balanced and productive, - not for extravagance and waste. When people spend of their wealth in charity, or as an investment, then the whole society and economy benefits. When spending is for ostentation and waste then the individual and society are corrupted. And so the *Qur'an* describes the true servants of Allah, the Most High, as:

*... those who, when they spend (their wealth, time, energy, talents etc.) are neither extravagant nor sparing, but hold a just balance between those extremes.*

*(Qur'an: al-Furqan:-25:67)*

*Abu Dharr said: I was with the Prophet when he saw the mountain of Uhud. He said: I would not desire that this (mountain) should be turned into gold for me, then there should remain with me one dinar out of it beyond three days, except a dinar I should keep for payment of a debt!*

*(Bukhari)*

This *hadith* establishes the economic *Sunnah* which discourages the hoarding of wealth and encourages spending instead, - thus the Prophet (*s*) would have spent the mountain of gold within three days. When wealth is spent it is injected into the economy and this strengthens the economy.

Allah, the Most High, condemns hoarding (i.e. the non-utilization of wealth) in the most forceful language:

*. . . there are those who hoard (in safety deposit boxes in banks, for example) gold and silver (i.e. money) and spend it not in the way of Allah; announce to them a terrible punishment on a day when heat will be produced out of that wealth in the fire of hell, and with it will be branded their foreheads, their sides and their backs, (and it will be said to them): This is the treasure which you hoarded for yourselves; taste the treasure you hoarded.*

*(Qur'an: al-Tauba:-9:34-5)*

Spending should be effected, however, in such a way that the *Sunnah* of simplicity and austerity of the personal lifestyle of the Prophet (*s*) is maintained! Thus spending is to be directed towards production rather than consumption. Spending is also for charitable purposes. This does not imply that one should not spend on one's own self or one's family. That would amount to miserliness. The *Qur'an* condemns such miserliness. Those who act in such a way will end up being treated with contempt by Allah, the Most High, and by their fellowmen:

*Verily Allah does not love the arrogant, the vainglorious; - nor those who are niggardly and command mankind to niggardliness and hide the bounties which Allah has bestowed on them; and we have prepared for the ungrateful (who commit such an act of kufr) a punishment that steepes them in contempt . . .*

*(Qur'an: al-Nisa:-4:36-7)*

The Prophet (*s*), in fact, specifically recommended spending on one's own self when he declared:

*Allah loves to see the effects of His bounties on the person of His servant.*

*(Tirmizi)*

Rather, one should not be extravagant in spending on oneself. There should be no waste! Thus Allah, the Most High, commands:

*. . . and squander not (your wealth) in the manner of a spendthrift. Surely spendthrifts belong to the family of the Satan. And Satan is (himself) ungrateful to his Lord.*

*(Qur 'an: al-Isra:-17:26-7)*

Numerous verses of the *Qur 'an* as well as *ahadith* establish the importance of nourishing the body with that which is *halal* and scrupulously abstaining from nourishing it with that which is *haram*, thus requiring that Muslims exercise vigilance in ensuring that income and wealth must be *halal*. Indeed, deviation from this path would amount to following the footsteps of Satan, and that, surely, is the road to hell:

*Eat (or consume) of whatever is on the earth which is lawful (halal) and wholesome (tayyib), and follow not the footsteps of Satan (by consuming that which is haram or unhealthy). Surely he (Satan) is your avowed enemy.*

*(Qur 'an: al-Baqarah:-2:168)*

*Jabir reported Allah's Messenger as saying: Flesh which has grown out of that which is unlawful (haram) will not enter paradise, rather hell is more fitting for all flesh which has grown out of what is unlawful (haram).*

*(Ahmad, Darimi, Baihaqi)*

*Abu Bakr reported Allah's Messenger as saying: No body which has been nourished with that which is unlawful (haram) will enter paradise.*

*(Baihaqi)*

*Abu Tamima said that the Prophet (s) said: . . . the first thing in a man to cause corruption is his belly, so if anyone is able to eat only what is good (halal) he should do so . . .*

*(Bukhari)*

*Ibn Umar said that if anyone buys a garment for ten dirhams among which one (dirham) is unlawfully acquired, Allah Most High will not accept prayer from him as long as he wears it. He then put a finger in each ear and said: May I become deaf if the Prophet was not the one I heard say it.*

*(Baihaqi)*

*Abu Hurairah reported Allah's Messenger as saying: A time will come to mankind when a man will not care whether what he gets comes from a lawful (halal) or unlawful (haram) source.*

*(Bukhari)*

## **FOOD PRODUCTION**

The corporate world of the capitalist economy has no concern with values. It worships the idol of profits. This explains the sordid behavior of the tobacco companies. This also explains the support given to the white South African government by the corporate world of Euro-capitalism all through the years when the rest of mankind was struggling against *apartheid*! It also explains their support for Israel.

Such a corporate world would never attempt to challenge the movement towards increase of profits (in the production of food) through the use of chemical fertilizers, pesticides, insecticides, genetic engineering etc. Yet when milk is produced through altering the hormones in cows, as with all other products of genetic engineering when applied to food, it can alter the composition of food and lead, among other things, to a loss of chemo-preventative agents in food which can prevent cancer, for example. The following letter to the Editor of an American newspaper published in 1994 is revealing:

*Genes Tell Story Why Some Get Cancer While Others Don't (Science Times, May 17) is on track. Not only are there markers to indicate where a specific alteration in DNA is, but there are assays which may indicate the degree of DNA damage. There may also be chemo-preventative agents to repair damaged DNA before the cell divides and thus prevent the mutations that may cause cancer.*

*Perhaps we will find more chemo-preventative agents occurring naturally in foods than laboratories can ever produce.*

*Carlyle Miller MD.*

*President, Cancer Prevention Research Institute, New York*

The lesson which emerges from this letter is that we should consume only that food which is pure and which, as a consequence, has been produced the natural way. But the natural way of production is labor intensive. As a consequence, food which is produced the natural way is more expensive to produce and is thus becoming increasingly scarce. Corporate farming pursues profit through chemical pesticides, genetic engineering etc. An opportunity has presented itself for Muslims to enter into the field of food production to produce food which is pure. That would be

food which is produced the natural way, i.e. organic farming. It will surely cost more to produce, but it will be healthy food which will prevent cancer. By making such food available to Americans, and themselves consuming such food, Muslims will advance the cause of *Islam* in USA through the elimination of one of the major causes of illness in modern secular society.

A project of food production represents an opportunity for Muslims to intervene in the name of *Islam*, the religion of nature, to provide that food which is pure and which has been produced in accordance with nature (i.e. organic farming). Such food can thus function as nature intended:

- i) as a source of nutrition and energy,
- ii) as a cure for certain illnesses, and
- iii) as a preventative for diseases such as cancer.

Americans, who are increasingly exposed to the growing risks of cancer (in particular breast cancer) would respond with gratitude to Muslims for such a project. In the process of intervening in such a positive way in the life of this country, Muslims can achieve some success in counteracting the negative publicity which the Jewish-controlled media is constantly using to demonize *Islam* and Muslims.

#### **IMPORTANCE OF DAIRY FARMING AND FOOD FARMING IN THE TIME OF FITAN**

*Abu Sa'eed reported Allah's Messenger as saying: The best wealth which a Muslim can possess (i.e., in the time of fitan) will soon be sheep which he will take to the sides of hills and to places where rain falls, fleeing with his religion from civil strife.*

*(Bukhari)*

*Abu Bakra reported Allah's Messenger as saying: Commotions will arise after which other commotions will arise, and then there will be a period of commotions in which the one who sits will be better than the one who walks, and the one who walks better than the one who runs to it. When that happens he who has camels should remain with his camels, and he who has sheep should remain with his sheep, and he who has land should remain with his land. . . . ."*

*(Muslim)*

Please note the great wisdom in this advice. When Muslims resort to dairy and food farming it not only ensures them provision of sustenance, but, also, food which is not contaminated by chemicals and hormone injections etc. Additionally, those whose wealth is in animals and land will not be ripped off by the constantly decreasing real value of wages, the constantly falling value of paper money and the concomitant constantly rising prices.

They will sell neither their animals nor their land, and hence their wealth will be preserved. It is those whose labor is paid for in paper money, or who must sell their goods or properties for less and less, who will grow poorer and poorer, and eventually end up in debt and working for slave wages. Others will live off their sweat.

The owners of animals, and of land, who stick to the land, will not only deny the predatory elite the opportunity to exploit them, but they can even increase their wealth if Allah, the Most Gracious, blesses their flocks and herds with manifold increase.

The wisdom in the advice of sticking to land and to animals is also to be found in the doubt which will attend all livelihood which is earned in a totally corrupted economy. When the entire system is



ripping of an individual, then that individual may end up being forced to rip off others in order to earn his livelihood. And this is precisely what happens when a business, operating from a high-priced rental property, for example, pays to an adult man who is employed full-time, a wage which is insufficient for him to minimally maintain himself and his family. When that happens then the system would have succeeded in its quest to destroy the faith of all of mankind.

*Muslims who read this book should think seriously about disposing of assets and buying farmland and animals with the cash obtained.*

### **SPECIFIC PROPOSAL**

We now wish to propose that workers of *Islam* around the world should study the strategy of establishing financial institutions named, perhaps, *Islamic Business and Investment Companies*. Investors may be invited to invest monthly or lump-sum investments. Our goal should be to bring Muslims and their money together to combine in partnerships (*shirkah*). An investment would constitute part ownership of the company. Such a partnership, and all other partnerships amongst believers, will be blessed with having Allah, the Most High, Himself as an additional partner Who will stay with them in the partnership so long as no partner cheats the others:

*Abu Hurairah traced to the Prophet that Allah, Who is Great and Glorious, said: I make a third with two partners as long as one of them does not cheat the other, but when he cheats him I depart from them. (Abu Daud transmitted it and Razin added: and the devil comes). Hadith al-Qudsi.*

Investments should, eventually, be made in *dinars* rather than dollars, and the *dinar* should be restored to what it was at the time of the Prophet (*s*), i.e. a gold coin minted from gold which was created by Allah, the Most High, and which was meant by Allah, the Most High, to be used as currency (among other uses):

*And there are those who hoard gold and silver and spend it not in the Way of Allah . . .*

*(Qur'an: al-Tauba:-9:34)*

In order to succeed in offering Muslims an alternative to *riba*, *Islamic Business and Investment Companies* must attract large-scale participation by Muslims. There have been many well-intentioned efforts by Muslims in USA at establishing investment companies which would be free of *riba*. Such efforts have never succeeded in making any significant impact on the Muslim community because they suffer from a defect in methodology. They have not followed the divine methodology of continuous public education on the subject of *riba*. Nor have they been successful in reaching out to the community of Muslims as a whole to persuade them to turn away from *riba*. Nor have they presented the argument that business is the alternative to *riba*, and if business is conducted honestly it has the capacity to demonstrate its superiority to *riba*-based capitalism! Some of such companies are, in fact, operating in a manner quite similar to some so-called *Islamic Banks* which the frightened regimes of some Muslim countries are supporting as an escape valve for the pressure of *riba*.

Our goal should be to attract mass participation by Muslims in the effort to respond to *riba*. It is only if all the Muslims come together as a community that we would have a possibility to deny capital to the banks and raise the capital with which to establish

that attractive alternative to *riba*-based capitalism, i.e. business in a free and fair market!

The economic *Sunnah* is today the best defense against *dajjal* and the most effective means of penetrating the hearts of the oppressed in the modern world and winning them for *Islam*!

Before, however, we can even attempt to provide Muslim brothers and sisters with *Islamic Business and Investment Companies* (IBIC) as an alternative means of capital formation to *riba*-based banking system, and to convince them to turn to that alternative, it is first necessary for us to do the following:

1. Explain to Muslims what is *riba*, and what are the different forms in which it manifests itself,
2. Inform them of the prohibition of *riba* in *Islam* and the punishment which awaits those who indulge in *riba*,
3. explain to them, as well as to interested non-Muslims, why *riba* has been prohibited,
4. explain to them the stage-by-stage process through which Allah, the Most High, and His Messenger (*s*) dealt with *riba* until it was completely eradicated from Muslim society,
5. warn them that the universal presence of *riba* today is a sign of the coming of the last day.

When the company is established and the capital has been raised through investments, the company would now engage in business. All the partners will participate in the business. And all will share the profits or losses.

*Islamic Business and Investment Communities* can also mobilize investment funds to be provided to Muslim businessmen for the purpose of establishing or expanding businesses. Instead of having to borrow from a bank on interest (*riba*) and assuming all risks (without the bank sharing any of the risks involved in business), such businessmen can invite IBICs to invest in their businesses with the amount which would otherwise have been borrowed from the bank. The IBIC would share the operation and the risks of the business enterprise with the Muslim businessman. And much of the profits which would otherwise have been used to pay interest (*riba*) to the bank, would now go to Muslim investors.

In addition, the Muslim businessman would be saved from entering into *riba* as well as into *debt*!

The IBIC would serve as the means through which the Muslim community can raise such capital as can be invested in projects which are too large for individual Muslim businessmen, but which represent strategic opportunities for advancing the Cause of *Islam* in America and around the world. Such, for example, would be large-scale projects for food production which would conform with the strict *Qur'anic* requirement of being permissible (*halal*) and healthy (*tayyib*).

*Islamic Business and Investment Communities* should also be established to provide Muslims with institutions through which they can invest their savings through *mudaraba* investments (i.e. limited partnerships) and receive a *halal* profit/income from such investments. There will no longer be any excuse for Muslims who put their savings in Savings Accounts and Fixed Deposits in Banks, or in the speculative transactions of the Stock Market.

## PROPOSAL FOR THE ESTABLISHMENT OF AN ISLAMIC PUBLISHING COMPANY BASED ON *MUSHARAKA* OR *MUDARABA*

We propose, for the consideration of Muslim entrepreneurs, wherever in the world this book may reach, the establishment of an *Islamic Publishing Company* which would publish strategic literature on *Islam* such as books on the prohibition of *riba*. The 'establishment' *Islamic publishing companies* would be scared to publish *Islamic books* which reveal the true nature and mission of modern dominant godless European civilization and its war against *Islam*.

Books on *Islam*, to be published by this publishing company, would fulfill the following very specific needs:

1. Defending *Islam* and Muslims against attacks which are increasingly being launched by an essentially godless and largely Jewish-controlled media and publishing industry;
2. Defining *Islam* authentically and thus protecting Muslims from being misled by revisionist and modernist interpretations of *Islam*. An excellent book, which performs precisely such a function, is the two-volume work entitled: 'The *Qur'anic* Foundations and Structure of Muslim Society' by *Maulana* Dr. Muhammad Fadlur Rahman Ansari (*may Allah have mercy on him*).
3. articulating *Islam* to the modern secularly educated world in a manner which would demonstrate *Islam's* capacity to solve the most serious and dangerous problems facing all of humanity (and, in particular, families) today;

4. Introducing the *Qur 'an* in a manner which would conclusively demonstrate to non-Muslims as well as to secularized Muslims that it is the Word of Allah, the Most High, - indeed, that it cannot be other than the Word of Allah, the Most High;
5. using the city in which the publishing company is located as a base for guiding public opinion to facilitate the effort of protecting the faith of the believers and for restoring the *jama 'ah* and *Imam/Ameer* who must be obeyed;

Such an *Islamic* Publishing Company would also perform the crucially important function of providing an avenue for local *Islamic* scholars to conduct research and to write books which will be highly relevant to local challenges. No such avenue exists today. Such a publishing company can be established as a commercial venture and should yield a positive return on investment. Local laws should permit such a venture to be established. Eventually, of course, Muslims will no longer have this freedom. But while still the freedom lasts it should be used.

#### **THE STRATEGY OF PUBLIC CONFRONTATION**

After a program of public education has been effected, a mobilization of the latent faith in the bosom of the oppressed masses should be the next goal of the revolutionary *Islamic* movement. The oppressed have to be roused to participate in a mass struggle for liberation from economic oppression. When that struggle is led by Muslims it will lead to the restoration of the sovereignty of Allah, the Most High, over territory, and that would be *Dar al-Islam*, and a rejection of the false claim to sovereignty of the modern secular State.

There is, I believe, much which we can learn from the strategy of mobilizing the oppressed displayed in the success of the call for a million-man march of the oppressed to Washington DC in October 1995. The oppressed responded to the call of Louis Farrakhan because he was perceived to be someone who had established credentials for making such a call. Farrakhan, like Imam Khomeini, stood outside the system and denounced it! He did not form part of the system. No one else in USA could have made the call for a million-man march of the oppressed and succeeded because no one, including the so-called leaders of the Muslims, have worked for or earned such credentials. Fidel Castro succeeded in his struggle against the oppressors in Cuba because the oppressed masses responded to his call. They did because he also did not form part of the system, and he opposed it from outside.

The *Islamic* movement cannot earn the revolutionary credentials necessary for successfully mobilizing the masses if it functions as part of the political system created and sustained by the oppressors. We have great respect for *Maulana* Abul 'Ala Maududi (may *Allah* have mercy on his soul) but we must direct attention to the disastrous mistake which he made when the revolutionary *Islamic* movement which he created, *i.e.* the *Jamaat-e-Islami* (of Pakistan), was registered as a political party and then operated within the political system of Pakistan in a futile attempt to bring about revolutionary change to Pakistan. The *Jamaat-e-Islami*, and other such revolutionary *Islamic* movements as the *Tanzeem-e-Islami* (led by that outstanding *Islamic* scholar, Dr. Israr Ahmad), have to earn such credentials as would result in them being perceived by the oppressed masses as forces which can liberate the oppressed from oppression. Those credentials cannot be earned without the following:

1) **Scrupulous adherence to the command of Allah, the Most High, in the *Qur'an* prohibiting a relationship of dependence on, and subservience to, Christians and Jews. (*Qur'an: al-Maida:-5:54*). This implies that we, Muslims, must not submit to the dominant Judeo-Christian Western civilization and must carefully guard our independence from their dominance and influence. The monarchy and government in Saudi Arabia committed treason against *Islam* by taking the Arabian heart-land of *Islam* into a client-State relationship with the Judeo-Christian West. One of the criteria by which we can recognize the true guides and scholars of *Islam* today is that they unequivocally denounce the treason of the Saudi regime, and of all other such regimes which today control the world of *Islam* on behalf of their western masters. Western civilization has all but declared war on *Islam*. Allah, the Most High, responds in the *Qur'an* by warning:**

*Oh you who believe! Take not My enemies and yours as protecting friends , - offering them your love, even though they have rejected the Truth which has come to you . . .*

*(Qur'an: al-Mumtahinah:-60:1)*

2) **Making the struggle for the liberation of the oppressed their first priority. This can never be achieved if they become part of the system of political and economic oppression. *Islam* cannot be accommodated within a system of oppression.**

3) **Educating the oppressed so that they will understand the nature of the political, economic and religious oppression to which they are subjected. The most important element of this process of education would be education concerning *riba*.**



4) confronting, denouncing and challenging the oppressors, in particular those engaged in the economic oppression that is *riba*.

5) waging an armed struggle for the liberation of the oppressed within the world of *Islam* (after exhausting all peaceful efforts to achieve that goal).

That armed struggle for the liberation of the oppressed who reside outside the world of *Islam* cannot be waged until the world of *Islam* has itself been liberated! And so the strategy for the *Islamic* movement outside the world of *Islam* is the same as that which was adopted in Makkah prior to the *hijrah*, i.e. *passive resistance with the greatest effort possible to ensure that faith in Allah, the Most High, is not corrupted and destroyed.*

If anyone entertains any doubts concerning the legitimacy of waging an armed struggle for liberation from the oppression of *riba*, he should recall the very last revelation of the *Qur'an*, sent down when the Prophet (*s*) was about to die, and sent down after Allah, the Most High, had announced the perfection of religion and the completion of his favor to the believers, in which Allah, the Most High, and His Messenger (*s*) declare war for that very purpose!



## CHAPTER SIX

### *RIBA AND DAR AL HARB*

Many Muslims respond to lectures on *riba* with many very important questions and observations. Some question the juristic opinions of some *ulama* that there is no *riba* in *Dar al-Harb*. What is *Dar al-Harb*?

Allah, the Most High, informs us in the *Qur'an* that the whole earth belongs to Him (7:128). He further informs us that His righteous servants shall inherit the earth (21:105). What they, in fact, inherit is the responsibility for maintaining a state of *salaam* on the earth, since Allah, the Most High, calls for such (10:25). *Salaam* means peace, security, and the warding off of evil. That state of *salaam* is violated when aggression is committed, or when a people are being oppressed and tyrannized, and are themselves crying to the heavens for deliverance from oppression. In such a situation Allah, the Most High, makes it obligatory on

Muslims to fight to respond to aggression and to liberate the oppressed. (4:75). Since the Arabic for war is *harb*, such a territory (i.e. territory with which Muslims are at war) was designated *Dar al-Harb*.

There is nothing in the *Qur'an* or the *ahadith* of Prophet Muhammad (s) which make *riba* lawful in *Dar al-Harb*! In the Hanafi School of Law, however, there is an opinion which has now been applied in a rather careless and dangerous way to North America. The opinion is that *riba* can be accepted in *Dar al-Harb*. Here is the relevant section from *Imam Muhammad al-Shaybani's Kitab al-Siyar al-Kabir* which is the most authoritative work in *Hanafi* jurisprudence on the *Islamic Law of Nations*:

764. *I asked: If a Muslim entered into a transaction with a harbi (i.e. someone from dar al-Harb) involving usury (riba), wine, or corpses (dead animals), do you think that such a transaction would be rejected as null and void?*

765. *He (Imam al-Shaybani) replied: Yes, if it took place in Dar al-Islam. If it were in the dar al-Harb, it should not be regarded as null and void, according to the opinions of Abu Hanifa and Muhammad (b. Al-Hasan).*

766. *I asked: Why? You have said that if a Muslim enters the Dar al-Harb, it would be permissible for him to sell corpses and take two dirhams in exchange for one.*

767. *He replied: Yes, it would be quite all right to do so in their land, but not - as in the former situation - in the Dar al-Islam, where Muslim rulings are binding on them and where it would not be lawful to do so save what is lawful among Muslims. If (on the other hand) the Muslims were in Dar al-Harb under an aman,*

*it would be lawful for him to acquire property from them in accordance (with their law) by their consent, since Muslim rulings would not be binding on them there. This is the opinion of Abu Hanifa and Muhammad (bin al-Hasan). However, Abu Yusuf held that he would not approve of (a Muslim being involved in) a transaction in the dar al-Harb involving riba, wine, or dead animals, and he rejects it. But Allah knows best!*<sup>1</sup>

Even if it were to be agreed upon that there is no *riba* between a Muslim and a *harbi* in the territory of *Dar al-Harb*, we would still argue that United States of America is not *Dar al-Harb* and, hence, the prohibition would still apply in USA. We do so for the following reasons:

In the first place there can be no *Dar al-Harb* without *Dar al-Islam*. And there is no *Dar al-Islam* existing anywhere in the world today, not even in Makkah and Madinah! It was too early, in his time, for an outstanding scholar like Maulana Manazir Ahsan Gilani to perceive that *Dar al-Islam* was coming to an end in his age. Nor, even, could Al-Azhar University perceive this when it convened the Caliphate Congress in Cairo in 1926 in order to respond to the Turkish abolition of the Caliphate in 1924.

In order for a territory to be designated *Dar al-Islam* Muslims must have the freedom, in that territory, to submit to the supreme authority of the Word and Law of Allah, the Most High. In other words, the *shariah* must have supremacy over any and all other laws in that territory. That is no longer possible anywhere in the Muslim world today. Articles 24 and 25 of the Charter of the UN, for example, are in conflict with that essential requirement of *Dar al-Islam*, since they require that member States recognize, instead, the supreme authority of the Security Council of the United Nations:

*Article 24:*

*In order to ensure prompt and effective action by the United Nations, its Members confer on the Security Council primary responsibility for the maintenance of international peace and security, and agree that in carrying out its duties under this responsibility the Security Council acts on their behalf. . .*

*Article 25:*

*The Members of the United Nations agree to accept and carry out the decisions of the Security Council in accordance with the present Charter.*

The Charter of the United Nations was signed on 26 June 1945, in San Francisco, at the conclusion of the United Nations Conference on International Organization, and came into force on 24 October 1945. Very few Muslim countries were free from colonial rule at that time. One of them was Saudi Arabia, which signed this document.

This is just one example demonstrating that all Muslim countries which are members of the UN (such as Iran and Sudan, and all others), and are thus contractually obliged to submit to the supreme authority of the Security Council of the UN, rather than the supreme authority of Allah, the Most High, do not conform with the most fundamental of all the characteristics of *Dar al-Islam*, namely that the authority of Allah, the Most High, must be supreme over the Muslims.

Also, in order for a territory to be designated *Dar al-Islam*, the rights of the Muslims must be respected in that territory. Among

those rights are the following: Freedom to enter the territory of *Dar al-Islam*, a Muslim does not need a visa; freedom to reside in that territory, he does not need a residence permit; freedom to seek his livelihood in that territory, he does not need a work permit; and freedom to participate in the political process (in accordance with the political *Sunnah*) in that territory, he does not need citizenship!

No Muslim country respects these rights anymore, not even Iran and Sudan. And foolish Muslims who have been absorbed in the *jahiliyah* of nationalism would actually oppose efforts to restore those rights. And yet the European Community has copied this aspect of *Dar al-Islam* and established all of these rights for all citizens belonging to member countries of the EC.

In order for a territory to be recognized by Muslims as *Dar al-Harb*, it has to be so designated in a proclamation issued by the *Amir al-Mumineen*. The last time such a proclamation was made was in 1914 by the *khalifa* (Caliph) in Istanbul. (The present King of Saudi Arabia once declared *jihad* against Israel. He appears to have forgotten about it.). Again in 1991 there was the declaration of *jihad* which preceded the Gulf war, and which entered into history as the first ever 'Yankee *jihad*'. If the Muslims were to restore *Dar al-Islam* anywhere in the world, those Muslims resident in that territory will then be in a position to elect a *khalifa* or *Amir al-Mumineen*. He, the *khalifa*, can then (if conditions so justify) declare USA or any other country in the world to be *Dar al-Harb* in accordance with the laws of war and peace in *Islam*!

When a territory is designated *Dar al-Harb* then Muslims are not permitted to reside in that territory. If they have any temporary business there they are supposed to attend to it and then promptly leave that territory.

*Harbis* (i.e. the citizens of *Dar al-Harb*) are a people with whom all Muslims are at war. Hence a *harbi* can be killed by any Muslim in accordance with the laws of war. If United States of America is *Dar al-Harb* then a Muslim would be permitted by his religion to kill an American (i.e. *harbi*) in accordance with the laws of war. The *harbi* may, however, enter into *Dar al-Islam* in safety if he is granted an *aman* (a guarantee of safety) by any Muslim, male or female.

Finally, the property of a *harbi* can be seized by any Muslim in accordance with the laws of war. This would apply to the property of Americans if United States of America is *Dar al-Harb*. The above observations should force Muslims resident in North America to pause before they accept any opinion to the effect that USA is *Dar al-Harb* and that it is permissible for Muslims to take loans on interest in USA, or to utilize for their own benefit the interest which is paid to them!

If a Muslim accepts the view that USA is *Dar al-Harb*, and yet seeks to acquire or to retain US citizenship or permanent residence (Green Card), he or she would, firstly, be engaged in clear hypocrisy and even treason against *Islam*! Such Muslims would face terrible consequences on the Day of Judgement unless they made *tauba* and sought to leave *Dar al-Harb* as soon as possible. Secondly, the US government would be entitled to revoke the citizenship and Permanent Residence (Green Cards) of all such people and arrest or deport them.

#### NOTES OF CHAPTER SIX

1. Majid Khadduri: *The Islamic Law of Nations. Shaybani's Siyar* translated with an introduction, notes and appendages by Majid Khadduri. The John Hopkins Press. Baltimore. Maryland. 1966. pp. 173-4.



## CHAPTER SEVEN

### *RIBA AND THE LAW OF NECESSITY*

The argument has been raised by some that the law of dire necessity (*idtirar*) is applicable, in so far as the prohibition of *riba* is concerned, for Muslims resident in North America.

What the doctrine states is that the *shari'ah* makes allowance for exceptional situations where an enforcement of a prohibition would neither be humane or just. Such, for example, is the case of the prohibition of the consumption of pork. If a Muslim is starving to death, and the only food available which can be consumed for saving his life is pork, he is permitted to eat that pork, which otherwise remains prohibited, for the purpose of staying alive.

The *Qur'an* addresses the issue in a number of separate passages:

*Forbidden for you (for food) are: dead meat, blood, the flesh of swine, and that on which has been invoked the name of other than Allah . . . but if any is forced by hunger, with no inclination to transgression (and not making it a habit), then surely Allah is Oft-Forgiving, Most Merciful.*

*(Qur'an:- 5:4)*

*Say: I find not in the Message received by me through revelation any (meat) forbidden to be eaten by one who wishes to eat it, unless it be dead meat, or blood poured forth, or the flesh of swine, - for it is an abomination - or, what is impious, (meat) on which a name has been invoked, other than Allah's. But (even so), if a person is forced by necessity, without willful disobedience, nor transgressing due limits, - (and not making it a habit) thy Lord is Oft-Forgiving, Most Merciful.*

*(Qur'an:- 6:145)*

*Why should you not eat (meats) over which Allah's Name has been pronounced, when He has explained to you in detail what He has forbidden for you - except under compulsion of necessity? But many do mislead (men) by their appetites unchecked by knowledge. Thy Lord knows best those who transgress.*

*(Qur'an:- 6:119)*

*He has only forbidden you dead meat, and blood, and the flesh of swine, and that on which any other name has been invoked besides that of Allah. But if one is forced by necessity, without willful disobedience, nor transgressing due limits, - then he is guiltless. For Allah is Oft-Forgiving, Most Merciful.*

*(Qur'an:- 2:173)*

The law of necessity can be considered to be applicable in North America, in so far as the prohibition of *riba* is concerned, only after the Muslim community has made its best collective effort to demonstrate that an alternative economic life is possible, and has failed in that effort. A Muslim may then be permitted to enter into *riba* if he can demonstrate the existence of an urgent compelling basic need of life which requires urgent satisfaction and which cannot be satisfied without entering into *riba*. What can such a need be?

Most Muslims in North America who enter into *riba* do so for the purpose of buying a house in which they would reside. Clearly, the argument to which they resort is that shelter, in the form of a home, is a basic human need. Such Muslims should pause to consider that undeniable fact that it is possible to rent a house in North America, and that such a rented house can satisfy the need for shelter. Millions of non-Muslim Americans live in rented homes, - why can't Muslims? There is, in fact, no excuse for a Muslim to enter into *riba* for the purpose of buying a house in which to reside, when it is possible for him to rent such a house.

The argument may be raised by some that there is greater security in owning a home than in renting one. That is surely a valid argument. And it is that very need to own a home which is exploited by the *riba*-based economy to spread its poisonous tentacles. In fact it is sometimes far more difficult and expensive to own a home through borrowing on interest, than through abstaining from borrowing on interest and availing instead of a rent and purchase partnership agreement for eventually owning a home.

When you buy a house through a bank loan you pay about 30-40% more in price than if you had rented the same house and, while renting, purchased it over the same period of time, interest-free,

with the same schedule of payments (minus interest). Such a purchase agreement would take the form of *shirkah* (partnership) in which the buyer and seller of the house would enter into a partnership through which the buyer progressively acquires the seller's equity until he acquires full ownership.

Buying a house with a bank (housing) loan and mortgage has a number of disadvantages:

1. The Muslim will violate the law prohibiting *riba*,
2. He will pay an extra 30-40% more than he would pay through renting and buying through *shirkah*,
3. He will enter into a long-term debt. Anyone who studies the economic *Sunnah* as it pertains to debt would understand that it is both very foolish and very dangerous, in addition to being a violation of the economic *Sunnah*, for a Muslim to enter into long-term debt.
4. Death can take place at anytime. A Muslim who dies with a debt (and a bank loan is a debt), and without the means to pay off the debt, will die a death in which the Prophet (*s*) himself would refuse to pray the *salatul janazah* over his body!
5. A Muslim who dies with such a debt will burden his family with that debt. If his widowed wife and orphan children fail to keep up with the monthly payments, and that is always possible, the bank will foreclose on the property. When that happens then not only will that family be without a home at a time when they most need it but, worse still, they can be cheated out of whatsoever equity

they possessed in the house. Banks assign a high percentage of each installment towards paying interest. In the first five years of a twenty-year loan of \$100,000 with an installment of say, \$1000 a month, only \$1,000 out of \$12,000 in annual payments may be credited towards the repayment of the principal sum borrowed. After five years, and after he has paid \$60,000 in installments, only \$5,000 of that would have been credited towards the repayment of the principal sum borrowed. So, in five years, he would have paid \$55,000 in interest, in addition to which he paid property taxes for a house he did not own (the bank owned it), in addition to which he was responsible for the maintenance and repairs of the property, in addition to which he had to pay insurance for a property which he did not own (the bank owned it). On top of all of that, the bank now informs his widowed wife that the property (on which it has foreclosed) will have to be sold in order to recover the \$95,000 still outstanding on the loan. The bank sells the property for \$80,000 in a 'sweetheart' deal and then bills his widowed wife for \$15,000 still outstanding on the loan, - and this takes place after the family has already paid \$60,000 in installments on a \$100,000 loan! This practice is constantly occurring.

6. A Muslim who enters into a long-term debt may never be able to perform the *hajj* with any confidence that his *hajj* will be accepted by *Allah, the Most High*. The Prophet (*s*) declared that it was an act of *dhulm* (wickedness and injustice) that one who had the means to pay a debt (or even part of a debt) should delay in paying it.

But let us suppose that a Muslim has persuaded himself, with a *fatwa* from some misguided *Shaikh* who is on the payroll of an

equally misguided government, that the law of necessity applies in so far as housing is concerned, and that he is permitted to take a bank loan on interest for the purpose of buying a house. The question is, what kind of house can he buy? The principle is that he should partake of the minimum amount of pork needed to keep body and soul together. When applied to housing the principle would be that he should buy the smallest and least expensive house which can satisfy the need for shelter. Muslims are not doing that!

How small can a house be, if it is to satisfy the need for shelter? The *Qur'an* informs us that we have the best model or example in the Messenger of Allah, the Most High. And the homes which he provided for his wives, which is where he himself dwelled, were quite small. Some idea of how small they were can be glimpsed in this *hadith*:

*Abu Salaam narrated that Aisha, the wife of the Prophet said: I used to sleep in front of Allah's Messenger, and my legs were opposite his qibla. While prostrating he would nudge my legs and I would withdraw them. Then when he stood up I would stretch out (my legs). Aisha added: In those days the houses were without light.*

*(Bukhari)*

Secondly, people should not become prisoners of houses. They should be able to travel through *Allah's* earth when they feel the need to do so. And so, sometimes, one needs a home which one can take with him when he travels. The American Indians lived very happy and contented lives in tents made of the skins of animals. And lest anyone complain that space would be too small, or that house too flimsy for civilized living, let us recall the verse of the *Qur'an* in which Allah, the Most High, speaks of homes as places of rest and quiet and then goes on to speak of homes made of animal skins.

*It is Allah who has granted you houses as homes in which to live (in a state of rest and quiet). And has granted you the skins of livestock (to make) houses which you find so light (and handy) on the day when you pack them up to move elsewhere, and on the day when you come to a halt. From their wool, their fur and their hair come furnishings and commodities for a while.*

*(Qur'an:-16:80)*





## CHAPTER EIGHT

### CONCLUSION

We live today in a world in which the overwhelming majority of those who buy houses, or cars etc., or who pay for college education, do so on the basis of bank loans which involve the payment of interest. Most of those who use credit cards also incur loans with interest. In fact I know of cases where Muslims took bank loans on interest in order to meet the cost of performing the *hajj* or, worse yet, to establish a *masjid!*

The overwhelming majority of such people have gone on to invest their savings in investments such as fixed deposits in banks, bonds etc. which yield interest.

What most of such people do not know, and would not know were it not for the *Qur'an* and Prophet Muhammad (s), is that every time they borrow money on interest, or take the interest which the bank pays them for a fixed deposit, they commit a sin

worse than rape. In addition, they are either being ripped-off and oppressed, or are participating in a rip-off or an act of oppression, or are legitimizing a system of oppression and exploitation! When they borrow money on interest they support a system of legalized theft and oppression which sucks the blood of mankind. As such they bear responsibility for the whole system of blood-sucking. This is clear from the fact that the Prophet cursed all four, the taker of *riba*, the giver of *riba*, the scribe who records the transaction, and the two witnesses, and declared that they were all equally guilty. (*Sahih Muslim*)

It is our responsibility to explain this to them. This book should assist us in doing so.

The reason why mankind is largely unaware of the divine prohibition of *riba* (interest or usury) is because the scriptures sent by Allah, the Most High, were rewritten and changed to modify the prohibition of *riba*! This happened with the Torah sent to Moses (*s*) and the Gospel sent to Jesus (*s*).

And so Allah sent the *Qur'an* which declared *riba* to be *haram* (prohibited by Allah, the Most High). And Prophet Muhammad (*s*) explained that all those involved in such transactions (whether as borrower, lender, administrative personnel, or witnesses to the transaction) would be committing a very great sin for which they would be severely punished by Allah, the Most High. The Prophet (*s*) informed the world that he saw people in hell with huge protruding transparent bellies filled with snakes. He was told that they were people who consumed *riba*!

It matters not whether the people involved in such transactions are Christians, Jews, Hindus, Buddhists, part-time Muslims or any other people, it would still be a sin, and they would still be se-

verely punished. This is so because Prophet Muhammad (*s*) was sent as the final prophet of Allah, the Most High, to all mankind, and the divine guidance in the *Qur'an* is addressed to all mankind. Thus the prohibition of *riba* applies to all Americans, all Chinese, indeed all mankind!

We have made the point, in this book, that the *Qur'an* simply restored and reaffirmed the prohibition of *riba* in the divine scriptures revealed previously to Moses, David, and Jesus (peace and blessings of *Allah* be upon them).

So great is the sin of *riba* that there are, perhaps, very few sins which a human being can commit which can be greater than it. Such would be the sin of worshiping a god or gods other than Allah, the Most High, such as idols, or a god who is male or female, or a god who appeared in the person of a man in Bethlehem or Chicago etc. Such also would be the sin of assuming divine powers and changing and rewriting the revealed Word of Allah, the Most High, (which was done to the Torah, the Psalms and the Gospel in respect of the prohibition of *riba*) etc.

Our examination of the subject has revealed *riba* to be any economic advantage or material gain which is derived by way of deception through means which are unjust, - such as ripping off, cheating, bribing, corrupt exploitation of influence or authority for unjust advantage, deception in trade, speculative transactions, living off the sweat of others etc.

*Riba* sometimes takes the form of a system of legalized theft as in a banking system based on interest and usury, or a monetary system based on non-redeemable artificial paper money. Because of *riba* money itself, which is basically a store and measure of value and a medium of exchange, is replaced with an artificial

substitute which becomes a commodity traded in a market. The currency market, as well as so many other markets, are skillfully manipulated for the value of paper money to constantly decrease. The US dollar, for example, has lost 92% of its value in the last 25 years. Very few people are even conscious of this fact. Every time artificial money loses value the masses lose and a predatory elite gains. That is *riba*!

Because of *riba* wealth is sucked from the masses and is concentrated in a predatory global elite. Society eventually becomes polarized between 'haves' and 'have nots'. Wealth then circulates only amongst the wealthy while the poor are condemned to be imprisoned in permanent poverty. The predators then move to the security of the well-protected suburbs to escape the violence which now ravages those societies which have been sucked dry of their wealth. European civilization has already witnessed this. The predators in European civilization have left behind their Euro-Jewish synagogues and Euro-Christian churches, and have abandoned their dead in their Euro-cemeteries located in inner cities which have been ravaged by *riba*.

*Riba* thus constitutes various forms of economic exploitation and oppression made possible through the corruption of the free and fair market. Because of *riba* a new sophisticated form of slavery is descending upon all mankind. And European civilization continues to be the slave-masters. The supreme slave-masters today are, however, those Jewish people who are the masters of *riba*.

In Capitalism wealth must constantly increase, by means fair or foul. More than anything else it is *riba* which ensures that increase. The rich grow richer and the poor grow poorer. In *Islam* the goal is to ensure that wealth circulates throughout the economy and not circulate only amongst the rich (*Qur'an*: 59:7). What a difference!

*(I.e. community of believers) and the Imam (I.e. the Ameer or leader of the jama'at whose authority is constituted through the act of baiya'ah or pledge of allegiance) (thus that community and its leader will live their lives in conformity with the Qur'an and Sunnah and, as a consequence, would be rightly guided). I said: If there is neither a jama'at nor an Imam? He said: Then turn away from all those firaq (i.e. misguided Muslim groups which, since they have failed to constitute themselves as a jama'at with an Imam/Ameer whose authority is established through baiya'ah, are denounced as sects) even if you were to bite (eat) the roots of a tree till death over-takes you while you are in that state.*

*(Bukhari, Muslim)*

And so, the best protection against *riba* that one can take is to be a member of the *jama'ah* which is led by an *Imam* who has knowledge of the *Din* and is leading the *jama'ah* in accordance with the guidance and injunctions in the *Qur'an* and *Sunnah*. One should give the pledge of obedience to such an *Imam* and then live in accordance with the discipline which he enforces.

May Allah, the Most High, grant His protection from the great sin of *riba* to all those who follow the advice of the Prophet (*s*) to adhere to the *jama'ah* and to obey the *Imam/Ameer*. *Ameen!* And may He forgive any mistakes we may have made in treating this important and difficult subject. *Ameen!*

**End**

## APPENDIX

### Questions and Answers on *Riba*

**Question:** *Is a Muslim allowed to place his money in a savings account or a fixed deposit in a bank?*

**Answer :** No! That would yield an increase which would be interest or *riba*. And *Allah, the Most High*, and the Prophet (*s*) have prohibited Muslims from consuming *riba*.

**Question :** *Is a Muslim prohibited from paying interest (riba)?*

**Answer :** Yes! Whether it be interest on a loan for buying a house, or car, or for paying for college education, or interest payments on credit cards etc., Muslims have been prohibited from paying interest. The Prophet (*s*) cursed all four and said that they were all equally guilty, - the one who accepted *riba*, the one who paid *riba*, the one who recorded the transaction and the two witnesses. He said that they were all equally guilty.

**Question :** *If a Muslim has already entered into *riba* for purchasing a house, what can he do in order to obey Allah, the Most High, and His Prophet (s)?*

**Answer :** He can sell the house and pay off the bank loan. He can then live in a rented property until he can afford to purchase a house with cash. If houses are expensive and he cannot afford to purchase one with cash he should follow the *Sunnah* and be content with the smallest house or apartment which can be built or purchased without having to borrow.

Or he can make an effort to attract a sufficient number of inves-

tors who would put up the money with which to pay off the bank. If the market value of the house was \$100,000. and he owed the bank \$50,000., then the investors who paid off the bank would have a 50% ownership of the house, and he would have 50%. He would then rent the house from the partnership (which now owns the house). If the rent is \$1000. per month \$500. would be returned to him as his share of the return on investment. He would then enter into a second agreement to purchase from the investors their equity in the property in accordance with a schedule of payments which is mutually agreeable. Every year, however, there will be a new appraisal of the value of the property. Eventually, when he has purchased the entire equity of his partners, he will be the sole owner of the house.

**Question :** *Can a Muslim invest in the stock market?*

**Answer :** First of all, what is a stock? A stock is a part of a company; if you buy the stock of a company, therefore, you have become a part owner of the company. You are now entitled to share in both profits and losses of the company. Investors earn dividend payments from their stocks. They can also realize a profit by selling their stocks for more than what they paid.

The stock market in a free market is a valid and legitimate economic institution. But a free market no longer exists in the world today. The stock market in a capitalist economy is permeated with *riba*; indeed it is usually a den of gamblers and thieves. Speculation is the dominant force in today's stock market. And speculative transactions are *riba*. What is a speculative transaction? It is a transaction in which one buys anticipating that the price would eventually rise. When it does, one sells and makes a profit. It can also be a transaction in which one sells anticipating that the price will fall. When it falls one then buys back what one had sold and

thus make a profit! Speculative transactions are no different from gambling. A Muslim should rather invest in his own business or, failing that, invest in a *halal* business owned and operated by someone, or by a group of people who are honest and who have business acumen.

Today's stock market operates on the basis of access to information. Whoever gets information first can exploit that knowledge and make money. Thus one of the keys to consistent gain in the stock market is access to timely information. Access to information is usually obtained through bribery and patronage. It thus becomes insider information. Insider information from official government sources is sometimes obtained as *quid pro quo* for political campaign contributions made at election time. Those honest investors who do not have access to insider information and privileged information stand no chance of success in a stock market which thus operates by way of deception, and hence by *riba*!

**Question :** *Can a Muslim own and use a credit card?*

**Answer :** A credit card is a card which permits its owner to borrow a certain amount within a period of time (usually one month). If that loan is repaid within the stipulated period then that loan would be an interest-free loan. If, on the other hand, the loan is not repaid within the stipulated time then interest (*riba*) would be charged on the loan. A Muslim is prohibited from paying interest, and so a Muslim who pays all his credit card debts on time, and never has to pay interest, may argue that he has not violated the law in using a credit card. But consider the following: The agreement with which one acquires a credit card is an agreement with provisions for *riba*. Such an agreement is *haram* for a Muslim. Thus by entering into the agreement one has entered into *riba*.



Can a Muslim accept credit on the condition that if it is not repaid on time the Muslim commits himself to drink a glass of whisky? No! Can a Muslim accept credit on the condition that if it is not repaid on time the creditor will have the right to sleep with his wife? No! Well, then, how can a Muslim accept credit on the condition that if it is not repaid on time he will be obliged to pay *riba*?

Secondly, whatever leads to *haram* is itself *haram*. While one person may display financial responsibility to the extent of paying all credit card loans on time, there will be ninety-nine who will not, and who will enter directly into paying *riba*. To accept such a possibility one would have to adopt the principle in life of 'every man unto himself and the devil take the hindmost.' A Muslim is prohibited from living such a life.

**Question :** *Can a Muslim maintain a checking account in a bank?*

**Answer :** In my opinion - Yes! Checking accounts do not normally pay interest. One should, however, make sure with one's bank. One should not, however, maintain an average monthly balance in a checking account greater than the amount needed to clear whatsoever checks may be written out each month. There are two reasons for this: firstly, the bank would lend your money on interest and you would thus be making a contribution (which could have been avoided) towards maintaining the system of *riba* banking; secondly, paper money is *riba*, it will collapse one day according to the prophecy of the Prophet (s). Muslims should take all possible steps to protect themselves from that crash. One way they can do that is to keep the minimum currency possible in paper money. I hope it will be possible for us to mint gold and silver coins one day. When that is done then currency can be stored in *dinars* and *dirhams*. When the crash occurs, those

whose savings are kept in *dinars* and *dirhams* will suffer no loss!

**Question :** *Can a Muslim rid himself of *riba* money through giving it in charity?*

**Answer :** No! What is *haram* for a Muslim is also *haram* for his brother.

**Question :** *Can *riba* money be given when donations are being made for the masjid?*

**Answer :** No! Not even the pagan Arabs who worshiped idols would accept *riba* money for the *masjid al-haram* (when the *ka'aba* was being rebuilt before the call of *Islam*).

**Question :** *Well then, if *riba* money cannot be used for any personal benefit, and if it cannot be given in charity, what should we do with it?*

**Answer :** This is my reply to a letter I received on the subject from a Muslim sister who had made an investment prior to entering into *Islam* and had realized some return on the investment. She wanted to know whether the money she had made was *riba* and, if it was *riba*, then what could she do with it:

*Dear Sister .....*

*Thank you for your letter. It warms my heart to find such fear of Allah as was revealed in your letter. I am also so very happy that the booklet on 'The Importance of the Prohibition of Riba in Islam' should have provoked such a positive development in your own life. Alhamdu lillah!*

*Your investment is such that while the amount of profit can fluc-*

*tuat*e, there is no corresponding possible risk of loss. Such a transaction is not *ba`i* (business or trade). It is clearly *riba*! You are therefore involved in very great sin and should take immediate steps to get out of it. If you committed the sin in a state of ignorance, and then took immediate steps to correct yourself as soon as you learnt of the sin, then you would have fulfilled one of the requirements for the forgiveness of Allah, i.e. *tauba*.

*How can you dispose of the *riba* money which has accumulated through this investment? Firstly, it cannot be used for your own personal benefit. Secondly it cannot be given to others as charity since what is haram for you (*riba*) is haram for all of mankind.*

**Perhaps the only possibility open to you (i.e. for disposal of the *riba* money), which may also enhance your chances of being forgiven by Allah, is the following:**

*The enemies of Allah are waging war against all of mankind, in general, and against Muslims in particular, with *riba*. In that state of war which now exists in the economic life of mankind because of *riba*, it might, perhaps, be permissible to use *riba* money to fight *riba*!*

*If you accept our opinion you may use that *riba* money which has accumulated from your investment to print books on *riba* for free distribution. When people read such books and then make the effort to free themselves from the great sin of *riba*, it is possible that Allah may forgive you your great sin of entering into *riba*. And Allah knows best!*

*This is my opinion. It is also the opinion of my brother Shaikh, Imam Alfahim Jobe, whom I have consulted. We may be right. We may, also, be wrong. And Allah knows best.*

*I remain,  
your brother-in-Islam,*

*L.N.H.*

**Question :** *Can a Muslim participate in a pyramid scheme of marketing; i.e. you market a commodity for a company and you get a commission for recruiting a customer? Or your masjid gets a commission for your recruiting a customer?*

**Answer :** If the customer is targeted on the basis of friendship, or because of his sense of loyalty to his *masjid* or *Islamic Center* etc., then the customer's business decision to purchase a particular commodity (such as subscribing to a long distance telephone company) will be made on the basis of considerations not all of which belong to a free market.

A commodity should compete in the market in fair and free competition. An exploitation of ties of friendship, or love for one's religion as a marketing strategy, represents a corruption of the free and fair market. Such a marketing strategy would thus represent a form of *riba*.

**Question :** *The Prophet has prophesied the collapse of the international monetary system based on paper, plastic and electronic money. We are all enveloped in paper money today. What can we do about it?*

**Answer :** The real solution will be possible only when the *Islamic* movement takes control of a territory. The *Islamic* government would then take steps which would eventually result in the elimination of paper money. The *Islamic* government would enact

legislation which would make **gold dinars** and **silver dirhams** legal tender. The *Islamic* government would also establish mints which would mint the gold and silver coins for the public. When gold and silver *dinars* and *dirhams* have been given the status of legal tender, the result will be that labor will now negotiate wages in real money rather than artificial money.

Goods, property, real estate, and services will now witness sellers demanding real money in such sales.

The introduction of gold *dinars* and silver *dirhams* as legal tender will result in a continuous fall in the value of paper money. The more that value falls, and the faster it falls, will result in greater public perception of the superiority of real money over artificial money. Eventually paper money will collapse on its own. When it does, the greatest losses will be sustained, not by the poor masses, but by the predatory elite.

Until such time when real money is restored as legal tender Muslims should seek to protect their savings by keeping savings in gold and silver coins rather than paper money!

## **THE CALIPHATE THE HEJAZ AND THE SAUDI WAHHABI NATION - STATE**

The modern godless world is waging war on Islam, and it is time that Muslims wake up to that fact and respond to it appropriately. No one can possibly respond appropriately to a challenge unless and until he first recognizes and understands the nature of the challenge. Muslims should know that the Caliphate will one day be restored and Islam will replace today's godless modern West as the dominant force in the world. Muslims must now be sufficiently shaken up to look seriously for the causes of their impotence. This book seeks to educate Muslims and provide them with the means whereby they can avoid being duped, and led astray, by those who have betrayed Islam in order to live comfortably.

## **DREAMS IN ISLAM - A WINDOW TO TRUTH AND TO THE HEART**

This book emphasizes the importance of dreams, and, in particular, the phenomenon of true dreams (of which there are no less than eight in the Qur'an), and dreams of the Prophet (s). The author argues that the western epistemology, derived from godless materialism, cannot explain the phenomenon of true dreams, nor can the scientific 'Protestant Islam' of the modern age do so. The Sufis have faithfully preserved the epistemology of Islam which alone can explain a true dream or vision. This book describes the classification and interpretation of dreams, and analyses all eight dreams located in the Qur'an. The book also records all the dreams of the Prophet (s) himself, as well as of his companions.

## **THE RELIGION OF ABRAHAM AND THE STATE OF ISRAEL - A VIEW FROM THE QUR'AN**

This book refutes, from an exclusively Qur'anic perspective, the basic claim to legitimacy of the Jewish State of Israel, to wit: the belief of the Jews that they still remain the 'chosen' people of Allah, Most High, and that they were given 'exclusive' and 'eternal' title to the holy land of Palestine. The author argues that recognition of the State of Israel would imply acceptance of its basic claim to legitimacy, and hence would constitute an act of *shirk!*

## **THE IMPORTANCE OF THE PROHIBITION OF RIBA IN ISLAM**

The main theme of this book is a demonstration of the importance of the prohibition of *Riba* in Islam. Most Muslims in the world today are largely ignorant of the importance of this prohibition, and of the severe punishment which awaits those who indulge in *Riba*, either as lenders, borrowers, bankers, or even witnesses. Punishment will begin in the grave itself!

## **ONE JAMA'AT - ONE AMEER: The Organization of a Muslim Community in the Age of Fitan**

This book first attempts a selective yet conclusive demonstration of the fact that we now live in the age of *Fitan* described by Prophet Muhammad (s) as the last age, or the age which will witness the end of history. It then points out that the Prophet (s) has given specific instructions that Muslims must hold on firmly to the (authentic) *Jama'ah* and to the *Ameer/Imam* (leader) in the age of *Fitan* if they are to survive the great trials and evil of this age with their faith intact.

## **THE PROHIBITION OF RIBA IN THE QUR'AN AND SUNNAH**

This book attempts to present the otherwise complex subject of *Riba* in a way which is simple, and easily comprehensible. The book also refutes the false opinions that modern bank interest is not *Riba*, - that borrowing on interest for housing etc., is permissible because of the doctrine of necessity (*darura*), - that borrowing on interest in western countries is permissible because these countries are *Dar al-Harb*, - and that buying 'cash' and selling 'credit' with a 'mark-up' (see Muslim Credit Union) is permissible because it is not *Riba*. All those opinions are not just false, but dangerously false. All those transactions are *Riba* and, thus, *Haram!* Terrible, terrible punishment awaits those who persist in *Riba* even after the divine warning has reached them. The book also has an Appendix of Questions and Answers on *Riba*.

## **THE STRATEGIC SIGNIFICANCE OF THE FAST OF RAMADAN & ISRA AND MIRAJ**

Section One of the book attempts to demonstrate that fast of Ramadan was meant to play a strategic role in mobilizing the Muslim community for consolidation of its unity, solidarity, faith and morale, and for building that power with which to resist aggression, deter the aggressor, liberate the oppressed and validate the Truth. The trust of the argument is located in the analysis of the chronological sequence of the simultaneous divine promulgation of three things: i) change in *Qibla*; ii) permission for *Qital* (fighting); iii) fast of Ramadan

Section Two looks at the spiritual, scientific, epistemological, political theological and the strategic implications of *Isra* and *Miraj* of the Holy Prophet Muhammad (s)

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*Islam* declares that the oppressed have the right to resort to force in their struggle for liberation from all forms of oppression, including economic oppression! No law can take away that right from them.

This work has exposed the many forms of *riba* to be the most destructive forces at work corrupting and destroying the free and fair market. *Riba* should be recognized as the curse of business and trade, - and as systematically destroying the collective benefits which are derived from business and trade. The injustices involved in *riba* are both enormous and dangerous. It breaks up, for example, the unity and fraternity of the social order and creates class hatred, violence, chaos etc. or what the *Qur'an* describes as *fitna*.

The prevalence of *riba* in the world today further confirms that we now live in the age of *fitan* (evil) which the Prophet (s) prophesied to be the last age before *qiyamah* (the end of the world). How should a Muslim live in the age of *fitan*? A companion of the Prophet (s) named Hudhaifa asked the Prophet about the age of evil and how we should live in that age. This was his reply:

*Among the Signs of the last day as described by Allah's Messenger to his companion, Hudhaifa, is the following: People will follow a Sunnah other than mine and give guidance other than mine, so you will find in them both something to acknowledge and something to reject. I asked whether there would be any evil after that good and he replied, Yes, there will be people who summon others at the gates of jahannam into which they will cast those who respond to them. I asked Allah's Messenger to describe them to us and he said: They will be of our stock and speak like us. I asked what command he had to give me if that happened in my time and he replied: You must adhere to the jama'at*