

Tafseer Al-Baqarah (2: 281)

From the Book, Introduction to the Tafseer of the Quran,
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(Translated)

A Note on Usury (Riba):

After the verses addressing usury (riba) in Surat Al-Baqarah were completed, it is essential to reflect on this critical topic. I say, with Allah's guidance:

1. Definition of Riba in Language:

Linguistically, riba means an absolute increase. It is said: "Yarbu الشيء يربو" "something increased or grew." This is evident in the hadith narrated by Muslim, «فَأَيُّمُ اللَّهِ مَا كُنَّا نَأْخُذُ مِنْ لُقْمَةٍ إِلَّا رِبَا مِنْ أَسْفَلِهَا أَكْثَرَ مِنْهَا» **“By Allah, we would not take a morsel except that what was underneath it increased more than it.”** This referred to the food over which the Prophet (saw) invoked blessings.

Most of what the Arabs practiced as usury was to say to a debtor when the debt term was due: “Will you pay, or will you increase the amount?” They would then increase the principal amount in exchange for extending the payment period. The new amount due at the next term would include the original principal and the additional increase. Thus, any increment in the debt due to delayed repayment was considered usury, and they permitted it among themselves.

2. Definition of Riba in Islamic Law:

In Islamic law, riba has been given a more specific and defined reality in two forms:

First: Riba al-Nasi'ah (Usury of Delay):

This form of usury arises from extending the payment period, known as nasi'ah (delay). This was the form of usury practiced by the Arabs—an increase in the debt amount for extending the repayment term. Islamic law affirmed this linguistic definition and considered it usury. It then added a new legal aspect to it, defined as: “Selling specific items for the same type or a different type but not settling the transaction hand-to-hand immediately, instead deferring it to a later time, regardless of whether the value is equal, less, or different.”

Thus, from a legal perspective, Riba al-Nasi'ah has two forms:

An increase in the debt amount for delaying repayment.

Selling any of the six items subject to riba for one another, whether similar or different, but deferring the transaction, meaning it is not settled in the same sitting, which is not hand-to-hand.

Second: Riba al-Fadl (Usury of Excess):

This form of usury arises from disparity in quantity, not delay. It occurs when one sells one type of these specified items for the same type, in the present, but the quantity exchanged is unequal.

As for the items subject to riba, they are gold, silver, wheat, barley, dates, and salt. The basis for this is the authentic sayings of the Messenger of Allah (saw) concerning sales and loans.

3. Relevant Hadiths on Riba and Transactions:

Muslim narrates from Abu Sa'id Al-Khudri (رضي الله عنه) that the Messenger of Allah (saw) said, «الذهب بالذهب والفضة بالفضة والبر بالبر والشعير بالشعير والتمر بالتمر والملح بالملح مثلاً بمثل يداً بيد، فمن زاد أو» **“Gold for gold, silver for silver, wheat for wheat, barley for barley, dates for dates, and salt for salt, must be equal in quantity and exchanged**

hand-to-hand. Whoever increases or demands more has engaged in riba. The giver and receiver are equally guilty.”

Abu Dawood narrates from ‘Ubadah ibn al-Samit (ra) that the Messenger of Allah (saw) said, «الذهب بالذهب تبرها وعينها، والفضة بالفضة تبرها وعينها، والبر بالبر مدي بمدي، والشعير بالشعير مدي بمدي، والتمر بالتمر مدي بمدي، والملح بالملح مدي بمدي، فمن زاد أو ازداد فقد أربى، ولا بأس ببيع الذهب بالفضة والفضة أكثرهما يداً بيد، وأما نسيئة فلا، ولا بأس ببيع البر بالشعير والشعير أكثرهما يداً بيد وأما نسيئة فلا» **Gold for gold, whether raw or minted; silver for silver, whether raw or minted; wheat for wheat, measure for measure; barley for barley, measure for measure; dates for dates, measure for measure; and salt for salt, measure for measure. Whoever increases or demands an increase has engaged in riba. There is no harm in selling gold for silver if one is more than the other, provided it is exchanged hand-to-hand. However, deferred payment is not allowed. Similarly, selling wheat for barley, even if one is more, is permissible hand-to-hand but not deferred.”**

Definitions from the Hadith:

Mudi: A unit of measurement for volume.

Tibr: Unminted gold or silver pieces (before being coined as dinars or dirhams).

Ayn: Minted coins of gold or silver.

The phrase «تبرها وعينها سواء» means “whether raw or minted, they are treated equally.”

Al-Daraqutni narrates from Ali (ra) that the Messenger of Allah (saw) said, «الدينار بالدينار والدرهم بالدرهم لا فضل بينهما، من كانت له حاجة بورق فليصرفها بذهب وإن كانت له حاجة بذهب فليصرفها بورق هاء بهاء» **“A dinar for a dinar, a dirham for a dirham, with no difference between them. If one needs silver, let him exchange it for gold, and if one needs gold, let him exchange it for silver—immediate hand-to-hand exchange.”**

Practical Guidelines from the Hadiths:

If someone prefers a specific type of dates, they can sell their dates for another commodity first and then purchase the desired dates with the proceeds.

However, if dates are exchanged for dates, it must be equal in quantity and hand-to-hand.

Muslim also narrates from Abu Sa’id Al-Khudri (ra) that Bilal (ra) brought high-quality dates. The Prophet (saw) asked: **“Where did you get these?”** Bilal replied: **“We had some inferior-quality dates, so I exchanged two measures of them for one measure of these high-quality ones for the Prophet’s food.”** The Prophet (saw) responded, «أوه، عين الربا لا» **“O! This is the essence of riba; do not do this. If you wish to buy better dates, sell your dates for money and then use that money to purchase the desired dates.”**

In another narration, the Prophet (saw) said, «هذا الربا فردوه، ثم بيعوا تمرنا واشتروا لنا من هذا» **“This is riba; return it, then sell your dates and use the proceeds to buy better ones for us.”**

This establishes that transactions involving riba are void, not merely corrupt. The entire transaction must be annulled, and the parties must return the items exchanged. The Prophet (saw) did not order Bilal (ra) to return just the surplus amount but to annul the sale entirely, return all the dates bought, and recover all the dates sold. After this, he advised that they sell the inferior dates for money or dinars and then use that to buy better-quality dates.

The exclamation أوه is an expression of disapproval or pain, showing the Prophet’s strong denunciation of what Bilal (ra) had done.

The six specified items; gold, silver, wheat, barley, dates, and salt, must only be exchanged hand-to-hand in the same sitting.

If these items are of the same type, they must be exchanged in equal quantities. Any deviation constitutes Riba al-Fadl.

For example, what some gold shops do by exchanging gold for gold or silver for silver with unequal weights, due to differences in quality, such as a ring versus a bracelet, constitutes Riba al-Fadl. However, they may exchange gold for silver or another currency freely, whether in equal or different amounts, as long as the transaction occurs hand-to-hand in the same sitting. Delayed payment is not permissible for these specified items, whether of the same type or different types, as it constitutes Riba al-Nasi'ah.

Note on the Six Items:

These six items—gold, silver, wheat, barley, dates, and salt—are explicitly mentioned in the hadiths and are considered fixed categories (*asmā' jāmidah*). Their rulings are not derived by analogy, nor are they subject to juristic analogy (*ghayr mu'allalah*). Thus, the rulings on them cannot be extended to other items.

3. Exception to the Prohibition of Delayed Exchange in the Six Categories (Selling on Credit; Salam Transactions):

Allah (swt) made an exception to the prohibition of selling the six specified categories, gold, silver, wheat, barley, dates, and salt, with deferred settlement. This exception applies to a particular type of sale known as **Salam**, forward sale, in which the payment is made upfront in cash, gold, silver, or any other present item, while the commodity is delivered later. This is also known as **Bay' al-Salaf** “advance sale”.

Such a transaction is permissible, and the deferral of the commodity, where neither the commodity, nor the payment, is exchanged hand-to-hand, does not constitute riba. This ruling holds even if the payment and the deferred commodity belong to the six specified categories, so payment in gold and deferred delivery in wheat, barley, or other such items. This permissibility is supported by clear textual evidence.

Evidence for Salam Transactions:

A. From the Qur'an:

Allah (swt) says, ﴿يَا أَيُّهَا الَّذِينَ آمَنُوا إِذَا تَدَايْتُمْ بِدَيْنٍ إِلَى أَجَلٍ مُّسَمًّى فَاكْتُبُوهُ﴾ “O you who have believed, when you contract a debt for a specified term, write it down.” [TMQ Surah Al-Baqarah: 282].

Salam (السلم) is a type of debt, as one party receives payment upfront, while the other promises the delivery of a specified commodity at a later date. This verse is understood to include Salam (السلم) transactions, as noted in tafsir literature.

B. From the Sunnah (Hadith):

1. Hadith of Ibn Abbas (ra):

Al-Bukhari narrates from Ibn Abbas that the Messenger of Allah (saw) came to Medina, where people used to engage in Salam transactions for fruits for one, two, or three years. He said, «من أسلف فليسلف في كيل معلوم ووزن معلوم إلى أجل معلوم» “Those who paid in advance for fruits must do so for a specified measurement and weight, and for a specified time.”

2. Hadith of Abdullah bin Abi Awfa (ra):

Al-Bukhari narrates from Muhammad ibn Al-Mujalid, “Abdullah bin Shaddad and Abu Burdah sent me to Abdullah bin Abi Awfa to ask him if the Companions of the Prophet (saw) practiced Salam in grain during the Prophet's time.” Abdullah replied, «كنا نسلف نبيط» “We used to engage in Salam (pay in advance) with the Nabateans of Al-Sham for wheat, barley, and oil, specifying a known measure for a specified term.”

When asked if the goods belonged to the sellers at the time of the contract, he said, «ما» “We did not ask them about that.”

Similarly, Abdul-Rahman bin Awf was asked, and he said, «كان أصحاب النبي صلى الله عليه وسلم ولم نسألهم ألهم حرث أم لا يسلفون على عهد النبي صلى الله عليه وسلم» **“The Companions of the Prophet (saw) practiced Salam (pay in advance) during his time, and we did not ask if they owned the crops or not.”**

Therefore, a Salam contract is valid as long as it adheres to the following conditions:

- The commodity must be clearly specified in terms of type, quality, and quantity.
- The measure or weight of the commodity must be defined.
- The delivery term must be clearly specified.
- The payment must be made upfront and in full at the time of the contract.

Salam transactions remain permissible within the bounds of these Shariah legal and contractual requirements.

Exceptions to the Prohibition of Delayed Exchange in Riba Categories:

1. Salam Transactions (السلم):

Salam, forward sale, (paid in advance) is an exception to the prohibition of delayed settlement in ribawi (usury) categories. Similarly, it is exempted from the prohibition of selling what one does not yet own, as the commodity is not owned by the seller at the time of the contract.

2. Araya Sales:

Another exception is the sale of Araya, where a person who does not own date palms, may purchase the fruits still on the tree using a quantity of dates they already possess. Here, although the two goods are of the same category, such as fresh dates, semi-ripe dates, or dried dates and the measures or weights differ between the tree's produce and the dates given in exchange, this is permissible.

This exception is based on the hadith of the Prophet (saw), «رخص رسول الله صلى الله عليه وسلم» **“The Messenger of Allah (saw) permitted the sale of Araya.”**

The Araya refers to a specific palm tree exempted from general rules, where its fruits are purchased for personal consumption.

3. Riba in Loans:

Riba applies to loans involving all categories, not just the six specified ribawi items. This is based on the statement of the Messenger of Allah (saw), «كل قرض جر نفعاً فهو ربا» **“Every loan that yields a benefit is riba.”**

The term ‘*qardh*’ (loan قرض) is general and unrestricted, applying to all items and circumstances.

Al-Bukhari narrates in his Tarikh from Anas (ra) that the Messenger of Allah (saw) said, «إذا أقرض فلا يأخذ هدية» **“When you lend, do not accept a gift.”**

Consequently, any additional benefit, or increase in a loan, upon repayment constitutes riba.

Thus, if the lender improves the repayment without prior stipulation, this is permissible and not considered riba. For example:

- Repaying an old gold coin with a newly minted one of the same weight.
- Repaying a borrowed camel with a better-quality camel, as long as this improvement is not stipulated in advance.

This is supported by the practice of the Prophet (saw). He once borrowed a camel, and when the camels for sadaqah arrived, he repaid the lender with a better-quality camel, saying, «أجودكم أجودكم قضاء» **“The best among you are those who are best in repaying debts.”**

For this reason, Riba occurs in two primary contexts:

1. **Sales:** Among the six ribawi categories (gold, silver, wheat, barley, dates, and salt).
2. **Loans:** Involving any category of goods or commodities, as clarified above.

1. The Severe Prohibition of Riba (Usury):

Riba is strictly and severely prohibited in Islam, as evidenced by the following verses from the Qur'an, ﴿يَا أَيُّهَا الَّذِينَ آمَنُوا اتَّقُوا اللَّهَ وَذَرُوا مَا بَقِيَ مِنَ الرِّبَا إِن كُنتُمْ مُؤْمِنِينَ﴾ **“O you who have believed, fear Allah and give up what remains [due to you] of usury, if you should be believers.”** [Surah Al-Baqarah: 278]. Allah (swt) said, ﴿فَإِنْ لَّمْ تَفْعَلُوا فَأْذَنُوا بِحَرْبٍ مِّنَ اللَّهِ وَرَسُولِهِ وَإِنْ تُبْتُمْ فَلَكُمْ رُءُوسُ أَمْوَالِكُمْ لَا تَظْلِمُونَ وَلَا تُظْلَمُونَ﴾ **“But if you do not, then be informed of a war [against you] from Allah and His Messenger. But if you repent, you may have your principal—[thus] you do no wrong, nor are you wronged.”** [Surah Al-Baqarah: 279].

This makes engaging in riba tantamount to declaring war on Allah (swt) and His Messenger (saw).

Severe Warnings Against Riba in the Sunnah:

1. Hadith of Abu Huraira (ra):

Muslim narrates that the Messenger of Allah (saw) said, «اجتنبوا السبع الموبقات، وفيها: أكل الربا» **“Avoid the seven destructive sins, one of which is consuming riba.”**

2. Hadith of Ibn Mas'ud (ra):

Abu Dawood narrates that Ibn Mas'ud said, «لعن رسول الله صلى الله عليه وسلم أكل الربا وموكله وكاتبه وشاهده» **“The Messenger of Allah (saw) cursed the one who consumes riba, the one who gives it, the one who records it, and the witnesses to it.”**

3. **Hadith of Abdullah bin Hanzalah (ra)**, Al-Daraqutni narrates from Abdullah bin Hanzalah known as “the one washed by the angels” that the Prophet (saw) said, «لدرهم ربا أشد» **“A single dirham of riba is more severe in the sight of Allah than committing adultery thirty-six times.”**

4. **Hadith of Ibn Mas'ud (ra)**: Al-Hakim narrates from Ibn Mas'ud that the Messenger of Allah (saw) said, «الربا ثلاثة وسبعون باباً، أيسرها أن ينكح الرجل أمه، وإن أربى الربا عرض الرجل المسلم» **“Riba has seventy-three categories; the least severe of them is like a man marrying his mother. And the most severe form of riba is violating the honor of a Muslim.”**

What is this crime so severe that its perpetrator is described as declaring war against Allah and His Messenger (saw)? What is this offense greater than committing adultery thirty-six times or akin to a man marrying his mother?

It is riba (usury), a system that destroys societies, fuels greed, exploits others, and drains people of their resources to the point of enslaving them. Historically and contemporarily, riba has been associated with human subjugation. Perpetrators of riba are often relentless in their pursuit of wealth, unrestrained by ethical or moral considerations, even if their methods lead to the ruin of nations, the oppression of individuals, and widespread corruption.

Before the advent of Islam, usurious moneylenders used riba to enslave people. They would increase the debt in proportion to the extension of its term, eventually driving the debtor into insolvency. The ultimate “solution” for the debtor was to sell themselves into slavery to pay off their debts. This transformed them into commodities, bought, sold, and degraded.

Wealthy creditors used this system to expand their human assets, and establish dominance over the regions where they operated. This was only one of many unethical practices employed by the rich of that era to exploit others.

Thus, riba was not merely an economic activity; it became a tool for enslavement, exploitation, and hegemony.

Riba in Modern Times:

Despite the progression of societies over the centuries, this exploitative nature of riba has persisted. In today's world, riba continues to enslave people and establish dominance over them, albeit through more sophisticated and varied methods.

In our modern era, riba has become institutionalized, with entire organizations and systems built upon its foundation. Banks, financial institutions, and monetary systems that operate on riba (usury/interest) have spread across the globe to the extent that almost no region of significance is free from a bank or financial institution dealing in riba.

This reflects the reality foretold in the hadith of the Prophet (saw), «يأتي على الناس زمان يأكلون الربا، فمن لم يأكله أصابه من غباره» **“A time will come upon the people when they will consume riba, and whoever does not consume it will be affected by its dust.”** (Narrated by Al-Nasa'i from Abu Huraira (ra).

The capitalist West has economically entangled most, if not all, of the world within the wheels of its central banks. This entanglement occurs either directly through its official banks, or indirectly via institutions like the International Monetary Fund (IMF) and the World Bank. These systems have made the riba-based economic structure the backbone of the central and commercial banks in many nations.

The policies formulated by influential figures in these countries tie them to loans from these capitalist nations, initiating a cycle of economic decline. The compounding riba on these loans accumulates until the interest far exceeds the original loan amount. At that point, the country becomes prey to the West, which, alongside its collaborators, exploits the nation's wealth in a manner that leaves the country struggling like a slaughtered animal in its final throes.

Once a country falls into this trap, the IMF steps in under the pretext of “economic reform.” Its so-called remedies often include:

- Burdening the population with taxes and fees.
- Increasing the cost of living through higher prices.

All this suffering is imposed just so the indebted nation can secure an “economic compliance certificate,” enabling it to defer the repayment of its original loans by taking on new loans, each with additional riba.

This compliance to the IMF's oppressive policies is nothing more than a means to prolong the repayment period while saddling the nation with further debts and compounding interest.

This insidious riba-based system is designed to enslave nations and their people under more palatable names, such as “economic reform policies,” when in reality, it is a strategy to hasten economic collapse. The term “interest” (fa'ida) was substituted for riba to make it sound less harsh.

Capitalist nations, their banks, and multinational corporations employ enticements and threats to coerce other countries into depositing their wealth, generated from their natural resources, in Western banks. This drives the economy of these capitalist nations at full speed, fueled by the wealth of other countries.

When a nation attempts to break free from this system, its assets are frozen, and these powers use the nation's own wealth to further exploit it. This has been evident in the actions taken against several countries in recent times.

Though the focus here is on nations, the devastating effects of riba on individuals are equally profound:

- People who take riba-based loans find themselves trapped in an endless cycle of debt, as the riba compounds while the principal remains unchanged.
- The burden of repaying the debt and its interest weighs heavily, especially on those who are not financially secure—the majority of borrowers.
- This often leads to severe consequences, such as imprisonment or a life of financial misery.

Direct Consequences of Riba:

1. Crushing nations under the weight of debt and compounded riba.
2. Freezing the wealth of nations attempting to escape this system.
3. Creating a cycle of poverty and despair for individuals trapped in riba-based loans.

The riba-based system is not merely a financial tool but a mechanism of exploitation and domination, designed to perpetuate the control of powerful capitalist nations over the weaker ones.

The indirect effects of the riba-based system are equally destructive. Banks, in their quest for profits, often resort to any means, including unethical or immoral practices, to generate returns for themselves and provide riba to depositors. This explains the rampant spread of corrupt industries, and immoral practices in the capitalist West and among those who follow its model.

Another consequence of the riba system is that it lulls wealth holders into dependency. They rely on the riba they receive from their bank-deposited assets, rather than actively investing their wealth in productive ventures that could benefit society and generate halal, wholesome earnings for themselves.

While we have not delved into the full scope of the sinister objectives behind the establishment of the capitalist riba-based system, it is evident that:

- It has become deeply entrenched in Muslim countries.
- It is controlled by manipulative powers, including disbelieving Jewish and capitalist elites.
- Its policies, such as those of the World Bank and the IMF, are cunningly designed to exploit and entrap not only Muslim nations but any country ensnared in their financial web.

This brief outline highlights the severe dangers of the riba-based system, offering a glimpse into why it is described in Islam as a declaration of war against Allah (swt) and His Messenger (saw). The system's societal destruction surpasses even the catastrophic effects of adultery, despite its grave immorality.

Nations will never experience true economic happiness or stability as long as the riba-based system dominates their economies.

Some argue in defense of riba-based systems, presenting the following points:

1. Wealthy individuals need banks to store their surplus wealth and earn interest on it:

Without banks, their money would remain idle, unproductive, and vulnerable to loss.

2. Poor or indebted individuals benefit from loans with riba to meet immediate needs:

These loans, they claim, enable people to:

- Repay debts.
- Address urgent financial needs.
- Manage their lives through installment-based repayments.

Such arguments are often used to justify the continued existence of the riba-based system.

Islam's Solution to Economic Challenges:

Islam provides comprehensive solutions to these challenges, ensuring economic peace of mind and fair utilization of wealth without exploiting individuals or corrupting societies. It promotes a system designed by the All-Knowing, All-Wise Creator, who understands what benefits His creation and ensures their happiness in this world and the Hereafter.

Key Features of the Islamic Economic System:

- Encourages the active and productive use of wealth in ways that benefit society, such as through halal investments and trade.
- Provides frameworks for addressing the needs of the poor, including interest-free loans (qard hasan), zakat, and sadaqah.
- Ensures equitable wealth distribution without resorting to exploitative practices like riba.

Islam's economic system safeguards the well-being of all individuals, creating an environment of justice, stability, and prosperity, free from the destructive effects of riba.

How Islam Addresses the Issues of Wealth, Poverty, and Economic Justice:

1. Prohibition of Hoarding Wealth:

Islam strictly forbids hoarding wealth without necessity. Instead, it commands the active use of wealth in productive ventures such as industrial, agricultural, or commercial projects. These activities ensure the circulation and active utilization of wealth, benefiting:

- The wealth owner through profits.
- Workers employed in these ventures.
- The poor through zakat and other charitable distributions.
- Society at large through the resulting goods and services.

Hoarding wealth without putting it to use in such projects is haram in Islam. Allah (swt) says, ﴿وَالَّذِينَ يَكْنِزُونَ الذَّهَبَ وَالْفِضَّةَ وَلَا يَنْفِقُونَهَا فِي سَبِيلِ اللَّهِ فَبَشِّرْهُمْ بِعَذَابٍ أَلِيمٍ﴾ **“And those who hoard gold and silver and do not spend them in the way of Allah—give them tidings of a painful punishment.”** [Surah At-Tawbah: 34].

This primarily addresses the wealthy and their obligations.

2. Islam's Provisions for the Poor and Needy:

Encouragement of Interest-Free Loans (Qard Hasan):

Islam encourages giving interest-free loans to those in need and equates the reward of giving such a loan twice to the reward of giving a single act of charity.

The Prophet (saw) said, «قرض مرتين يعدل صدقة مرة» **“Giving a loan twice equals the reward of giving charity once.”** (Narrated by Al-Bazzar from Ibn Mas'ud).

a. Mandating Patience and Leniency for Debtors in Hardship:

If a debtor is unable to repay due to hardship, Islam mandates leniency and patience. Allah (swt) says, ﴿وَإِنْ كَانَ ذُو عُسْرَةٍ فَنَظِرَةٌ إِلَىٰ مَيْسَرَةٍ وَأَنْ تَصَدَّقُوا خَيْرٌ لَّكُمْ إِنْ كُنْتُمْ تَعْلَمُونَ﴾ **“And if someone is in hardship, then let there be postponement until a time of ease. But if you give [from your right] as charity, it is better for you, if you only knew.”** [TMQ Surah Al-Baqarah: 280].

b. Allocation for Debt Repayment in Zakat:

Islam designates a portion of zakat for debt repayment on behalf of those unable to settle their debts. Allah (swt) says, ﴿إِنَّمَا الصَّدَقَاتُ لِلْفُقَرَاءِ وَالْمَسْكِينِ... وَالْغَارِمِينَ﴾... **“Zakat expenditures are only for the poor, the needy... and those in debt...”** [TMQ Surah At-Tawbah: 60].

c. Promotion and Obligation of Work:

Islam permits and facilitates work, encourages individuals to engage in lawful employment, and obligates it upon those in need. Allah (swt) says, ﴿هُوَ الَّذِي جَعَلَ لَكُمُ الْأَرْضَ ذَلُولًا فَامْشُوا فِي مَنَاكِبِهَا وَكُلُوا مِن رِّزْقِهِ وَإِلَيْهِ النُّشُورُ﴾ **“It is He who made the earth manageable for you—so walk among its slopes and eat of His provision. And to Him is the resurrection.”** [Surah Al-Mulk: 15].

d. The Prophet (saw) also emphasized the value of striving for lawful sustenance: **«إِنَّ مِنَ الذَّنُوبِ مَا لَا يَكْفُرُهَا إِلَّا الْهَمُومُ فِي طَلَبِ الرِّزْقِ»** **“Some sins are not expiated except through the hardships of seeking sustenance.”**

To sum up; Islam provides a comprehensive framework to ensure economic justice and alleviate poverty. It promotes:

- The active utilization of wealth.
- Interest-free loans to support the needy.
- Patience and forgiveness for those unable to repay debts.
- Provisions from zakat for debt repayment.
- Encouragement and facilitation of lawful work to ensure self-reliance and dignity.

This divine system, crafted by the All-Wise, ensures prosperity and balance in society while safeguarding individuals from exploitation and harm.

The Role of the State in Addressing Economic Challenges:

1. Ensuring Basic Needs for All Citizens:

The state is responsible for fulfilling the essential needs of every individual under its care—food, clothing, and shelter—through various means:

- The individual's own income from work.
- Financial support from those legally obligated to provide for them (e.g., family members).
- If neither of the above is sufficient, the state fulfills their needs from the Bayt al-Mal (public treasury).
- The Prophet (saw) said, **«والسلطان ولي من لا ولي له»** **“The ruler is the guardian of anyone who has no guardian.”**

2. Managing Public Ownership:

- The state oversees resources that belong to the public, such as:
 - Minerals in the earth like gold, iron, copper, potash, and phosphate.
 - Liquid or gaseous resources like petroleum and natural gas.
- These resources and their proceeds are distributed among all Muslims.

3. Managing State Ownership:

- Revenue from khums, jizya, war spoils (ghanimah), and other sources are under the state's control.
- These revenues are used to benefit the poor rather than the wealthy. Allah (swt) says, **﴿كَي لَا يَكُونَ دُولَةً بَيْنَ الْأَغْنِيَاءِ مِنْكُمْ﴾** **“So that it will not circulate solely among the rich from among you.”** [TMQ Surah Al-Hashr: 7].

4. Providing Interest-Free Loans and Support:

- The state provides interest-free loans to entrepreneurs or grants to farmers, as was done during the time of the khulafa' al-rashidun (the rightly guided caliphs), helping them achieve a dignified and comfortable life.

5. Imposing Taxes When Necessary:

- If the Bayt al-Mal lacks sufficient funds, the state may impose taxes on the wealthy to fulfill the essential needs of the poor, fund jihad, and meet other obligations mandated by Allah.

Islam's Holistic Economic Framework:

1. Wealth Owners:

- Wealthy individuals are prohibited from hoarding their wealth. Instead, they must actively invest it in projects that benefit society, create jobs, and contribute to economic growth.
- Zakat ensures wealth distribution to the poor and other eligible recipients.

2. The Poor:

- Their basic needs are met through work, financial support from guardians, or state support via the Bayt al-Mal.

3. Debtors:

- They are given time to repay their debts or forgiven entirely or partially.
- Zakat funds are allocated to pay off their debts if necessary.

4. Entrepreneurs:

- They receive interest-free loans or grants from the state to establish businesses and contribute to economic activity.

5. Public Resources:

- Public wealth, such as natural resources, is distributed fairly among the citizens.

6. State Revenue:

- Revenues from state-owned resources are prioritized for the poor to prevent wealth from concentrating in the hands of the rich.

7. Obligatory Taxation:

- When necessary, taxes on the wealthy are imposed to meet societal needs.

A Comparison with Secular Economic Systems:

• Capitalism:

- Encourages unregulated private ownership, leading to wealth accumulation by unethical means.
- Builds its system on riba (interest), creating an exploitative economy dominated by corporations and financial institutions, enslaving nations and individuals.

• Socialism:

- Abolishes private ownership and centralizes wealth within the state, transferring exploitation from corporations, to ruling elites and party leaders.
- Results in widespread corruption and oppression under a flawed economic structure.

Unlike these systems, Islam establishes a balanced and just framework:

1. Private Ownership:

- Permitted and encouraged within the boundaries of Shari'ah.

2. Public Ownership:

- Resources benefiting all citizens are held collectively.

3. State Ownership:

- Revenues from specific sources are used for societal welfare.

This divine economic system ensures that wealth is used in lawful ways, fostering societal well-being:

- Obligations like zakat and maintenance of dependents are fulfilled.
- Charitable giving beyond obligatory contributions is encouraged.
- Corruption and exploitation are avoided.

Allah (swt) says, **﴿وَابْتَغِ فِيمَا آتَاكَ اللَّهُ الدَّارَ الْآخِرَةَ وَلَا تَنْسَ نَصِيبَكَ مِنَ الدُّنْيَا وَأَحْسِنْ كَمَا أَحْسَنَ اللَّهُ إِلَيْكَ وَلَا تَبْغِ﴾** **“But seek, through that which Allah has given you, the Home of the Hereafter; and [yet], do not forget your share of the world. And do good as Allah has done good to you. And desire not corruption in the land. Indeed, Allah does not like corrupters.”** [TMQ Surah Al-Qasas: 77].

Islam's economic system creates happiness for humanity, transforming the world into a peaceful and enjoyable journey toward the eternal bliss of the Hereafter. There is no greed, no riba, and no exploitation—only lawful, pure, and abundant provision, bestowed in peace and security by the All-Wise, All-Knowing Creator.

This is the truth, and there is no truth beyond it. All praise is due to Allah, the Lord of the worlds.