Synopsis of the Friday Sermon delivered by Ameer Mustapha Elturk on August 16, 2013

Have Taqwa of Allah wherever you are (Part 3)

Today’s khutba is the third in the series of khutbas on the topic: “Have taqwa of Allah wherever you are.” The focus of today’s discussion is on having the taqwa of Allah in one’s financial transactions and endeavors. Allah says, “O you who believe, do not devour usury multiplied many times over. Fear Allah so that you may prosper. Have fear of the fire which has been prepared for the kafirun (those who deny the truth). And obey God and the Messenger, so that you may be shown mercy” (Aal ‘Imran, 3:130-132).

The only sin mentioned in the Qur’an in which war has been declared by Allah and His Messenger against those who commit it is the heinous sin of usury (riba). “O you who believe, fear Allah, and give up what is still due to you from usury (riba), if you are true believers. If you do not do so, then know that you are at war with Allah and His Messenger. But if you repent, you may have your capital; do not wrong others and you will not be wronged.”(al-Baqarah, 2:278-279).

What is riba? It is an Arabic word meaning increase, addition, excess or growth. 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 institutions to another. Therefore, riba is earned when a person or institution lends its capital to another on the condition that after a certain time it would charge a fixed amount of money in addition to its capital. This additional amount, which is riba (interest), is a consideration not for any labor or commodity but of the time for which the principle has been borrowed.

Of all prohibitions legislated in the Qur’an, riba was the last of them. Ayat 275 to 281 of Surat al-Baqarah lay down the concept of riba and its prohibition. It appears that riba was incorporated as the last and final sin in the last and final Book of Allah because no other sin including polytheism (shirk) has been condemned in such stern and harsh terms as has been the sin of riba. According to Sheikh Imran Hussein, a well-known Muslim scholar, and an authority on the subject of riba, if the poison of riba is allowed to be injected in someone, he will be paralyzed and his enemy will be able to take control of him.

Sheikh Imran Hussein argues that the concept and implication of riba was explained by Allah (SWT) even before the introduction of the term riba. He bases his argument on the ayah “And that man will only have what he has worked towards” (al-Najm, 53:39), and contends that if one does not plant, one does not reap. The money lender does not plant, and yet he reaps without making any effort. As a matter of fact, this practice has been institutionalized by banks. Thus, the money lenders and bankers live on the sweat and toil of others. This, according to the Qur’an is zulm (injustice).
The economy is controlled by the banking industry, which is based on *riba*, and as a consequence of this, the rich get richer and the poor get poorer. Here in America, the financial crisis of 2008 saw the bankers, instead of being brought to book, go scot free, while the masses suffered the agonies of economic recession, unemployment, layoffs, escalating prices, and forced eviction from their mortgaged houses.

The institution of *riba* had become a part and parcel of the economic system of the people of Arabia in the Pre-Islamic days—as is also as the case today. *Riba* was eradicated from the economy of Medina before the Prophet (SAW) passed away. Allah (SWT) revealed His commandments about the prohibition of *riba* in stages (like that of the prohibition of alcohol) so that it might not upset the economic life of the people and cause unnecessary inconvenience and hardship to them. The stage-by-stage divine method of dealing with *riba* in the Qur’an consists of three distinct stages: (1) Education concerning the evil of *riba*, but with no legislation prohibiting *riba*. The language which is used is mild, and its basic purpose is to teach; (2) Legislation prohibiting *riba* while yet refraining from enforcement of the legislation, as the process of education continues, and the believers are expected to be able to recognize the evil of *riba*; (3) Retroactive enforcement of the legislation prohibiting *riba* through sanction for waging war to eradicate *riba* and provide debt relief.

The first injunction of the Qur’an lays stress upon the fact that *riba* does not increase individual or national wealth, but on the other hand, it decreases wealth. During the Meccan era while the subject of *riba* being introduced, “Whatever you lend out in usury to gain in value through other peoples wealth will not increase in Allah’s eyes, but whatever you give in zakah (alms)desiring Allah’s pleasure will be multiplied” (al-Rum, 30:39) the term zakah was understood to mean voluntary charity. In contrast to *riba*, charity involves giving and taking nothing in return. This phenomenon is explained in Surat al-Insan, where the attitude and conduct of people seeking Allah’s pleasure through their charitable deeds is portrayed. “We feed you for the sake of Allah, desiring neither recompense nor thanks”(al-Insan, 76:9). The gradual injunctions regarding *riba* culminating in its complete prohibition in Medina was well understood by the *sahaba*. While giving up all usurious transactions, they began instead to practice charity with no other motive than to seek the pleasure of Allah.

In the second injunction, the Muslims are also warned to obey Allah’s command regarding interest or suffer the same fate as the Jews who were forbidden in their scripture to take interest but they continued to do so. “And because of their practicing usury when they were forbidden to do it, and because of their consuming people’s wealth by wrongful means, We have prepared for those who reject faith among them a painful punishment” (al-Nisa’, 4:161).

In the third injunction, the Muslims are told not to take compound interest if they want real success in life. “O you who believe, do not devour usury multiplied many times over. Fear Allah so that you may prosper” (Aal ‘Imran, 3:130).

The Qur’an distinguishes between trade and *riba* (interest) and points out that whereas legitimate trade or industry increases the prosperity and stability of men and nations; a dependence on usury would merely encourage a race of idlers, cruel blood-suckers, and worthless fellows who do not know their own good and therefore are like those who are driven to madness. Then it admonishes the believers to refrain from interest or else they shall suffer evil consequences both in this world and in the Hereafter. “Those who practice usury will not rise from the grave except as someone driven mad by Satan’s touch. That is because they say, ‘Trade is the same as usury.’ But Allah has permitted trade and He has forbidden usury...” (al-Baqarah, 2:275-276). While business (*bay’*) involves the possibility of both profit and loss, the possibility of loss is totally eliminated in *riba*. Risk-free venture is not business, and that is the fundamental difference between *bay’* (business/trade) and *riba* (usury/interest). Therefore *riba* does not qualify as business.

The final injunction prohibited interest and declared it unlawful in a Muslim Society. “O you who believe, fear Allah, and give up what is still due to you from usury, if you are true believers. For, if you do not do so, then know that you are at war with God and His Messenger. But if you repent, you may retain your capital. Do not wrong and you will not be wronged. If the debtor is in difficulty, then delay things until matters become
easier for him; still, if you were to write it off as an act of charity, that would be better for you, if only you knew” (al-Baqarah, 278-280).

Among the established facts that riba corrupts society, implies improper appropriation of other people’s property, contributes to negative growth, demeans and diminishes human personality, and is grossly unjust, one of the wisdoms behind its prohibition is to let the wealth circulate in the economy rather than remain amassed and stagnant in the hands of the rich—of those who themselves lead opulent life-styles, but subject the masses to economic slavery and oppression. This is why while laying down the laws of distribution of spoils of war (ghaneemah), Allah says, “Whatever booty Allah gives to His Messenger from city dwellers belongs to Allah and to the Messenger and to near relatives and orphans and the very poor and travelers, so that it does not circulate between the rich among you...” (al-Hashr, 59:7).

According to the economic system of Islam, genuine ownership of everything in this universe belongs to Allah (SWT) and not to an individual, a group of people, or even nations. The Qur’an explains this concept very clearly by saying, “Whatever is in the heavens and in the earth belongs to Allah and, whether you reveal or conceal your thoughts, Allah will call you to account for them” (al-Baqarah, 2:284). Allah (SWT) is the Provider (al-Razzaq). The system of distribution of wealth that He has laid out ensures equitable distribution of resources. As against riba, the element of risk in business ensures that wealth keeps changing hands. This is the Islamic model of economy. But unfortunately, this is nowhere in practice, except may be, here and there, in bits and pieces.

The enormity of the sin of riba regardless of the actual amount involved in the usurious transaction, has been emphasized in many Prophetic traditions one of which says, “Allah has cursed the one who consumes riba, the one who gives it, the one who witnesses over it, and the one who writes down the transaction.” Another hadith says, “A dirham of riba which a man receives knowingly is worse than committing adultery thirty-six times.” Riba is one of the seven major sins as is mentioned in a hadith that says, “Avoid the seven noxious things: associating anything with Allah, magic, killing one whom Allah has declared inviolate without a just cause, consuming the property of an orphan, devouring riba (interest), turning back when the army advances, and slandering chaste women who are believers but naïve (innocent).”

Living in a predominantly non-Muslim country where the usurious banking system is the norm, and where it is indeed difficult to avoid the filth of riba, yet this should not be a justification for Muslims to deliberately deal in usurious transactions. In America, unlike a decade or two ago, quite a few Islamic financial institutions are now in operation. These institutions, although they may not be fully Shari’ah compliant, as of now, because of the all-embracing usurious climate of the predominant economic system, yet they are better to work with than normal banks. We should avoid and resist riba at all cost. If we are sincere in our intentions and have the taqwa of Allah, He will find a way out for us and provide us from sources that we cannot even imagine. “Whoever has taqwa of Allah, He will find a way out for him (of every difficulty), and will provide for him from an unexpected source” (al-Talaq, 65:3).

No one is perfect, but those who are from the people of taqwa, do not persist in their sins. When they remember Allah (SWT), they immediately perform a good deed to outweigh the negative effects of a bad one. So, “Have taqwa of Allah wherever you are and follow up a bad deed with a good deed, it will wipe it out. And behave towards the people with a good behavior.”

Edited by Dr. Munawar Haque
IONA Research h& Publications