

debt

IN CONSEQUENCE OF OVER-TRADING AND DEBT-INCURRING

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debt (D)

Kuwait, once boasted as the world's top per capita income and the richest country is seeking World Bank help to revive its debt-ravaged, oil-based economy, writes Tehran Times in its daily of Dec 2, 1985.

The report made public by the country's Finance Minister, paints a grim picture of widespread corporate bankruptcy and proposed urgent surgery, at a cost of hundreds of millions of dollars in public money, to wind up dozens of crippled companies and help others.

The crisis is mainly attributed to the crash of the local stock market in Kuwait during 1982, leaving debts of 95 billion dollars. It had erupted following post-dated cheques used in a speculative forward-trading spree started to bounce, added the report.

Perhaps there is a befitting lesson to draw from this critical financial episode of this once most wealthy and prosperous country.

When traders of a country, carried away by force of greed and lust for making easy money, are allowed to indulge in over-trading and speculative deals beyond their means, the consequence become disastrous. Families after families are financially ruined causing heavy toll on their prestige and health besides chaos in the society they live.

It is for this reason that Islamic Fiqh has put forward a code of ethics and laid down certain limits for every mode of trading. This is aimed at curbing speculative dealings which are fraught with risks of plunging one into disastrous situation. For example forward dealing in goods which do not exist is prohibited.

The Holy Prophet had forewarned by saying:

"Beware of debts because it is a disgrace for religion and it becomes a cause of anxiety at night whilst it is humiliating during the day."

أَيُّكُمْ وَاللَّيْلِ فَاتَهُ شَيْءٌ لِلَّيْلِ
وَهُوَ هَمٌّ فِي اللَّيْلِ وَذَلٌّ بِالنَّهَارِ

The fact is that the present day world economy system as introduced by the West and copied by many in the East is a vicious circle. In order to enslave and lull the minds of the masses as well as to wheel their heavy industries, mass consumerism beyond man's basic daily needs is encouraged and boosted up by large scale advertising. A number of non-essential items of mere pleasure and luxury have been introduced on the market so as to expand sales for the benefit of a few capitalists. And for that purpose easy long-term credits are provided. Thus perpetually enslaving our minds and robbing us of our cherished freedom through recurring debts.

How rightly did the Prophet of Islam apprehend us that our freedom was linked with our debit-incurring habits, advising us in these words:

"Minimise debts so that you live a free man".

أَقَلِّ مِنَ الدَّيْنِ تَعِشَ حُرًّا