

Press Release

Raising Gasoline Prices in Egypt

How Do the Wealth of the Ummah Turn into a Tool for Impoverishing It?!

(Translated)

Raising gasoline prices in Egypt is no longer merely a passing economic decision, nor merely a financial measure to address a deficit in the budget as the regime tries to portray it. Rather, it has become a recurring phenomenon that reveals the nature of the policies by which the country is managed, and exposes the reality of the economic system imposed on the Ummah, a system that makes its wealth serve the creditors and the interests of the West, while the people bear its heavy consequences in their daily livelihood.

Egypt has witnessed during the past years a successive wave of fuel price increases, until the increase in some types of gasoline over about ten years reached hundreds of percent. After the price of a liter of gasoline a few years ago did not exceed a few pounds, today it approaches twenty pounds and exceeds it in some types. These increases did not come suddenly, but rather came within a clear path that began since the government adopted what was called the “economic reform” programs, one of the most prominent items of which was lifting the alleged subsidy on energy and linking prices to the global market.

However, the truth that must be considered is that the matter of gasoline in Egypt is not merely a matter of alleged government subsidy, but rather it is a matter related to enormous wealth possessed by the country. Egypt possesses large reserves of oil and gas, and produces a large part of its needs from petroleum derivatives. Yet the people live under the burden of continuous price increases, as if Egypt possesses no energy resources at all!

Here the stark contradiction appears between how the management of wealth should be in a state that cares for the affairs of the people, and what actually occurs under the capitalist economic system that rules the country. Capitalism views energy and natural resources as a commodity subject to calculations of profit and loss, whereas Islam views these resources as public property of the Ummah that may not be monopolized nor turned into a source of levying money from it.

The Sharia has determined that resources which are of the nature of public utilities, such as minerals and major sources of energy, fall within the category of public property in which all Muslims share. Therefore, it is not permissible for the state to deal with them as a source of profit or taxation; rather they must be managed in a manner that achieves the interest of the entire Ummah and the care of its affairs.

In this context appears the concept of “subsidy” which the regime raises as a slogan to justify raising prices. Whenever the state announces a new increase in fuel prices, people are told that this comes within the framework of “reducing subsidies,” as if it had been granting the people something from its own money. However, this narrative hides a completely different reality; subsidy in its essence is a political deception used to justify imposing the burdens of economic policies upon the people.

If these resources were managed correctly on the basis that they are public property as Islam has determined, the people would not need what is called subsidy at all, because the resources themselves are sufficient to cover the needs of society and lighten the burdens upon its members. But when wealth is managed according to the capitalist system that turns public resources into a source of taxation and profit, the people become as though they are begging for a small portion of their own rights under the name of “subsidy.”

From here the real reason behind the repeated waves of price increases can be understood. The state does not move in this file as a sovereign decision, but rather as part of commitments linked to

international loan programs. These programs stipulate reducing what is called “energy subsidy,” and gradually raising prices until they reach what they call the “real price.”

But the question that presents itself is: what is this “real price”? Is it reasonable that the real price of energy in a country that possesses such resources is the same price linked to the global market controlled by major companies and industrial states?

This idea in itself reflects the nature of the economic system imposed on Egypt. When fuel prices are linked to the price of oil in global markets and to the price of the dollar, this practically means that people’s lives and livelihood have become hostage to fluctuations in international markets, instead of being linked to the country’s capabilities and resources.

The natural result of this is what we see in successive waves of inflation. Raising gasoline prices does not affect fuel alone, but extends to everything in life. Transportation costs rise, production costs rise, and consequently the prices of all goods and services rise. Thus people find themselves facing a new wave of high prices every time an increase in fuel prices is announced.

Over time this policy turns into a vicious cycle; prices rise, poverty increases, the financial deficit increases, new increases are imposed, and thus the cycle continues at the expense of the people.

The problem in its essence is not the price of gasoline itself, but the nature of the system that manages the economy. As long as the country continues to proceed according to the capitalist model based on loans and debts and linking the economy to Western financial institutions, crises will continue to recur and people will continue to pay the price.

The real solution does not lie in partial measures here or there, but in a radical change in the method of managing the affairs of the Ummah and its wealth, so that these resources return to their natural position as property of the entire Ummah, managed according to the Sharia rulings that guarantee justice in their distribution and achieve the interests of the people and the care of their affairs.

O People of Kinanah: what you are experiencing of hardship in livelihood and rising prices is not the result of poverty in resources, but is a direct result of wrong economic policies by which the country is managed. Egypt is not a poor country, but a country rich with its resources, its location, and its capabilities. Yet these resources are not managed today in a way that guarantees the care of your affairs. Realizing this truth is the first step on the path of change, until your wealth returns to you and is managed in a way that achieves justice and mercy among you.

O Soldiers of Kinanah: you are part of this people who suffer from the burdens of these policies. Armies in the Islamic Ummah have been a support for justice and a protector of the rights of the people, not a tool in the hand of policies that exhaust the Ummah and burden it. Your responsibility is great in protecting the country and its wealth, and in being its shield against everything that harms it or squanders its capabilities. So side with your Ummah, carry its concern, and restore to it its authority that cares for its affairs by Islam under the shade of the Khilafah Rashidah (rightly guided Caliphate) on the method of the Prophethood.

The scale by which the issues of the Ummah must be weighed remains the scale of truth that Allah revealed: ﴿وَمَا لَكُمْ لَا تُقَاتِلُونَ فِي سَبِيلِ اللَّهِ وَالْمُسْتَضْعَفِينَ مِنَ الرِّجَالِ وَالنِّسَاءِ وَالْوِلْدَانِ الَّذِينَ يَقُولُونَ رَبَّنَا أَخْرِجْنَا مِنْ هَذِهِ الْقَرْيَةِ الظَّالِمِ أَهْلُهَا وَاجْعَل لَّنَا مِن لَّدُنكَ وَلِيًّا وَاجْعَل لَّنَا مِن لَّدُنكَ نَصِيرًا﴾ **“And what is [the matter] with you that you fight not in the cause of Allah and for the oppressed among men, women, and children who say, ‘Our Lord, take us out of this city of oppressive people and appoint for us from Yourself a protector and appoint for us from Yourself a helper.’”** [An-Nisa:75].

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in Wilayah Egypt