

Press Release

The State Leads the People to Destruction through the Riba-based Financing System And Cheats them for the Benefit of Banks by Scheduling and Prolonging Individuals' Debts

(Translated)

Al-Araby Al-Jadid (The New Arab) website reported, on Sunday 30/12/2018, under the title "Jordan ... Warnings of new protests against high prices and fines" that according to recent data issued by the Central Bank, the value of consumer and residential debt of individuals rose at the end of 2017 to about \$15 billion, an increase of 9% from 2016, pointing out that about 67% of the income of individuals goes to repay debts to banks and other creditors.

The state in Jordan has not only robbed people's pockets with various exorbitant taxes such as the income tax, the sales tax and fees, where the budget revenues from people's money amounted to 93%, but here they come to what is left in their pockets if any, to maximize the burden on the people for the benefit of Riba-based banks, through the new central bank's decision to allow these banks to individuals' debts for 10 years instead of eight years, under the pretext of easing the monthly installment on borrowers, after it had raised the rate of Riba-based increase by 25 points for the third time this year to be 2.25. This means, the total amount on the borrower will increase, and therefore the borrower will suffer from the increase in the looting of his property for a longer period, for the benefit of Riba-based banks benefiting from this procedure.

The capitalist economic system is the basis of scourge in the world, a system that preserves the interests of the capitalists even at the expense of the poor and the hungry. Riba is a fundamental pillar of this system, and Riba-based banks are the strength of the monetary market according to the financial systems based on the capitalist economic system which has been adopted by the state Jordan in its legislation since its establishment, and was followed by the ruling regimes in their subordination to the Kafir colonizer. This Riba, which Allah has vowed its owner with destruction, and a war from Allah and His Messenger. Allah Almighty has expressly forbidden Riba in His (swt) saying: ﴿وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا﴾ **"But Allah has permitted trade and has forbidden Riba"** [Al-Baqara: 275].

And He (swt) ordered us to leave it, when He (swt) said: ﴿يَا أَيُّهَا الَّذِينَ آمَنُوا اتَّقُوا اللَّهَ وَذَرُوا مَا بَقِيَ مِنَ الرِّبَا إِن كُنْتُمْ مُّؤْمِنِينَ﴾ * فَإِنْ لَّمْ تَفْعَلُوا فَأْذَنُوا بِحَرْبٍ مِنَ اللَّهِ وَرَسُولِهِ ﴿٢٧٩﴾ **"O you who have believed, fear Allah and give up what remains [due to you] of Riba, if you should be believers. And if you repent then you have your capital (without interest). * And if you do not, then be informed of a war [against you] from Allah and His Messenger."** [Al-Baqara: 278-279].

The state in Jordan cheats its citizens when it makes financing for individuals and projects and connects the economic wheel and its growth with Riba-based banks exclusively, because these banks as capital institutions are concerned only with profit, not the economic development or the community service, as alleged. They finance economic projects from people's money, lending people from people's money, and they solely are overseeing the

identification of lending and borrowing money and the Riba rate, while people carry out these projects for the benefit of the banks, and here are the banks confiscating annually more than 5,000 apartments whose owners could not repay their Riba-based debts.

The chairman of the Association of Banks in Jordan said in an interview in the middle of this month, that banks operating in the Kingdom, a total of 24 banks, account for more than 95 percent of economic resources and are the largest financier of the Jordanian government through its huge portfolio of government bonds, and at the sector level, where banks play a key role in providing finance. The Jordanian economy is a bank-based economy, especially in light of the relatively large size of the banking sector compared to the size of the Jordanian economy as a whole, with banks' assets constituting 173% of Jordan's gross domestic product (GDP), while Bank deposits are 117%, and credit facilities granted by banks account for 87% of GDP as at the end of 2017.

The monthly Statistical Bulletin of the Central Bank for the month of December 2018 indicates that there are surplus and unused funds of approximately 7.78 billion dinars. This proves that banks are only interested in profit when they are reluctant to invest when the risk of loss and recession looms as it is now, where Jordan suffers stagnation. Thus, accumulation of these billions in banks is the hoarding of money, which Allah Almighty prohibited, by His (swt) saying: ﴿وَالَّذِينَ يَخْتَرُونَ الذَّهَبَ وَالْفِضَّةَ وَلَا يَنْفِقُونَهَا فِي سَبِيلِ اللَّهِ فَبَشِّرْهُمْ بِعَذَابٍ أَلِيمٍ﴾ **“And those who hoard gold and silver and spend it not in the way of Allah - give them tidings of a painful punishment.”** [At-Tawba: 34]. And its effects are apparent in the society from the rise in unemployment, high prices and indebtedness.

The Islamic economic system is a real economic system, while the capitalist economic system is an illusory intrusive economy. Riba is a means of illicit gain in a crafty and intelligent way, with malicious fraud on the people for the benefit of a few individuals at home and for the benefit of states outside the country. In the Islamic State financing projects, for those who do not have money is the duty of the state, not the banks. The state in Islam has a section in the State Treasury (Bait ul-Mal) for lending money without Riba, which shows that we do not need such banks which are marketed as a pillar of the economy; they are the backbone of the fallen capitalist economy, not a pillar of the Islamic economy, which is a unique and integrated system applied together with other life systems, as a whole not partially.

Islam has shown the solution of the economic problems in a comprehensive way that makes a person feel economic reassurance in all aspects of life and benefits from the wealth to ensure a healthy life and good living without enslaving the people or corrupting the country, and saves people from the cheating of the rulers and from the loss of their money in this world, and the wrath of Allah and His torment in the Hereafter. So, unless people get rid of the Riba-based system imposed by the state upon the Ummah, it will continue to live in the mud of successive financial crises at the level of the State, individual and society, and Muslims will not get rid of the financial and economic crises except by applying the Islamic economic system in the Khilafah Rashidah State (rightly guided Caliphate) on the method of the Prophethood.

﴿وَمَنْ أَحْسَنُ مِنَ اللَّهِ حُكْمًا لِقَوْمٍ يُوقِنُونَ﴾

“But who, for a people whose faith is assured, can give better judgment than Allah?”
[Al-Maida: 50].

**Media Office of Hizb ut Tahrir
in Wilayah Jordan**