

PM: Muslims deprived of help from bank system

By SHARIF HARON

THE obsession by Muslims with form rather than substance in their interpretation of *riba* (interest) has deprived them of the help that they could have otherwise obtained from the present banking system, Prime Minister Datuk Seri Dr. Mahathir Mohamad said yesterday.

Questioning whether such interpretation of *riba*, and of finance and commerce in Islam is correct, the Prime Minister pointed out the stark fact that billions of dollars of Muslim money deposited in non-Muslim banks in non-Muslim countries are lent out with interest, sometimes to the enemies of Islam.

"These non-Muslim banks enjoy the interest earned by our money

when the interest could very well finance the welfare of Muslims.

"We are deprived of this help because it is *riba* which we abhor, not *riba* as a cause of misery, the reason why *riba* is

forbidden by Islam," Dr Mahathir said when he opened the seminar on developing a system of Islamic financial instruments in Kuala Lumpur.

The Prime Minister said he realised he was sticking his neck out by raising the question. But he said he believed in Allah and the Prophet, and that scholars of the past and today, though they are learned, are not infal-

lible and their interpretations of the Quran and the *Hadith* (Prophet's traditions) are not unquestionable.

Dr Mahathir cited a case when profits of 1,000 per cent were made by Is-

misery we cause, as if being miserable is a way of life in Islam.

"Is it true that Islam does not care for the pain and oppression that is caused as long as its injunctions are obeyed?" he asked.

Dr Mahathir urged the Islamic world to concentrate on finding practical solutions to their economic and financial woes and then work on those solutions with sincerity.

He added that Muslims must not be so involved in religious polemics that they forget the fundamentals, that is, Islam abhors poverty and that Muslims should help each other.

Like it or not, he said, Muslims and Islamic

Cont'd Back Page, Col. 5

IDB DEVISING NEW FINANCIAL INSTRUMENTS — Back Page

lamic countries from the sale of petroleum, but the high price deprived many poor people, including Muslims, from a means of sustenance and many suffered.

"But we interpret Islamic teachings as saying that this excessive profit is not a crime as compared with the taking of even the smallest amount of interest.

"And so we ignore the

'Propose just banking system'

FROM PAGE ONE

countries cannot live in splendid isolation in this real world, and therefore, they need to understand the teachings of Islam with regard to commercial and financial transaction in a world dominated by people with different faiths and ideologies.

"Indeed the system of forward apportionment of profits results in repayments that are more onerous than interests," Dr Mahathir said.

The Prime Minister hoped the seminar will propose a banking system that will be just to all, and ensure that Muslim society becomes strong through a financial system that enables commerce and social life to sustain a fair and just society.