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## **Principles Of Prohibited Trades In The Light Of Islamic Law: An Analytical Study**

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### **ABSTRACT**

Trade and commerce are an integral part of human life; therefore, it is important to know its Islamic principles and laws. Because the principle in matters (business and trades, etc.) is that everything is halal unless there is evidence of its prohibition. Therefore, if the rules that make a business fall into the category of haram are known, halal sources of income can be easily adopted according to the Shari'ah requirements. Islamic scholars have divided haram basically into two different types; a type in which goods are obtained in return such as all illicit forms of trade and business, and the second type is the one in which wealth is obtained free of charge such as theft and usurpation etc. As this article talks about the basic principles and types of prohibited trades so it throws light just on the first type. This article, in view of the arguments of the Qur'an and Sunnah and the sayings and fatwas of the scholars and jurists, also discusses those principles that can be laid down for declaring any trade as haram. This article can play a vital role and will be considered as a great contribution to the Muslims living in Non-Islamic states.

**Keywords:** Halal, Haram, Interest, Principles, Shari'ah Law, Sources of Income, Trade.

Trade, transaction, deal as well as buying and selling are indispensable human needs without which it is impossible to run a social system. That is why every human being constantly buys and sells something throughout of his life. Women are not exempted from this rule because even if they do not do regular business like men, they still buy something from time to time and they are also involved in selling as well. Therefore, the knowledge of the Shari'ah rules of trade is a knowledge that every human being needs and it is his duty to acquire whatever knowledge he needs in his daily life. This is what is meant by the Prophet's command, "It is obligatory for every Muslim to acquire knowledge." Thus, it can

be said that knowledge of Islamic principles of trade is a duty, especially for traders and for all Muslims in general. That is why in the time of the Prophet (PBUH) those who made their sales corrupt were disciplinary punished. Hazrat Umar (R.A) used to insist that only those who understand the religion (i.e. the Islamic principles of trade) should buy and sell in the markets. Hazrat Ali (R.A) used to warn and intimate those who trade without understanding (of the rules of trade) for involving into interest. It is the importance and necessity of the topic that led the researcher to write this article. Therefore, this article seeks to formulate such rules and regulations in the light of Shari'ah arguments in a way that can be easily ascertained as to which business and trade is unlawful and which is halal and permissible.

Basically, Allah Almighty has forbidden people to eat the wealth of others using any wrong way and has commanded the people to avoid haram sources of income.

<sup>1</sup> Falsehood is actually called a useless and impaired thing, and the scholars have termed as falsehood every deed which is not permitted by Allah or every deed which is against the Islamic Shari'ah. In addition, some scholars have interpreted falsehood as haram. Thus, the interpretation of scholars such as Imam al-Zamakhshari,<sup>2</sup> Imam al-Baydawi,<sup>3</sup> Imam al-Khazin,<sup>4</sup> Imam al-Tabari,<sup>5</sup> Imam Ibn Kathir,<sup>6</sup> Imam al-Shawkani,<sup>7</sup> Allama Sayyid Tantawi<sup>8</sup> and Allama Abdul Rahman Nasir Al-Sa'di<sup>9</sup> is as follows: Eating people's wealth using wrong way includes every method which Allah Almighty has not allowed, such as fraud, bribery, gambling, raising prices through hoarding, usury (interest based deals) and all haram forms of trade, etc. Earning money by mixing in buying and selling goods, taking work from the workers and eating their wages or taking full wages for any work but not doing the full work in return is also haram and void food. To collect wages for the acts of worship and for the acts that can bring people close to God are also considered as eating the wealth of people in the wrong way if such acts are not for the sole purpose of pleasing God. Eating the wealth of Zakat, Sadaqat, Awqaf and wills of people is also included in the haram food if one does not deserve it, or one deserves but he received more wealth than his right.

The aforementioned all the forms of eating wealth and all other similar forms of eating are included in the category of eating in the way which is not permissible

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<sup>10</sup> Al-Baqarah: 188

<sup>20</sup> Al-Zamakhshari, Abu al-Qasim Jar Allah, Tafsir al-Kashshaaf, Dar al-Kitab al-Arabi, Beirut, 1407 AH, 1:407

<sup>30</sup> Al-Baydawi, Nasir al-Din Abu Sa'id, Tafsir al-Baydawi, Dar Ihya al-Turath al-Arabi, Beirut, 1418 AH, 1:448

<sup>40</sup> Al-Khazin, Alauddin Ali bin Muhammad, Tafsir al-Khazin, Dar al-Kutub al-Ilmiyah, Beirut, 1415 AH, 2:73

<sup>50</sup> Al-Tabari, Abu Jafar Muhammad bin Jarir, Tafsir al-Tabari, Muassasah al-Risalah, Beirut, 1420 AH, 8:216

<sup>60</sup> Ibn Kathir, Abu al-Fida Isma'il bin Umar, Tafsir ibn Kathir, Dar Taiba for Publishing and Distribution, Beirut, 1420 AH, 2:268

<sup>70</sup> Al-Shawkani, Muhammad bin Ali, Tafsir Fath al-Qadeer, Dar ibn Kathir, Beirut, 1414 AH, 2:130

<sup>80</sup> Al-Tantawi, Muhammad Sayyid, al-Tafsir al-Wasit, Dar al-Nahza Misr for Publishing, Cairo, 1998 AD, 1:923

<sup>90</sup> Abdul Rahman Nasir al-Saadi, Tafsir Al-Saadi, Muassasah al-Risalah, Beirut, 1420 AH, 1:233

at all, even if there is a dispute in a matter and the dispute is presented before the Shari'ah court and the party who seeks wealth in a false way presents an argument which prevails over the argument of the real claimant and the judge decides in his favor on the basis of this argument, the property is still haram for him despite the court's decision and it will remain void,<sup>10</sup> because the decision of a ruler cannot make haram halal and halal haram, as the ruler decides only after hearing the arguments presented before him, otherwise the real facts of the matter do not change. Therefore, there is no happiness and comfort in the decision of the ruler for the one who consumes the wealth in a false way, and there is no doubt that this wealth is unacceptable. So, whoever files a false case in the court of the ruler with false evidences and the judge decides in his favor on the basis of these evidences, then still this property is not permissible for that person and he will be considered as he has intentionally committed to occupy the property of others in a sinful way, so he deserves the most severe punishment and retribution. Accordingly, when a lawyer finds out that his client is a liar in his claim, it is not permissible for him to advocate for the deceitful, and if he advocates for him and takes compensation from him, he eats haram food, and it is also forbidden in the Qur'an where Allah Almighty says: "So do not be an advocate for the deceitful."<sup>11</sup>

In short, it is haram and wrongful to eat wealth in any way that is forbidden by shari'ah. If we want to compile it or divide it into types, then there are basically two types of haram food; (1) A type in which goods are obtained in return such as all illicit forms of trade and business, and (2) the second type is the one in which wealth is obtained free of charge such as theft and usurpation etc. Since our subject is related to prohibited trade, the first type will be discussed in the following lines.

### **Basic Principles for Trade Prohibition**

In view of the arguments of the Qur'an and Sunnah and the sayings and fatwas of the scholars and jurists, the following principles can be laid down for declaring any trade as haram:

1. It is haram to trade anything that is unclean/najis (because its food is haram such as pork, etc.).
2. The trade of every haram thing is haram (such as dead and blood, etc.).
3. It is haram to trade anything that includes loss of seller or buyer (such as the sale of expired medicines, etc.).
4. It is haram to cheat in any form of trade (such as fish trade in water, etc.).
5. Any form of trade that is without the consent of the parties (such as to force someone to sell something, etc.), is haram.
6. Any form of trade in which the salable item or its price is unknown (such as to deal what is in the wombs of cattle, etc.), is haram.
7. It is haram to trade in any way which is forbidden by the Shari'ah (such as to deal after touching, etc.).

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<sup>10</sup> Al-Bukhari, Abu Abdullah Muhammad bin Isma'il, al-Jami al-Sahih, Dar al-Salaam, Riyadh, 1411 AH, the book of oppressions, chapter: the sin of a man who quarrels unjustly, h.2458

<sup>11</sup> An-Nisa: 105

8. It is haram to trade through any haram means (such as making money through adultery, etc.).
  9. Any trade that involves gambling is haram (such as lottery, etc.).
  10. Any trade after the Friday Adhan is haram (such as selling hats, books, perfumes and toothbrushes outside the mosques after the Friday Adhan or continuing one's own business, etc.).
  11. It is haram to trade in things that are forbidden by law (such as dogs, cats, etc.).
  12. It is haram to trade in anything that is a source of sin (such as statues and images of religious leaders that are a source of polytheism).
  13. It is haram to trade in anything that is not in full possession or ownership (such as selling something continuously while it is lying in the same place, etc.).
  14. It is haram to trade in any drug (such as cannabis and hashish).
  15. Any trade in which interest is involved in any way (such as taking nine rupees for ten rupees, etc.) is haram.
- Some scholars have tried to combine all the above principles into the following three principles:
    1. The trade of all haram things (such as carcasses, pigs, idols and all impurities, etc) is haram.
    2. Every interest-based trade is haram (such as buying two rupees for one rupee, etc.).
    3. Every deceptive trade is haram (such as birds in the air, fish in the water and trade in all unknown things, etc.).
  - And some scholars have mentioned only two principles of haram trade and they are:
    1. The trade of every haram thing is haram.
    2. Trade through any haram means is haram.

In short, every business, trade and sale that is against the Islamic law is haram. However, in order to understand haram business in a little bit detail, we can keep the following four points in mind:

- 1) The Items Whose Trade is Haram
- 2) Some Illegal Forms and Methods of Trade
- 3) Interest-based Trades and Deals
- 4) A few other miscellaneous Haram Sources of Income

All the above principles of illicit trade fall under almost these four points. Some details, examples and evidences of these four are mentioned in the following lines.

### **(1) The Items Whose Trade is Haram:**

**Wine:** The sale and purchase of wine/alcohol is explicitly forbidden in the Shari'ah, even in a hadith in which the Holy Prophet (PBUH) forbade its trade in

the same way as the trade of carcasses, pigs and idols.<sup>12</sup> Not only the one who buys or sells alcohol or drinks it is guilty, but the one who has anything to do with this business is cursed and sinful. So the ten men are cursed who are involved in wine, “The one who presses it, the one who has it pressed, its drinker, its carrier, and the one it is carried to, its server, its seller, the one who consumes its price, the one who purchases it and the one it was purchased for.”<sup>13</sup>

Since the prohibition of wine is the cause of intoxication, so everything that has the quality of intoxication, whether liquid or static, and whatever its name and color, will be haram. Therefore, it is haram to buy and sell all narcotics, such as heroin, hashish, opium and cannabis, regardless of whether they are small or large in amount, because when it is proven that excessive use of these substances causes intoxication, even a small use of them is haram, as Prophet (PBUH) said: “It is haram to take a small amount of something whose excessive use causes intoxication.”<sup>14</sup>

**Dead Meat:** The buying and selling of the dead meat is also forbidden by Allah Almighty.<sup>15</sup> However, there are only two dead whose trade is permissible and they are fish and locusts, because the Prophet (PBUH) declared them both lawful despite being dead.<sup>16</sup>

However, the opinion of some scholars should be in mind that it is not prohibited to take advantage of something which is haram to buy and sell. For example, if buying and selling a dead body is haram, it does not necessarily mean that it cannot be used to feed another animal or to burn its fat to light a fire, but it is permissible to make such a profit from the dead body.<sup>17</sup>

**Pig:** The trade of pig, whether it is alive or dead, is haram in any case because it is haram in itself and also unclean/najis (A Hadith has already been mentioned in this regard). Hafiz Ibn Hajar has quoted the consensus in this regard that trade in all pork/pig’s ingredients is forbidden.<sup>18</sup>

**Idols:** The reason for the prohibition of buying and selling idols is that they are tools and means of shirk, otherwise the thing from which they are made (such as stone or wood, etc.) is halal. Therefore, the prohibition of buying and selling idols will include the trade of anything that is a source of shirk in any way, such as buying and selling pictures of religious leaders and saints, buying and selling of

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<sup>12</sup> Abu Dawud, Sulayman bin al-Ash'ath al-Sijistani, al-Sunan, Dar al-Salaam, Riyadh, 1423 AH, the book of wages, chapter: regarding the price of khamr and dead meat, h.3486

<sup>13</sup> Al-Tirmidhi, Abu Isa Muhammad bin Isa, al-Jami, Dar al-Salaam, Riyadh, 1416 AH, the book on business, chapter: the prohibition to use wine to make vinegar, h.1295

<sup>14</sup> Al-Nasai, Abu Abd al-Rahman Ahmad bin Shu'ayb, al-Sunan, Dar al-Salaam, Riyadh, 1414 AH, the book of drinks, chapter: prohibition of every drink that intoxicates in large amounts, h.5607

<sup>15</sup> Ibn Majah, Abu Abdullah Muhammad bin Yazid al-Qazwini, al-Sunan, Dar al-Salaam, Riyadh, 1418 AH, the book on business transactions, chapter: what it is not permissible to sell, h.2167

<sup>16</sup> Sunan Ibn Majah, the book on food, chapter: liver and spleen, h.3314

<sup>17</sup> Ibn al-Qayyim, Muhammad bin Abu Bakr Shams al-Din, Zad al-Ma'ad, Muassasah al-Risalah, Beirut, 1415 AH, 4:242

<sup>18</sup> Ibn Hajar, Ahmad bin Ali Abu al-Fazal, Fath al-Bari, Dar al-Marifah, Beirut, 1379 AH, 5:178

audio, video cassettes and CDs of polytheistic naats and polytheistic qawwalis, etc.

**Dog:** It is stated in the hadith that the Prophet (PBUH) forbade the charging of price of the dog.<sup>19</sup> In view of this hadith, the majority of scholars have taken the view that buying and selling of any dog is absolutely illegal.<sup>20</sup> However, another hadith shows that the hunting dog is an exception to this prohibition. As Hazrat Jabir (R.A) states that the Prophet (PBUH) forbade the price of dogs except the hunting dogs.<sup>21</sup> This hadith binds other Ahadith that absolutely forbid from the dog trade, so the trade of all dogs except the hunting one will be haram.

**Cat:** Hazrat Jabir (R.A) says that the Prophet (PBUH) forbade the price of a cat.<sup>22</sup> Although there is disagreement in the trade of cats, yet the preferred opinion is that the trade of cats is haram, as it is forbidden in the above narrated sahih hadith of Hazrat Jabir (R.A).

**Blood:** Blood is forbidden in the Holy Qur'an and the price of blood is clearly forbidden in the Prophetic Hadith,<sup>23</sup> due to which the scholars have said that buying and selling of blood is haram and have also quoted consensus on it.<sup>24</sup> However, it is permissible to buy and sell blood in times of compulsion and extreme need, because "Necessities allow prohibitions." In addition, there are two bloods whose trade is lawful because the Prophet (PBUH) declared them lawful and they are "liver and spleen".<sup>25</sup>

### **Instrument of Play and Amusement, CDs of Pornographic Songs and Movies etc.:**

These and other such things are forbidden because the Holy Qur'an promises painful punishment to those who wish to spread immorality among Muslims.<sup>26</sup> Similarly, buying and selling of singers is also forbidden in the Hadith of the Prophet (PBUH),<sup>27</sup> and its latest form may be to sell cassettes or CDs which contain musicians and Pornography and obscenities. Such business and the income derived from it is haram. The same rule applies to those newspapers, magazines, journals and all other sources that spread pornography.

**Excess water:** In some ahadith, buying and selling the excess water is also

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<sup>19</sup> Sahih al-Bukhari, the book of sales and trade, chapter: price of a dog, h.2237

<sup>20</sup> Al-Shawkani Muhammad bin Ali, Nayl al-Awtar, Dar al-Hadith, Egypt, 1413 AH, 3:512

<sup>21</sup> Sunan al-Nisai, the book of financial transactions, chapter: exceptions from that, h.4668

<sup>22</sup> Muslim bin al-Hajjaj al-Qushayri, al-Jami al-Sahih, Dar al-Salaam, Riyadh, 1412 AH, the book of Musaqah, chapter: the prohibition of the price of a dog, h.1569

<sup>23</sup> Sahih al-Bukhari, the book of sales and trade, chapter: the Riba-giver, h.2086

<sup>24</sup> Nayl al-Awtar, 5:238; Fath al-Bari, 5:180

<sup>25</sup> Sunan Ibn Majah, the book on food, chapter: liver and spleen, h.3314

<sup>26</sup> An-Nur: 19

<sup>27</sup> Jami al-Tirmidhi, the book on business, chapter: what has been related about it being disliked to sell singers, h.1282

prohibited.<sup>28</sup> Scholars say that the excess water prohibited in the ahadith refers to water that does not belong to an individual person, such as water from rivers, canals, springs and desert wells. But if the water is one's private property (whether it is in pots or in private land), then it is permissible to buy and sell it, because according to the Prophet's command, it is haram to take one's property without one's consent. Secondly, if it is not permissible to sell privately owned water and others are considered as partners in it, then this fight will lead to conflict and strife. Therefore, in the public interest, the appropriate opinion is that personal owned water can be sold.

- Furthermore, the meat of the sacrificial and aqeeqah, mosques or the property dedicated to mosques, the pictures of animals, the offspring of female animals, every haram thing, everything that causes any sin and everything that causes any harm, etc., are the things whose trade is forbidden, but for the sake of brevity, their details are being deleted.

## **(2) Some Illegal Forms and Methods of Trade**

**Every Form of Deception:** The Prophet (PBUH) forbade the trade of deception.<sup>29</sup> A slave deal, a bird deal in the air, a fish deal in the water, and so on. The trade of deception refers to a trade whose end is not known i.e. it is not known whether it will happen or not, such as the selling a slave who has fled, the trade of birds in the air, the trade of fish in the water etc. Imam al-Nawawi (R.A) has said that one of the great principles of the Book of Sales and Trades is “the prohibition of the trade of deception” and there are innumerable issues are discussed under it... any such deal involving fraud is void.<sup>30</sup>

Here are just a few of the forms of trade that are prohibited in the ahadith of the Prophet (PBUH) because of the deception; to bargain for the pregnancy of a pregnant animal i.e. to bargain for a child that will be born by a child that is still in the womb of a female animal, to bargain by simply touching or throwing something away, dealing something by hiding its defect, stopping the milk of the animal and selling it further so that the buyer will be deceived by considering it as a milch animal and pay more price for it, dealing the raw fruits, bargaining for raw field in exchange of grains, bargaining for raw dates in exchange of dried dates, dealing with fruit on trees for more than a year, dealing with piles of grain without weighing, bargaining for non-existent thing in exchange of non-existent thing, selling meat after filling air in it, selling milk after mixing water in it, selling fish existing in the water and selling milk existing in the teats, etc.

**Bargain a thing before taking possession of it:** It is not permissible to sell grain or anything else before taking possession of it. The Prophet (PBUH) said: “When you buy grain, do not sell it before you take possession of it.”<sup>31</sup> Another

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<sup>28</sup> Sahih Muslim, the book of MUSAQAHA, chapter: the prohibition of selling surplus water, h.1565

<sup>29</sup> Sahih Muslim, the book of transactions, chapter: the invalidity of HASAH transactions, h.1513

<sup>30</sup> Al-Nawawi, Abu Zakariyya Yahya bin Sharaf, Interpretation of Sahih Muslim, Dar Ihya al-Turath al-Arabi, Beirut, 1392 AH, 5:416

<sup>31</sup> Sahih Muslim, the book of transactions, chapter: it is invalid to sell goods before taking possession of them, h.1529

hadith says, it is not permissible to take advantage of something before taking possession of it,<sup>32</sup> e.g. if a person buys something and sells it before taking possession (guarantee, while the guarantee is still on the seller), then the sale is void and it is not permissible to make a profit from it. This hadith is interpreted as, it is permissible to make a profit in anything (for man) only when his loss is on him (i.e. he has taken possession of it), and if the loss is still on seller then it is not permissible for buyer to make profit from it.<sup>33</sup>

**Bargaining without ownership:** It means to bargain for something that is not in the seller's ownership at the time of sale, then this form of trade is forbidden. The Prophet (PBUH) said: "Do not sell anything that you do not have."<sup>34</sup> And another hadith says, "Do not sell something that is not in your possession."<sup>35</sup> The current situation is that some housing schemes sell files of 5,000 plots while they still own only 3,000 plots and the rest are still intended to be purchased, then the sale of excess land that is not owned by the scheme owners is illegal and so on and so forth.

**Selling the War Spoils before Distribution:** It is forbidden to sell war spoils before distribution because it does not belong to anyone yet. Hazrat Ibn Abbas (R.A) said: Prophet PBUH forbade the sale of war spoils before its distribution.<sup>36</sup>

**Dealing with caravans carrying goods on the way:** The Prophet (PBUH) said: "Do not go ahead and meet the caravans carrying goods."<sup>37</sup> The situation is that the citizen meets the desert dweller on the way before his reaching into the city market so that he can misrepresent the market price and buy goods from him at a cheaper price and less than the original price. Prohibition is intended to save the seller from fraud and harm.

**Increasing the price through bidding:** The Prophet (PBUH) forbade the sale of Najsh (inflating prices artificially),<sup>38</sup> as in this case, a person bids just to increase the price of the deal so that he can get someone else into it even though he doesn't want to buy it himself. Sometimes, a person does so with the consent of seller, in such cases both will be sinners. Sometimes this happens without the knowledge of the seller, in such cases only the bidder will be guilty, and sometimes the seller himself will do so in such a way that he shows the purchase price higher than the actual purchase price just to make people pompous, in such cases only the seller will be guilty.

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<sup>32</sup> Sunan Ibn Majah, the book on Business Transactions, chapter: the prohibition of selling what is not with you, h.2188

<sup>33</sup> Nayl al-Awtar, 3:555

<sup>34</sup> Sunan Abu Dawud, the book of wages, chapter: regarding a man selling what he does not possess, h.3503

<sup>35</sup> Al-Bayhaqi, Ahmad bin Husayn, Sunan al-Kubra, Dar al-Kutub al-Ilmiya, Beirut, 1424 AH, 5:554

<sup>36</sup> Ahmad bin Hanbal, al-Musnad, Muassasah al-Risalah, Beirut, 1421 AH, h.9909

<sup>37</sup> Sahih al-Bukhari, the book of sales and trade, chapter: the seller is not allowed to keep animal un milked for a long time, h.2150

<sup>38</sup> Sahih al-Bukhari, the book of sales and trade, chapter: An-Najsh, h.2142



**Bargaining on someone's bargain:** This is a bargain in which the buyer is given the option to check the item for a few days so that he can return it if he does not like it. During the time set for authorization, another man comes and asks the buyer to cancel the deal with him; I will sell you the best thing at a cheaper price. As it is not permissible to sell on sale, so it is not permissible to buy on sale. The situation of latter case is, if a person says to the seller during the period of authority that if you cancel the deal, I will buy the same thing from you at a higher price. The Prophet (PBUH) forbade such trades.<sup>39</sup>

**Forcing Someone to Deal:** This method is not permissible because the condition of the sale is to get the consent and happiness of the parties. The one who is being forced is not sincerely happy to sell his thing, so this sale is not valid. The scholars also cite the following hadith as evidence for the invalidity of this sale: "Undoubtedly, Allah has forgiven, for me, my ummah's mistakes and forgetfulness, and what they are forced to do."<sup>40</sup> This hadith clearly justifies that the one from whom something is being forcibly sold, is not obligated in this case, therefore such dealing is void.

### **Selling Things at High Prices through Hoarding:**

Islam forbids hoarding with the intention that when the item is not available in the market and people need it, I will take advantage of the people's compulsion and sell the item at a price of my choice. However, there is nothing wrong with storing something at home for personal use.

### **Buying and Selling in the Masjid:**

The Prophet (PBUH) forbade buying and selling in the masjid.<sup>41</sup> On one occasion he said: "When you see someone buying and selling in the masjid, say: May Allah not make a profit in your business."<sup>42</sup> It was learned that it is not permissible to bargain or buy or sell anything in the masjid. Most of the scholars have imposed this prohibition on haram. In addition, the purpose of establishing the masjid is only to perform religious affairs (such as prayers, recitation of the Qur'an and remembrance, etc.) and not worldly affairs such as buying and selling, etc.

### **Buying and Selling after Friday Adhan:**

In view of the following command of the Holy Qur'an "O believers! When the call to prayer is made on Friday, then proceed (diligently) to the remembrance of Allah and leave off (your) business",<sup>43</sup> the scholars have agreed that buying and

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<sup>39</sup> Sahih al-Bukhari, the book of sales and trade, chapter: not to cancel a bargain already agreed upon, h.2139

<sup>40</sup> Sunan Ibn Majah, the book of divorce, chapter: divorce of one who is compelled, and of one who is forgetful, h.2043

<sup>41</sup> Sunan Abu Dawud, the chapters on Friday prayer, chapter: gathering before the prayer on Friday, h.1079

<sup>42</sup> Jami al-Tirmidhi, the book on business, chapter: the prohibition of selling in the Masjid, h.1321

<sup>43</sup> Al-Jumu'ah: 9

selling or any kind of trade and business after the adhan of Jumu'ah is Haram as Imam Ibn Kathir and Imam Ibn Rushd have quoted the consensus of scholars on this issue.<sup>44</sup>

- In addition to the above, the selling of things without weights, dealing with foreclosure, making a deal that would lead to the separation of blood relations (such as selling two slave brothers separately), dealing with a needy person at a low rate, buying the donated property yourself and dealing with meat in exchange of live animals etc are also different forms of illicit trade.

### **(3) Interest-based Trades and Deals:**

Interest (Sood) is a Persian word and is also used in Urdu. It means "profit". In English the word 'interest' is used for it while in Arabic the word 'Riba' is used that literally means "excess/increase". One of the literary definitions of interest is as, "It is surplus property which is free from any compensation according to the Shari'ah standard and is conditional on compensation for one of the two sellers."<sup>45</sup> While another definition is as, "It is a conditional increase which is to be received in the deals' contract without any compensation or right."<sup>46</sup>

It should be noted here that interest is only the name of the increase which is to be stipulated at the time of lending, and if there is no condition and the debtor voluntarily pays something extra at the time of repayment of the debt, then it is not interest but it is a good way to repay the debt which is also encouraged by Islam as well as it is also mentioned in a hadith according to which the Prophet (PBUH) borrowed a camel from a man and when the time came to return it, there was a (better) camel, not of that age, but of an older one (which was more valuable), so he gave it to him and said: "The best among you is the one who is the best in repaying his debts."<sup>47</sup>

In addition, there are various interest-based transactions today that are being legitimized in the name of trade and business, despite the fact that there is a big difference between interest and trade, and the biggest difference is that interest is haram and Trade is halal, as Allah Almighty has said, "That is because they (the usurers) say, Trade is no different than interest. While (the fact is that) Allah has permitted trading and forbidden interest."<sup>48</sup> To understand the difference between trade and interest, the following few tips are also useful:

- Profits are guaranteed in interest while in trade there can be profit as well as loss.
- In interest, only money is exchanged for money and profit is made for a certain period of time, while in trade, a commodity/ product is bought and sold in exchange of money for which hard work is done and then, as a result of this effort, profit is obtained.

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<sup>44</sup> Tafsir Ibn Kathir, 8:122; Ibn Rushd Abu al-Walid Muhammad bin Ahmad, Bidayat al-Mujtahid, Dar al-Hadith, Cairo, n.d., 4:169

<sup>45</sup> Saadi Abu Habib, Doctor, Dictionary of Jurisprudence, Dar al-Fikr, Damascus, 1408 AH, p.143

<sup>46</sup> Al-Sarakhasi, Shams al-Aimma Muhammad bin Ahmed, Al-Mabsut, Dar al-Ma'rifah, Beirut, n.d., 12:192

<sup>47</sup> Sahih al-Bukhari, the book of advocacy (authorization), chapter: to depute a person, present or absent, h.2305

<sup>48</sup> Al-Baqarah: 275

- The interest contracts get longer and longer, while the trade deals usually end in the short term.

According to usurers' view, as it is right to rent things, so is interest, and if it is permissible to rent things, then why not money's? To know the answer of this question, it is necessary to understand the difference between interest and rent. The first thing is that interest is just the profit of the passage of time while the rent is not the passage of time but the use of something. The only thing that can be rented is something which can be used to take advantage and no one rents anything that can't be used for advantage. In other words, rent is for something usable (such as a car, a house, etc.) and money is not usable (because it cannot be worn, eaten, etc.) but money only serves to buy something and then those things are used to get benefits. Secondly, the rented thing is always decreased because of the use such as the use of machinery, house, car, etc., causes a defect in it, while the lent amount does not decrease, but the entire amount including interest (the profit) is recovered. Furthermore, in the case of rent, the property rights remain with the owner, while in interest, the debtor has full authority to dispose of the property as he desires.

In the light of these points, it becomes clear that there is a significant difference between interest and rent, and it also becomes very clear why Allah Almighty has declared rent to be permissible and interest to be unlawful, so it is better to avoid interest-based trades in any case. Suffice to say regarding the abomination of interest that in the Holy Qur'an it has been equated with war against Allah and His Messenger,<sup>49</sup> and in the hadith, not only the usurer is cursed<sup>50</sup> but the lowest of the seventy degrees of usury/interest is said to be equal to the sin of committing adultery with one's mother.<sup>51</sup> Due to this infamy of interest, the consensus of the ummah regarding interest is that it is haram.<sup>52</sup> Therefore, any form of trade, commerce, buying and selling and transactions which is totally or partially interest bearing, whether borrowing from banks at interest or car leasing, insurance or reward bonds, currency exchange with fluctuations or use a credit card and so on.

#### **(4) A Few Other Miscellaneous Haram Sources of Income:**

**Earnings from Adultery:** Earnings from adultery are forbidden in Islam. Therefore, it is narrated in one of the hadith that the Prophet (PBUH) forbade the wages of the prostitutes.<sup>53</sup> Therefore, all businesses of prostitution, adultery, pornography and nudity are haram.

**Gambling Earnings:** Since gambling is haram, as in the Holy Qur'an, gambling is

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<sup>49</sup> Al-Baqarah: 279

<sup>50</sup> Sahih Muslim, the book of Musaqah, chapter: cursing the one who consumes Riba and the one who pays it, h.1597

<sup>51</sup> Sunan Ibn Majah, the book on business transactions, chapter: emphatic prohibitions of usury, h.2273

<sup>52</sup> Encyclopedia of Consensus in Islamic Jurisprudence, Dar al-Fazilah for Publishing and Distribution, Riyadh, 1433 AH, 4:21

<sup>53</sup> Sahih al-Bukhari, the book of hiring, chapter: The earnings of prostitutes, h.2139

called an evil act from which the people are forbidden.<sup>54</sup> The hadith of the Prophet (PBUH) says: "Verily, Allah Almighty has forbidden for my ummah drinking alcohol and involving in gambling."<sup>55</sup> So, any form of business that involves gambling is haram. Therefore, multi-level marketing, lotteries, puzzles and raffle tickets are all haram and their earnings are also haram.

**Earnings related to divination, soothsaying and other matters related to the knowledge of the unseen:**

In the Holy Qur'an, divination (drawing lots for decisions) is also forbidden.<sup>56</sup> Reporting future unseen events is called soothsaying, and those who do so are called soothsayers. This practice is also haram, as the hadith of the Prophet (PBUH) says: "Whoever came to a soothsayer and confirmed his sayings, he disbelieved in all the teachings that have been revealed to Muhammad (PBUH)."<sup>57</sup> And Hazrat Abu Bakr (R.A) had also put his finger in his mouth and vomited up all that he had eaten when he came to know that what his slave had fed him he had got it in return for the soothsaying.<sup>58</sup> Therefore, those who tell the news of the unseen in any way, draw lots for decisions, astrologers and those who tell the address of lost things, etc., are all perpetrators of haram and their earnings are haram.

**Earnings from begging:** It is not permissible to make begging a profession because the Prophet (PBUH) strongly condemned it, as Hazrat Abdullah bin Umar (R.A) reported God's messenger as saying, "When a man is always begging from people the result will be that he will come on the day of resurrection with no flesh on his face."<sup>59</sup> This hadith clearly define that, it is not permissible to beg for food except under severe compulsion.

**Bribery:** Earning a bribe is also haram. Because, on the one hand, it involves eating people's wealth in a false way, which Allah has forbidden, and on the other, Allah and His Messenger have cursed the bribe-taker.<sup>60</sup> Therefore, it is haram to take bribes from people in any way, whether it is in the form of wealth or something else. As it is haram to take a bribe, so it is haram to give a bribe.

In addition, the scholars have also declared that it is haram to shave because of the prohibition of shaving. Similarly, it has been said that it is not permissible to take up the profession of photography due to the strict warning to take pictures

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<sup>54</sup> Al-Maidah: 90

<sup>55</sup> Musnad Ahmad, h.6564

<sup>56</sup> Al-Maidah: 90

<sup>57</sup> Sunan Abu Dawud, book of divination and omens, chapter: regarding fortunetellers, h.3904

<sup>58</sup> Sahih al-Bukhari, the book on the merits of the helpers in Madinah, chapter: the days of pre-Islamic period of ignorance, h.3831

<sup>59</sup> Sahih al-Bukhari, the book on the obligatory charity tax (Zakat), chapter: whoever asks the people to increase his wealth, h.1484

<sup>60</sup> Sunan Ibn Majah, the book of rulings, chapter: emphatic prohibition against injustice and bribery, h.2313; Sunan Abu Dawud, the book on the office of the Judge (Kitab Al-Aqdiyah), chapter: regarding bribery being disliked, h.3580

of living souls.

### Summary

Trade and commerce are an integral part of human life, so it is important to know its Islamic principles and laws. Since the principle in matters (business and deals, etc.) is that everything is halal unless there is evidence of its prohibition. So if the principles and rules are known that cause a business to fall into the category of haram, halal sources of income can be easily adopted according to the Shari'ah requirements. Considering the Shari'ah arguments and the sayings of the Imams and the jurists, the result of the rules and regulations that make any trade haram is that the trade of anything that is forbidden by Shari'ah is haram, the trade of every najis and haram is haram, the trade of anything that is a source of sin is haram, any form of trade in which there is dishonesty and cheating, dissatisfaction of both parties, loss of the seller or the customer, ignorant of its price etc is haram. It is also haram to trade in times or places where trade is forbidden according to shari'ah such as after the call to prayer on Fridays, and to buy and sell in masjid, etc. It is haram to trade in any intoxicant, and it is haram to trade in anything that involves usury in any way.

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