

Note: Article Published 2 months before Central 1 Credit Union Board of Director decides to terminate relationship with UM Financial. The article below has this statement:

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<http://www.ghostofaflea.com/archives/014961.html>

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A word on Islamic finance from UM Financial

The following excerpt from *An Introduction to Islamic Finance* by Mufti Muhammad Taqi Usmani is borrowed from Islamic Finance page of UM Financial, thanks to whom Canadians have access to the iFreedom Plus MasterCard.

You may be forgiven for thinking I have excerpted it from a speech by Tommy Douglas, pace a couple changes in terminology here or there.

The Basic Difference between Capitalist and Islamic Economy

Islam does not deny the market forces and market economy. Even the profit motive is acceptable to a reasonable extent. Private ownership is not totally negated. Yet, the basic difference between capitalist and Islamic economy is that in secular capitalism, the profit motive or private ownership are given unbridled power to make economic decisions. Their liberty is not controlled by any divine injunctions. If there are some restrictions, they are imposed by human beings and are always subject to change through democratic legislation, which accepts no authority of any super-human power. This attitude has allowed a number of practices which cause imbalances in the society. Interest, gambling, speculative transactions tend to concentrate wealth in the hands of the few. Unhealthy human instincts are exploited to make money through immoral and injurious products. Unbridled profit making creates monopolies which paralyse the market forces or, at least, hinder their natural operation. Thus the capitalist economy which claims to be based on market forces, practically stops the natural process of supply and demand, because these forces can properly work only in an atmosphere of free competition, and not in monopolies. It is sometimes appreciated in a secular capitalist economy that a certain economic activity is not in the interest of the society, yet, it is allowed to be continued because it goes against the interest of some influential circles who dominate the legislature on the strength of their majority. Since every authority beyond the democratic rule is totally denied and 'trust in God' (which is affirmed at the face of every U.S. dollar) has been practically expelled from the socio-economic domain, no divine guidance is recognized to control the economic activities.

The evils emanating from this attitude can never be curbed unless humanity submits to the divine authority and obeys its commands by accepting them as absolute truth and super-human injunctions which should be followed in any case and at any price. This is exactly what Islam does. After recognizing private ownership, profit motive and market forces, Islam has put certain divine restrictions on the economic activities. These restrictions being imposed by Allah Almighty, Whose knowledge has no limits, cannot be removed by any human authority. The prohibition of riba (usury or interest), gambling, hoarding, dealing in unlawful goods or services, short sales and

speculative transactions are some examples of these divine restrictions. All these prohibitions combined together have a cumulative effect of maintaining balance, distributive justice and equality of opportunities.

Would you like to learn more? [UM Financial links the whole book](#) in pdf form.

UM Realty loves its [Mufti Taqi Usmani](#), they cite him on the meaning of Musharkah ("sharing") and Diminishing Musharkah (another form of Musharkah). In fact, the same page links the following pdf file of [The Text of the Historic Judgment on Interest; Given by the Supreme Court of Pakistan](#) including a section written by Justice Muhammad Taqi Usmani.

Because this is exactly the guidance you need for securing a mortgage in Canada.

For all your 'ilm needs: In case anyone running things around here should happen to take an interest, Wikipedia lists [Muhammad Taqi Usmani](#) as a "key figure" in the [Deobandi movement](#).

He was a key member of a team of scholars which helped declare Ahmadis, also derogatorily known as Qadianis, as non-Muslims by Pakistan's National Assembly during the era of former Pakistani president, Zulfikar Ali Bhutto, in the 1970s. During the presidency of General Zia ul Haq, he was instrumental in drafting laws pertaining to Hudood, Qisas, and Dayiat. He strongly opposed the Women's Protection Bill. According to him, it was designed to distract attention from issues such as flaws in the law enforcement system. According to a comment piece in The Times, Usmani "believes that aggressive military jihad should be waged by Muslims 'to establish the supremacy of Islam' worldwide."

[The Times](#) piece quotes Taqi Usmani as saying followers "must live in peace until strong enough to wage jihad".

One of the world's most respected Deobandi scholars believes that aggressive military jihad should be waged by Muslims "to establish the supremacy of Islam" worldwide.

Justice Muhammad Taqi Usmani argues that Muslims should live peacefully in countries such as Britain, where they have the freedom to practise Islam, **only until they gain enough power to engage in battle**.

His views explode the myth that the creed of offensive, expansionist jihad represents a distortion of traditional Islamic thinking.

He denies the last statement though I can't for the life of me imagine why. If we had some journalists in Canada, they could maybe follow up with him or something. You know, just asking questions. That sort of thing.

Or ask what his Canadian adherents think of Ahmadi Muslims, or the rights of women, or the real meaning of jihad. Or how any of these things influence their notions of fund raising for charitable projects in Pakistan. You know, just off the top of my head here.

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Posted by Ghost of a flea at August 31, 2010 05:47 PM