

The agricultural banking subsidy

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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

In the name of Allaah, the Most Merciful, the Bestower of Mercy

The question: The agricultural subsidy includes 70% interest-free and 30% with interest. The majority of the farmers took the 70% because it is interest-free. However, the Agricultural Fund made a set of requirements in order to take the 70%; among these requirements: [the obligation] of buying shares from the Agricultural Bank belonging to the Fund. So, is it permissible to carry out this operation, knowing that the farmer cannot obtain the 70% unless his project is completed.

Moreover:

1- A part of the shares is to be restored with determinate or indeterminate interest.

2- Buying the shares is required, so that the farmer can adhere to the Agricultural Fund, in order to support this Fund financially (receive indemnity in case of damage).

So, is it permissible? Knowing that the farmer will be able to withdraw the money (the shares value) after one year; and banks are known for their financial transactions.

Shaykh Aboo `Abd-al-Mu`iz `Alee Farkous al-Qoobee (*May Allaah the Most High preserve him*): All praise is due to Allaah, the Lord of the Worlds. Peace and blessing be upon whom Allaah sent as a mercy to the Worlds, upon his Family, his Companions and his Brothers till the Day of Resurrection.

Know that selling and buying shares of companies which put their money in usurious banks, take usurious interest on deposits and take out loans at usurious interest, are forbidden and wrong acts given that [religious] texts that judge forbidden and wrong [this kind of acts] are clear and peremptory, and do not leave any room for passions quarrels; especially as the contracting person enters into the contract knowingly. In fact, the imams: Maalik, Ash-Shaafi'ee, Ahmad and the majority of their partisans agreed that contracts which contain usury are [judged] wrong, because it (usury) is forbidden, and it is well known that if the prohibition concerns just a part of the prohibited thing, the latter is like the thing which is prohibited for itself.

The perfect knowledge belongs to Allaah (*Mighty and Majestic is He*). Our last prayer is all praise is due to Allaah, the Lord of the Worlds. Peace and blessing be upon our Prophet, his Family, his Companions and Brothers till the Day of Resurrection.

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