85197 - He needs to pay the rent and he cannot find anyone who will lend him money; can he take a riba-based loan?

the question

If a man needs money to pay his household expenses, or to pay rent on his house etc, and he cannot find anyone to lend him money or from whom he can borrow, is it permissible for him to borrow from the bank?.

Detailed answer

Praise be to Allah.

If borrowing from the bank is done in a shar'i manner, such as taking a loan which he will pay back with no interest, or he buys something from them to be paid for at an agreed time – even if that is for more than the current price – there is nothing wrong with that. But if he borrows from them on the basis of riba (interest), this is not permissible, because Allah has forbidden riba in His holy Book, and in the Sunnah of His noble Messenger (peace and blessings of Allah be upon him), and has issued a warning concerning it that is not mentioned with regard to eating dead flesh and the like. Allah says (interpretation of the meaning):

"Those who consume Riba will not stand (on the Day of Resurrection) except like the standing of a person beaten by Shaytaan (Satan) leading him to insanity" [al-Baqarah 2:275].

The mufassireen said: What this means is that he will rise from his grave on the Day of Resurrection like one who is insane. Then after that Allah says (interpretation of the meaning):

"That is because they say: 'Trading is only like Riba,' whereas Allah has permitted trading and forbidden Riba. So whosoever receives an admonition from his Lord and stops consuming Riba, shall not be punished for the past; his case is for Allah (to judge); but whoever returns (to Riba), such are the dwellers of the Fire — they will abide therein.

276. Allah will destroy Riba and will give increase for Sadaqaat (deeds of charity, alms)” [al-Baqarah 2:275-276].

It is narrated in a saheeh report that the Messenger of Allah (peace and blessings of Allah be upon him) cursed the one who consumes riba and the one who pays it, the one who writes it down and the two who witness it, and he said: they are all the same. This was narrated by Muslim in his Saheeh. There are many well known verses and ahaadeeth which forbid riba and warn against it. Not finding someone to lend him money or sell to him on credit does not make him come under the ruling of necessity which makes eating dead meat or engaging in riba permissible. This is a view for which there is no basis in sharee’ah, because the one who is in need can work with his hands until he earns enough to pay for his needs, or he can travel to another town to find someone who will lend him money or sell to him on credit.

The case of necessity is that in which a person fears that he will die if he does not eat the dead meat or whatever because of starvation and not being able to find anything to keep body and soul together by earning etc. The need of those who deal with riba-based banks does not come under the heading of necessity which makes dead meat and the like permissible.

Many people take the matter of riba lightly, so that they deal with it and issue fatwas to the people for the slightest reason. This is only due to lack of knowledge and weakness of faith, and because they are overwhelmed with love of wealth. We ask Allah to keep us safe and sound from that which incurs His wrath. The more one can avoid dealing with the bank or borrowing from them – even in the shar’i ways that we mentioned above – the better, because in most cases the bank’s money is not free from haraam elements, and the Prophet (peace and blessings of Allah be upon him) said: “Whoever avoids doubtful areas has protected his religious commitment and his honour.” Agreed upon. And Allah is the source of strength.