97599 - He buys all the goods in the market to gain control of the prices

the question

There is someone who works in business in our city. If he realizes that there is some type of goods of which the price has begun to improve in the market, he buys everything of that type of goods in the market and controls its price by increasing it. What is the ruling on doing that? Is what he earns in this way halaal or haraam?

Detailed answer

Praise be to Allah.

Undoubtedly if someone causes hardship to the Muslims with regard to what they need of basic necessities, buying all that is available in the market and forcing people to buy them from him at a higher price, thus making their lives difficult, this is undoubtedly not permissible, and it comes under the heading of hoarding, which is prohibited. He must be stopped from doing that. This applies if the matter is as described by the questioner, that there is nothing available in the market except this product that people need, and he buys it and keeps it with him in order to have control over the prices. This is something that is not permissible, and the authorities must prevent him from doing that. But if this product is non-essential and people do not need it, or there is another marketplace and other products, and people can find alternatives somewhere else without undue hardship, then it is not prohibited, but the Muslims should not make things difficult for people.

Al-Muntaqa min Fataawa ash-Shaykh Saalih al-Fawzaan (3/60).