

Prosperity for all only under Islam

News:

Recently, Prime Minister Datuk Seri Anwar Ibrahim presented the country's annual budget. With the world capitalist economic climate becoming increasingly tight, many economic observers were looking forward to seeing if there would be any significant change in this budget presentation. Themed "Budget 2023: Building a Civilized Malaysia," this budget prioritizes helping the B40 group (low income) in various aspects because they are the ones most affected by the pandemic.

Comment:

In the budget presentation, it could be said that the government led by Datuk Seri Anwar Ibrahim is trying to make efforts to eliminate corrupt practices, embezzlement of public funds, and subsequently distribute the wealth obtained from taxes imposed on the rich to the poor. The wealth obtained from the T20 group (high income) through income tax and their luxury goods purchases will be distributed to the majority group (B40/M40). In addition, billions more will be distributed if the government succeeds in withdrawing oil subsidies from high income earners. The government expects that this will reduce the wealth gap between the rich and the poor. Consequently, the main focus of Budget 2023 is to rebuild the welfare of people affected by the pandemic. Initiatives, such as exempting payment for driving tests for motorcycles, taxis, buses, and e-hailing, Rahmah Cash Contributions (STR), e-Tunai Credit for the Youth, and the Tengkujuh Seasonal Assistance (BMT) focus on a two-pronged strategy to increase the income of resilient poor families and the B40 group in an effort to solve the daily economic problems of lower-income citizens.

However, despite all the efforts, current statistics show that the upper class continues to gain more wealth. Recently, the media reported that banks continued to record profits at the end of 2022. For example, the CIMB Group Holdings Bhd reported a 33% increase in profit amounting to RM6.21 billion. On the same note, the richest people in Malaysia are reported to continue to strengthen their position in the list of the richest men. The 50 richest billionaires in Malaysia on Forbes' list in 2020 recorded an increase in their wealth by 14% compared to 2021, even though Malaysia's economy shrank by 5.6%. The total wealth of the 50 richest billionaires in Malaysia has now reached USD90 billion (RM370 billion), which is equivalent to the value of the presented 2023 Budget.

The capitalist economic system practiced today hinges upon freedom of ownership. This principle gives the freedom to individuals to own any asset or wealth as long as they have the ability and power to do so. For those who are weak and has no strength or ability, they will continue to be left behind. This ideology is contrary to Islam. In the Islamic economic system, ownership of wealth is determined by the Shariah, not human reasoning. Islam does not prevent an individual from acquiring wealth, but it must follow the rules set by Allah (swt). For example, the wealth generated from raw materials sourced from the earth must be managed properly by the state and the profit must be distributed according to the Shariah of Allah (swt). Islam also established that the main foundation for distributing any wealth acquired or gifted by Allah (swt), is fair wealth circulation and not just circulation amongst the rich. Islam provides the solution and detailed procedures for distributing wealth to ensure socio-economic stability of every citizen where poverty can be eradicated and prosperity for everyone can be attained regardless of their religion, race, and skin color. This was already proven during the reign of Khalifah Umar Ibn Aziz, where he succeeded in eradicating poverty among the people to the extent that it was reported that no one was eligible to receive zakat at that time. However, all of this cannot be implemented without an Islamic state that implements the Islamic governance system, namely the Khilafah system.

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