

Working in a Bank

Question

Is it permissible for a Muslim to work in a bank?

Answer Summary:

- Islam prohibits riba (usury, interest) as a general rule due to its oppressive and exploitative nature. Some scholars permit certain rare exceptions under the legal maxim of “absolute necessity” (see separate rulings for details).
- It is therefore not permissible to take on direct roles within a bank or any company for that matter which deals with riba (usury, interest).
- Other halal (lawful) non-riba based roles within a company may be permissible even if that company may have dealings with riba.
- Scholars are divided on companies like conventional banks that have riba as a primary source of income. Some permit working in these companies while others don't. The ones who don't state that all roles including indirect ones facilitate the primary source of income, i.e., riba. The scholars who permit working in banks base their ruling on the fact that all banks have sources of income that are non-riba derived, like fees, commissions, etc. Some of these scholars however recommend that it is still best to avoid working in these companies based on the legal category that it is “disliked”.

And Allah (swt) Knows Best.

Sources:

- Dr Monzer Kahf (2002): http://monzer.kahf.com/fatawa/2000-2002/FATAWA_JOBS_WORKSand_business.pdf.
- Mufti Muhammad ibn Adam <http://islamqa.org/hanafi/daruliftaa/7814>
- Dr Main Khalid Al-Qudah (2006): <http://www.amjaonline.org/fatwa-1339/info>
- Dr Main Khalid Al-Qudah (2007): <http://www.amjaonline.org/fatwa-22421/info>

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