

Ramadhan Prices: Don't blame the seller, blame the buyer

By Muhammad Faisal

In Islam, the market is meant to be free and permitted to respond to the natural laws of supply and demand. Thus, when the prices became high in the Prophet's ﷺ time and people asked him to fix prices for them, he replied, *“Allah is the One Who fixes prices, Who withholds, Who gives lavishly, and Who provides, and I hope that when I meet Him none of you will have a claim against me for any injustice with regard to blood or property.”* (Reported by Ahmad, Abu Dawood, al-Tirmidhi, Ibn Majah, al-Dari and Abu Y'ala.)



One of the key lessons from this hadith is that when the market is setting the price, it is a natural process in which forces of demand and supply interact. We therefore should not blame the seller in case the prices are high (the Prophet ﷺ did not blame the sellers). Of course, price increase through creating artificial shortages or through forming cartels is unnatural. Such practices are therefore forbidden in Islam.

Several years back when an artificial shortage of sugar was created, my mother would regularly complain about the unbelievably high sugar prices. One day I said to her that I had a solution to this problem. She said “What?” My answer was simple, that we stop buying sugar. Her response was “Are you crazy?” She then shared my idea with the housemaid who responded by saying “Sister how can we live without sugar?” My mother came back to me with her reply and once again questioned my sanity by saying that how can anyone live without sugar. The only answer I could give was “I can” and that’s how I completely boycotted sugar in those times. Did I manage to bring the price down? No. Can collective consumer behavior bring prices down? Yes. That is the second lesson from the hadith above. That in the marketplace, the power to make a transaction rests with the buyer. If he decides not to buy something because it is expensive and if this happens collectively, the price fall is guaranteed. This proves that of the market forces, ‘demand’ is the most powerful one that determines the price.

In the light of above, let’s take a look at what happens during Ramadhan in Pakistan. None will disagree with the fact that Ramadhan is supposed to be a month of restraint and low consumption. Unfortunately, this is the month when Muslims start consuming more (food items in particular) than they do in any other month. The higher demand results in higher prices, and then instead of blaming ourselves we start blaming the seller. If anyone has to be blamed for the higher prices, it has to be the buyer not the seller.

I am not saying that spending so much on food is impermissible, I am just saying that it is against the spirit of the month of restraint, the month of Ramadhan. If we align our consumption behavior with the spirit of Ramadhan, the prices will normalize. In fact the prices will be much lower than usual, since the consumption will be much lower than usual. I am not going into the health benefits of low food consumption (much has been written already) but I would like to mention that since the food items will become cheaper than the rest of the year, the main beneficiaries of this fall will be the poor and the needy. Do not forget that developing a spirit of benevolence towards the poor and needy is also one of the objectives of Ramadhan.

May Allah give us the Taufeeq. Ameen!

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