

Only the Khilafah can Protect the Ummah from America's Exploitation of Oil Prices

News:

Lately, media reports are rife with the news that oil prices will soon reach \$100 a barrel and may even go higher [oilprice.com]. Trump has waded into the debate and has demanded Saudi Arabia to increase production to offset the high price of crude.

Comment:

Oil is unlike any other traded commodity in the international market. Its price is extremely sensitive to fluctuations in supply and demand. America's withdrawal from the Iran nuclear deal and the imposition of sanctions against Iranian oil—due to come into effect in November—have increased speculation that present demand cannot be met in the near future.

At present Iran exports approximately 2 million barrels of crude oil to countries like China, India, Turkey to name a few. US sanctions could take these 2m barrels or a significant proportion off the market, hence driving speculation that demand will outstrip supply [oilprice.com]. There are also doubts that Saudi Arabia and other OPEC members like UAE and Kuwait could plug the shortfall. The combination of sanctions against Iran and the failure OPEC to meet the short fall is encouraging oil prices to increase.

To soften the shock of high oil prices to the American consumers ahead of US midterm elections in November, Trump is applying pressure on Saudi Arabia and other OPEC members to increase production. At the same time, the Trump administration is coercing China, India and Turkey to sever ties with Iran and look elsewhere for crude. Therefore, America's policy to isolate Iran is having a direct impact on crude prices. Additionally, America is mute about the rapid increase in domestic shale oil production, which has greatly benefitted from the high oil prices.

In sum, America has exploited the oil resources of the Muslim world to isolate Iran, create friction between Iran and Saudi Arabia, increase the price of oil, give a boost to its domestic shale industry, and provide relief to the American voters from the extra oil capacity of Saudi Arabia. America is able to accomplish all of this because it controls the rulers of the Muslim world.

Now imagine what the rightly guided Khilafah (Caliphate) could accomplish with the oil in the prevailing political situation. First, the Khilafah would use the proceeds from the oil to build domestic infrastructure, rapidly industrialize all economic sectors and ensure citizens of the state are well looked after. Second, the Khilafah will halt oil supplies to all belligerent nations including America, India, some European countries and the Jewish entity. Third, the Khilafah may choose selectively to provide oil to some US states like California on the condition that it cedes from the US union. Likewise, the Khilafah may provide oil only to Germany and fracture the unity of Europe. Fourth, any country that vilifies the Messenger of Allah (saw) would face an automatic oil ban until it repents and changes its behaviour.

In other words, if the oil of the Muslim Ummah was supervised by the Khilafah, so much could be accomplished for glory of Islam. What would happen if the Khilafah extended its supervision to other valuable resources that reside in it midst and the world desperately needs.

None of this is beyond the Ummah or in the realm of fiction. It is both possible and practical; however, the Ummah must take the matter of establishing Khilafah Rashidah in its own hands and the rest will fall into place.

﴿يَا أَيُّهَا الَّذِينَ آمَنُوا اسْتَجِيبُوا لِلَّهِ وَلِلرَّسُولِ إِذَا دَعَاكُمْ لِمَا يُحْيِيكُمْ وَاعْلَمُوا أَنَّ اللَّهَ يَحُولُ بَيْنَ الْمَرْءِ وَقَلْبِهِ وَأَنَّهُ إِلَيْهِ تُحْشَرُونَ﴾

“O you who have believed, respond to Allah and to the Messenger when he calls you to that which gives you life. And know that Allah intervenes between a man and his heart and that to Him you will be gathered.” [TMQ: Al Anfal: 24]

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