

Electricity Crisis can only be resolved by Placing Electricity under Public Ownership as Mandated by Islam

News:

On 17th April 2018, Tuesday, The National Electric Power Regulatory Authority (Neptra) found K-Electric at fault for the ongoing power crisis in Karachi and asked the government to increase gas quota for the power utility to ease public sufferings. The regulator reviewed the investigation report and decided to initiate legal proceedings against the power utility for violations of various responsibilities, including non-utilization of its full power generation capacity. (source)

Comment:

Since the beginning of April, people of Karachi have been facing double hardship; one from nature in the shape of intense heat in which temperatures are hovering around 40 degree centigrade and one from Karachi Electric Company, known as K-Electric, which generates and supplies electricity to Karachi and is responsible for increased load shedding in the city for the past few weeks. Time of load shedding varies between 3 to 12 hours in different localities. In response to the public backlash against power outages, K-Electric placed the responsibility of power outages on Sui Southern Gas Company (SSGC) arguing that SSGC has not increased the supply of gas from 90 mmcf to 190 mmcf to meet the increase in demand for more electricity. SSGC simply refused to entertain K-Electric's demand on the basis that K-electric must first clear its outstanding gas bills which amounts to 80 billion rupees. In this dispute, people of Karachi and its industry and commerce have been suffering the most as K-Electric is a private company, and although SSGC is a government controlled entity but is run as a corporate business entity so the government has no control on K-Electric and chooses to exercise limited control on SSGC. There was a common perception that K-Electric has idle capacity which the company is deliberately not utilizing in power generation because this idle power generation capacity is dependent on furnace oil and because furnace oil costs more than gas, the company is insisting on increasing gas supply so as to minimize her costs and increase its profits.

It is very clear from the Neptra committee report that privatizing electricity and gas seriously hurts the interests of the common people as well as the economy. In today's world electricity and gas are two basic ingredients which are required by most of the people and industry. When these resources are placed in the hands of private owners then their foremost concern is the maximization of their profits and not the benefit and wellbeing of the people and the economy. Thus the provision of a public service is linked to the profits of private entities and if private entities fail to make profits then public service will be disrupted as we are witnessing in Karachi where people are suffering immensely. The cause of electricity crisis in Karachi is not poor administration or financial mismanagement. It is the flawed concept of privatizing energy resources which has linked public service provision to the greed of capital owners. Capitalism's disregarding for people and their needs is blatantly visible in Karachi and in the suffering of its citizens.

Islam mandates energy resources to be placed in public ownership and orders the ruler to distribute their benefits to all the people of the state. As Islam placed energy resources under public property so the management of these resources is the responsibility of the state on behalf of the people and the state can never privatize them on any pretext. So once the Khilafah is established, the Khaleefah Rashidah will place energy resources, like electricity, under public ownership, thereby ending the root cause behind the problem of energy crisis and expensive energy. The Messenger of Allah (saaw), «الْمُسْلِمُونَ شُرَكَاءُ فِي ثَلَاثٍ فِي الْمَاءِ وَالْكَلْبِ وَالنَّارِ» **“Muslims are partners in three things: water, pastures and fire (energy)”** [Abu Dawood.].

Written for the Central Media Office of Hizb ut Tahrir by

Shahzad Shaikh

Deputy to the official Spokesman of Hizb ut Tahrir in Wilayah Pakistan