The Capitalist System Inherently Generates Crises, and the Only Way Out Is through the Ideology of Islam

(Translated)

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Several European countries have witnessed massive waves of protest, beginning in France. What started as a small demonstration by students at a high school in the Paris suburb of Créteil—against a shortage of teachers—soon grew into widespread protests across Paris involving over 800,000 people. This wave rapidly expanded to encompass all cities in France.

The protests quickly spread to Belgium, Italy, Portugal, Spain, Greece, Austria, and Albania, with calls for further gatherings continuing across most of Europe. According to a detailed report published on the Deutsche Welle website on 21 October 2026, signs of unrest are also emerging in Germany, the Netherlands, Serbia, Ireland, and other European countries.

So why are Europeans now rising up against a system they so proudly boast of and adore—one they insist is the best humanity has ever achieved, and which their rulers work tirelessly to implement in an unending routine?

The motives behind these demonstrations, common to all European countries, are rising costs of living, increased tuition fees, and deteriorating educational conditions. Protesters everywhere have also raised concerns about the worsening housing crisis, with many no longer able to afford skyrocketing rents, among other urgent demands. In short, European peoples are being deprived of the basic necessities required for a dignified human life.

The reality is that the capitalist economic system contains fundamental and grave flaws. Although politicians have begun sounding alarm bells about capitalism, the system is intrinsically defective. No patchwork solutions can truly repair it, even if they manage to prolong its existence temporarily.

The most damaging aspect of capitalist ideology is its economic foundation in private ownership. Capitalists treat the world's wealth as the private property of individuals, leaving no room for state or public ownership. Here, they fundamentally misunderstand society's need for public services such as health, security, and education—precisely the issues that have driven European students to protest. They fail to recognize that the best way to serve these interests is through public property: minerals, oil and gas reserves, and other natural resources. It is irrational to leave such resources in the hands of individuals who monopolize them and prevent others from benefiting except at a price!

Ownership should be defined according to the nature of the wealth. Individuals may own what they personally need, while resources of the community—such as forests and water sources—should be shared by the community. The state, in turn, should control assets that enable it to fulfill its Shariah obligation to care for people's affairs. Since capitalists misunderstood the scope of ownership and failed to consider this perspective, rulers have been unable to provide a dignified life for their people. The result is widespread poverty, need, and an inability to meet basic requirements, while the state remains shackled in its efforts to balance the distribution of wealth. It is only natural that people revolt against the capitalist order—and one cannot rule out the entire world eventually rebelling against this dominant global order.

The major flaw in the capitalist economic system's approach to ownership has deprived the vast majority of people from benefiting from the world's wealth. Poverty has spread like an epidemic even in America—the foremost champion of capitalism. According to data released by the U.S. Census Bureau on 15 September 2026, approximately 34.5 million people live below the poverty line.

International hunger statistics are staggering—shocking and terrifying in scale. The problem has been described as catastrophic by global organizations. An October 2026 report published on its website, the World Health Organization: “more than 2 billion people continue to experience moderate or severe food insecurity... 2.69 billion people were unable to afford a healthy diet in 2025.”

Furthermore, capitalists have wrongly classified human needs as purely materialistic, without ever fully enumerating them, while the means of satisfaction—goods and services—remain meager and limited. This flawed perspective drives them to prioritize wealth accumulation, leaving individuals to rely on their own skills and purchasing power, with no regard for whether they are capable or not. Capitalists do not see inability as a problem worth solving; they ignore it entirely. Unsurprisingly, the situation has exploded in Europe.

One of the most egregious errors of the capitalist system is the claim that resources are insufficient to meet all needs—a statement that contradicts human nature. The needs essential for human survival are limited: food, clothing, shelter, medical care, education, and security. Everything else is luxury. The goods and services available in the world are more than sufficient to meet these basic requirements. This mistaken view of needs prevents a clear understanding of the problem and its solutions, but capitalists fail to comprehend this.

Yet the greatest calamity of capitalism is its reliance on the price mechanism as the sole regulator for distributing wealth. Capitalism decrees that a person can meet their needs only to the extent of their wealth. Those with limited income receive limited goods and services; those who own nothing and cannot produce have no place but the grave.

Capitalists also disregard the blessings Allah (swt) has bestowed upon His creation, promoting instead the idea of relative scarcity. Islam, in contrast, affirms the abundance of resources. Basic resources in this world are not scarce. Allah (swt) says: ﴿هُوَ الَّذِي خَلَقَ لَكُمْ مَا فِي الْأَرْضِ جَمِيعاً﴾ **“He it is Who created for you all that is on earth,”** [TMQ Surah Al-Baqarah: 29], ﴿وَالأَنْعَامَ خَلَقَهَا لَكُمْ فِيهَا دِفْءٌ وَمَنَافِعُ وَمِنْهَا تَأْكُلُونَ﴾ **“And the cattle, He has created them for you; in them there is warmth and numerous benefits, and from them you eat,”** [TMQ Surah An-Nahl: 5] and ﴿وَجَعَلَ فِيهَا رَوَاسِيَ مِن فَوْقِهَا وَبَارَكَ فِيهَا وَقَدَّرَ فِيهَا أَقْوَاتَهَا فِي أَرْبَعَةِ أَيَّامٍ سَوَاءً لِّلسَّائِلِينَ﴾ **“He placed therein firm mountains from above it, and He blessed it, and measured therein its sustenance in four days, equal for those who ask”** [TMQ Surah Fusilat: 10]. Due to their failure to perceive these blessings, they have become like Qarun—hoarding wealth out of fear of depletion—until Allah (swt) causes the earth to swallow them, Allah (swt) willing, through the Khilafah (Caliphate) state.

Islam provides a system that allows people to own wealth to satisfy their basic needs and considers those unable to do so as poor. It treats poverty as an enemy that must not be permitted in Muslim society, and it has established rulings to eradicate it completely. It even ties economic justice to Deen. The Messenger (saw) said, **«مَا آمَنَ بِي مَنْ بَاتَ شَبْعَانَ وَجَارُهُ جَائِعٌ إِلَى جَنْبِهِ وَهُوَ يَعْلَمُ بِهِ»** **“He has not believed in me who goes to bed satiated while his neighbor is hungry beside him and he knows it,”** among other Shariah texts that regulate the relationship between people and wealth. Under the Khilafah state, there would be no need to protest for a dignified living.

In summary, capitalists err in claiming relative scarcity of goods, misclassify wealth in terms of ownership, and compound these errors by making price the sole distributor of wealth. This creates poverty and deprivation and drives people to revolt against these flawed ideas.

Humanity will not find a cure for its economic problems, nor will people be freed from the dominance of these erroneous ideas, unless Muslims hasten to return to the comprehensive system of Islam under the Khilafah state—liberating themselves and saving humanity from the evils of capitalism.