

## **Electricity is Unaffordable Because of Capitalism's Privatization Concept, as Safeguarded by Democracy**

Through democracy's implementation of Capitalism, the government is responsible for Pakistan's electricity crisis. The present capitalist system ensures that through privatization a few private owners, foreign and local, fully benefit from electricity resources whilst the public faces hardship. Privatization raises electricity prices so that the private owners can profit in their business. As an example the World Bank has closely overseen rises in electricity charges, which surged between 2000 & 2004 and continue to rise such that people are paying as much for electricity in the winter as they used to in the peak of summer before massive privatization took hold. So, whilst private owners amass huge wealth by owning electricity resources, the rest of society is stricken by increasingly un-affordable energy prices. In addition, the government itself fell into debt to these private interests to the order of billions of Rupees, through interest and capacity payments to the private companies, when the demand falls to ensure profits. Circular has continued to grow in size over the years, rising from 1.6 per cent of GDP (Rs161 billion) in 2008, to 5.2 percent of GDP (Rs 2,150 billion) in June 2020.

### **Capitalism's Control of Electricity Only Benefits the Colonialists and the Current Rulers and Deprives the Ummah.**

Of Pakistan's electricity, Pakistan produces 61.8% from thermal generation, by the burning of oil and gas, 26% from hydro-electrical generation (Hydel), using water pressure such as in dams, and 7% by nuclear power. Installed capacity is more than enough to meet the current demands throughout the year.

Regarding thermal generation, the Ummah possesses over half of the world's proven oil reserves and over forty per cent of the world's proven gas reserves. Pakistan has one of the world's largest coal reserves in Thar. Regarding developing other forms of electricity generation to meet future short falls, such as solar, tidal and wind generation, the Islamic Ummah possess brilliant sons and daughters who are more than capable to deliver results.

However, by privatizing these abundant resources foreign colonialist companies benefit, as well as local companies, which are from the entourage of the rulers or the rulers themselves. The current rulers and their colonialist masters benefit from the people being immersed in seas of economic miseries as it dampens their ability to rise up and depose the current corrupt order. This is the meaning of what Donald Rumsfeld, former US Defence Secretary, termed "creative chaos."

### **Securing the Benefit of Energy and Fuel for the People**

The Messenger of Allah (saw) said, «الْمُسْلِمُونَ شُرَكَاءُ فِي ثَلَاثِ الْمَاءِ وَالْكَأَلِ وَالنَّارِ» **“Muslims are partners in three things: water, pastures and fire (energy)”** [Abu Dawood]. Thus, although the Khilafah (Caliphate) State takes charge of managing the public

property and state property, it is not permitted for the Khalifah to grant the ownership of the public property to any private party, whether an individual or group, as it is a property for all Muslims. Revenues are for the public, looking after its affairs and securing its interests, and not for the state. This applies to all the abundant wealth of public property, whether energy, such as petroleum, gas, electricity or abundant minerals, such as copper and steel, or water, such as seas, rivers and dams, or pastures and forests. Indeed, the entire Ummah is known to possess the lion's share of the world's energy and mineral resources, but without Islam's economic system, the Muslims are drowned in poverty and the Ummah carries no weight in world affairs, even when compared to states that possess a small fraction of her material wealth.

Islam will end the capitalist economy and establish an Islamic one. As a system, Islam ensures the distribution of wealth and one of its mechanisms is the public ownership of electricity resources as well as coal, oil and gas. As such these resources are neither owned by the state nor individuals. Instead, the state administers this resource to ensure that its benefit is used for all the citizens, regardless of race, color, school of thought and religion. The Khilafah will abolish taxes upon power and fuel which have further greatly inflated their prices, while it is not permissible to charge people the prices of these resources more than the cost price and any profit from sales of excess resources to non-hostile non-Muslim states will be put to use for taking care of the public's needs. Islam's electricity policy will contribute to a massive industrialization of Pakistan, supervised by the Khilafah.

In its *Introduction to the Constitution*, Hizb ut Tahrir has adopted in Article 137, "There are three categories of Public Ownership: a. Public utilities, such as the open spaces in the towns. b. Vast mineral resources, like oil fields. c. Things which, by their nature, preclude ownership by individuals, such as rivers." In Article 138, it has adopted, "Factories by their nature are private property. However, they follow the rule of the product that they are producing. If the product is private property then the factory is considered to be private property, such as textile factories. If the product is public property then the factory is considered public property, such as factories for iron ore production." In Article 139, it has adopted, "The State is not permitted to transfer private property into public property, since public property is confirmed by the nature and characteristic of wealth and not by the opinion of the State." And in Article 140, it has adopted, "Every individual from the *Ummah* has the right to utilise anything from public property, and it is not allowed for the State to permit someone to individually possess or utilise it."

19 Ramadhan 1443 AH

20 April 2022 CE

**Hizb ut Tahrir**

**Wilayah Pakistan**