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**Jamhuri Day: 55
Years of False
Independence!**

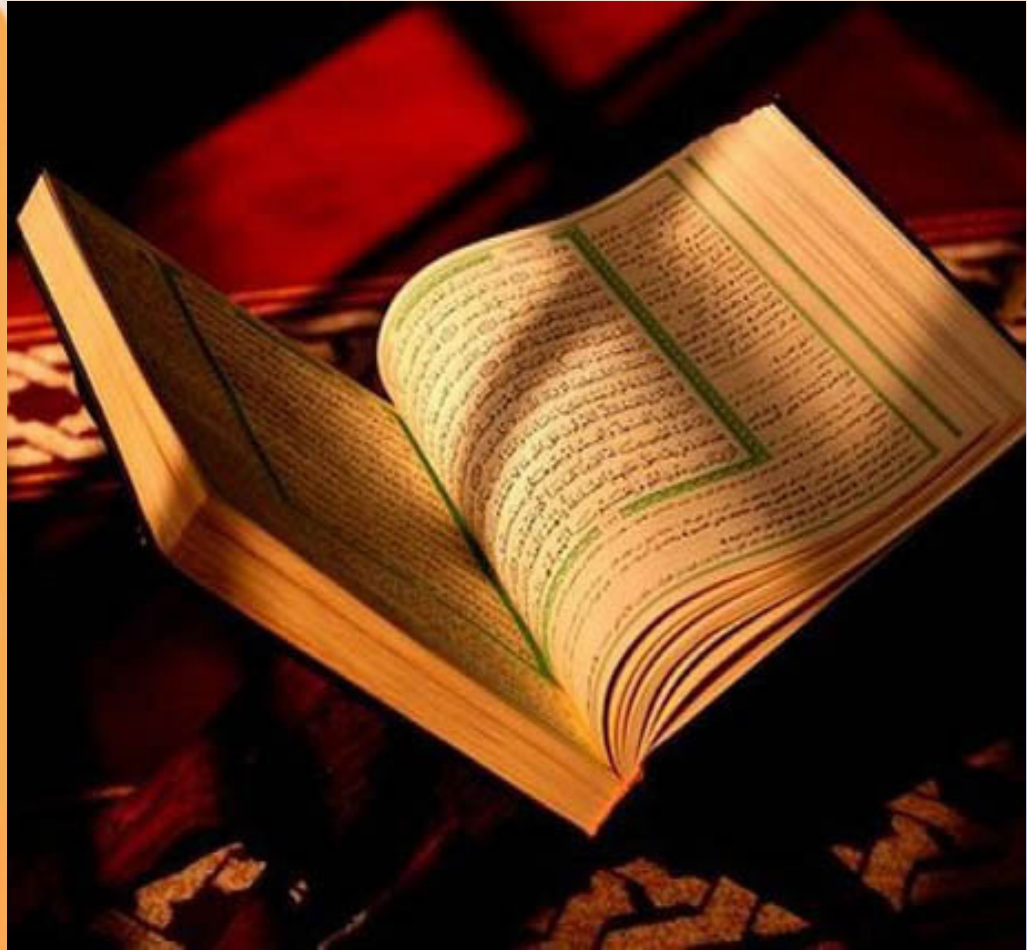
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**“But who is better than
Allah in Judgment”**

Hizb ut Tahrir / Wilayah of Tunisia Announces a Campaign Launch

(وَمَنْ أَحْسَنُ مِنَ اللَّهِ حُكْمًا...)

“But who is better than Allah in Judgment” (Translated)

Press Release

Tunisia is in the midst of one of its most difficult periods after those who we thought were rulers abandoned their most basic roles and left the crusader colonial states and their employees in the European Union and the International Monetary Fund to determine the economic, financial and social policies until the country oversaw the bankruptcy despite the great indebtedness.

In the face of the stalemate in the political situation in the country and the preoccupation of the regime's parties with their internal conflicts rather than the concerns of the nation. And in the face of the people's distaste for the political system and its opportunistic parties, which was clearly manifested in the boycott of the last municipal elections, we in Hizb ut Tahrir/ Wilayah of Tunisia announce to the Ummah the launch of a political campaign to guide the political thinking towards a radical solution to the problems of the Ummah and its liberation from all forms of colonialism and subordination, by re-establishing the political system in governance, economy and society on the basis of Islam and its legal provisions.

This new campaign, which we have chosen for it the title: (وَمَنْ أَحْسَنُ مِنَ اللَّهِ حُكْمًا) “But who is better than Allah in Judgment” will continue with Allah's permission for several weeks, and will be an occasion to demonstrate the merit of the Islamic system in bringing about the radical change that the Lord of the Worlds demanded from us to liberate us from the tyrants, the colonial agents and to live in dignity and honor in a system that preserves the Ummah's creed and civilization and guarantees its right to choose who governs it.

O Muslims in the country of Zaytouna:

We in Hizb ut Tahrir / Wilayah of Tunisia invite you to interact with this campaign, and to express your sincere rejection of the colonial policies which are intended to enslave the country and its people, and to strive earnestly with the sincere and the people of power to support their Deen, their people and their Ummah for the sake of a great historical position that Allah Almighty loves and pleases him.

(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.” [Al-Anfaal: 24].

Media Office of Hizb ut Tahrir in Wilayah Tunisia

Jamhuri Day: 55 Years of False Independence!



Kenya on 12th December 2018 celebrated Jamhuri Day in commemoration of 55 years since attaining “False Independence” on 1st June 1963. The truth is that the Kingdom of Britain substituted managers of its farm “colony” Kenya from Governor Malcolm Macdonald- a white man to President Jomo Kenyatta – a black man. Prince Philip, husband to Queen Elizabeth II, handed President Jomo Kenyatta instruments of power. Malcolm Macdonald later returned to Kenya as the first British High Commissioner. In addition, when Jomo Kenyatta died –Prince Charles the son to Queen Elizabeth II attended his funeral as a gesture for a job well done! Everything including policies and plans used to run the colonial farm “Kenya” remain the same to date with the exceptional difference in the color of the managers. In order to understand, we shall state some of the following examples:

First: Kenya is ruled by the secular capitalist ideology inherited from the colonialists who ruled us and continue to-date via their agents. This ideology is anchored on highest corruption that is separating the Creator from life and alternatively left man to run his affairs as per his limited mind that on its own cannot comprehend the essence of the Creator in organizing the life of His creation. Its measurement being interest only.

Second: By the execution of this invalid ideology and its systems that emanate from it has led to the spread of corruption in all spheres including its political system known as democracy. It gives man an opportunity to give authority to another man to represent him in the legislation of laws to govern their life in general. The nature of this politics has led to affirmation of ethnicity since the colonialists fixed the politics on the largest and powerful tribes. To an extent, politics has become competition between tribes!

Third: The executed economic system is based on a pillaging methodology that began since the era of direct colonization to-date. The colonialists and their agents pilfer national wealth that include land, primary businesses etc. Citizens in general are languishing in extreme poverty and on daily basis facing harsh taxation mechanisms and government taking of interest-based loans that do not benefit them. Scandals on embezzlement of billions of funds continue unending!

Fourth: The social system is based on liberalism, such that individualism is spread and that everyone is rushing to seek the highest level of sensual gratification in whatever means possible throughout their lives. Its consequences in society are shocking and distressing to most people and led people to become like animals or below them by committing heinous acts some examples are family destruction, fornication, lesbianism, gays, materialism, suicide etc. Furthermore, largely contributed by the system of education that build and churn out individuals with distorted viewpoint on life and who measure their actions based on profit and loss. In addition, has led to valuing of man dependent on the wealth he has/produces.

The solution and true independence is that which will ensure Kenya is ruled by an ideology emanating from Allah. It is only Allah who knows what is good and bad for His creation. An ideology emanating from Allah is that of Islam and is supposed to be executed by an Islamic State of Khilafah reestablished on the methodology of Prophethood. Furthermore, the reestablishment of the Khilafah will not only liberate Kenya but also Africa from the clutches of colonialism, its agents and their evil ideology and its systems which are the root cause of stagnation of Kenya, Africa and the World at large.

Ali Nassoro Ali

Member of the Media Office of Hizb ut Tahrir in Kenya

Will Turkey's Efforts in Discrediting Saudi Arabia's Stature to the West end up Successful?



Since 02/10/2018 the world has witnessed concerted efforts and campaigns of all sorts from the Turkish government in order to discredit Saudi Arabia's stature together with the Crown Prince, Mohammed bin Salman due to the heinous murder committed to Jamal Khashoggi inside the Saudi embassy in Istanbul.

The efforts taken by Istanbul include that of issuing of an arrest warrant to the aides of Mohammed bin Salman: Saud al-Qahtani and General Ahmed al-Asiri whom Riyadh have already dismissed. Another effort is that of sharing the records of the killing with America, Britain, France, Germany and Saudi. This is according to the media, which quoted President Erdogan before he went to France for the Armistice anniversary.

Despite the West and their institutions responding and working on the efforts of Turkey like that of CIA under its Director Gina Haspel who presented to the Senate the evidence that prove that Mohammed bin Salman was involved and Senior Republican Senator Lindsey Graham who stated that there is zero chance that Mohammed bin Salman was not involved. In addition, the Head of Human Rights at the United Nations, Michelle Bachelet called for an international investigation on the issue.

The Turkish efforts are not because they love Khashoggi or they are humane, since the regime like any other is stained with blood of hundreds of innocent people; under Erdogan the world has witnessed hundreds of Turks being imprisoned, tortured and huge propaganda

against his opponents who include scholars, journalists, sheikhs, activists, soldiers and members of Hizb ut Tahrir especially after the proxy coup.

President Trump said that he would not cancel the Arms agreement to sell to Saudi Arabia weapons worth millions of dollar. In addition, when Mohammed bin Salman was in Buenos Aires he had an opportunity to interact happily with the President of Russia, Vladimir Putin.

Based on those indications and others, Istanbul's activities that intend to shake and threaten the Riyadh regime, and its main goal is **to take the stature and position of Saudi Arabia** before the West; an act that is not easy for Turkey to realize and would not achieve it despite all that took place.

Saudi would remain to be the blue-eyed before the West more than Turkey as it is for the Jewish entity (Israel) and Egypt. The reasons that make Saudi to be important to the West are numerous and include the following:

- The political model of Turkey is easy to change its agents compared to the Saudi. There is no alternative clan or movement that can replace the clan of bin Saud. Therefore, they are left with the Saud clan despite the fact that they can replace the Crown Prince as it was done in the past or recently by the promotion of Mohammed bin Salman.
- The position of Saudi in the Muslim world especially the Sunni where the majority Muslim look up to the

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Saudi administration, and so they support it. However, the Turkish administration is viewed as European and Western, and so they have no influence on the Muslim Ummah.

- The Riyadh administration helps the West immensely in the destruction of Islam by churning out religious scholars and send them across the world, to deliver their distorted concepts. However, Turkey does the same but Saudi's Islamic history is beyond and cannot be compared to any other state globally.

- The position of Saudi in tampering with the Unity of Muslims globally cannot be compared to that of Turkey. Therefore, the West must win the Riyadh administration in order to further this goal while on the other hand being supported by Iran in whipping sectarian emotions between Sunni and Shia.

- Despite the fact that Egypt secures the Jewish entity (Israel), there is no country that plays a huge role in protecting the Jewish entity (Israel) more than Saudi Arabia. Since its rulers are loyal and supportive of the Jewish entity (Israel) behind the scenes while raising their deceitful voices to hoodwink the Muslims that they champions.

- Saudi submitted itself fully to the West in every aspect as if it is one of the Western provinces. Hence, it is protected by and provides its bases and all its projects to the West. However, Istanbul does the same but Saudi has surpassed and that is why Trump said that if they failed to protect them they would collapse.

- In the Middle East, Saudi has immense influence on some countries like Arab kingdoms, Kuwait, Sudan, Tunisia, Morocco, Jordan and the remaining countries like Lebanon, Yemen, Syria and Iraq it is competing with Iran; an opportunity which Turkey does not have.

- On the economic front, Saudi has huge importance due to its largest oil deposits. Its reliance on the West in meeting its material needs including small things like tissue papers. However, Turkey cannot compare itself with Saudi despite having some meagre factories.

As much as Turkey works hard to convince the Western world in order to dislodge Saudi from its position it would not be successful. Since Saudi has an immense position on the Western's interests in both harming Islam and materialism compared to Turkey.

Ali Amour

Member of the Media Office of Hizb ut Tahrir in Tanzania

War on Corruption Will Never Be Won Under the Corrupt System

Press Release

President Uhuru Kenyatta's second term in office has been rocked by a series of corruption scandal exposés in various ministries. Already five mega scandals have been unearthed bringing to the fore the extent to which corruption has permeated the highest levels of government. The latest being Oil Spillage scandal in Kenya pipeline company where 11 million of liters of fuel were lost. As Uhuru's anti-graft war seems to be winning the public support, we **Hizb ut Tahrir / Kenya** wish to mention the following:

First: It is injustice of the state officials entrusted to represent the public interests, instead of working to improve the life standard of common man they are strongly competing over embezzlement of the public resources.

Second: The witnessed arrests of high profile officers are a just political ploy to hoodwink the naïve to believe that war on corruption can be won under Capitalist ideology. The fact that most suspects who have been charged in court in the recent past have been walking freely due to 'lack of evidence'. Since Kenya embraces the Capitalist ideology that is infested with intense yearning to amass wealth by all means then war on corruption will never be won. The system is inundated with materialistic gratification as the sole criteria in life hence it triggers the society particularly state officials to be tempted with avidity to amass wealth through corrupt deals.

Third: Corruption by state officials can only and effectively be dealt with under Islam through its Khilafah State (Caliphate) where the ruler (Khalifah) implements the divine laws (Shariah). The laws that determine how the State collects and spends its resources. In addition, Islam has mandated that the wealth of the state officer should be determined before and after he assumes the office and after he leaves it. Any abnormal increase in the wealth of the ruler or any government official is confiscated and admitted to the state treasury (Baitul Mal). Therefore, we state it is only the Khilafah (Caliphate) upon the method of the Prophethood that will end the menace of graft in Kenya and the world at large.

Shabani Mwalimu

Media Representative of Hizb ut Tahrir in Kenya

The Broken Judicial Systems of the Muslim Lands Fails Women and Families

The Muslim Ummah is one, but on the practical level we have been divided into over 50 nation states. Each state has its own constitution and its implementation of pure Islamic law differs from hardly anything to very little. Most Muslim states are paying lip service to the importance of Islamic law, while implementing laws from the minds of men. The machinery of the current states works within the divisions of legislature, executive and judiciary. The laws created, implemented and protected by these three institutions are the basis of the lives of the citizens who live within the state. The role of the members of the institutions is to create, implement and protect laws whose purpose is to solve the problems which humans face on a daily basis. Unfortunately, the institutions themselves can become part of the problem, and this is the reality we are seeing in the Muslim world today.

Women in particular are facing a situation where their lives are full of problems which are not being solved. On a daily basis, many Muslim women face problems of forced marriages. Once married, they can face problems related to domestic abuse. And if they require the dissolution of the marriage, this can be an extremely difficult process. Women who manage to divorce or obtain khula often face problems regarding the return of their haqq mahr (right to dowry) and personal property, or problems with child custody and maintenance. Many of these heartbreaking stories are reported on a daily basis in the national newspapers. The cause of these problems is highly disputed. Human rights groups usually blame religious and cultural values. However, once the problems are created, the women who cannot solve them through their families turn to the state judicial system. The judicial systems in Muslim countries, which are dominated by secular law, do not ensure that women's problems are easily solved. The laws and the bureaucracy work so inefficiently that women have very little recourse to justice to solve their problems.

In 2011, the Express Tribune issued a report regarding a Pakistani woman, Mai, who was attacked and dishonored after her younger brother was accused of a relationship with a woman from a powerful family in the village. She took the men to court, but only 1 was convicted, while the others were acquitted by the Lower Courts. Mai appealed the decision at the Supreme Court, and it took them 5 years to give her a decision which upheld the lower court's decision.

This example of the courts' inefficiency and the unnecessary prolonging of court cases isn't an isolated incident, nor is it the only problem with the judiciary in the current system. Costs that are beyond the common man is another prohibitive factor. According to the same report, a family who sought justice after their six year-old

daughter was dishonored had to spend a total of 150,000 Rupees despite receiving aid from the NGO 'War against Rape'. The child's father's earnings amounted to 3000 Rupees a week.

The justice system in the Muslim World is slow, inefficient and expensive. According to the data collected by the Law and Justice Commission of Pakistan, there were a total of 1,954,868 pending court cases countrywide at the end of 2016. This leads to a delay in court cases and is actually a failure of the state as expeditious justice is both a fundamental right of every citizen under Article 9 and a fundamental responsibility of the state under Article 37(d) of the Constitution. According to a report by the Express Tribune, court cases can go on for decades and the cost goes beyond the claims which are made by the plaintiff.

The inefficiency of the court system can also be explained by the sheer number of cases that they have to deal with. At present, Dawn News reports that there are over 1.8 million cases pending in Pakistani courts. This is because of the scale of problems that the secular system generates. The society is rife with non-Islamic traditions and beliefs, which create a variety of problems linked to extramarital relations, violence, disputes over monetary expectations in marriage and the husband and wife and other family members not fulfilling their duties to one another. The fact that the courts in our Muslim lands are so overloaded is also a result of the flawed structure of the judicial system in these states which are shaped upon Western models, where there are various layers within the court system – such as appeals courts, the supreme court and so on- which delay the enacting of justice over a case. This results in cases often taking years to resolve. It is also due to the fact that the secular and other non-Islamic regimes in our lands are not concerned with genuinely ensuring justice and solving the problems of the people but rather just securing their seats of power. Hence, they do not invest in sufficient courts, judges and other judicial requirements of the people.

Furthermore, the judicial systems in our Muslim lands no longer function as an arm of the state to protect the unity of marriages and the family structure as it used to under Islamic rule of the past. Courts do not deal effectively with forced marriage cases, situations where the mahr is not given, or other family conflicts. They no longer act as an effective means to arbitrate in marital disputes to keep the marriage together, or domestic violence to protect the woman, or ensure the man provides for the family properly, or to ensure the husband and wife fulfill their duties to one another. Furthermore, divorce cases or cases over the custody of children often take long

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periods of time to address or resolve. Hence the man, the woman and children are left in limbo, not being able to continue with their lives. Alongside the huge financial burden of this situation, individuals are forced to stay in unhappy and abusive marriages for extensive periods of time. Added to this state of injustice and misery is the fact that power and money often influence the outcome of judicial cases in our lands.

These problems are arguably faced by people across the world in many countries; however, a focus on Muslim countries reveals another aspect of the problem. The source of the laws which form the constitution means that if a country is based on the model of the secular democratic political system, the judicial system will be too. The difference between Pakistan and other states lies in the constitutional law, not the role of the judiciary. Muslim countries, such as Pakistan, claim they adhere to shariah law. However, the reality is that their constitution, and as such their judiciary, is based on secular law. This means the problems women face are not a result of the Islamic law, and nor are the solutions which are offered, or the verdicts given by the judiciary which fail to solve the issues that women and families face. The result of this is that the laws given by our Creator to prevent and solve the problems that families face are not existent in any Muslim country today.

In March 2016, Muhammad Khan Sherani, the chairman of Pakistan's Council of Islamic Ideology, said that women's rights are well-protected under Islamic law (CBSnews) and he is absolutely right. Islamic law does protect women, their rights and their family. The problem is that Islamic law, in its purest form and undiluted by the secular system, is not being implemented in the Muslim world today. Perhaps the clearest proof of this is found in the statement made by Shaikh Saleh Bin Humaid, chairman of the Saudi Supreme Judiciary Council. He said that "We will take the best from judicial systems across the world," while assuring that they would not undermine the fundamentals of Islamic Shariah law. If Islam is being taken as the basis of decisions, and if as Muslims, we trust in Allah and know without a doubt that His Word is the supreme Law, how can we then say that we will take from the 'best' judicial systems? Does Islam not provide the best judicial system? Why should we, as Muslims, look to other sources for our law when we have a comprehensive set of laws and system by which we can solve our problems and ensure that the rights of everyone, including women and children, are fulfilled?

The statements made by representatives of the governments of the Muslim world show that the problems which arise are due to the fact that the judiciary is not based on Islam and therefore not upholding Islamic laws. The laws are alleged to be based on or influenced by Shariah law but this is far from true. In the Muslim countries, the rulers differentiate between the Islamic laws and the constitution of the country, making a clear

separation between the two, which should not exist. This separation between Islam and the legislative system shows that Islam is not the sole reference point in judiciary rulings.

Article 227 of the Pakistani constitution holds that all existing laws "shall be brought in conformity with the injunctions of Islam as laid down in the Holy Quran and Sunnah [...] and no law shall be enacted which is repugnant to such injunctions." The constitution is the basis of the judicial system, and this article gives a very clear instruction into the relationship between the process of the current judicial system and the Islam. However, in reality, rather than instructing the judicial system to make sure that they use Quran and Sunnah as the source of law, they have ordered them to interpret the laws using secular beliefs.

This is because the political system, the executive and the legislative and judicial bodies in the Muslim countries, find their origins in the secular systems of colonial rule. In Pakistan, the political and judicial system is based on the Government of India Act, 1935, which was a result of British colonial rule and it was retained as a provisional Constitution for the country after independence. While there have been modifications and adaptations in certain aspects of the constitutions, the basic judicial structure and process are established using the remnants of British rule.

Afghanistan is also shaped by the secular system. Even the Non-Muslim organizations accept this as shown by a USIP (United States Institute for Peace) special report published on March 2015 which says that it is unclear where the 'fault lines' between culture, customary law and religious law lie. This is because the country's legal system draws on a mix of the three when interpreting laws. In the same report, the organization quotes an informal justice leader who states that 99% are based on Afghanistan's customs and values, not Islam.

Despite this, there is a misled belief that the role of the Islamic bodies in these countries ensures that the laws are not repugnant to Islam, but the legal experts who are members of the bodies are also affected by the secular system. According to the Afghanistan's Analyst network, the ulema frequently backs the government to maintain their standing in government. In Pakistan, the council of Islamic ideology has 8 members, only three of whom are actually Ulema, and all members are chosen by the President and his cabinet. This shows a clear influence of the secular legislature and executive on the influence of the Islamic bodies. The secular system has also limited the power of such bodies, such as the Council of Islamic Ideology and the Federal Shariah Courts in Pakistan, and the Ulema council in Afghanistan. They are able to declare laws to be un-Islamic but they are not able to ensure that the laws are actually changed. This applies to all aspects of shariah law including the laws related to

women. The council's recommendations are not binding. Their role is purely regulatory and they have no power to ensure that the rights of women, assured by Islam, are given.

The problems associated with this can be seen in the 2016 debate regarding the law against domestic abuse in Pakistan. It was publicized by the media, and the government, as a way of ensuring that the women were protected from violence. The law wasn't passed, after the Council of Islamic Ideology argued that some of the details outlined in the law were un-Islamic. However, no alternative was presented, as the Council's role revolves around reviewing existing laws and advising the government on changes. As such, women's problems were again left unsolved, with no protection under the judicial system and women were unable to obtain justice against their oppressors.

The current judiciary ensures the rights of certain parties are upheld while other parties are seriously mistreated. According to a survey which the USIP-PTRO conducted and referred to in the USIP special report, some of the greatest clashes between custom and religion are on issues related to cases of marriage, divorce, and woman's right to inherit.

In Afghanistan's society, the judicial system is said to favor men as it allows for the abuse of women. A 2006 study by Global Rights, an international nongovernmental organization, found 85 percent of Afghan women reporting that they had experienced physical, sexual, or psychological violence or forced marriage. In Pakistan, an example is how a woman's right to marry is taken away from her in a ceremony known as 'Haq bakshish', when a woman is married to the Quran. It is not allowed in Islam, and yet the Pakistani government failed to protect the thousands of women that are forced to suffer this fate. What makes this practice even more disgusting is that the practice is used to ensure that the family property doesn't leave the family.

Another common problem faced by women in Pakistan and Afghanistan is regarding the issue of inheritance rights. In a survey conducted by Pakistan today, approximately 60% of the women in Pakistan do not receive their inheritance rights. The other 40% receive them but are not given control or authority over the property. The blame for these problems has been placed squarely on the customary practices in society and the inefficiency of the judicial system. In Afghanistan, women do not even attempt to claim their share of the inheritance to ensure that they are cared for by their families. This is **a result of the non-Islamic customs and traditions dominant in the Afghan society, and it is a problem that affects almost 50% of Afghan women.**

In conclusion, the judicial systems in the Muslim lands lack the ability to redress grievances in a swift and

effective manner, failing to solve the problems faced by women and family units. Hence, they allow problems to fester and worsen, leading to more intractable divisions in marriages and family life. Overloaded, ineffective, expensive and corrupt courts become a prohibitive factor for many women in securing justice. The true solution to the problems women are facing is not patchwork solutions through individual changes in the law, but a complete radical change to society itself. A change that washes away the sewage and allows a fresh start with the implementation of a system that respects and protects women, men, children, marriage and the whole family structure in its ideas, laws, and state institutions. It is **ONLY** the Islamic system which offers this.

Fatima Musab

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The Prophet's (saw) Methodology for Revival

19th Halaqa: Setbacks in Seeking the Nusrah Does Not Imply Fault in the Methodology



Indeed, persistence in seeking for the Nusrah and being rejected often, does not imply fault in the methodology, rather it means certainty in the shari'ah methodology ordered by Allah till the end of time.

The Messenger (saw) introduced himself to the following tribes:

1. Bani Kinda.
2. Bani Kalb.
3. Bani Hanifa.
4. Bani Salamah.
5. Bani Hamadhan.
6. Bani Absi.
7. Bani Ghassan.
8. Bani Fazaara.
9. Bani Murra.
10. Bani Shaiban.
11. Bani Sulaym.
12. Bani Thaa'labah.
13. Ahlu Thaqif.
14. Bani Udhra.
15. Bani Nadhri bin Hawaazin
16. Bani Bakri bin Waail.
17. Bani Amr bin Awf.
18. Bani Al-Haarith bin Kaa'b
19. Bani Aamir bin Swa' swa'h.
20. Bani Qays bin Hutwaym.
21. Two tribes of Aws and Khazraj.

Whenever the Messenger (saw) used to hear an arrival of a guest in Makkah from among the Arabs, one who is influential, he (saw) would follow him and call him to Allah, and would explain and inform him that he is the Messenger of Allah, and would ask them to believe in him and defend him so that he is able to convey the message of his Lord.

And after the completion of preparation of the atmosphere in Madinah for the reception of the true religion, the Deen of Islam, by the bounties of Allah and via the efforts of the first ambassador Mus'ab bin Umayr (ra), Allah ordered His Messenger (saw) to undertake migration which is for the establishment of the Islamic State after great efforts, and the spilling of the noble blood in the course of Allah.

Q&A

Has the “Countdown” Begun to End the Dollar’s Dominance Over the Global Economy?



Question

Attempts have emerged by some countries, especially Russia, China and the European Union, to replace the dollar with another currency in international transactions. Agreements have even been made to deal with the local currency of some countries, such as Russia’s agreement with India on 31/10/2018, for the sale of S-400 missiles in the Russian currency. And its agreement with Turkey a month ago to use the currencies of the two countries in a similar missile deal. At Erdogan’s meeting during the summit of the Turkish-speaking countries ...

China announced that it will pay for its imports of Iranian oil in “petro-yuan” and the Central Bank of China signed a bilateral agreement to exchange the local currency with its counterpart in Japan, a 200 billion yuan (\$29 billion) in return for 3.4 trillion yen (\$31 billion). Has the “countdown” begun to end the dollar’s dominance over the global economy?

Answer

In order for the answer to be clear, the reality of the dollar’s position in the global economy must be clarified:

First, the status of the dollar began to emerge through the Bretton Woods Agreement in 1944, when America imposed the dollar and its dominance in the meeting, because it was the unaffected victor in the world war ... Thus a financial system was approved whereby the ten major industrialized countries agreed to set a specific price for their local currency based on the American dollar. In addition, America agreed to link the US dollar to the gold base (\$35 per ounce) and then the exchange of dollars provided by foreign central banks at a fixed price of the dollar linked to gold. The gold reserves in America at the time was estimated to be two thirds, and that of the rest of the world was a third... but the continued weakness of the US balance of payments due to the impact of external spending led to the weakness of the US gold reserves. Between 1961 and 1970, it dropped

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to nearly \$5 billion. In order to preserve America's gold reserves, President Nixon decided in 1971 to stop the conversion of the dollar to gold, announcing the end of the system that linked the dollar to gold.

The Nixon administration then dealt with this new financial change through a series of agreements with Saudi Arabia from 1972 to 1974, and found the so-called "petro-dollar", giving foreign countries another convincing reason for the accumulation and use of the dollar because of their need for the oil which is priced in dollars according to agreements with Saudi Arabia, the largest oil producer in the world. Saudi Arabia also agreed to recycle billions of US dollars of oil revenues through US arms manufacturers, infrastructure and the purchase of US Treasury's bonds. By 1977, at least 20 percent of all Treasury bonds abroad were in the hands of Saudi Arabia ... If oil is added to gold, which is also priced in dollars, countries were therefore keen to get the dollar. The ratio of cash reserves in dollars in global central banks was about 71% until 2000, but dropped after this year to 62%, also 40% of global debt is denominated in dollars.

Second: Today, the US dollar dominates international transactions. This created a huge artificial market for the US dollar, which distinguishes the US dollar from each domestic currency. The dollar has become an intermediary in countless transactions amounting to more than \$5.4 trillion a day, unrelated to US products or services ...

What is striking is that the dollar represents 84.9% of daily foreign exchange transactions, despite America's own trade transactions is less than half of this ratio, because non-American countries deal in dollars in their business matters! The strength of the economic dollar has meant that America is able to punish the economically and financially targeted nation not only that, but also to discourage other countries from trading with the target country. America is able to achieve this tough action through the SWIFT system: (The Society for Worldwide Interbank Financial Telecommunication).

It is the dollar settlement system. Since the dollar is the global reserve currency, SWIFT facilitates the international dollar system. Countries around the world settle transactions through it, ensuring that all bilateral transactions are based on the dollar. For example, Russia and China cannot exchange goods and services in their domestic currencies unless US dollar transactions are settled through SWIFT. America can use the system to impose severe economic sanctions. Under this system, America banned, between 2014 and 2015, many of the Russian banks from SWIFT when there was deterioration in relations between the two countries. In November 2018, the United States reintroduced strict sanctions against Iran using SWIFT. Several European companies refused to fulfill their dealings with Iran for

fear of America.

All of this, as we mentioned previously, is because the dollar is the world's reserve currency: The dollar's share in the reserves of 146 central banks worldwide reached 64 percent of the total currency reserves of these banks at the end of last year. The euro occupied the second with 20 percent of it, while the contribution of the Japanese yen and the sterling pound is 5%. This is without talking about the Chinese yuan, whose reserves in these banks did not exceed US \$ 108 billion, which is less than 1%. (www.alquds.co.uk 19/8/2018)

Third: In light of this, the countries of the world with weight and importance launched two ways to reduce the impact of the dollar. The first is the European position in 1999, when the euro was officially traded with, in 2002 in competition with the dollar. This was due to the strength of the European economies and their confidence in competitiveness. The second is through countries, such as Russia and China, whose efforts were late to curb the dollar's dominance; this is because of their inability to compete at the time (until the launch of the euro) until the financial crisis of 2008. They feared the erosion of their dollar reserves and the loss of their value. They joined the old European countries in reducing the dollar's dominance. Since China has become a world-class economy, the international efforts started to affect the dominance of the dollar.

Thus, the 2008 economic crisis was a wake-up call to countries to think about the dollar as a result of the crisis. But what made this step faster is Trump's provocations and sanctions. The new policy pursued by President Trump's administration has accelerated the tendency of other major powers to curb the dominance of the US dollar globally. President Trump's policy carried with insolence the slogan of "America First", although all American administrations were certainly working for the American interest, but the Trump administration is close to not recognizing the interests of other countries. Trump demanded Europe to pay retroactively for US military protection and launched strong sparks threatening to ignite a trade war with China. He demanded that Japan and South Korea pay for protection from the North Korean missiles. When President Trump imposed sanctions on Iran, making them include anyone using dollars to buy Iranian oil, and because China is now the world's largest oil importer, Trump's actions prompted China to take action to stop the use of the dollar, especially since it is in a trade war with the United States. Thus, in March 2018, the Shanghai Futures Exchange launched its first open-ended futures contract for foreign investors. The contract, a forward oil contract, was denominated in yuan to be a rival to Brent and WTI based on the dollar, which are used as the current standards.

So the 2008 financial crisis, its reflection on the

economies of many countries and its impact on this crisis, followed by Trump's protectionism, trade war, and financial and economic policies ... all have accelerated trends against the dollar's dominance.

Fourth: Therefore, these actions have provoked some countries, especially the autonomous powerful ones, and sometimes even surpassed the countries that orbit the powerful countries, although the effective and influential movements is that from the independent states, because the influence of the states that orbit around America is instant and for a specific purpose and then stops because they cannot oppose America's effective opposition, as long as they are revolving in its orbit, and we will review the actions of these countries:

1- Actions of independent countries:

A- Russia: In 2009, Russian President Medvedev proposed a new "global currency" at the G8 summit in London as an alternative reserve currency to replace the dollar. China, Russia, India, Turkey and other oil-producing countries have recently agreed to "conduct all their trade and investment transactions in their own currency."

But despite all this, the price of gold and crude oil remains in dollars! Russia's repeated statements of the replacement of the dollar with other national currencies and receiving the price of the Russian oil in currencies other than the dollar is due to US sanctions on Russia after its invasion and occupation of the Crimea and eastern Ukraine in 2015. It is also a consequence of the investigation into Russia's intervention in the US elections of 2016.

The United States has steadily increased its sanctions against Russia since 2015, and Congress has gradually expanded sanctions, using the "Act to Counter the Enemies of America through Sanctions," issued in August 2017, and imposed tougher sanctions on Russia. These measures were stringent against Russia, and this cut off the connection of the major Russian banks with the dollar, resulting in an 18 percent drop in the ruble against the dollar...

All this while Russia uses the dollar in 58% of its debt, i.e. it borrows nearly half of its loans in dollars, so Russia fell in trouble which pushed it to try to reduce its use of the dollar, and free itself financially, economically and monetarily from the dollar.

Putin said in a speech before the State Duma: "We have to strengthen our economic sovereignty...the oil trade in the stock exchange is in dollars, and of course we are thinking of how to get rid of this burden..." he continued. "We have been naive in the last decades, hoping there will be a commitment to the stated principles in world trade and the global economy, and now we see that the

rules of the World Trade Organization are subjected to many violations, and there are restrictions imposed on political considerations, they call them sanctions" (Duniya Al-Watan, 9/5/2018). Then Russia gradually reduced its possession of US Treasury bonds which was at its peak in 2008 by \$ 223 billion, until it became nearly one hundred billion at the end of last year. As a result the US sanctions on Russia, the latter has gotten rid of most of its bonds during the months of April and May 2018, and Russia now has only \$ 14.5 billion of those bonds ...

However, the Russian ruble cannot replace the dollar, because the lack of confidence in the ruble does not help it to mobilize countries with weight to stand by it. This is because many countries in the world do not want to buy the ruble as it fluctuates widely in currency markets, and mainly because the world has no confidence in the Russian ruble as a reserve currency. So what Russia can do most is to push some countries to pay for their Russian energy purchases with the ruble, but the Russian currency cannot replace the dollar ... Putin's spokesman Dimitry Peskov said in an interview with Rossiya TV channel.

"More and more countries, not only in the East but also in Europe, start mulling ways to minimize their dependence on the US dollar... They suddenly realize: A. it is possible, B. it should be done, and C. save yourself if you can, it should be done as soon as possible." "Cancelling the dollar is possible to some extent, but it is not about whether you want to exit the dollar zone, but what is the alternative then: the euro? The yuan? Or Bitcoin?" "Every one of these options has its own costs, we have to balance the costs of staying with the dollar and the costs of finding a new position," said Oreshkin, a former vice president of the Central Bank of Russia (Financial Times, 3/10/2018). All of which indicates that Russian officials themselves are not convinced that the ruble is fit as a global currency instead of the dollar!

B- China: China can make its yuan currency a strong competitor globally, but its global political horizon is narrow, thus affecting its narrow global economic horizon in terms of competition and conflict with America. Therefore, it could not impose its currency globally in trade and financial markets despite of the size of its large economy, but it adopted the dollar, and collected it in huge amounts ranged in recent years between 3 and 4 trillion dollars! Although it made attempts to move away from the US financial institutions, and it formed the economic group BRIX with Russia, India, Brazil and then South Africa. The total economic size of the BRIX Group exceeded \$ 15 trillion, equivalent to 20% of the global economy of \$ 74 trillion ...it also established a development bank for financing and lending (for the BRIC group) in July 2015 in Shanghai with a capital of \$ 50 billion to finally reach \$ 100 billion as an alternative to the World Bank, yet it did not give up the dollar!

When President Trump imposed sanctions on Iran and made them include anyone who uses dollars to buy Iranian oil, and because China is now the world's largest oil importer, Trump's behaviour is what prompted China to take action to stop the use of the dollar, especially since it is in a trade war with America. Therefore, in March 2018, the Shanghai Futures Exchange launched its first open futures contract for foreign investors. This contract, a forward oil contract, was denominated in yuan to compete with the Brent and WTI contracts, denominated in dollars, which are used as current standards, all of the above measures are significant and can destabilize the dollar.

What limits the hard work of China to effectively remove or destabilize the dollar is its heavy interdependence on the US economy and dollar. The US-China trade volume is very large at \$ 500 billion a year and now it has \$ 1170 billion in US Treasury bonds (Chinese financial newspaper Xinhua website 20/9/2018) down from \$ 1,300 billion in 2013, the world's largest holder of those bonds. China's reserves of dollars are between 3 and 4 trillion dollars added to China exports to the world in 2016, worth \$ 2.1 trillion and it imported \$ 1.6 trillion according to the World Trade Organization, making it the second largest commercial giant in the world after the United States. ...

Thus, the intensity of their trade in dollars, in addition to Treasury bonds, makes them take one step forward and one step back in the serious work to destabilize the dollar. America's success in attracting China to international trade in dollars has made China more interested in not shaking the dollar. It is aware that it will be the world's biggest victim of the dollar's shake-up; this pushes it to reduce its role slowly and carefully to keep its large stocks of dollars and bonds. And even if all of China's trade becomes with Russia away from the dollar, this does not solve the problem because the size of the trade of 120 billion dollars a year in both directions (Arabic China 23/9/2018) remains limited in comparison to the world trade, which is more than \$20 trillion annually. Thus, China is less bold than Russia and more cautious in its quest to curb the dollar's dominance.

China seems to have realized the damage of dealing with the dollar, both in terms of the intensity of its stocks of dollars or in terms of US Treasury bonds, etc. It became the world's most gold-buying country, its gold stocks rose from 600 tons in 2008 to 1842 tons in 2018.

This explains the big drop in its dollar reserves, which reached a peak in 2014 and exceeded 4 trillion dollars (Trading Economics website). Note that China has bought more than 700 tons of gold in 2015 alone. As for US Treasuries, after the 2008 financial crisis, China went for their sale. The value of its holdings declined during the two years following the crisis, but the American threat to block China's trade, which emerged at the time

in the issue of the safety of toys exported from China to America, made it return to getting more dollars. This continued until it peaked in 2013, but China returned to sell on the backdrop of the trade threat from the Trump Administration.

It reduced its holdings of these bonds in a non-confrontational way... and then sought the way to reduce the role of the dollar in its trade. It signed agreements with Russia, Japan and others for trade in local currencies. It also established the Shanghai Stock Exchange for oil trade denominated by yuan backed by gold, which got hold of 10% of the world's oil trade during the first six months of its establishment, it joined the special drawing rights, SDR (the yuan joins the US dollar, the euro, the Japanese yen and the British pound in the SDR basket of currencies, the yuan adds to the basket of currencies comprising the special drawing rights (SDR) with effect from 1/10/ 2016. (<https://www.imf.org> 30/9/2016)

However, with all of this, the density of China's stocks of dollars, bonds, etc. makes its dollar-removing work ineffective; this is why the Yuan accounts for only 1.7% of international payments, compared to 40% for the US dollar.

C- The European Union:

In 1999, the euro emerged; it was used in banks and replaced local currencies of certain countries as an alternative currency in the European Union starting from 2002. It attempted to compete with the dollar, because behind it stands globally strong economic countries such as Germany and France, joined by other industrialized and rich countries. Thus the euro became globally strong currency. And behind stands a collective force that can have a global political impact that competes with America, and has the potential to build a strong independent army as it seeks. The euro has been a reserve in international central banks by 20-23 percent. But one of the main factors preventing the euro from dominating the global economy is the weakness of Europe's political, military and economic influence facing America. The European Union itself is still in the defense of its existence, as there are threats that are not easily threatening its existence, and the exit of Britain from it was a shock of confidence as well as the rise of separatist racist movements in its countries, with demands of secession from the Union, which weakened the confidence in the Union... In addition to disunity in the political decision, are all factors that reflect the euro's currency and confidence in it.

2- States revolving in the orbit of America by the agreement of Russia, China and Europe:

- Turkey, Iran, India, and Japan:

- The head of the Central Bank of Iran Abdul Nasser Hamati announced that in a meeting with representatives of Russia and Turkey “the issue of trade was discussed using local currency rather than the dollar” (Tehran Times 9/9/2018)

- Turkey, Russia and Iran have agreed to use their local currencies for trade with each other instead of the US dollar, the Anatolia news agency reported. The agency, run by the state quoted the governor of the Central Bank of Iran, Abdul Nasser Hamati saying in Tehran, “the commercial transactions will be using specific exchange rate”. (<https://ahvalnews.com/ar> 9/9/2018)

- In October 2018, China and Japan agreed to a \$30 billion currency swap, Japan’s largest deal. “The contract to supply the S-400 missile system to India will be made using the Russian ruble currency,” Russian Deputy Prime Minister Yury Borisov said on 31/10/2018.

These countries, which China and Russia are trying to bring to the policy of dealing with local currencies, are still revolving in the American orbit or are its agents, that is, they are politically linked to America and quickly align with America, and do not make decisions to abandon dealing with the dollar or abandon making it the currency of their cash reserves. The decision of economic independence must be equated with political independence, such as independent China and Russia. And if they accepted the study of dealing with the local currency with Russia and China, this is because they were pushed by America due to an emergency situation, but once it ends things go back to normal:

Since sanctions were imposed on Turkish steel, and since the United States attacked the Turkish currency, Erdogan started to criticize the dollar for domestic public opinion. Turkey’s total debt of more than \$400 billion is collected in dollars, meaning that each time its currency depreciates against the dollar the repayment of the debt requires more and more lira, and then prices rise and burdens the people, and Erdogan gives his dazzling speeches as usual! Erdogan’s statement on the sixth conference of the Turkish Council at the Roh Ordu Cultural Center in Kyrgyzstan, on the third of September, in it he said: “We propose trading in our own currency instead of the US dollar.”

This statement has no reality, and is far from becoming a reality, because Turkey is essentially trading with the EU! However, Turkey trades in dollars, borrows in dollars and most of its reserves of foreign currency is in dollars, and imported oil, natural gas and imported raw materials are all in dollars ... We saw Turkey when America lifted the sanctions after the American pastor was freed, things returned to normal, and it lost enthusiasm of giving priority to dealing in local currencies before the lifting of sanctions... As for the Turkish-speaking countries in Central Asia, they follow the Russian policy, and the Turkish trade with them even if they were exchanged in local currencies do not amount to the influential figures

in world trade due to the marginal economy of Central Asian countries.

Iran is banned from dealing with the dollar because of the harsh financial sanctions imposed on it for many years after being taken out of the American banking system ... But after the lifting of the sanctions in 2015, it was selling its oil in dollars and signed large contracts with international companies, including European companies such as Airbus and Total the French company in dollars exclusively, as if nothing has happened! The sanctions and their lifting affect Iran’s actions in a timely manner. America is the one who enters or exits Iran from the dollar trading system SWIFT. When America increases its anti-Iranian statements and closes its doors to the dollar, Iran’s response is statements that it will not be dealing in dollars.

As for India, since the old times it imports Russian arms and America does not mind that. India has a special place to America because it wants it to be an important force to counter the increasing influence of China in Asia. India knows that, so India is not expected to seek to change the dollar to the ruble or the yuan as a global currency.

Japan, which is linked to America, does not need to be detailed. Its dealing with Russia does not mean that they are against the dollar or that they accept the ruble as an alternative to the dollar.

In conclusion, the countries that can be said to have an effective impact on the dollar’s removal from its position are Russia, China and the European Union. But each of these countries have factors that weaken their movement as we have clarified, but if they get rid of those factors, they can remove the dollar from its position. If they do not work hard on this matter, they will be shocked by the so-called “weak dollar” and their wealth of dollar reserves will disappear. America is suffering a great deal of debt. According to Washington Examiner, the American magazine, on 1/10/2018, “US government debt rose by more than \$ 1.2 trillion during the fiscal year that ended on 30 September 2018 according to a government site that keeps track of debt.

The US national debt at the end of the fiscal year 2017 has reached 20.25 trillion dollars, and at the end of the fiscal year 2018 it amounted to 21.52 trillion ...”The accumulation of American indebtedness over decades has brought the country into a financial predicament. As this accumulation accelerated after the 2008 crisis, increasing from \$8 trillion to \$21 trillion today, the American financial predicament has become acute, which Bolton called a threat to national security, and needs quick solutions, i.e. in the near and medium, but not the long term... In light of this reality, the remaining solution for America to manage its finances is to pump more liquidity (printing dollars). Injecting liquidity in

quantities that meet state funding, let alone repaying its debts, which will lead to a collapse of the dollar, or what the US Treasury Secretary called “a weak dollar”, meaning the loss of a part of the wealth of the countries of the world dealing with the dollar in their trade, the reserves of their currency, and the US treasury bonds, a loss as much as the weakening of the dollar, which will be a blow to those countries!

However, the current reality is that these countries can not adopt a global currency instead of the dollar. However, it is possible to say that the attempts of Russia and China to deal with local currencies and to conduct contracts with other countries in local currency, have the effect of breaking the dominance of the dollar if it continues strongly and without laxity, the European movement alongside China has a greater effect. The demand to buy gold will strengthen that, but it does not solve the problem as long as it remains a commodity in the central banks sold for dollars when needed by states, or a reserve to support the paper currency of the state to enable it to access hard currency. However it will not solve the problem, unless gold and silver are the currency and bank notes are issued, and matched with gold or silver, and they are not just used as a commodity in the banks to buy the so-called hard currency. This means that the Central Bank of each country shall issue the currency in gold and silver, it is accepted to issue banknotes with the value of gold and silver, and its holder shall be entitled at any time to go to the bank and take gold or silver in return, i.e. to use it like currency instead of gold and silver but with the value of gold and silver that is written on the banknote ... so gold and silver will be dominant. And then no country can plunder the wealth of others or exploit their efforts and move the war machine and wage its aggressive wars with worthless notes as we see now. There is no state that can do this, but the state of the Khilafah (caliphate), which can implement it because it is a Shariah rule ordered by Allah, and has been implemented by His Messenger (saw) in his state, and was followed by the guided Caliphs and the caliphs who followed them until the destruction of the Caliphate in 1342 AH corresponding to 1924 CE, then falsehood prevailed... The capitalist ideology dominated the world, its owners only know looting and eating people’s money falsely and the collection of money in billions. It is unjust man-made law, and we see the destructive result of the financial crises and economic devastation in addition to manipulating the capabilities of people and looting their wealth and the loss of their money as papers that are worthless! It is necessary to destroy this false ideology and work for the sovereignty of the Islamic ideology the ideology of truth and justice embodied in its state that Allah has promised to his sincere believers, the righteous workers:

(وَعَدَ اللَّهُ لَا يُخْلِفُ اللَّهُ وَعْدَهُ وَلَكِنَّ أَكْثَرَ النَّاسِ لَا يَعْلَمُونَ)

“[It is] the promise of Allah. Allah does not fail in His promise, but most of the people do not know” [Ar-Rum: 6]

The world will remain in financial and economic hardship as long as it does not rule by Allah’s law, and Allah is Truthful

(وَمَنْ أَعْرَضَ عَنْ ذِكْرِي فَإِنَّ لَهُ مَعِيشَةً ضَنْكًا)

“And whoever turns away from My remembrance - indeed, he will have a depressed life, and We will gather him on the Day of Resurrection blind.” [Ta-Ha: 124]

18 Rabii’ Al-Awwal 1440 AH
26/11/2018 CE