

224575 - Ruling on working for companies whose activities are basically permissible, but they are involved in some unlawful transactions

the question

Is it permissible to work for some companies, such as Exxon Mobile and Schlumberger, which specialise in oil and gas, and other similar companies? These companies deal with riba (usury) in one form or another. For example, you will find that they compel their employees to take out a card called a “travel and leisure card”, which is a credit card on which interest is charged in the event of late payment. In these companies the employee is also required to take out health insurance and life insurance, and so on, and they have a policy of equity between men and women, and other things. I, along with some friends, am looking into setting up a shipping company, but the laws require us to have insurance on the ships, employees and products. Is it permissible for us as Muslims to set up such a company? Is there a list of names of companies that are compatible with sharia, whether in Saudi or internationally? Or at least some of these companies that are globally famous?

Detailed answer

Firstly:

With regard to companies whose activities are basically permissible, such as the companies that you mentioned (oil and gas companies), but they engage in some unlawful transactions, such as dealing with riba and other unlawful things, there is nothing wrong with a Muslim working in these companies, so long as he himself does not deal directly with, or help others with, the unlawful activity. So his work should be in permissible sections of the company, that have nothing to do with managing the unlawful activities of the company.

Secondly:

Dealing with credit cards for which interest is charged to the customer in the event of late payment is unlawful. This is riba which Allah, may He be exalted, has emphatically forbidden.

But one of the principles of sharia is that if the Muslim is compelled to do some unlawful thing, there is no blame on him for doing it, so long as he does it reluctantly and is compelled to do it, and is not doing it by choice. Allah, may He be exalted, says regarding disbelief, which is the worst of prohibited actions (interpretation of the meaning):

“Whoever disbelieves in Allah after his belief... except for one who is forced [to renounce his religion] while his heart is secure in faith”

[an-Nahl 16:106].

If the company compels employees to take out this unlawful credit card, there is no blame on him for that, but it is not permissible for him to use it unless he is certain that he is able to pay it off before the end of the time limit after which interest will be charged. This has been previously mentioned in a fatwa issued by Shaykh Muhammad ibn ‘Uthaymeen (may Allah have mercy on him), stating that it is permissible to use this card for one who needs to do so, if he thinks it most likely that he will not delay repayment.

See the answer to question no. [3402](#).

Something similar may be said with regard to the obligation on employees to take out commercial insurance. There is no blame on him so long as he is compelled to do that, but he should not benefit from insurance payouts, except to the equivalent of the amount that he paid in premiums only.

But what appears to be the case with regard to the insurance that these companies require for their employees is that the insurance contract is between the company and the insurance company, and the employee is not party to it; rather he is the beneficiary only.

If that is the case, then there is nothing wrong with the employee benefitting from the insurance in full, because this is something that was offered by his company, either as a

favour to the employees, or in return for deducting part of the salary to which the employee is entitled, and he is not responsible for the insurance contract and is not a party to it.

Thirdly:

There is nothing wrong with you setting up a shipping company. The requirement of insurance in that case is a kind of compulsion, which allows the Muslim to accept such contracts, as explained above. But in this case, it is not permissible for you to benefit from the insurance company except to the equivalent of the amount you paid in premiums only, as has been previously explained in the answer to question no. [117290](#).

Fourthly:

Some specialists in the field of Islamic financial dealings have issued lists of companies whose operations are compliant with Islamic sharia. One of these specialists is Shaykh Dr. Muhammad al-'Usaymi. You can find this list on the following link, but it is in Arabic:

<http://goo.gl/ZzqSGe>

And Allah knows best.