

looking into old records and archives. After much research I found the answer. It turned out that back in the days before banks, the Orphan's Department used to invest the minors' funds by financing traders under Murabaha contracts—an Islamic financing tool—in order to buy and sell commodities such as rice, coffee, or fabric. As the Orphans' Department became PAMA and was turned into a department under the Ministry of Justice the practice continued, but it got worse as loans were made to traders with usurious interest rates documented by the notary public. The strange thing is how can a department within the Ministry of Justice be engaged in moneylending and charging interest, despite the fact that banks were now operating in Kuwait?! Why did businessmen think it was better than banks, or was it only a handful of traders who chose to finance through PAMA?!

Not to disappoint my reader, I'll give you an example of a contract which I held in my own hands. In this contract a dealer had been sold a minor's inherited property, but for years he failed to pay the value of his purchase. To rectify this, the same department made a loan to the dealer out of the minors' money so that he could pay his debt. So, in this way they took the money out of one pocket and put it in the other. Another way this was done was they would sell a large plot of land to an agent at bargain rates. The agent would only repay the orphans once he had divided the property into plots and sold them off at rates which allowed him to pocket the profits. Poor orphans, isn't it enough that they have already lost their fathers?