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Single Islamic currency proposal

PUTRAJAYA, Tues. - Muslims worldwide should gradually shift from the paper currency system to the more viable single Islamic currency of dinar and dirham which was based on the values of gold and silver.

Leader of the Murabitun World Wide Movement, Umar Ibrahim Vadillo, believes that Muslims should strive to re-instate the single Islamic currency introduced by Umar Al-Khattab, the second khalifah of Islam, over 1,400 years ago.

He said from an economic point of view the usage of the Islamic currency was more viable as their value could not be manipulated by any forces.

"The only currency that could challenge the US currency is not the Euro or a currency of the Union of Muslim countries but it is gold, because gold is not a promise of payment, gold is a commodity with a certain standard value by itself. There is no inflation involved and many important studies over centuries show that the price of gold is quite constant."

Umar Ibrahim successfully minted the first Islamic dinar in 1992.

Under the guidance of renowned scholar Shaykh Abdalqadir Al-Sufi, Umar has also proposed for the setting up of the World Islamic Trade Organisation, an initiative almost similar to that envisaged by Prime Minister Datuk Seri Dr Mahathir Mohamad.

Speaking to the media after accompanying Abdalqadir to a meeting with Dr Mahathir this afternoon, Umar said that the torments of the widely used paper currency were evident during the Asian financial crisis where the national currencies of countries were destroyed overnight.

The revival of the Islamic currency of gold and silver need not go through the political process as experienced by the Euro but should be gradual, via the principals of democracy.

"The people should be enhanced (to use the dinar) the democratic way, just encourage them to use it, today thousands of people are already using the Islamic dinars throughout the Islamic world.

"What we want is the people to use gold and silver as it would be valuable from day one ... you won't wake up and see its value slashed overnight," said Umar, an expert in Islamic economic transaction and the founder member of e-Dinar Limited.

If a Muslim was to create another paper-based currency for the Muslims then the burden of credibility would be enormous.

"Even if we were to combine all out gross national product values, of all the third world countries ... we would not be able to match the Euro or the United States dollar, but gold is stronger than the Euro and the USD. We can create a trading block even if 20 people are trading in them. It does not depend on the credibility of political authority. Gold depends on itself," he explained while saying that the dinar and dirham (as trading currency) was clearly mentioned in the Al-Quran.

The Islamic currency which was introduced and practised in the first Muslim community in Madina, had united the Muslims for thousands of years before it was withdrawn.

"It used to be a world currency. We envisage that it will be the currency of the world again. Rather than putting the gold under the mattress, why don't we use the gold as a medium of exchange?"

Umar has also established an electronic trading mechanism, the e-dinar, for Internet business transactions which would be backed by the dinar.

"This is the new approach where anyone could open an account for free and trade with the dinar or start saving in gold."

More information may be obtained online at www.e-dinar.com.

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