

Basic and Implementation Gold Dinar as Waqf Medium in Malaysia

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ABSTRACT

Basically generally, there is evidence which is clear that dinars and dirham have been used as an instrument in the business of buying and selling at some point in the past. Gold dinars are goods derived from precious and valuable metals. The stability of gold metal has made its use as one of the most secure currencies compared to other currencies. In Malaysia, fiat money has been used in the practice of cash waqf today. If evaluated from the point of view of stability, fiat money has many weaknesses among them no there is the intrinsic value of which can disturbing claim eternity ain waqf in relation to that, this study highlights a basis regarding the use of gold dinar as a waqf medium from the point of view of its implementation in Malaysia. Therefore that, objective study this for analyze basic and implementation dinars gold as a waqf medium in Malaysia. This study is an exploratory study. Data collection is obtained from study documents. Data analyzed using method analysis content. Results research found that the concept of using gold dinar as a cash waqf instrument is not implemented in Malaysia but using gold physically as one of the waqf instruments. In Malaysia, it is found that its existence plays a very important role in the economic, social and educational sectors. In the economic sector, the proposed proposal is a good idea to improve and strengthen the economy.

Keywords: Implementation, Waqf, Cash Waqf, Gold Dinar as Instrument

INTRODUCTION

Basically generally, discussion about basic and implementation dinars gold as medium endowment in Malaysia started with research against implementation waqf cash in Malaysia. Purpose explanation is made to explain in more detail about aspects of waqf in Malaysia. Basically, in Malaysia, religious institutions among which the State Islamic Religious Council (MAIN) is a government institution which entrusted as holder trust single for all type property waqf in under the State Sharia Law Administration Enactment found in Malaysia (Maznah Zakaria, Mohamat Patience Hassan & Radzia Abdul Latif, 2014:229). PLAY is one body which specifically manage property waqf for build, maintain as well as invest properties waqf aims to develop the role and be utilized by the Muslim community (Anan, 2015:7-8).

LITERATURE REVIEW

Researching the practice of waqf in the Muslim community in Malaysia is traditionally more focused in shape mosque, land, prayer hall, school religion and maahad tahfiz (Hasliza Talib, Nazneen Ismail & Nurzatil Ismah Azizan, 2015:03). However, what has been stated today is that the public's understanding of waqf is increasing and the forms of waqf continue to grow rapidly, especially regarding the acceptance of cash waqf products such as waqf money, waqf shares, corporate waqf and educational waqf with the option to finance waqf development (Sharifah Zubaidah Syed Abdul Kader, 2016:102; Hasliza Talib, Nazmeem Ismail & Nurzatil Ismah Azizan, 2015:03). The implementation of cash waqf products is in line with the agreement by Meeting Committee Fatwa Terengganu on 31 January 2007 which has been agreed as the implementation of the Cash Waqf Scheme. Based on that, this committee recommends that any individual contribute as much money to donate to MAIN to buy waqf property. Then, the decision in Terengganu was followed in the Decision Committee Fatwa Council Nationality for Things Affairs Religion Islam Malaysia the 77th which is in session on 10-12 April 2007 in Kuala Terengganu which has been decide that endowment in form money cash is required in Islam (Muhammad Fathullah Al-Haq Muhammad Asni & Jasni Sulong, 2017:13). According to Muhammad Fathullah Al-Haq Muhammad Asni and Jasni Sulong (2017:13), cash waqf in Malaysia is fatwa based on a view based on the view of Imam Az-Zuhri, that waqf in the form of dinars and dirhams is required for the purpose of preaching, welfare of the community and education Muslims. Returning to the issue of waqf products based on gold dinars, first the fact that waqf products that use gold dinars as a waqf medium do not yet have a basis in Malaysia. Following that, it was found that there was no form of management either in private or group forms are found. The same goes for its existence in government or private agencies. For that reason, endowment using gold dinars as an instrument is not implemented by MAIN.

Second, based on meeting chat partially structured which carried out to top scholar waqf all agree that in Malaysia there is no state that carries out any form of implementation waqf which involving usage mechanism waqf using dinars gold. however, in State Selangor through Corporation endowment Selangor (PWS) has been launched gold endowment which aim to group women. According to Ramli Mahmoud (Razali Othman, 2014:344- 345), Waqf Emas aims to provide an alternative to the waqf community according to their ability and desire through the statement:

"Estimated almost 80 percent sum waqf is women. This shows women in Selangor who total three million people have great potential in intensify contribution waqf in Selangor. If us see also, women now start moving into the professional field and have your own income. This allows them to endow the wealth they have earned themselves" (Ramli Mahmud, 2013).

Based on this statement, the potential to further expand waqf contributions in Selangor is quite large through Waqf Emas. However, the mechanism used is based on physical simply. Thus, PWS does not make dinars gold in eye shape money as instruments endowment but gold in shape stuff commodities like stuff neat for women's jewelry. In the meantime, the use of gold dinars in the State of Kelantan is different, the implementation of gold dinars is used as an instrument for zakat payment. According to Salmy Edawati Yaacob and Sanep Ahmad (2009:07), the state of Kelantan became the first state in Malaysia to receive zakat payments in the form of gold dinars and the way to get gold dinars is at all eight Kelantan Islamic pawn shop branches. Meanwhile, for silver applications in payments zakat also, study Muhsin Nor Paizin (2015:39) about zakat silver, he state make time this none institution zakat in Malaysia which have mechanism payment in physical form or coin silver in process payment zakat. Since the process of removing zakat is in shape money ringgit by which thus, knowledge value silver in sum money Cash is the main reference to the actual amount of zakat that must be paid. With this, it can be stated that payment zakat using dinars gold applied in Kelantan. However, for the payment of zakat using silver in physical form still has no basis in Malaysia. In the field of waqf, it was found that there was no application of gold dinars or silver dirhams as mechanism endowment Additional also, research which done found no there are any fatwa which issued by Committee Fatwa connected its use as waqf medium as there is a fatwa about the necessity of using fiat money in waqf practice. Based on that, research on the non-existence of waqf using gold dinars as a medium is caused from one cause

main that is dinars gold is not eyes money in Malaysia even in the world once even. With reason that's its dinars gold only considered as a stuff commodity and does not function as an instrument of exchange. This situation is a fact that happens now, but not in the past. However, there are various efforts to dignify its use again in Malaysia.

METHODOLOGY

In general, this study is carried out through an exploratory study. This does not mean that there are no previous writings on waqf produced, but as far as observations are concerned, there is less direct research in the field of cash waqf that links gold dinars as an alternative medium of waqf, especially involving movable property. Therefore, detailed information and knowledge are needed to understand and evaluate the research problem more thoroughly (Azhar Harun & Nawawi Abdullah, 2004:6; Babbie, 2007:88; Piaw, 2007:6-7; Marican, 2005:82; Sekaran, 2005:119-121). Data collection is obtained from collection data which have relevant documents study like journal, books, book and so on. Then, the data is analyzed using the content analysis method which analyzes the relationship between the concepts in the content.

RESULTS

Based on development current concerned with implementation dinars gold in Malaysia on modern times this has been start discussed regularly widespread in year 1998-2002 that is while Asian countries hit crisis eyes money which bad by which thus, around year 2001 effort has been taken by the Malaysian government at that time to improve the country's economic system. With that, a proposal was made by Mahathir Mohammad, the former Prime Minister of Malaysia who made a proposal to the Organization of Islamic Conference (OIC) that suggested the propriety of using gold dinars in international trade (Salmy Edawatie Yaacob & Hailani Muji Tahir, 2009). As a result of the proposal, a launch of Malaysia's first gold dinar has been inaugurated by Divorced Ashes Bake as Director Affairs the Royal Mint of Malaysia in 2003. Following the inauguration, an initial step was taken by The Royal Mint of Malaysia (Royal Mint) which included holding a meeting with four financial institutions including Lembaga Tabung Haji (TH), Bank Islam Malaysia Bhd (BIMB), Bank Pertanian Malaysia Bhd (Agrobank) and Bank Rakyat Malaysia Bhd (BRMB) to expand its use in Malaysia. Based on that small effort, the development of the gold dinar has expanded its use until now. Meanwhile, research on the development of the gold dinar in Malaysia there is some fruit state which already remove dinars gold respectively. The first state which introduce is in State Kelantan, launch dinars gold the said was implemented on 12 August 2010 by Abdul Aziz Nik Mat located at the Kelantan Trade Center (KTC). The introduction of the gold dinar at that time was based on the weight measurement of the Umar Al-Kattab Standard (Khalib Noorshah, 2009) and met the standard set by the World Islamic Mint (Utusan Malaysia, 2016). Responsible company forge money gold Kelantan on when that is Company Mariwasa Kraftangan Sdn Bhd (Salmy Edawati Yaacob, Mohd Al-Adib Samuri, Mohd Izhar Ariff Mohd Kashim, Ezad Azraai Jamsari & Mohd Zulfazdlee Abul Hassan Ashari, 2011). According to Nick Maheran Nick Muhammad (2011), the Kelantan Gold Coin aims to be a return to a known medium of exchange during 1400 year as money sharia, as well as something idea which new. Goal Dinar Kelantan Gold continued to expand until 2015. Based on that, on 16 December 2015 once. The state of Kelantan introduced a new edition of the gold dinar, for management purposes, the dinar managed by Kelantan Gold Trade Sdn Bhd (KGT) and size dinars gold is weight 4,250-gram measured diameter 22mm with authenticity gold 917 (Azman Mahmood, 2015).

In addition, the State of Perak is the second state to issue gold dinars. The launch of the State of Perak gold dinar was officiated by Zambry Abdul Kadir on 28 February 2011. The introduction of the gold dinars in the State of Perak is based on a strategic collaboration project between Gold International Sdn Bhd and Perbadanan Kemajuan Negeri Perak (PKNP). Based on that, Nubex Sdn Bhd is a company appointed to buy and sell Perak dinars and dirhams throughout Malaysia. Size heavy Dinar silver is weight 4.25-gram 24K gold and dirham weight 3-gram 99.9 silver shillings. As for the State of Pahang, on 22 December 2014 the government of the State of Pahang collaborated with the company Triplenine Goldword Sdn. Bhd issued their gold dinars. Manufacturer dinars gold the said is in conjunction welcome to 40-year government sultan Pahang

at the time that, as much as 3,999 dinars gold edition limited which contain gold pure 999.9 with heavy 31.33 grams per serving has been issued for sale to the public. Next, gold dinar producers in Malaysia are not only limited to the supply by states that stated only but also offered by certain companies including e-Qirad Sdn Bhd and Public Fine Gold International Sdn Bhd. Based on the development, companies that offer gold dinars are increasing, especially for investment purposes.

Accordingly, the phenomenon of the existence of gold dinars has led to several forms of use same as angle economy, education and society. In sector economy, dinars gold was once proposed for the implementation of international trade. The intended international trade is related to the System Two-Way Payment (BPA) and System Multiple Ways (MPA). The aim and intention of the formation of these two systems is to apply the use of gold dinars in import and export trade through the agreement of Islamic countries. The agreement to use gold dinars in trade made all economic affairs more orderly (Zulkifli Jalil & Marhaini Kamaruddin, 2002). According to Salmy Edawatie and Hailani Muji Tahir (2009), based on proposal submitted, the BPA implementation process involves two fruit country which agree to run business imports and export. The difference between total exports and imports among countries is valued in gold dinars. According to them, to understand easily about BPA is as follows:

“For example; company An in Malaysia exports rubber to company C in Saudi Arabia for one million US dollars. Company C will make a payment in rials to the central bank of Saudi Arabia and the central bank will convert it into US dollars to be paid to the central bank of Malaysia. Company A will receive the payment in Malaysian ringgit from BNM. And vice versa when company B from Malaysia imports crude oil from company D in Saudi Arabia for 500,000 dollars USA. Each one will make and receive payment in shape eyes national money respectively. Trade development will be assessed for three month once. After three months, Saudi Arabia owes Malaysia 500,000 US dollars. So, here is the role of the gold dinar where the explanation of the balance will be evaluated in dinars (according to the current gold price). This explanation will be made at the Bank of England, which is responsible for transferring the amount from the Saudi Arabian gold savings account to the Malaysian gold savings account with the value of the dinar equivalent to 500,000 US dollars earlier” (Salmy Edawati Yaacob, 2012a).

As it is an example trip system this, research showing that system like this is wrong one effort which good especially to reinforcement economy country. Although, it was a difficult matter to convince the 24 countries that had trade relations with Malaysia at that time to fully accept the proposal. For that reason, overall, the recommendations made on international trade are a step forward study at that time, this means that there is still no concrete decision about it being made. Based on the current development of the system international trade discussed still no walking until today this. However, though system this no carried out until today, there are several parties, especially academics who support this system proposal.

Furthermore, the establishment of the E-Dinar Electronic Payment System is also an effort to develop the use of the gold dinar in Malaysia. The E-Dinar system is an electronic payment and exchange system through a website. The main function of the system is operating in e-commerce which means that all transactions of buying and selling online are done in the value of gold and silver. The E-dinar system has its own advantages when supported by one hundred percent physical gold and silver (Dahinden 2008). In the meantime, there is also an effort to develop the gold dinar which is almost the same as the E-dinar system which is the formation of the Dinar Web System. Dinar Web System means an online trading system that uses the gold dinar value in payment transactions. With its establishment, the goal mainly is creating one system Sharia-compliant online trading. Based on the intended Shariah compliant trade, emphasis against concept basic which underlying barbara Islam like usury, profit, losses and other principles of sharia (Noor Inayah Yaakub, Wan Mohd Hirwani Wan Hussain & Mohamad Abdul Hamid, 2009) applied through system this. Results development System Web Dinar establishing four main branches which are D2D portal, dinar card (Member Registration), gold dinar currency and payment card dinars (determine confirm payment) (Salmy Edawatie Jacob & Hailani Praise Tahir, 2009). On level beginning card dinars gold Islam (IGD) offered to customer BIM. Value The card can be used either for the purchase of Islamic goods and services or as an investment and offer to perform the Hajj (Salmy Edawati Yaacob & Sanep Ahmad, 2009).

Besides effort for run trade international use gold dinars, there is also other efforts implemented include the role played by Yayasan Melaka which became agency government first in Malaysia which establish Agency Dinar Gold (WDE). WDE is representative distribution dinars gold in State Malacca and license agency distribution issued by Islam Mint Sdn Bhd and IGD Exchange Sdn Bhd. Purpose main establishment WDE is one an agent or representative who distributes and converts paper money into gold dinars and stores them. In connection with its establishment, this agency has given the step to allow the community to have gold dinars (Hussin Salamon & Zanirah Mustafa, 2009) at that time. In the meantime, in Malaysia the gold dinar was also introduced as a source of investment. An introduction to investment sources in Malaysia shows that its management has been carried out by e-Qirad Sdn Bhd and Public Fine Gold International Sdn Bhd. The role of E-Qirad Sdn Bhd is responsible for minting gold dinars in Dubai and appointing wakala-wakalas (agents) around the world to handle gold dinars (Zuhaimy Ismail, 2003): Umar Ibrahim Vadillo, 2002).

Besides that, too role in contributing dinars gold as source investment is Public company Fine Gold International Sdn Bhd or known as Public Gold. Public Gold established in State Island Pinang, and purposeful save physical gold as investment and enable society Malaysia buy and sell physical gold on price which competitive (Louis No, 2009). Through role dinars gold as source investment, research found State Kelantan became the first state in Malaysia to launch gold dinar coins for investment purposes at that time (Wan Mohd Paradise Wan Mohamad, Azzah Amran, Syazwani A. Malek @ Abdul Malek, Nor Originally. Sargam & Wan Saiful Azzam Wan Ismail, 2012). Besides that, some shape implementation dinars deep gold business religious too practice is related payment zakat. Wrong one function the main purpose of issuing gold and silver dinars is to enable Muslims to pay zakat using a correct method (Khalid Noorshah, 2009). In addition, there is a view that states that gold dinars are suitable for use in Hajj savings, gifts and gifts marriage At Malaysia example early couple celebrities that is M. Nasir and Marlia Moses has used 13 dinars as dowry (Louis Ng, 2009).

DISCUSSION

Based on the current application of the gold dinar in Malaysia, it has been found that its existence is very instrumental in the economic, social and educational sectors. In the economic sector, the proposed proposal is a good idea to improve and strengthen the economy. Meanwhile, in the social sector, the gold dinar is a high-quality item if its use is expanded and suitable made instruments waqf because its stability. So too, in the field of education, the efforts carried out by academics are one of the catalysts for the success of the gold dinar as an item that stabilizes the economy of a country. Based on the presentation, it is clearly proven that the gold dinar used as a waqf instrument, especially cash waqf, certainly not yet exists in Malaysia. The implementation of the gold dinar as a medium endowment not yet found, then its existence no said, regularly not directly it can be concluded that this kind of medium is not practiced in Malaysia.

CONCLUSION

Overall, the use of gold dinar as a waqf medium in Malaysia is practiced until today this. Research found concept usage dinars gold as instrument waqf cash is not implemented in Malaysia but uses physical gold as one of the waqf instruments. Various mechanisms for the use of the gold dinar are applied in its use both in the social and economic sectors, and even religious which has a great impact on the Muslim community in Malaysia.

The gold dinar has broad potential aspects if its implementation in Malaysia is well managed and planned, as it contributes to aspects of economic stability, investment, political stability, religion, public acceptance and confidence, as well as the practical nature of gold.

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