Gold Dinar: The Impacts on Consumerism Towards Creating A New Islamic Economy

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PRESENTATION OUTLINE

- Introduction
- The impacts on Consumerism
  - Real Economy
  - Wealth Management
  - Wealth Creation
  - Trading
- Conclusion
INTRODUCTION

- Money supply and 1997 Asian Financial Crisis
- Gold Dinar as a solution?
  - Bilateral Payment Arrangement (BPA)
  - Multilateral Trade Arrangement (MPA)
- How to make the implementation of Gold Dinar a success?
  - Aware of the weaknesses of fiat money
  - Participation from private sectors
The uses of the Gold Dinar

1. For bilateral and multilateral payment settlement
2. For savings because they are wealth in themselves.
3. For paying Zakat and dowry as established within the Islamic law (Mohd Dali at el, 2004)
Why International Trade Only?

1. Might affect one economy if it is not done correctly.
2. Could promote trade among OIC countries.
3. The platform for the unity of the OIC countries
4. To avoid a massive disrupts to the overall economy because as the demand of Gold increases the prices of other currencies will decrease (Mohd Dali at el, 2003).
What is Consumerism

“Consumerism is a movement advocating greater protection of the interests of consumers or the theory that an increasing consumption of goods is economically beneficial.”
THE IMPACT ON CONSUMERISM

1) Real Economy

- Present economic system → Artificial economy
- Gold Dinar → Real value → Real economy
- Impact:
  - Reduce inflationary problem
2) Wealth Management

- Dinar debit card --- encourages real value saving
- Dinar as a unit of account
- Stability in price --- save haven against inflation
- Fiat money --- reduction in wealth
3) Wealth Creation

- Elimination of money and credit creation
- Impact:
  - Lending without interest
  - No speculation
  - Reduce gap between have and have not
  - Reduce poverty
THE IMPACT ON CONSUMERISM (Cont.)

4) Trading

- Problem between OIC countries:
  - Intra OIC trade - 12%
  - OIC and non-OIC – 8 times the size on intra OIC trade

- Solution → Gold Dinar
CONCLUSION

Areas in Consumerism

Diagram 1.: The impacts of Gold Dinar on economy through consumerism
Thank you

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