

Press Release

Can You Change to the Gold and Silver System Instead of Fooling Yourselves by Remaining on the Compulsory Monetary System?

(Translated)

On Saturday, 20 Ramadan 1445 AH, corresponding to 30/3/2024 CE, the Governor of the Central Bank in Sana'a, Hashim Ismail, held a press conference, in which he announced the issuance of a new 100 riyal coin to replace the damaged 100 riyal note issued by him. The use of the new coin went into effect on Sunday, Ramadan 21, 1445 AH. Centers will be opened to exchange what is in people's hands with the new coin. According to the bank governor's admission, the new currency was issued according to the highest international standards, i.e. not according to Shariah law, and what a big difference between the two!

Thus, the Houthis continue to implement a monetary system afflicted with many problems, which is the capitalist monetary system - which they claim to have changed - they continue to use compulsory fiat paper money that has no relation to gold or silver, nor is it a substitute for them. It is money with a nominal value determined by the bank that issues it, and thus issues a law requiring people to deal with it. It has no intrinsic value other than the force of law. The compulsory fiat paper money wastes people's money, constantly reducing its purchasing value. If two people, one of them put in 10 gold dinars, and the other put in the equivalent of mandatory paper money, and then returned after twenty years, what would they find? The dinars will retain their value, and the fiat paper money will lose its value.

Why don't the Houthis move to the gold and silver money system, and issue papers representing them, which people circulate and can exchange at the bank for gold and silver whenever they want?

Money is defined as the thing that people have agreed to use as prices for goods and wages for efforts and services, and by which all goods, efforts and services are measured. It is the medium in exchange, and Islam has defined it as gold and silver, of money. It set the quorum (nisab) for zakat on gold and silver, forbade their treasure, and linked the rules of blood money to them, and the cutting off the hand of the thief. A gold dinar is equal to 4.25 grams, and a silver dirham is equal to 2.975 grams. Bond papers, stocks, or the like are not considered money. There are two types of money: Metal and paper money, paper money is that taken from paper as a

substitute for gold or silver, or covered with gold or silver, or with both, fully or partially covered, or neither a substitute for them nor covered with them. The monetary system derives its name from the nature of the base currency used in it. If the base currency is gold, it is called the gold system or the gold base, and if the value of the basic monetary unit does not have a fixed relationship with gold or silver, this system is called the compulsory monetary system, and this is what is happening today in these states.

The return of dealing in money on the basis of gold and silver will help prevent it from being exposed to the shocks that the strongest currencies are exposed to these days, and the return of gold and silver money is inevitable, so that stability can be restored to the people after their money has been wasted. One of the worst results of a change in the value of the currency is the financial inflation that results in a decline in the value of the currency and a weakness in its purchasing power, which results in a rise in prices, a recession in trade, and a slowdown in growth in general, and on top of that, a violation of the Shariah ruling. These problems are in reality an economic epidemic that afflicts countries, exhausting their economies, destroying their wealth, and mortgaging their will to others especially if the countries are small and weak, in order to return to the gold standard, the reasons that led to its abandonment and the factors that led to its deterioration must be removed. Hizb ut Tahrir has adopted a practical approach to address these problems, which the coming Khilafah (Caliphate) State will implement soon, Allah willing, and has explained the financial aspects in the book "Funds in the Khilafah State".

The capitalist economic system - which adopts the compulsory fiat paper money system- is a disaster for the entire world, it has crushed people in everything that comes from it. The repeated crises that beset the world have emerged, the most recent of which is the crisis of 2008. It is time for Muslims to return to their economic system, along with the rest of the systems of life: political, social and other under the second Khilafah Rashidah (rightly guided Caliphate) state on the method of Prophethood. The Prophet (saw) said: «ثُمَّ تَكُونُ خِلَافَةً عَلَىٰ مِنْهَاجِ النَّبُوَّةِ» **“Then there will be Khilafah on the method of Prophethood”**

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in Wilayah Yemen**