

History of Gold Dinar

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In the beginning the Muslims used gold and silver by weight and the dinar and dirham that they used were made by the Persians.

Picture: Persian gold dinar Yazdgard I (399 – 420 AD)

Silver coin of Sasanian Yezdigird III

The first dated coins that can be assigned to the Muslims are copies of silver dirham of the Sasanian Yezdigird III, struck during the Khalifate of Uthman, radiallahu anhu. These coins differ from the original ones in that an Arabic inscription is found in the obverse margins, normally reading "in the Name of Allah".

Since then the writing in Arabic of the Name of Allah and parts of Qur'an on the coins became a custom in all minting made by Muslims.

Under what was known as the coin standard of the Khalif Umar Ibn al-Khattab, the weight of 10 dirham was equivalent to 7 dinars (mithqals).

p/s: Mithqal is a unit of mass equal to 4.25 grams and mostly used for precious metals,

Abd al-Malik ibn Marwan (646AD - 705AD) was the fifth caliph of the Umayyads, which was the ruling dynasty that built a huge medieval Islamic empire stretching west across North Africa into Spain and as Far East as Pakistan. Whilst the Anglo-Saxon kingdoms of England lacked a written language, Abd al-Malik created the world's first widespread uniform currency - the dinar.

Gold_dinar of Abd al-Malik ibn Marwan

Although the new gold dinars and silver dirham's were very similar in size and weight to the coins they replaced, their design for the day was completely revolutionary. Come 697AD the caliph had abandoned portraits of rulers or emblems of cities to adorn his coins in favor of simplistic inscriptions of verses from Al-Quran.

Al-Malik then decreed that the new currency should be the only one to be used throughout the entire empire, and anyone who failed to hand in their old coins for melting down and re-minting faced the death penalty.

This was the very first time that a state had defined a stable currency with such precision, producing coins in mints from as far afield as Spain to Tunisia, Azerbaijan to Afghanistan, which then for the ruler had the most advantageous position of strength since this allowed him to unify the tax systems across all the provinces.

The coins were also the very first to be marked with their individual year of issue - a practice elsewhere which became not widespread until the 15th century.

A statement of faith on the coins of Abd al-Malik states,

'There is no god but Allah; Muhammad is His messenger.'

Picture: Silver dirham of Abd al-Malik ibn Marwan

In the next year he ordered the dirham's to be minted in all the regions of the Dar-al-Islam. He ordered that the coins be stamped with the sentence: "Allah is Unique, Allah is Eternal". He ordered the removal of human figures and animals from the coins and that they be replaced with letters.

Gold and silver coins remained official currency until the fall of the Caliphate. Since then, dozens of different paper currencies were made in each of the new post-colonial national states created from the dismemberment of Dar al-Islam. This command was then carried on throughout all the history of Islam.

The dinar and the dirham were both round, and the writing was stamped in concentric circles. Typically on one side it was written the "tahlil" and the "tahmid", that is, "la ilaha illah Allah" and "alhamdulillah"; and on the other side was written the name of the Amir and the date. Later on it became common to introduce the blessings on the Prophet, salallahu alayhi wa salem, and sometimes, ayats of the Qur'an.

History has demonstrated repeatedly that paper money has been a permanent instrument of default and reducing the wealth of the Muslims. In addition, Islamic Law does not permit the use of a promise of payment as a medium of exchange.

Resources:

1. <http://www.islamic-awareness.org/History/Islam/Coins/>
2. http://en.wikipedia.org/wiki/Islamic_gold_dinar
3. http://www.321gold.com/info/gold_dinar.html
4. <http://zakat.wordpress.com/history-of-the-gold-dinar/>
5. <http://www.coinlink.com/News/world-coins/dinar-coins-of-the-ancient-world/>