



# Conception of Money and Cryptocurrency in Islamic Economic Dimension

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## ABSTRACT

Money is seen not only as a legal tender (legal tender) but also seen as a commodity, money has two possibilities, namely the possibility leads to the good thing and the possibility leads to the bad thing. Both depend on the person using it. Money continues to innovate and evolve from cash to non-cash or electronic money. The emergence of crypto currencies raises pros and cons in various circles. This study aims to explain the concept of money from an Islamic perspective by analyzing crypto currencies as virtual currency. The writing method used is qualitative research using a literature review. The data taken are secondary data and data collection techniques using documentation and library studies. The results of this study explain that in Islamic economics currency must have underlying assets recognized by the government to avoid "money to money" transactions, while crypto currencies do not have underlying assets and no one is responsible.

## Kata Kunci:

Uang, Alattukar, Kripto, Kebutuhan, Manfaat Uang

## ABSTRAK

*Konsep Uang dan cryptocurrency dalam pandangan Islam. Uang dilihat tidak hanya sebagai alat pembayaran yang sah (legal tender) tetapi juga dilihat sebagai komoditas, uang memiliki dua kemungkinan, yaitu kemungkinan yang mengarah pada kebaikan dan kemungkinan yang mengarah pada keburukan. Keduanya tergantung pada orang yang menggunakannya. Uang terus mengalami inovasi dan berevolusi mulai dari bentuk tunai menjadi non tunai atau uang elektronik. Kemunculan mata uang crypto menimbulkan pro kontra diberbagai kalangan. Penelitian ini bertujuan untuk menjelaskan konsep uang dalam pandangan Islam dengan menganalisis mata uang crypto sebagai salah satu virtual currency. Metode penulisan yang digunakan adalah penelitian kualitatif dengan menggunakan kajian kepustakaan. Data yang diambil adalah data sekunder dan Teknik pengambilan data dengan menggunakan dokumentasi dan studi Pustaka. Hasil penelitian ini menjelaskan bahwa dalam ekonomi Islam mata uang harus memiliki underlying asset yang diakui pemerintah untuk menghindari transaksi "money to money", sedangkan crypto currency tidak memiliki underlying asset dan tidak ada yang bertanggungjawab*

## INTRODUCTION

Money is very important in the smooth running of business, because money is one of God's favors to humans which must be used according to the corridor that He has set, to borrow Aristotle's term that money is like a hen that cannot lay eggs, in the sense that money is cannot increase by itself without an effort. (Amalia 2005)

Besides having uses in matters of a physical nature, such as to obtain food, drink, shelter, and so on, money also has uses in divine matters. People who have money ideally remember God's favors that have been given to him and encourage them to be grateful for God's favors (Amalia, 2005). It can be said that money has two possibilities, namely the possibility that brings and the opportunity for them. It depends on the person using it. If it is used for good things then the money will be useful and if the money is used for things that are not useful, then the damage will be obtained by the owner.(Amalia, 2005)

Money is also an inseparable part of everyday human life. Every day the traffic of goods and services in all economic activities certainly requires money as a means of facilitating to achieve these goals. (Mansur, 2009) Likewise, with today's modern economic system, money is a medium of exchange that can facilitate the process of turning the wheels of economic development. Money allows trade and economic transactions to be carried out efficiently so that they can achieve the optimum level of specialization accompanied by increased productivity.(Juliana, 2017) The existence of money provides an alternative transaction that is easier than barter which is more complex, inefficient, and less suitable for use in the modern economic system because it requires people who have the same desire to exchange and also have difficulty determining value. The efficiency gained by using money will ultimately encourage trade and the division of labor which in turn will increase productivity and prosperity.(Takiddin, 2014)

In Islamic economics, money is a medium of exchange and a unit of account. But money is not a commodity that can be traded like economic goods and services. So money is not synonymous with capital and should not be considered as capital.(Mannan, 1997) As a medium of exchange, it cannot be deposited. Money must continue to flow, roll and spin in society to be used in economic activities. Therefore, the concept of money in Islamic economics is a flow concept and not a stock concept.(Mansur, 2009)

The development of the times caused economic activities and forms of money to continue to change from time to time after precious metals such as gold were used as the main means of payment, checks, and paper money was also used as means of payment and was considered as money(Sabirin). With the globalization of the world economy, people's needs for speed, convenience, and security of financial transactions are increasing, so an easy and efficient payment system is needed. In the use of electronic systems, two basic things need to be considered. First, technology is a human invention that will have weaknesses in its technical system. Second, technology also has uncertainties in terms of legal guarantees.(Chaira, 2019)

Increasingly sophisticated technology can affect the form of the economic payment system that has an impact on people's lives today. In modern times, people prefer to use an electronic payment system rather than a cash payment system, because of the convenience offered by electronic payments. From this phenomenon, people create a new crypto currency.(Sabirin)

Cryptography is an essential branch of science in the field of information security. Today, experts find other possible uses of cryptography to support people's lives in the field of buying and selling digital currencies called crypto currencies. Crypto currency is a digital currency that is not regulated by the government and is not an official currency. This concept



of crypto currency is the basis for giving birth to the digital currency that is currently known as bitcoin. (Aisyah 2020)

However, in Indonesia, there are pros and cons to the use of bitcoin as a means of payment transactions. This is because it is contrary to Law no. 7 of 2011 on the currency. In addition, the concept of bitcoin as a form of currency is also still experiencing debate among experts, especially for scholars who are just studying bitcoin. By paying attention to events that arise in society, there will be many problems regarding bitcoin in Indonesia. Starting from the legality of bitcoin itself to bitcoin is not official money in Indonesia. However, as time goes by and technology develops, it is possible for people all over the world, including Indonesia, to use bitcoin to make buying and selling transactions easier. Therefore, this study will focus on the concept of bitcoin as a virtual currency that meets or does not meet the standards in the view of Islamic economics. (Chaira, 2019)

## RESEARCH METHODS

This research is qualitative research with a library research method. By using library materials as the main data source, it means that what is collected comes from the library, both in the form of scientific works, books, and online media and, others, which are related to the object of the problem to be studied. The data collection techniques obtained in this study used technical documentation and literature studies to be analyzed both inductively and deductively. The inductive method was used to analyze the concept of crypto currency as a currency. The deductive analysis is used to analyze the concept of money in Islam and with crypto currency

## RESULTS AND DISCUSSION

### Definition and History of Money

Money in Arabic comes from the word Nuqud which comes from the root word naqdu which contains several meanings, namely: al-naqdu means good from dirhams, holding dirhams, distinguishing dirhams, and al-naqdu also means cash or cash payments. (H. Farid Wadjdy, 2007) In the Qur'an and hadith there is no word nuqud, because Arabs generally do not use nuqud to indicate price. They used the word dinar to denote a currency made of gold and the word dirham to denote a medium of exchange made of silver. Meanwhile, the word fulus (copper money) is a tool for trade-in which is used to buy inexpensive goods. (Faisal Reza,)

Money is a medium of exchange and not as a trading commodity in the view of Islam. It is hoped that with this restriction all practices of injustice and dishonesty in economic transactions will be abandoned. While the function of money as a medium of exchange can be justified by sharia. Essentially, money itself has no benefit. In al-Ghazali's terms, money is like a mirror that cannot reflect itself, but can reflect all the colors that enter it, but is only useful if it is used for other people, of course, which is in line with Islamic provisions. (Amalia, 2005)

Based on the above definition, it can be concluded that money is anything that is generally accepted as a medium of exchange and as a means of measuring value. With money, it can to provide an alternative transaction that is easier than barter and is suitable for use in the



modern economic system. In addition, the existence of money can to create efficiency, because money will ultimately encourage trade and the division of labor which will then increase productivity and prosperity.(Juliana, 2017)

Money has a very long history and has undergone changes and developments throughout human civilization. At first, primitive people who lived in groups and were able to fulfill their own needs (self-sufficient) did not know or needed an object called money (for example as a medium of exchange). In subsequent developments, after a community group relates to other communities and can no longer meet their own needsthere is a need for exchange between individuals or between these community groups.(Solikin, 2017)

In subsequent developments, people use objects such as precious metals and paper as money. Before the use of paper, precious metals were known as the most popular form of money because they had desirable characteristics as money, namely that they could be broken down and expressed in small units so that they could be used to make transactions easily. In addition, metal is easy to carry, durable, and not easily damaged. However, the use of precious metals creates problems in the implementation of the payment system, especially for large transactions, because apart from the difficulties and costs of transportation, other risks may arise, such as robbery. To counter this, private or government agencies began to keep valuable certificates representing the metal. At the beginning of its use, metal certificates were fully backed by the value of the metal deposited in the bank, but after being widely accepted, the certificate did not depend fully on the full value of the metal backing, for example only backed by 40% by gold deposits. Thus, the value stated on the certificate in question (nominal value) is not the same as the physical guarantee value of the metal stored (intrinsic value). If the nominal value of a currency is greater than its intrinsic value, the money is known as fiat money. Included among fiat money is paper money that we know. It is so named because the money's ability to function as a medium of exchange and has purchasing power is not caused by the gold background.(Choudhury, 1997)

History also notes that the guarantee of banknotes circulating by precious metal deposits, such as gold in state banks, has had its ups and downs, in line with the current situation and conditions. Paper money that was already in circulation was not even guaranteed at all with gold deposits after World War I. However, after World War II, 44 majority countries spearheaded by the United States agreed to re-link the world's currency (US dollar) with gold. This deal is known as the Bretton Woods deal. But in its development, this agreement is only valid for a quarter of a century. As a result of the increasing activity of money and goods market transactions that could no longer be adequately financed with gold, the Bretton Woods agreement was finally canceled in 1971, and since then world currencies have not been linked to gold. With the gold standard no longer valid, until now the world community has entered an era where money management depends entirely on ability, awareness, and responsibility. Each country manages their respective economies. In this standard, each country tries to print money according to its needs.(Solikin, 2017)

At the time of the Prophet SAW, the money used by Muslims is Roman gold dinar and Persian silver dirham without changing it. While the Umayyad caliph named Abdul Malik bin Marwan was the first caliph to print gold dinars and silver dirhams with Islamic symbols in 74 H, to be used in Islamic countries. Later Islamic governments continued this policy of Islamic



money printing, but paper money began to circulate and prevail in many Islamic areas at the end of the Ottoman Empire around 1922..(Karim, 2007)

### *Money Type*

#### 1. Currency

Currency is money that we use every day as a legal transaction/payment tool and must be accepted by all people, currency is also commonly referred to as primary money. Currency is divided into 2 (two) parts, namely coins and paper money.(Al-infaq, 2012)

In ancient times coins were made of gold and silver and had been used for centuries. But now the existing coins are not derived from precious metals (gold and silver) but in the form of metals whose value is far from the value of gold and silver. Coins in Indonesia are issued by Bank Indonesia with a denomination of Rp. 50, Rp.100, Rp.200, Rp. 500, and Rp. 1000.

Banknotes are money issued by the central bank and are legal tender in a country, in Indonesia the authority to issue paper money is Bank Indonesia. Paper money circulating in the community has been guaranteed by law as a means of payment in large quantities, paper money is easier and more preferable than coins. Banknotes circulating in Indonesia have denominations of Rp. 1000, Rp. 2000, Rp. 5000, Rp. 10,000, Rp. 20,000, Rp. 50,000, and Rp. 100,000. Even in 2020, BI issued banknotes with denominations of Rp.75,000.

Historically, paper money was used in 910 AD in China. At first, the Chinese population used paper money based on of the backing of 100% gold and silver. In the 10th century AD, the Chinese government issued paper money which was no longer supported by gold and silver.(Rahmat Ilyas,2016).

There are several advantages to using paper money in the economic system, including easy portability, lower issuance costs compared to coins, and can be split into any amount. However, the use of paper money has drawbacks such as not guaranteeing the stability of the exchange rate as gold and silver coins have a stable exchange rate. Another thing that happens if printing paper money in excessive quantities will cause inflation, the value of money will decrease and the price of goods will increase.(Rozalinda, 2014)

#### 2. Demand Deposit

A demand deposit is the balance of bills in the bank. And demand deposits are not legal tender, so they can be refused. Demand deposits are only valid between the debtor and the receivable party. Payments using demand deposits can be in the form of checks or demand deposits.

The mechanism for this demand deposit is when the person deposits the money in the bank then the bank immediately records the deposit in the form of the person's account book (demand deposit). Then demand deposits can also occur if there is a loan at the bank, but the loan is not immediately disbursed but is entered into an account in the name of the borrower (loan deposit).



Demand deposits have advantages, namely: if lost, they can be traced back so that they cannot be cashed by unauthorized persons. They are transferable quickly with low fees. No money back is required because the check can be written according to the transaction value.(Emily 2017)

### 3. Dinar and Dirham

The country that prints the dinar and dirham currency is Indonesia, followed by the Kingdom of Kelantan Malaysia. In Indonesia, the dinar and dirham were reprinted in 2000, and the printing press followed the decree of the Caliph Umar bin Khattab. Dinar coins consist of 4 (four) fractional units, namely 2 dinars (8.5 grams), 1 dinar (4.25 grams), dinars (1.125 grams). As for the dirham, there are 4 (four) fractional units, namely 5 dirhams (14,875 grams), 2 dirhams (5.95 grams), 1 gram (2,975 grams), and dirhams (1,487 grams). Its spread also penetrated to various regions, which was driven by the WakalaInduk Nusantara.

Along with the distribution of dinars and dirhams, public understanding is also increasing, including the provisions of one of the pillars of Islam, namely the payment of zakat mal and other sunnah worship such as for dowry and aqiqah. But not only as a tool of worship, dinars and dirhams can also now be used as a means of trading goods and services. Some of the benefits of using the gold dinar and silver dirham as the official currency of the country inhabited by Muslims today are:(Ichsan, 2017)

- a) Uniting Muslims. With gold dinars and silver dirhams, Muslims who are now divided into several small countries and cannot be united in terms of politics will be able to be united in the monetary system, without interfering in the political affairs of each country. Muslims should not be left behind by European countries that have united their currency and the Euro.(Ichsan, 2020)
- b) The welfare of the people. The welfare of Muslims in many countries will increase with the use of gold dinars and silver dirhams as a medium of exchange and store of wealth. All mankind will feel prosperity if they all want to use gold dinars and silver dirhams. This is not surprising, because according to Sanhu (2012) the gold dinar and silver dirham are universal and have been proven throughout history that they are not subject to inflation or deflation.
- c) Freeing the people from the interest system used by the banking system which is agreed upon by many scholars as usury which is forbidden by Allah and His Messenger will be abandoned if the gold dinar and silver dirham are enforced as the official currencies of Muslims. This is because gold and silver are free from the influence of the interest system like paper money.
- d) Freeing from dependence on the US dollar, the dependence of Muslims on the US dollar with all its effects will disappear with the implementation of the gold dinar and silver dirham. On the other hand, as long as Muslims cannot escape their dependence on the US dollar, they will continue to influence and dominate the economy. Ari (2013) the monetary crisis that occurred in America will certainly have an impact on all countries that recognize the American dollar.(Ichsan, 2020)





- e) Fairer for all, especially for developing countries. The reuse of gold dinars and silver dirhams is fairer for mankind, especially Muslims who still live in developing countries. This is because the gold dinar and silver dirham are real money that is universal. That is, it is recognized and its physical value is considered valuable throughout the world from the past until now, while fiat money is only valuable in the country that made it or recognizes it and within a certain period of time.(Ichsan, 2020)
- f) In the Qur'an, the use of gold dinars and silver dirhams is mentioned in several verses including: Surat az-Zukhruf : 71, surat al-Insan : 15-16, surat at-Taubah : 34-35, surat Yusuf : 19-20, surat al-Kahf : 19, surat Ali Imran :75 dan surat Ali Imran : 91.(Ichsan, 2020)This belief further encourages the use of both even though there is no necessity. In Islamic history, two groups define money. The first group was those who restricted money to gold and silver, including Mujahid, Abu Hanifah, An-Nakha'i, Abu Yusuf, An-Nabhani and Baqir Sadr. Meanwhile, those who do not limit money to gold and silver are Laith bin Sa'ad, Ibn Taimiyah, As-Syaibani, Ibn Hazm, and Az-Zuhri.(Takiddin, 2014)

The explanation of the benefits of using gold dinars and silver dirhams above can be concluded that first in Islamic economics money is recommended in the form of gold dinars and silver dirhams. Determination of gold and silver currency is because in the Qur'an and As-Sunnah many mention "wealth and wealth with the term gold dinar and silver dirham".

### Islamic Functions and Provisions in Money Issues

In Islamic economics, money has a very important function in running the wheels of the community's economy; the following are the functions of money in Islamic provisions:

1. The function of money is recognized only as a medium of exchange rate and unit of account. Money itself does not provide benefits, but it is the function of money that provides benefits, money will be useful if exchanged for tangible objects or used to buy services.(Ekonomi *et al.*, 2016)In Islamic law, money cannot be traded except on the condition that it must be cash.

The function of money as a medium of exchange is a basic function (main function). With the existence of money exchange activities will be much easier to carry out when compared to barter trading activities. A person who wants to get various types of goods to meet his needs will be able to easily obtain them if he has enough money to buy the needs he wants.(Rosia, 2018)

According to Islamic law, neither money nor goods should be hoarded; this is because ihtikar or hoarding money and goods needed by the public will be difficult for them. Money is a medium of exchange. If this medium of exchange is stockpiled, this will cause a reduction in the existence of this medium of exchange in the community, even though they need it, as was the case in Indonesia some time ago, there was the hoarding of goods in the form of protective face masks from the dangers of the virus, which resulted in a reduction in the number of products. masks that are on the market and if any, the price is deliberately increased by the sellers.

2. Another function of money is as a unit of account (unit of account). Money is deliberately created to show the value of various goods and services that are traded. In addition, with



money the prices of goods and services are determined, such as determining the value of land and buildings in units of money such as rupiah, US dollars and so on.

In the barter economic system, the role and function of money as a unit of calculation of fixed value is needed, for example, to measure whether the value of 1 kg of rice is equal to 5 clothes and so on. In this regard, al-Ghazaly said that money is like a mirror, colorless, but can reflect color. Money has no price but can reflect the price. (Adiwarman A. Karim, 2002) The role and function of money as a unit of account is acceptable in Islamic economics. Although money as a unit of account of value does not have a standard measure for money itself, money can facilitate the exchange of goods and services in the economy as well as the function of money as a medium of exchange.

3. The function of money as a store of value, in the book of Muqaddimah, Ibn Khaldun suggests money as a store of value, where he also mentions two precious metals (gold and silver) that Allah created as the value of every treasure. Thus we can store value (wealth) in the form of money. Or money can also be set aside to be saved by someone and used in the future or in a situation that needs it. Money as a store of value means money is a way of changing purchasing power from time to time. People who get money sometimes don't spend all of it at one time but are set aside partly to buy goods and services needed at another time, or money can be saved by someone for other sudden needs such as illness or other unexpected losses. Among Muslim economists, there are differences of opinion on the function of money as a store of value. Mahmud Abu Su'ud as quoted by Ahmad Hasan and Rahmat Ilyas, argues that money as a store of value is a false illusion. This is because money cannot be considered as a commodity like goods in general. Money has absolutely no value in its objects. Money as a medium of exchange circulates for the process of exchanging needs. (Ilyas, 2016)

Islam in the view that comes from Allah SWT teaches to only use money as a medium of exchange. So the more money in circulation, the more goods and services the market produces and absorbs. As a result, economic growth will increase, without any fear of collapse. (Emily 2017)

### **Crypto currency in Islamic economic perspective**

In this era of globalization, people's needs for convenience, speed, and security in various ways continue to increase, including in conducting transactions. payment instruments or money continue to innovate and evolve from cash to non-cash or also known as electronic money. (Mulyanto, 2015) Economists explain everything can be used as money as long as it can be accepted by all parties to be used as a medium of exchange, and is useful. (Chaira, 2019)

The current phenomenon gave rise to the idea of creating a new crypto currency based on cryptography. Cryptography is an essential branch of science in the field of information security and has the potential to support people's lives in the field of buying and selling. These currencies are called crypto currencies. Crypto currency is a digital currency that is not regulated by the government and is not an official currency. (Anwar)

Digital innovations such as crypto currencies are one of the fintech products that raise debates regarding their sharia compliance. Digitalization is one of the issues that must be a concern in the development of the Islamic finance industry in the future. In addition to block





chain users and technology platforms for the development and marketing of Islamic financial products, digitalization has begun to transform the Islamic banking industry with the establishment of several digital-based banks such as Saudi Arabia. (Masruron, 2020)

Quoted from Kompas.com, In Indonesia, crypto assets are more widely known as crypto currencies. the government recognizes crypto currencies as tradable assets or commodities. The rules for crypto assets are contained in the Commodity Futures Trading Regulatory Agency (CoFTRA) Regulation Number 5 of 2019. The CoFTRA rules explain that crypto assets are intangible commodities in the form of digital assets, using cryptography, peer to peer networks, and distributed ledgers. For the creation of new units, verifying transactions, and securing transactions without interference from other parties. The rules regarding commodities are contained in Law Number 10 of 2011. In this regulation, it is explained that commodities are all goods, services, rights, and other interests and any derivatives of commodities that can be traded and are subject to futures contracts, sharia derivative contracts, and other derivative contracts. As a commodity, of course crypto assets, such as Bitcoin, Ethereum, Dogecoin, or others, cannot be used as a means of payment in Indonesia. This means that people cannot carry out buying and selling activities with crypto assets at an exchange rate.

Valuable securities in the form of crypto currencies with guaranteed assets (effect underlying assets), can only be accessed by cyber surfers, and to mine them, a large fee is required as well as a large amount of duration and online fees. This limited access makes crypto assets the most desirable, complete with the potential for large profits in the future. Optimism beats the surfers' permissiveness to keep chasing him. The attitude of competing with each other to get crypto goods assets makes the selling power of crypto go up and down on the futures exchange every minute and even seconds, just like the stock market that is sold on the futures exchange market. That is why, the price of this cryptocurrency is unstable, with the exchange rate distance with fiat currency which is quite far, and this will later become a determining factor whether crypto transactions on the futures exchange market are permitted by sharia. What is clear, in the Shari'a prohibits the buying and selling of mulamasah, munabadzah and muhaqalah.(Parikesit, 2020)

Digital transactions have great potential for the economy. However, the transactions carried out must be clear which do not violate government regulations. This is seen as unique and interesting, because OJK, Bank Indonesia, and the government are encouraging non-cash transactions to be large and growing. We can see the success of online business transactions (e-commerce), e-money business, and financial technology (fintech). It is growing tremendously and there is income for the government. This means that digital transactions like this have great potential for the economy. E-commerce can be controlled, there are goods, and there are warehouses. E-money has goods; several forms that are managed by the Bank. Fintech has been issued a permit by the OJK, there are managers with sources of funds and they can only give credit. Bank Indonesia has also warned the public about the use of bitcoin. However, as an Indonesian stick to the rupiah, and as a Muslim stay away from bitcoin.

Despite its shortcomings, some believe that crypto currency technology can be the technology of the future for currency. The Islamic Development Bank (IDB) encourages its member countries to develop financial instruments based on block chain technology. Dubai is currently developing its crypto currency so that it can be used throughout the United Arab



Emirates (UAE). That way, the government can control the circulation of virtual currency (Vendy, 2017)

## CONCLUSIONS

In the perspective of Islamic economics, money is a medium of exchange and not to be traded which then has the advantage to avoid all practices of injustice, dishonesty, and injustice in economic transactions, because in Islam this is contrary to the Sharia. Money must also generally be accepted in society as a means of exchange and measure of value, with money also being able to provide an alternative transaction that is easier than bartering. At the time of the Prophet Muhammad SAW, gold dinars and silver dirhams were used as official currencies and carried out in transactions and passed on by the caliphs after him, and history also proves that gold dinars and silver dirhams are stable currencies. Money has three functions and namely as a medium of exchange (medium of the exchange rate), where money will be useful if exchanged for real objects. Money as a unit of account or value counter where money is created to show the value of various goods and services that are traded and money also functions as a store of value or store of value that can be used to store value in the form of money indicated in the form of gold dinars and dirhams. The most important of the properties and functions of money is that its value is stable over a long period of time.

Crypto currencies are currencies that have no bottom line assets, it is not clear the issuer, who is the culprit and no one is responsible. There is a lot of uncertainty about crypto currencies, there is even no official regulation regarding the use of bitcoin because it is still under review by the government and scholars. The emergence of crypto currencies raises pros and cons in various circles. Some allow it and some forbid it. Some argue that crypto currency is not a medium of exchange, but is considered a commodity. So, its legality is still a big problem that requires a deeper study. Even in Indonesia, there is no official regulation regarding crypto currency as a medium of exchange. However, Bank Indonesia urges the public to transact with rupiah because it is under Law No. 7 of 2011 concerning Currencies.

Based on the results of the study, researchers see that the legality of crypto currencies as a currency still raises pros and cons among economists. According to researchers, the advantages of virtual currency are something that should appear and are needed in this millennial era. However, there are still shortcomings in virtual currency that do not meet the standards of a currency from an Islamic economic perspective. Therefore, the researcher hopes that there will be follow-up from the government and scholars to deal with the problems of virtual currency, not only crypto currencies, but all types of virtual currencies that are likely to continue to emerge as a means to facilitate transactions.

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