

**THE URGENCY OF CENTRAL BANK DIGITAL
CURRENCY (CBDC) IMPLEMENTATION; *MAQĀSHĪD*
SYARĪ'AH PERSPECTIVE**

Fitra Azkiya Firdiansyah¹, Andriani Samsuri²

^{1,2}*Universitas Islam Negeri Sunan Ampel Surabaya*
ferdiazkiya@gmail.com¹, andriani@uinsby.ac.id²

Abstrak: Penelitian ini mengkaji Urgensi Mata Uang Digital Bank Sentral (CBDC) dengan sudut pandang maqashid Syariah. Tantangan transaksi digital telah memaksa masyarakat untuk menggunakan mata uang kripto yang tanpa menggunakan penetapan aset sehingga memiliki resiko besar, hal ini menjadikannya dihukumi haram sedangkan uang elektronik belum menjawab tantangan transaksi digital. Metodologi yang digunakan dalam penulisan artikel ini adalah metode kualitatif deskriptif dengan pendekatan normatif analisis pada masalah dan mafsadah yang terkandung dalam Maqashid syariah. Data yang digunakan penulis adalah data sekunder. Hasil penelitian dapat disimpulkan bahwa implementasi Mata Uang Digital Bank Sentral (CBDC) akan memberikan lebih banyak masalah dibanding mafsadah, sedangkan mata uang kripto saat ini telah banyak di perdagangkan secara bebas oleh masyarakat muslim pada umumnya walau dihukumi haram serta ilegal. Hal ini menunjukkan bahwa Mata Uang Digital Bank Sentral (CBDC) memiliki urgensi penggunaannya dalam praktik ekonomi umat muslim pada umumnya, dengan bentuk yang sama namun mengeleminasi unsur-unsur buruk yang terdapat pada mata uang

kripto, menegakkan syariah islam dan menyelamatkan ekonomi masyarakat muslim sesuai Maqashid syariah.

Kata kunci: *Maqashid Syariah; Central Bank Digital Currency (CBDC); Uang Elektronik; Mata uang kripto*

Abstract: *This study examines the urgency of the Central Bank Digital Currency (CBDC) with a maqashid Syariah perspective. The challenges of digital transactions have forced people to use cryptocurrencies without the use of asset assignments so that they have a big risk, this makes them illegal, while electronic money has not answered the challenges of digital transactions. The methodology used in writing this article is a descriptive qualitative method with a normative approach to analysis on masalah and mafsadah contained in Maqashid sharia. The data used by the author is secondary data. The results of the study can be concluded that the implementation of Central Bank Digital Currency (CBDC) will provide more masalah than mafsadah, while cryptocurrencies are currently widely traded freely by the Muslim community in general even though they are considered haram and illegal. This shows that the Central Bank Digital Currency (CBDC) has the urgency of its use in the economic practice of Muslims in general, with the same form but eliminating the bad elements contained in cryptocurrency, enforcing Islamic sharia, and saving the economy of the Muslim community according to Maqashid. sharia.*

Keywords: *Maqashid Syariah; Central Bank Digital Currency (CBDC); E-money; Cryptocurrency*

Introduction

Technological developments are also followed by various innovations in various aspects of human life. The development of human civilization has participated in making various tools and various sciences found to facilitate or help humans carry out daily activities. Transactions in meeting daily needs have evolved a lot since the barter method was used until the advent of coins and then the use of paper money. Lately, the virtual world has been shocked by the emergence of

various payment instruments such as electronic money, which later took the form of digital wallets (e-wallet). From electronic money then emerged and traded in Indonesia, namely cryptocurrency. However, this cryptocurrency is issued by an unofficial institution and does not have an asset guarantee measure, so it has a high risk. This is certainly not by the economic practices of Muslims, where if it contains *maysir* and *gharar*, it is certainly prohibited and is not under maqashid sharia as the basis used in Islamic economics ¹.

The issue of cryptocurrencies is not only a local problem, since its inception it has become a financial problem in various worlds. The basic thing is that cryptocurrencies do not pass through official financial institutions such as central banks, this is because cryptocurrencies focus on making profits so they are also suspected of being a place to avoid taxes and where money laundering occurs. Cryptocurrency uses blockchain technology in the process as a recorder of digital transactions, however, cryptocurrencies are not completely safe because they do not have an asset guarantee arrangement and do not have a guarantee institution for the value traded ². Even in the field that occurs in transactions and cryptocurrency price movements do not have a clear size, the price can be very volatile and influenced by a few people who are used as a reference for cryptocurrency traders.

Countries in the world have responded to this cryptocurrency by introducing Central bank digital currency (CBDC) in the form of digital

¹ Asep Zaenal Ausop and Elsa Silvia Nur Aulia, "Teknologi Cryptocurrency Bitcoin Untuk Investasi Dan Transaksi Bisnis Menurut Syariat Islam," *Jurnal Sositologi* 17, no. 1 (2018): 74–92.

² I Nyoman Darmadha Made Santrupty Brahmi, "Legalitas Bitcoin Sebagai Alat Pembayaran Di Indonesia □" (2011).

money that will be issued and controlled by the central bank. Its supply can be increased or decreased by the central bank to achieve economic goals. So far no one has implemented this. The allowed cryptocurrencies are currencies issued or authorized by the respective countries, not bitcoins. Lumens (Bahrain/ Middle East), HelloGold/GoldX (Malaysia) and BitOasis / OneGram/ZayedCoin (UAE) ³. Due to the protection of pricing and conditions based on the intrinsic value of gold or the value of the country's currency. In this case, Bitcoin is not issued by the state and is not recognized by Bank Indonesia, so Bitcoin is a currency that is not considered legal in Indonesia. Bank Indonesia (BI) and the Financial Services Authority (OJK) are not responsible for any problems caused by the use of Bitcoin, either as an investment or as a means of business transactions ⁴.

The problem is that the Central bank digital currency (CBDC) is not yet present in Indonesia. There is only electronic money issued by private parties, then cryptocurrencies that do not have a legal basis and have been *Haram* in various scientific studies. Of course, this is a disadvantage where a cryptocurrency has circulated and is widely used by the Muslim community, the presence of a CBDC digital currency Central bank will answer the challenge of digital transactions which have brought the goodness of electronic money and cryptocurrency so

³ Antonios Koumbarakis and Guenther Dobrauz-Saldapenna, "Central Bank Digital Currency: Benefits and Drawbacks," *SSRN Electronic Journal* (Elsevier BV, 2019), <http://dx.doi.org/10.2139/ssrn.3429037>.

⁴ Soonpeel Edgar Chang, "Legal Status of Cryptocurrency in Indonesia and Legal Analysis of the Business Activities in Terms of Cryptocurrency," *Brawijaya Law Journal* 6, no. 1 (2019): 76–93.

that it becomes an urgency in the application of digital central banks CBDC currency in Indonesia.

Literature Review

Digital Banking

Digital banking is generally defined as the transformation of banking services from traditional to online. Digital banking combines online banking and mobile banking services in one platform. Online banking refers to any feature to access banking services through the bank's website. Customers can log in to their accounts on the website to check balances, pay bills, apply for loans or credit cards, and other traditional banking services. Mobile banking is the use of banking services through a mobile application installed on the customer's smartphone. The application used is an official application issued and owned by the bank. Usually, the account used to log in to the mobile banking application is the same as logging in to the bank's website portal⁵

Digital Bank will carry the concept of online transactions and other activities. There are various devices that can be used to access Digital Bank, including smartphones, PCs, and laptops. This service is different from mBanking and iBanking, which are digital banking facilities. Both of these services only have the concept of facilitating every transaction via a smartphone or PC. As for the Digital Bank itself,

⁵ W A Alkhowaiter, "Digital Payment and Banking Adoption Research in Gulf Countries: A Systematic Literature Review," *International Journal of Information Management* (2020), <https://www.sciencedirect.com/science/article/pii/S0268401219312009>.

it has the concept of online registration as well as account activation. This is one form of innovation from various banks ⁶. In addition, for Banks that will make Digital Banking products, they must prepare a capital of 3-10 trillion, have a head office, and usually cooperate with leading digital service providers in Indonesia.

Based on the regulation of the Financial Services Authority or OJK stated in number 12 / POJK.03/2018 related to the implementation of digital banking services by commercial banks. Digital banking is a concept of maximizing the benefits of technology so that the effectiveness in the process of serving banking products to customers becomes easier with internet-based all-digital services, customers also do not have to worry about security related to data in banking. Digital banking is all banking activities that can be carried out in full with the internet. Most of us are already familiar with mobile banking and internet banking services. This is certainly different between the two ⁷

The online account service is very easy to access. can access it wherever and whenever you are. Even when you are lying down, as long as you have internet access, you will always be able to open your account. All of these things are certainly very practical and certainly different from conventional banks. You have to wait for bank opening

⁶ S Das, "Innovations in Digital Banking Service Brand Equity and Millennial Consumerism," *Digital Transformation and Innovative Services for ...* (2020), <https://www.igi-global.com/chapter/innovations-in-digital-banking-service-brand-equity-and-millennial-consumerism/255075>.

⁷ Universitas Trisakti, "KEDUDUKAN HUKUM BITCOIN SEBAGAI MATA UANG VIRTUAL DI INDONESIA BERDASARKAN UNDANG-UNDANG NOMOR 7 TAHUN 2011 TENTANG MATA UANG Siti Nurbaiti A . Latar Belakang Dewasa Ini , Manusia Membutuhkan Banyak Bantuan Untuk Memberikan Kemudahan Dalam Menyelesaikan K," no. 7 (2011): 1–26.

hours if you want to have full banking access. Online services will also speed up transaction activities, so you no longer need to wait in long queues. In addition, digital financial companies no longer need to rent an office, pay for electricity or other costs, and this will have a good impact on you. that means, the bank does not require more income and does not need to ask much from you. The process of activity in digital banking: Account registration via Online, Activation process via Video Call, Transfer transactions between other banks and Virtual Accounts, Payment, Check balance, Check mutations, Closing account ⁸

Central Bank Digital Currency (CBDC)

The creation of a CBDC must prioritize customer needs. There are 6 main customer needs, namely, privacy, easy to use, security like cash, universal access, cross-border payments, and peer-to-peer usability ⁹.

Based on these main needs, there are 3 CBDC models presented, namely:

1. Indirect CBDC

Claims are made to intermediaries (commercial banks), while the central bank only makes payments to commercial banks. In the indirect CBDC model, there is no major change in the role of the

⁸ M MUFARIH, R JAYADI, and ..., "Factors Influencing Customers to Use Digital Banking Application in Yogyakarta, Indonesia," *The Journal of Asian* ... (2020), <https://www.koreascience.or.kr/article/JAKO202029062616781.page>.

⁹ Jeong-II Choi, "Introduction of the Internet-Only Bank and Development Direction Proposal," *Journal of Digital Convergence* (The Korea Society of Digital Policy and Management, 2016), <http://dx.doi.org/10.14400/jdc.2016.14.9.139>.

central bank. The indirect CBCD model is almost the same as the current financial system. Financial transactions are carried out through intermediaries (in this case commercial banks). Given that this model is almost the same as the current financial system, the threat posed to commercial banks is minimal. In practice, indirect CBDC does not provide many changes for users, so it is considered unattractive

2. Direct CBDC

invoices are made directly to the central bank. Meanwhile, the direct CBDC model will make major changes in the financial system, because individuals, merchants, and corporations can have accounts directly at the central bank so that all transactions will go through the central bank. This certainly changes the current role of the central bank, which only handles transactions between commercial banks. The central bank will be responsible for processing and validating much larger volumes of transactions. To be able to implement direct CBDC, central banks need to use technologies such as centralized ledger or distributed ledger technology (DLT).

The central bank will also take over the role of "Know Your Customer" to prevent and combat money laundering and terrorism financing, which was previously done by commercial banks. the direct CBDC model will be beneficial for both individuals and business actors because it will reduce risk and transaction costs. But on the other hand, if the number of balances that can be placed in the

central bank is not limited, then commercial banks will face the risk of liquidity shortages due to a decrease in third-party funds (TPF)¹⁰.

3. Hybrid CBDC

the bill is made to the central bank, but the commercial bank makes the final payment, the Hybrid CBDC model, which combines direct and indirect CBDC. This model is applied by the PBoC in issuing e-CNY. The CBDC owner's bill is directly addressed to the central bank, meaning that the customer has a direct account at the central bank just like direct CBDC. Meanwhile, "Know Your Customer" and all payment processes are carried out by commercial banks, such as indirect CBDC¹¹. Hybrid models cause less disruption to the current financial system than direct CBDCs. Commercial banks act as intermediaries, running the payment system on behalf of the central bank.

Taxpayers, This will make transactions transparent where people who transact will be found out for those who hide them from tax objects The central bank will always obtain transaction data or even in real-time so that when a failure occurs it will be forwarded to third parties so that payment integrity can be maintained¹². Hybrid CBDC is the most likely to be applied today. However, the Hybrid

¹⁰ Juan Antonio Ketterer and Gabriela Andrade, "Digital Central Bank Money and the Unbundling of the Banking Function" (Inter-American Development Bank, 2016), <http://dx.doi.org/10.18235/0000300>.

¹¹ Tommaso Mancini-Griffoli et al., "Casting Light on Central Bank Digital Currency," *Cryptoassets* (Oxford University Press, 2019), <http://dx.doi.org/10.1093/oso/9780190077310.003.0012>.

¹² David Andolfatto, "Assessing the Impact of Central Bank Digital Currency on Private Banks," *Federal Reserve Bank of St. Louis, Working Papers* (Federal Reserve Bank of St. Louis, 2018), <http://dx.doi.org/10.20955/wp.2018.025>.

model still disrupts the banking industry, because there will be a decrease in TPF just like direct CBDC

Maqashid Sharia in Islamic Economics

Maqāshid sharia, in this case, limits it to five basics in *Maqāshid syārī'ah*. namely *Hifdzu diin*, *Hifdzu Nafhs*, *Hifdzu Aqliyi*, *Hifdzu Mall*, and *Hifdzu Nasob*.

1. *Hifdzu Diin* to protect religion as a form of protecting Islam against religion, Allah SWT has ordered His servants to worship. Some of these forms of worship are prayer, zakat, fasting, hajj, dhikr, and prayer
2. *Hifdzu Nafs* Protecting the Soul To maintain the safety of the human soul, Allah SWT forbids killing humans without a reason justified by Islam. If a murder occurs, it is obligatory to enforce *qishas* (Surah Al-Baqarah: 178). In addition to the prohibition against taking the lives of others, Islam also prohibits suicide. (Surat an-Nisaa: 29).
3. *Hifdzu Aqliyi* Keeping the Mind Islamic Shari'a prohibits alcohol, narcotics, and anything that can damage the mind. It aims to protect the human mind from anything that can interfere with its functioning. Islam views that the human mind as a very great gift from Allah. By having reason, humans become nobler than other creatures
4. *Hifdzu Mall* Protecting Assets To obtain halal assets, Islamic law allows various forms of *muamalah*. To protect it, Islam forbids its people from consuming human property in a vanity way, for example, stealing, usury, cheating, reducing the scales, and corruption.

5. *Hifdzu Nasob* Maintaining Descendants Maintaining offspring is the basis of the obligation to improve the quality of offspring, fostering the mental attitude of the next generation so that a sense of friendship can be established among human beings, and forbidding adultery and inbreeding ¹³.

The five bases contained in the *maqāshūd sharia* have *maslāhāh* levels, virtues, and levels, namely: *Dhoruriyat*, is a necessity of life with a priority scale, and if it is not hurried, it will result in *mudhorotan*. *Hajjiyat*, is a secondary need, which does not need to be hastened but sufficiently in use. *Tahshinat*, is a tertiary need and only a complement

Goodness or benefit in the *Shari'a* rules also has a *dhowābīt* or a limit that needs to be met to link public services and a connection with the law. While there are also limitations in the *Maslahah*, namely ¹⁴: *Maslahah* (goodness) is a unity of the five points in the *Maqāshid sharia*. Stay guided by the Quran and Hadith. Put forward *Maslahah* (goodness), which is more important

Currency

Currency existed before Islam came, and at the time of the Prophet Muhammad, it was set in the Islamic dirham to be 14 carats taking one-third of all Persian dirhams in existence. As for the caliphate

¹³ Dani Rohmati, Rachmasari Anggraini, and Tika Widiastuti, "Maqāshid Al-Sharī'ah Sebagai Landasan Dasar Ekonomi Islam," *Economica: Jurnal Ekonomi Islam* 9, no. 2 (2018): 295.

¹⁴ Siska Lis Sulistiani, "ANALISIS MAQASHID SYARIAH DALAM PENGEMBANGAN HUKUM INDUSTRI HALAL DI INDONESIA," *Law & Justice* 3, no. 2 (2018).

of Umar bin Khattab until Ali bin Abi Talib *radiallahu 'anhum*, Islamic money was printed with the contents of Islamic engravings.¹⁵ In Islamic economics, the etymological understanding of money comes from the word *al-naqdu*, which we can understand as: holding dirhams, which is good from dirhams, distinguishing dirhams, and also means cash. However, Arab society generally does not use the word *nuqud* to denote price. but using the word dirham to denote a currency of exchange made of silver and the word dinar to indicate one made of gold.

In Islam there is no known time value of money, what is known is the economic value of time. The implication of the concept of Time Value of Money is the existence of interest. While interest is closely related to usury, and usury is haram and zulm. And religion forbids it. So that it is considered not in accordance with justice where "al-al-qhumu bi qhurni" (getting results without taking risks), and "al-khraj bil adhaman" (getting results without incurring costs)¹⁶. Asset categories must have at least four elements including:; having a tangible material substance that can be touched or touched. Can be stored for a long time and does not change. has the principle of benefit and does not have mafsadat. Some people view it as a treasure such as: gold, silver, cars, stocks

¹⁵ Ressi Susanti, "Sejarah Transformasi Uang Dalam Islam," *Aqlam: Journal of Islam and Plurality* 2, no. 1 (2018): 33–42.

¹⁶ Rahmat Ilyas, "KONSEP UANG DALAM PERSPEKTIF EKONOMI ISLAM," *BISNIS* 4, no. 1 (2016).

This category is not owned by cryptocurrencies, even if the value is more than gold or silver ¹⁷. The implication of the concept of Time Value of Money is the existence of interest. While interest is closely related to usury, and usury is *haram* and *zulm*. And religion forbids it. So that it is considered not in accordance with justice where "*al-al-qhumu bi qhurni*" (getting results without taking risks), and "*al-khraj bil adhaman*" (getting results without incurring costs). This is based on the word of Allah in Surah al-Baqarah verse 278: ¹⁸

يَا أَيُّهَا الَّذِينَ آمَنُوا اتَّقُوا اللَّهَ وَذَرُوا مَا بَقِيَ مِنَ الرِّبَا إِن كُنْتُمْ مُؤْمِنِينَ

Meaning: "*O you who believe, fear Allah and leave the rest of usury (which has not been collected) if you are believers.*"

In Surah An-Nisa' Verse 29 it has also been explained clearly

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُم بَيْنَكُم بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ

¹⁷ Muhammad Fuad Zain, "MINING-TRADING CRYPTOCURRENCY DALAM HUKUM ISLAM," *Al-Manahij* 12, no. 1 (2018).

¹⁸ Departemen Agama RI, *Al Quran Dan Terjemahan, Al-Qur'an Terjemahan*, 2020.

عَنْ أَضٍ مِّنْكُمْ وَلَا تَقْتُلُوا أَنْفُسَكُمْ إِنَّ اللَّهَ كَانَ بِكُمْ رَحِيمًا

Meaning: "O you who believe, do not eat your neighbor's property in a vanity (untrue) way, except in the form of commerce on the basis of mutual consent between you. Don't kill yourself. Verily Allah is Most Merciful to you."

The Prophet Muhammad said in a hadith narrated by Uthman bin Affan: "Do not sell one dinar for two dinars, and one dirham for two dirhams." and also the Prophet Muhammad SAW said in a hadith narrated by Abu Sa'id al-Khudry: "Do not sell gold for gold, silver for silver unless they are equal in value, size, and scale.."

E-money

Electronic money as we know it can be interpreted the same as paper money because the value in electronic money is the same as the value in ordinary money. The mechanism is that we first deposit to the issuer of electronic money, then it is issued in digital form or what we term with RFID (Radio Frequency Identification) and is connected to the issuer's server via the internet. There is another tool, namely EDC (Electronic Data Capture)¹⁹. The card that functions as a substitute for your money has an RFID chip embedded. The way to make transactions with electronic money is to attach a card which is a form of electronic money on the device, the transaction will be recorded on the EFT (Electronic Funds Transfer).

¹⁹ Azwar Hamid, "Mekanisme Mata Uang Modern Dalam Islam," *Al-Masharif: Jurnal Ilmu Ekonomi dan Keislaman* 5, no. 1 (2017): 16.

In Bank Indonesia Regulation Number 16/8/PBI/2014 in article 1 paragraphs 3 and 4 it is stated that Electronic Money is a means of payment that meets the following elements: ²⁰

1. make a deposit in advance to the issuer;
2. The value of the money stored electronically in the data center;
3. The use of payment At Traders outside of the electronic money issuer
4. Electronic money is not a form of savings.

Methodology

Writing this scientific paper The methodology used in writing this article is a descriptive qualitative method with a normative approach which is carried out by examining the Central Bank Digital Currency (CBDC) with Maqashid Syariah analysis. In writing this article, the researcher uses secondary data of a public nature such as abstracts, results of scientific publications, books, media, and social networks that discuss related topics.

The data obtained during the study will be analyzed using a qualitative descriptive method. The author reduces the data that has been obtained during the study by grouping and selecting data that are relevant to the research study. The next stage is the writer compiling the data that has been grouped before and the last one is the author verifying or drawing conclusions.

²⁰ Decky Hendarsyah, "Penggunaan Uang Elektronik Dan Uang Virtual Sebagai Pengganti Uang Tunai Di Indonesia," *IQTISHADUNA: Jurnal Ilmiah Ekonomi Kita* 5, no. 1 (2016): 1–15, <https://ejournal.stiesyariah bengkalis.ac.id/index.php/iqtishaduna/article/view/74>.

Result and Discussion

The Urgency

On the five basics in maqashid shari'ah. namely *hifdzu diin*, *hifdzu nafhs*, *hifdzu aqliyi*, *hifdzu mall*, and *hifdzu nasob*. The five basics contained in maqashid sharia have levels of benefit, virtue, and levels, namely: *Dhoruriyat* is a priority scale, and if it is not hastened it will lead to *mudhorot*. *Hajiiyat*, is a secondary need, which does not need to be rushed but is sufficient in using it. *Tahshinat*, it is a tertiary need and only a complement

The five basics contained in maqashid sharia have levels of benefit, virtue and the first level are *Dhoruriyat* which is a priority scale, and if it is not rushed it will lead to *mudhorot*. Based on the results of the GlobalWebIndex Survey, it is stated that around 10% of internet users in Indonesia already have digital currency ²¹. This percentage makes Indonesia ranked as the fifth-largest cryptocurrency user in the world. This is certainly worrying if we know that the legality of this cryptocurrency is not yet clear. Existing regulations also do not mention cryptocurrencies directly, as in Law Number 7 of 2011 concerning Currency, it is explained that cryptocurrencies do not meet the requirements as a transaction tool. Unlike the case with electronic money, which already has special rules, namely Bank Indonesia Regulation Number 16/8/PBI/2014 in article 1 paragraphs 3 and 4. In

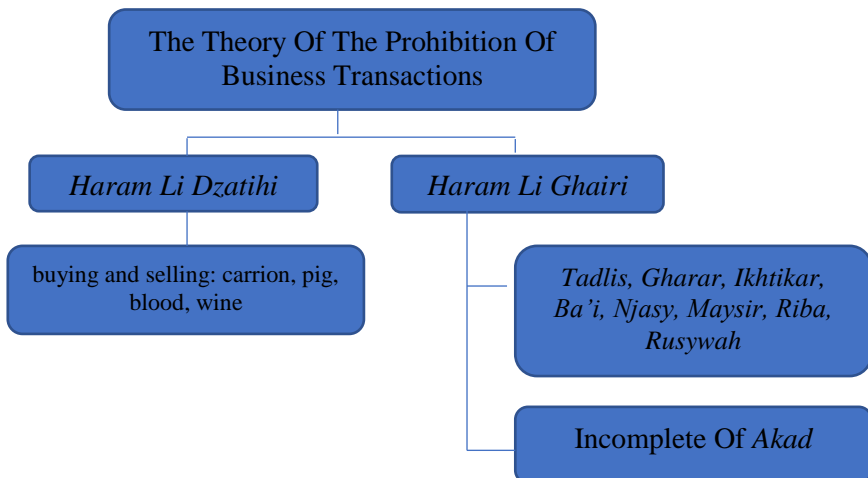
²¹ Nurul Huda and Risman Hambali, "Risiko Dan Tingkat Keuntungan Investasi Cryptocurrency PENDAHULUAN Latar Belakang Di Era Revolusi 4 . 0 Perkembangan Dunia Teknologi Semakin Pesat Dan Telah Membawa Dunia Menuju Ke Arah Yang Baru Pada Hampir Keseluruh Aspek Kehidupan Manusia Termasuk Dala" 17, no. 1 (2020): 72–84.

this discussion, it can be concluded that all transactions carried out by the Indonesian people are illegal and detrimental to the state. This has been contained in 3 of the 5 basic maqashid sharia, namely *hifdzu diin*, *hifdzu nafhs*, *hifdzu aqliyi*.

Implications of Islamic Law (Hifdzu Diin)

Indonesia as a country with the largest Muslim population in the world is preparing to become a major player in the Islamic economy. This of course will have a big impact because in the financial market, of course, the Muslim community will be involved. the limited number of offers. Bad possibilities can happen, such as the rise of expensive Bacan stone rings during a boom. Waves of love flowers (anthurium species), flower horn fish and lovebirds were also expensive in their time.

Figure 1. Business Transaction Scheme *Harâm lidzâtihi* and *Harâm lighairihi*²²



²² Teddy Kusuma, "Cryptocurrency Dalam Perdagangan Berjangka Komoditi Di Indonesia Perspektif Hukum Islam," *Tsaqafah* 16, no. 1 (2020): 109.

Transactions that contain elements of gambling (*maysîr*), obscurity (*gharâr*), fraud (*tadlîs*) are vanity. This cryptocurrency is considered to still have a major element in it because the bitcoin business is like betting. Thus, it can be concluded that the use of bitcoin virtual money as a commodity in sharia derivative contracts is *haram lighairihi*.

Bitcoin as an investment instrument and business transaction contains *maysir* because it contains high speculation and is chancy, so Bank Indonesia calls it a gambling transaction. This is more difficult than playing foreign exchange (forex) because the foreign exchange has underlying assets and there is a guarantor authority agency. In this regard, the use of Bitcoin as an investment instrument is *haram lighairihi*, or haram due to external factors (*gharar* and *maysir*). investing in cryptocurrencies has a high enough risk because it has extreme volatility, changes in the value of cryptocurrency prices are only a temporary bubble/enthusiasm, lack of regulation, still leaves legality issues, becomes the target of cybercrimes, and has a dependence on outside technology

The use of Bitcoin in business transactions is analyzed using *qiyas*. Bitcoins are *qiyas*ed by buying and selling fish in the water. Both have illat or similar characteristics, namely *gharar* or contain obscurity. Moreover, Bitcoin as imaginary money has a lot of obscurities. Thus, the use of Bitcoin in business transactions, the law is *haram lighairihi*

Rupiah Digital Probability (CBDC) on E-Money and Qris (Hifdzu Mall)

Hifdzu mall in maqashid sharia is defined as Safeguarding Assets to obtain halal assets. Reflecting on several digital transaction models in cryptocurrencies where high fluctuations occur and the movement is only influenced by a handful of influential people in the world, it is necessary to have a guarantor, Therefore, before issuing the Digital Rupiah (CBDC) Bank Indonesia can learn from what has been going on. The development of electronic money (e-money) and QRIS (Quick Response Indonesia Standard) is a precondition for releasing a CBDC. On the one hand, the two versions of 'digital money are included in the payment system area and are the obligations of the issuing institution to the holder. On the other hand, CBDCs are issued by BI and become part of its monetary obligations. This means that the CBDC will continue to function like currency (paper money and coins). Therefore, CBDC is a digital representation of currency and is a symbol of state sovereignty (sovereign currency).

Difference Between Digital Rupiah (CBDC), E-money and Cryptocurrency

There is a fundamental difference between Digital Rupiah (CBDC), E-money, and Cryptocurrency. E-money has grown rapidly in Indonesia. Various financial technologies are competing in the process of developing e-money until there is intense competition. Cryptocurrencies have just exploded and developed rapidly in Indonesia in recent years, but Cryptocurrencies in their early emergence until they have developed until now are also accompanied by various rejections in

various worlds until they are labeled illegal and haram. Digital Rupiah (CBDC) may shift these two things. Because it has brought positive elements from E-money and Cryptocurrency

. Tabel 1. Normative Aspect

Normative Aspect (Bank Regulation 20/6/2018 concerning Electronic Money)	CBDC	E-Money	Cryptocurrency
Under the Central Financial Authority	Yes	Yes	No
Halal from DSN-MUI	Most Likely, Accepted	Yes	Not Available
Accepted by the public in online transactions	Most Likely, Accepted	Yes	Not Complete
Derivation from currency	Yes	Yes	No

Comparison of Normative Aspects of Central Bank Digital Currency (CBDC), has a high probability in terms of the implementation process. Because it is a derivation of paper money, the currency value or exchange rate still follows the value of the paper currency. The most important thing here is that it has a high probability of getting halal from MUI, when compared to Cryptocurrencies which are still being debated and most studies have determined that they are

haram. The basic thing is the existence of a guarantor, namely Bank Indonesia which is also the authority over the Central Bank Digital Currency (CBDC). Meanwhile, the cryptocurrency that is always a debate is the absence of a guarantor (underlying asset).

Tabel 2. Functional Aspects of the Digital Rupiah (CBDC), Electronic Money, and Cryptocurrency

Function Aspect	CBDC	E-Money	Cryptocurrency
As a unit of value	Yes, Following the Currency Value of a Country	Yes, Following the Currency Value of a Country	Yes
As a means of payment	Yes	Yes	Yes
As a store of value	No, the value follows the currency of a country	No, the value follows the currency of a country	Depending on the miner or kryptorian, whether you want to underlying it in the real sector, personal assets or from currency buying and selling transactions
As a commodity	Yes	No	Yes, if you enter the money exchange that is traded and then you

			make a profit
As a means of deferred payment	No	No	Mostly Yes
In lieu of currency	Yes	No	Yes

Functional Aspects of Central Bank Digital Currency (CBDC) have represented various positive elements of e-money and cryptocurrency. We can see this in table two, where the Central Bank Digital Currency is a description of a country's currency aimed at facilitating economic transactions so that it can encourage national economic growth. Legality has been guaranteed where Bank Indonesia as the Central Bank is the issuer so that it will affect the regulations under it in adjusting to this new product or payment instrument.

Innovation Based on Maqashid Syariah (Hifdzu Nafhs)

At this point, the issuance of a CBDC is crucial because it has implications not only for the payment system but also for the monetary system. Thus, the urgency of issuing a CBDC depends on the level of public acceptance in order to create a cashless society. There are various analyzes that allow the virtual currency to be considered legal and legal under several conditions. This is because the rights and obligations to manage *iqtishadiyah* including the issuance of new currencies are the authority of the state and therefore must be recognized by the state. The

basis is like the plan of the caliph Umar bin Khattab (head of government) to make a new type of currency from camel skin. So far no one has implemented this.

Bank Indonesia has just planned to issue Digital Rupiah (Central bank digital currency) but is not yet ready. Different from electronic money, Digital Rupiah is digital money issued by the central bank so that it is the obligation of the central bank to its holders. Meanwhile, electronic money is a payment instrument issued by the private sector or industry and is the obligation of the issuer of the electronic money to the holder. Digital Rupiah is also different from cryptocurrencies such as Bitcoin. Where cryptocurrencies are not regulated by any regulator and some are in limited supply. Then, the rupiah is a legal tender for conducting transactions under the law. This can be done in cash and non-cash.

Readiness of Financial Institutions and Infrastructure Preparation

Investment To build CBDC infrastructure is very expensive. Not all residents have tools that support the use of digital currency. Not to mention the technical problems related to the reliability of the internet connection, financial literacy, and the level of 'digital literacy. Even if the public is willing to use CBDC, the problem does not stop here. The case of electronic money provides a valuable lesson. The use of card-based electronic money is limited to 'small' transactions. Likewise, the use of QRIS and server-based electronic money is still struggling in the consumption sector. As a result, the economic effects of electronic money and QRIS have not actually been commensurate with the costs incurred. The use of electronic money and QRIS in credit agreements

and another productive sector financing will undoubtedly provide a very substantial multiplier effect for the national economy. Armed with the above experience, the issuance of CBDCs must be initiated early in order to be more efficient. CBDC is currently still an option but in the medium-long term, it is not impossible to become a necessity. The digital era has disrupted all aspects of life, including the monetary sector.

The first important step to take is to strengthen the legal aspects. The Indonesian Civil Procedure Code does not yet have a digital concept. Concretely, BI needs to change very fundamental legal conceptions, such as changing bills in digital form. From the customer's side, a solid legal basis needs to be laid to prove ownership of digital currency when an error occurs, for example, is caused by the system. Proof of ownership is still valid even though it is enough to attach a letter plus an electronic signature.

BI institutional strengthening also needs special attention. Economic actors who use CBDC in transactions must have an account with BI. This means that the public can directly relate to BI, instead of through commercial banks. In this way, BI plays a dual role as a 'bank's bank' as well as a 'commercial bank'. CBDC issuance requires CBDCs to be available on the public blockchain space, such as bitcoin or stablecoins. Meanwhile, bitcoin or stablecoins are issued privately. Therefore, BI must have the capability to protect customers' personal data before the rupiah CBDC is issued. When the rupiah CBDC is circulated, the transfer of customer funds will be held by BI. The volume of real-time data can reach tens of millions per minute.

Consequently, the formation of BI is the main prerequisite to ensure the optimality of the CBDC. At a certain level, the problem is still under BI's control so that it can be controlled. A more difficult issue is the potential for side effects that are beyond BI's reach. The issuance of a CBDC will undoubtedly displace all existing non-cash payment methods.

Alternatives in the transaction of the Ummah's Economy (hifdzu aqliyi)

There have been many Muslim communities in general that have been trapped in cryptocurrency trading, apart from the lack of literacy, this is also influenced by financial institutions that trade cryptocurrencies. This of course sets a bad precedent, especially since cryptocurrencies contain *maisyir* and *gharar*. The launch of the CBDC will disrupt the cryptocurrency, crypto asset, stablecoin, and Defi markets. Panic selling is likely to occur. Liquidity from crypto-asset trading platforms is in turn sucked into central bank digital money. This condition seems to repeat history when gold was used as the basic material for money. The price of gold jewelry will be corrected when the purchasing power of money made of gold is skyrocketing so that gold jewelry will be melted down into money. The attribute 'money' invalidates the title of 'asset'

Issuance of CBDC will also reduce the role of banking intermediation. Commercial banks cannot freely create 'secondary money'. Consequently, BI does not have an agent in implementing its monetary and macroprudential policies. The span of control is a challenge that must be anticipated. The hybrid CBDC model has not

been able to fully become a fair solution for BI and commercial banks. BI's function as a monetary authority and the role of commercial banks as intermediary institutions can indeed be maintained, only the risk of banks experiencing liquidity shortages remains a threat.

Rejecting Mafsadat Instead of Taking Benefits (Hifdzu Nasob)

The rapid advancement of technology will indeed be a challenge for teenagers, as the nation's successors. It is these children who will be involved in the digital world, therefore planting basic knowledge of Islamic Sharia is a shared responsibility, and parents in particular. Determination of law on considerations of benefit for the wider community by using the principle of prioritizing rejecting *mafsadat* rather than taking benefits. In addition, the principle of "Changes in government policy for the people depends on the benefit". So, if to this day the Indonesian government does not recognize Bitcoin for various reasons, Bitcoin becomes illegal to be used for investment and business transactions. For those who are still in doubt about the prohibition of using Bitcoin, both for investment and business transactions, at least Bitcoin must be given clarity about its status, which is doubtful. In the book "Tawhid-al-Ahkam; *syarh Bulugh al-Maram*, juz I"; Abdullah bin Abd Al-Rahman al-Basyam, explained "*Al-syubhat fahiya kullu ma tatanaza'uhu al-adillatu wa tatajadzabuhu al-ma'any. Fa al-imsaku 'anhu wara'. Syubhat* is anything that is not explicit whether it is halal or haram. Hadith of the Prophet SAW accepted by Nu'man bin Basyir. The Messenger

of Allah (SAW) said that whoever is wary of doubtful matters, indeed he has protected his religion and honor, while whoever commits doubts, his religion and honor will fall. Refraining from doubtful matters is an attitude of *wara'* (living carefully and simply)

Conclusion

Currency in Islamic economic practice is a medium of exchange. The times have also changed the medium of exchange in transactions. This development of course adjusts to the situation. The human need to transact easily as demand for high mobility has led to the innovation of various digital payment instruments. Islam as a religion of rahmatan lilalamin has clear guidelines. What we know as halalan thoyyiban is the main key in carrying out daily activities. Islam has no phobia of renewal, as long as it is lawful and good, it can be done according to the basics contained in the Maqashid Syariah

The CBDC Central Bank Digital Currency is claimed to be one of the biggest risks of the crypto market once it is introduced later given the potential for migration from crypto assets to CBDCs. This means that the stabilization goal to be achieved from the issuance of CBDCs will have a destabilizing effect on the financial system. The crypto market once introduced will be given the potential for migration from crypto assets to CBDCs. This means that the stabilization goal to be achieved from the issuance of CBDCs will have a destabilizing effect on the financial system. CBDC supplies supplied by other countries are a necessity in countries with open economies. CBDC inflows/outflows, once again, will disrupt the stability of the domestic financial system.

Cryptocurrencies in their role as commodities still have a major factor because in them there is a lot of speculation and luck. It is more difficult than trading foreign exchange (forex). Until then use of bitcoin as an instrument in sharia derivative contracts is haram lighairihi, or haram li dzatihi because of external aspects (speculation/maysîr, usury, vulnerable to illegal practices: money laundry). Scholars agree that bitcoin should not be allowed (haram) in its use as a substitute for money, because there are many disadvantages compared to mere mashlaha, even though bitcoin has several positive sides, such as inflation control, security, transaction efficiency, and decentralization.

With the problematic scheme above, pioneering the rupiah CBDC ecosystem requires the ability to see far ahead plus intelligence in anticipating every detail of the probability of change. However, if all these issues are completely mapped out, the CBDC will undoubtedly become the host in their own country. The existence of Digital Bank services turns out to bring many benefits to the community, especially during the current pandemic where the Government urges the public to stay at home.

References

- Alkhowaiter, W A. (2020). Digital payment and banking adoption research in gulf countries: a systematic literature review. *International Journal of Information Management*. <https://www.sciencedirect.com/science/article/pii/S0268401219312009>.
- Andolfatto, David. (2018). "Assessing the Impact of Central Bank Digital Currency on Private Banks." *Federal Reserve Bank of St. Louis, Working Papers*. Federal Reserve Bank of St. Louis. <http://dx.doi.org/10.20955/wp.2018.025>.
- Ausop, Asep Zaenal, and Elsa Silvia Nur Aulia. (2018). Teknologi

- cryptocurrency bitcoin untuk investasi dan transaksi bisnis menurut syariat Islam. *Jurnal Sosioteknologi*, 17(1), 74–92.
- Chang, Soonpeel Edgar. (2019). Legal status of cryptocurrency in Indonesia and legal analysis of the business activities in terms of cryptocurrency. *Brawijaya Law Journal*, 6(1), 76–93.
- Choi, Jeong-II. (2016). Introduction of the internet-only bank and development direction proposal. *Journal of Digital Convergence*. The Korea Society of Digital Policy and Management. <http://dx.doi.org/10.14400/jdc.2016.14.9.139>.
- Das, S. (2020). Innovations in Digital Banking Service Brand Equity and Millennial Consumerism. *Digital Transformation and Innovative Services for ...*. <https://www.igi-global.com/chapter/innovations-in-digital-banking-service-brand-equity-and-millennial-consumerism/255075>.
- Departemen Agama RI. (2020). *Al Quran Dan Terjemahan. Al-Qur'an Terjemahan*.
- Hamid, Azwar. (2017). Mekanisme mata uang modern dalam Islam. *Al-Masharif: Jurnal Ilmu Ekonomi dan Keislaman*, 5(1), 16.
- Hendarsyah, Decky. (2016). Penggunaan uang elektronik dan uang virtual sebagai pengganti uang tunai di Indonesia. *IQTISHADUNA: Jurnal Ilmiah Ekonomi Kita*, 5(1), 1–15. <https://ejournal.stiesyariahbangkalis.ac.id/index.php/iqtishaduna/article/view/74>.
- Ilyas, Rahmat. (2016). Konsep Uang Dalam Perspektif Ekonomi Islam. *BISNIS*, 4(1).
- Ketterer, Juan Antonio, and Gabriela Andrade. (2016). Digital Central Bank Money and the Unbundling of the Banking Function. *Inter-American Development Bank*. <http://dx.doi.org/10.18235/0000300>.
- Koumbarakis, Antonios, and Guenther Dobrauz-Saldapenna. (2019). “Central Bank Digital Currency: Benefits and Drawbacks.” *SSRN Electronic Journal*. Elsevier BV. <http://dx.doi.org/10.2139/ssrn.3429037>.
- Kusuma, Teddy. (2020). Cryptocurrency dalam perdagangan berjangka komoditi di indonesia perspektif hukum Islam. *Tsaqafah*, 16(1), 109.
- Made Santrupty Brahmi, I Nyoman Darmadha. (2011). Legalitas Bitcoin Sebagai Alat Pembayaran Di Indonesia.
- Mancini-Griffoli, Tommaso, Maria Soledad Martinez Peria, Itai Agur, Anil Ari, John Kiff, Adina Popescu, and Celine Rochon. (2019).

- Casting Light on Central Bank Digital Currency. *Cryptoassets*. Oxford University Press. <http://dx.doi.org/10.1093/oso/9780190077310.003.0012>.
- Mufarih, M, R Jayadi, and ... (2020). Factors influencing customers to use digital banking application in Yogyakarta, Indonesia. *The Journal of Asian* <https://www.koreascience.or.kr/article/JAKO202029062616781.page>.
- Rohmati, Dani, Rachmasari Anggraini, and Tika Widiastuti. (2018). Maqāṣid al-sharī'ah sebagai landasan dasar ekonomi Islam. *Economica: Jurnal Ekonomi Islam*, 9(2), 295.
- Sulistiani, Siska Lis. (2018). Analisis maqashid syariah dalam pengembangan hukum industri halal di Indonesia. *Law & Justice*, 3(2).
- Susanti, Ressi. (2018). Sejarah transformasi uang dalam Islam. *Aqlam: Journal of Islam and Plurality*, 2(1), 33–42.
- Zain, Muhammad Fuad. (2018). Mining-trading cryptocurrency dalam hukum Islam. *Al-Manahij*, 12(1).