Legality of Indonesian Cryptocurrency Trading in the Era of Globalization

Firmansyah¹*, Yudho Taruno Murianto²
Sebelas Maret University
Corresponding Author: Firmansyah firman.arsyad2016@gmail.com

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The rapid development of cryptocurrencies does not rule out the possibility of criminal activity. Crypto currency developers seize investors' assets, causing investors to lose their assets, which is commonly known as "rug pull". Therefore, this research aims to analyze the legality of cryptocurrencies based on the regulations in force in Indonesia and the legality of cryptocurrency exchanges in Indonesia. The type of research method used in this research is normative legal research, by studying the laws and regulations in force in Indonesia, the opinions of ulama, and legal theories, using conceptual methods and approaches through statutory regulations, and using legal materials. collected through literature research, and by improving the law Clarifying the requirements for cryptocurrency as an investment vehicle in Indonesia, using legal material processing techniques.
INTRODUCTION

Along with rapid technological advances, it has indirectly changed from ordinary to better and modern. For example, in the economic world, buying and selling via direct cash transactions is the only option. However, thanks to advances in technology and information, transactions can now be carried out without having to meet in person. The use of cryptocurrencies to take advantage of technological advances is expected to increase time efficiency in transactions, but on the other hand it can also raise public concerns because misuse can have negative impacts.

LITERATURE REVIEW

Cryptocurrency as a digital asset with a fairly large market capitalization is certainly difficult to ignore. Especially as cryptocurrencies are increasingly used as reserve assets by many institutions and large investors. If demand continues to increase, cryptocurrency prices may continue to rise, despite their current high value. However, this increase is not necessarily a direct increase. The presence of cryptocurrency in Indonesia is always interesting. However, current regulations fail to establish clear and strict rules for legalization and dispute resolution.

METHODOLOGY

In this research, normative legal research is used as the method, which examines the study of Indonesian legal documents such as statutory regulations in this study, academic opinions, and legal theories. The approach taken is a conceptual approach as well as using an approach through statutory regulations.

RESULT AND DISCUSSION

Commodity futures trading is regulated in Article 1 of Law Number 10 of 2011 (Amendments to the Commodity Futures Trading Law Number 32 of 1997). Commodity futures trading refers to the act of buying and selling commodities with margin withdrawal and subsequent settlement. Futures contracts, sharia derivative contracts and/or other derivative contracts. There are several obstacles to using cryptocurrencies:

A. User Acceptance

User acceptance is influenced by a person's tendency to use electronic money compared to cash. The user acceptance factor in implementing an e-money product is very important because one of the goals of the e-money business is to increase the number of users from year to year. If users do not receive electronic money properly, then this goal cannot be achieved.

B. Security

In general, the security factor is one of the challenges in developing electronic payments using electronic money. People expect e-money security to meet their expectations so that they feel comfortable using e-money for electronic interactions and electronic payments.
C. Infrastructure Availability (Infrastructure Availability)

Infrastructure availability factors including network reliability, transaction speed and system reliability are challenges in developing electronic currency. Consumers need to understand the level of infrastructure availability to gain trust from the electronic money user community.

D. Social Culture (Social Culture)

Socio-cultural factors that hinder and challenge e-money include the large number of people who do not have access to banking services from one of the financial institutions that are closely linked to e-money. Apart from that, socio-cultural factors also influence the extent to which people adopt e-money services.

E. Comfort of Use

Ease of use is one of the success factors for electronic payment solutions. Convenience of use can attract users' interest in electronic payment services (ePayment). Information evaluating users' comfort level with electronic money can be used as evaluation material for me achieve product development goals. It is known that one of the business goals of e-money issuing companies is to increase the number of users from year to year, so by assessing the level of user comfort it is hoped that this goal can be achieved.

F. User Preferences (User Preferences)

Another challenge in developing e-money is competitive challenges. This competitive factor is influenced by the number of other institutions that are also issuers of electronic money. From the user's side, the challenge faced by electronic money issuers is user preferences for certain electronic money products.

As Zdenek Smutny explains, “First, the interdependence between barriers and risk-taking tendencies was assessed based on the RPS method for women and men and subsequently for representatives of Generations Y and Z. , and secondly respondents presented Differences in risk-taking perspective attitudes, by gender and generation . The authors aimed to determine whether a particular disorder is more frustrating for respondents with a tendency to take risks or for those without such a tendency, and finally, results summarized by gender and generation are presented, in which the fact that respondents tend to take risks is not taken into account.”

Or the explanation, first the dependence between distraction and risk-taking propensity is evaluated and confirmed for women and men according to the RPS method, then for representatives of Generations Y and Z, and secondly, the differences are evaluated. Respondents' attitudes are presented. Based on gender and generation, from the perspective of risk-taking propensity. The author aims to find out whether certain obstacles will be more frustrating for respondents who have a tendency to take risks or those who do not have such a
tendency. Finally, the results summarized by gender and generation are presented, where the facts are the presence or absence of certain disorders. Respondents with a tendency to take risks will not be considered.

Cryptocurrency involves a network system that utilizes a peer-to-peer network and a distributed ledger that functions as a setting for creating new units, validating or validating transactions. To guarantee users' sense of security in using crypto assets without involving third parties in transactions, this BAPPETI regulation stipulates the status of crypto assets which are classified as commodities has not been realized and has a special form of digital asset that uses encryption technology internally. Compared to other investment vehicles such as shares or the capital market, which have been around for a long time, but are still in their early stages so they are less well known to the public. The reason is, compared to stocks which are more volatile with crypto assets, commodity futures trading is a very risky investment, with the potential to generate high profits in a short time, but also the risk of losing money in the short term (norm. et al., 2011) Uncertainty, minimizing risks and suggesting from the start that investors can profit from fluctuations in cryptocurrency market prices are two ways to reduce these risks (Nitha & Westra, 2020)

Due to emerging technological innovations such as the foundation of blockchain technology and other supporting networks, crypto assets have no price basis or underlying foundation and therefore no fixed price requirements. Additional information about this blockchain is that this innovation records interconnected exchanges between partners, a unique code that exists and cannot be changed due to the possibility of exchange failure. Blockchain comes into play when there are new transactions or changes to existing transactions. When the majority of nodes reach the target state, the transaction blocks that have been received and recorded in the ledger enter the transaction chain, and then enter the ledger input modification state. This working protocol model allows the blockchain to operate as a record, without the need for intermediaries or authorities, to indicate whether a transaction is legitimate.

Zipmex.com (PT. Zipmex Exchange Indonesia), Upbit.com and Upbit.co.id (PT. Upbit Exchange Indonesia), Bitocto.com (PT. Triniti Investama Berkat), TRIV.co.id (PT. Tiga Inti Utama), Rekeningku.com (PT. Rekeningku Dotcom Indonesia), Nanovest.io (PT Growing Together Nano), Pintu.co.id (PT. Pintu Kemana Saja), Tokocrypto.com (PT. Aset Digital Berkat), Pantheras. com (PT. Pantheras Teknologi Internasional), incrypto.co.id (PT. Aset Digital Indonesia), Coinku.id (PT. Cipta Koin Digital), Luno.com (PT. Luno Indonesia LTD), Galad.id (PT. Galad) Indonesia Coin), cryptomaksima.com (PT. Kripto Maksima Koin), Indodax.com (PT. Indodax Nasional Indonesia), Kriptosukses.com (PT. Mitra Kripo Sukses), digitalexchange.id (PT. Indonesia Digital Exchange), Crypto asset trader. com (PT. Asset Traders Crypto).

In fact, apart from the exchanges registered with Bappeti, there are many other cryptocurrency exchanges. Some focus on easy-to-use interfaces, some have comprehensive trading features, some have low trading fees, and some have sophisticated security systems.
CONCLUSIONS AND RECOMMENDATIONS

Crypto exchanges basically allow us to buy and sell cryptocurrencies. There are already several exchanges in Indonesia that allow users to buy and sell crypto assets using rupiah currency pairs. Buying and selling cryptocurrencies is legal in Indonesia, where Bappebti, which oversees commodity futures trading, also oversees cryptocurrency trading regulations.

FURTHER RESEARCH

This research still has limitations so further research needs to be done on this topic “Legality of Indonesian Cryptocurrency Trading in the Era of Globalization.”
REFERENCES


