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"Global Challenge on Islamic Finance, Economics and Business Stability"

SANTIKA HOTEL, TANGERANG
11-12 OCTOBER 2017

Host: Co-hosts:
FOREWORDS

Assalaamualaikum Warahmatullahi Wabarakatuh,

First of all, I would like to ask all of you to give thanks to the presence of Greatest ALLAH SWT, who has given us the blessing and guidance, so that we can gather here in this beautiful place. And I also ask you to deliver your prayer and greetings to our prophet Muhammad SAW, who has brought us from the dark-age to the age-lit, so we are always on the right path until the end of the world.

It is a great pleasure for me to declare open the First International Conference on Islamic Finance, Economics and Business and to welcome all participants who came here to exchange experience and work together on the exciting field of Islamic Finance, Economics and Business. This meeting is indeed an eclectic one, bringing together the academic community to explore the challenges faced by today’s academician and to identify promising approaches to address their needs. The issues you will be discussing today are critical to everyone with not only interest in Islamic Finance, Economics and Business research but also success of our nation’s entrepreneurs, and by extension, of the economy as a whole.

Last but not least, I would like to great thank to Professor Mahmood Nathie and Associate Professor Hanudin Amin as the keynote speakers, all participants and all co-hosts of the this conference.

Wassalaamualaikum Warahmatullahi Wabarakatuh

Dr. M. Arief Mufrai, Lc, MSi
Dean of FEB UIN Syarif Hidayatullah Jakarta
International Conference on Islamic Finance, Economics and Business
11-12 October 2017, Jakarta

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TURNING ISLAMIC VIRTUES INTO ECONOMIC VALUES: UNLOCKING INDONESIA’S ISLAMIC DIGITAL ECONOMY POTENTIAL

Nur Hidayah
UIN Syarif Hidayatullah

Abstract
Digital economy has brought disruptive power of doing business traditionally through innovative business models using emerging networking and multimedia technologies to change the competitive stakes in respective industries. It has created impact to society by, among others, offering products and services with relatively lower transaction cost mostly through sharing economy. The success of the sharing economy lies in its ability to reallocate under-utilized resources to more efficient use. Such sharing economy interfaces with Islamic economy emphasizing on equity, partnership, collaboration, and profit-risk sharing. Various fields of Islamic digital economy has emerged to cater Muslim lifestyle and Islamic-spiritually related needs that create vast Islamic business opportunities ranging from Islamic fashion, halal food, travel and tourism, health and medicine, education, media, and financial services. It then raises a question as to what extent Indonesian Muslims, as the biggest Muslim population in the world, are ready to reap its significant benefits by turning their Islamic virtues into economic values so they become innovators in such economy rather than being only consumers and target markets of foreign digital economic players. Using SWOT analysis, this paper will preliminarily asses the opportunities and challenges of Islamic Digital Business in Indonesia. For this potential to be realized and to allow these industries to develop in a safe and sound manner, a number of challenges will need to be addressed. The paper then offers some possible strategies of a holistic digital transformation to optimally unlock such potential.

Key words: digital economy, Islamic economy, sharing economy, business models.
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