

# BITCOIN

## A SUMMARY

### ITS HISTORY



It was first described by Wei Dai in 1998 on the cypherpunks mailing list. The first specification of Bitcoin and proof of concept was published in 2009 by Satoshi Nakamoto in a cryptography mailing list.

### ADVANTAGES AND DISADVANTAGES

The advantages of Bitcoin (Maslahah)

- Security of personal transactions at a low cost.
- Security of personal transactions is also maintained.
- Large growth potential

Many investors buy and hold this currency.

Disadvantages of Bitcoin (Mafsadah)

- The price is often changing or unstable.
- Limited use:

Not any company can use this bitcoin currency.

- Bitcoin will be an opportunity for hackers.

**Conclusion**

The revolutionary technology behind Bitcoin does not come without an exchange. For every advantage, there are also considerable disadvantages. Even so, Bitcoin is an evolving system that doesn't stop there. The open source developer community is actively looking for better solutions.



### MUFTI'S OPINION



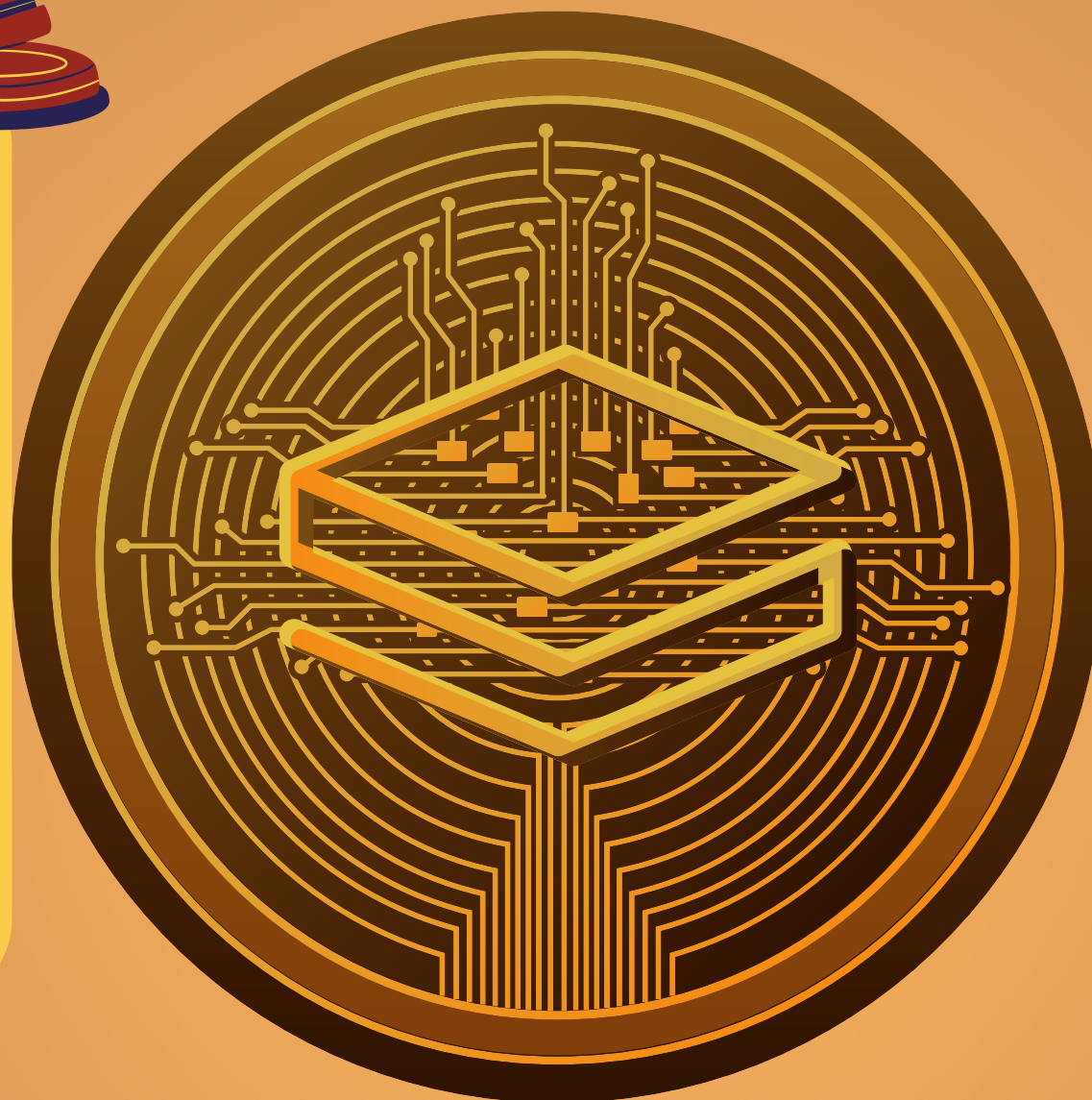
Fatwa mufti wilayah regarding bitcoin

#### a) Haram

- Jabatan Mufti Wilayah Persekutuan has decided that Bitcoin is haram.
- does not meet the characteristics of the currency set by Islam.
- can invite various harms to a country's financial system.

#### b)Harus

- another view from mufti in Perlis stated that the hukum is harus.
- they view it from the micro bitcoin perspective.
- there is no element of gharar and jahalah that can damage this currency transaction.
- legal to keep it as an aset and invest on it.



### BANK NEGARA MALAYSIA AND SECURITIES COMMISSION'S STANCE



Cryptocurrencies are deemed not suitable as a general payment instrument as they do not possess the universal characteristics of money and face some limitations, including price volatility and vulnerability to cyber threats. Cryptos also are not a payment instrument that is regulated by BNM and does not constitute money that is considered to be a legal tender in Malaysia.

BNM also does not regulate the operations of Bitcoin. SC has classified cryptocurrencies as securities under its laws.

Cryptocurrencies can be issued by a company for the purposes of raising funds subject to the conditions set by the SC.

SC regulate online platforms which facilitate the trading of digital assets.

### HISTORY

### HISTORY OF CURRENCY IN ISLAM

-The general concept of currency is mentioned in Al-Quran are Dinar and Dirham. It's a tool that can be use for exchange goods. The exchange of currency is permissible when there's similarity between the goods value, instant received of the goods, the exchange with words and must be absolute.