



Indonesia Chapter #111



UNIVERSITI  
TEKNOLOGI  
MARA



Higher Institution Centre of Excellence (HICoE)

Co Hosts:



# 9<sup>th</sup> International Conference on Financial Criminology

*“Financial Criminology  
and Financial Governance in Digital Era”*

Jakarta, 4-5 December 2018

*Conference Proceedings*



## FOREWORD

ACFE Indonesia Chapter is honored to host the 9th International Conference on Financial Criminology from 4-5 December 2018 in Jakarta. The conference is a collaboration between ACFE Indonesia Chapter and Accounting Research Institute (ARI) Universiti Teknologi MARA Malaysia (UITM) and is co-hosted by 6 Universities, Universitas Islam Indonesia, Universitas Mercu Buana, Politeknik Keuangan Negara STAN, Universitas Trunojoyo Madura, UPN Veteran Jakarta and Universitas Negeri Surabaya.

The main theme of the conference is Financial Criminology and Financial Governance in Digital Era. The theme was chosen to accommodate the fast-changing environment because of the digitalization which will change everything about fraud and the importance to always update research subject and methodology to be able to prevent.

The conference consists of 11 sessions with two keynotes, three panel discussions, one plenary and three concurrent sessions and the speakers come from several countries, Indonesia, Malaysia, Bangladesh, Singapore and Hong Kong. We received more than 70 papers, come from academics and practitioners, those were from 21 universities in Indonesia and other countries, and 4 government institutions. The abstracts of each paper submitted we received are presented in this conference proceeding.

As the motto of ACFE is Together Reducing Fraud Worldwide, the conference expresses the responsibility of everyone including researchers to always seek for the better way to reduce fraud, and we believe that combatting fraud without prevention will be a no-end circle of fraud. From the conference we hope that we can have insights from the speakers and possibilities from the authors on how to reduce the fraud.

Special gratitude for ARI UITM Malaysia, co-hosts, reviewers, sponsors, and the organizing committees for their hard work to make this conference successful.

**Dr. Gatot Trihargo, CA, CFE, CPMA, QIA**  
President of ACFE Indonesia Chapter

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## ADVANTAGES AND RISKS OF ISLAMIC INVESTMENT

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### ABSTRACT

In the Islamic context, investing is highly recommended so that the future can be guaranteed. Of course, investments made by Muslims must be in accordance with Islamic rules. Investing in economy Islamic concepts will provide a sense of security and comfort for Muslim investors, without fear of deviating from Islamic teachings. As a devout Muslim, of course, investment choices must be appropriate and in accordance with the concept of Islam. The difference between conventional Islamic investment lies in the benefits given. The advantages of Islamic investment are in the form of profit sharing, while the conventional concept is interest. In the teachings of Islam, interest is haram, because it does not recognize value for money. In the view of Islam, money will not developed by itself but must go through productive and ruleful efforts. The purpose of making this paper is to discuss the advantages and risks in Islamic investment. This paper uses a literature review approach that comes from journals, books, the internet, and other sources. The results show that the advantages of Islamic investment are riba-free, minimal risk, Islamic management, halal and promoting social activities. Meanwhile, the risks that may be faced by investors are the risk of losing capital, the risk of uncertainty of return, and the difficulty of selling investment products. From the results, it was found that currently Islamic investment products are favored by non-Muslims alike. The concept of profit sharing is considered more profitable than interest. It can be concluded that Islamic rules can now be accepted by various groups of people in the world.