

## **ABSTRACT**

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### **“JUDICIAL REVIEW OF THE ROLE AND FUNCTION OF SHARIA BANK IN THE INDONESIAN ECONOMIC DEVELOPMENT”**

(xi + 99 pages )

Economic development is a process towards a progress of change which is required by Indonesia in order to increase public welfare. Within the process, one of the things that can support such process is through the existence of the role of sharia banks in Indonesia. Sharia banks hold a different principle in comparison to conventional banks, the main difference is on how they obtain profit. Within a conventional bank, the interest system is acknowledged, while sharia banks forbid the interest system and utilizes the principle of profit sharing.

In formulating the results of research and analysis of this research, the research method used is the juridical normative research with secondary and primary data. The data collecting method uses literature review with qualitative data analysis. The approaches this research use are the normative and conceptual approach.

This research will discuss the regulation of sharia banking laws and regulations in Indonesia, starting from the development of regulations of sharia banking, important aspects from the implementation of Law No. 21 Year 2008 regarding Sharia Banking and will also discuss on sharia bank within the Islamic Law perspective. In addition, this research will also discuss the connection of sharia bank in the Indonesian economic development. Considering the increase in society's economic needs, the role of banks in the economic system becomes crucial. The existence of banking eases the society to store and conduct other financial transactions. That being said, sharia banks exist to complement the needs of society with a different principle to that of conventional banks. The existence of sharia banks is expected to bring more benefit for the society compared to what conventional banks can give.

References : 53 books (1972-2018)

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