

## ABSTRACT

To cope with the inflation of various countries in the world do the currency redenomination, namely simplification of the nominal value of the currency by reducing the digit zero without reducing the real value of the currency. Currency redenomination discourse in Indonesia aims to facilitate the recording of financial transactions, enhance the dignity of rupiah, as well as making Indonesia with regional economic equality. The purpose of this study to find out how redenomination in Islamic perspective and to determine the condition of Indonesia's economy is right or not to implement the policy. This study uses secondary data as well as qualitative descriptive analysis method and discourse analysis.

The results showed that the Islamic perspective tends redenomination will never happen because the redenomination here occur as a result of inflation that has been overshadowed by the instrument of interest (*riba*), is in Islamic all forms of usury should be eliminated. Islamic monetary system characteristics compared to conventional monetary system is free of interest (*riba*) in the process, procedures, mechanisms, and implementation of economic policy. Then another aspect that distinguishes Islam with conventional monetary system that money is just a medium of exchange for the launch and encourage economic activity and not as a commodity that can be traded. In terms of requirements that must be met to perform redenomination ie inflation and economic stability, Indonesia has been able to carry out the redenomination policy due to inflation and economic growth in Indonesia is relatively stable. However, here the government should continue to assess the costs and benefits do these policies and must socialize intensively to the community about what it redenomination.

**Keywords:** *Redenomination, Money, Inflation, Islamic Economy.*