

ABSTRACT

Ollanda Sicillia Kolanus, S.H. (030410536-N), "Aspek Kontraktual E-cash." Thesis, Notary Public Postgraduate Program, Faculty of Law Airlangga University, Surabaya, East Java, Indonesia, xii + 112.

Making payments by physically transferring objects, whether gold coins or paper currency, works reasonably well in the physical world, but encounters serious problems in online commerce. Electronic money can provide the online economy with an alternative payment system. A government or a private company can issue coins or notes in the form of electronic information. Each coin or note represents a claim against the issuer, and can be redeemed in exchange for traditional money (e.g., dollars), commodities (e.g., gold), or any other agreed item of value.

Since electronic money is just information, geographical constraints become irrelevant. It is as easy to transmit electronic cash to someone on the other side of the world as to someone next door. Moreover, once electronic money is loaded onto the computer chips embedded in smart cards, it can be used in real as well as virtual space. Electronic money can be designed to provide traders with the anonymity they crave.

The Internet makes online commerce possible; and online commerce makes it easy to trade with people who are far away. As a result, geography and nationality are becoming less important to trade and traders.

Once the Internet is flooded with alternative national moneys, traders may find that exchanging from one to another is inefficient. Over time, they may come to prefer one currency that seems to enjoy the widest acceptance and greatest stability. Eventually, that one currency will emerge as the de facto global monopoly money. For example, dollars may come to dominate online commerce, just as English has become the language of international trade, travel, journalism and diplomacy.

This development will threaten the seigniorage income and national prestige of other countries. Governments may respond by enacting laws to prevent citizens from using electronic money other than their own. But such restrictions will be difficult to enforce in a world of competing moneys and strong encryption.

Preventing and defense act to protect the failur of *E-cash* Contract or Agreement is depends on how the parties arrange the Contains of Contract. The Contract must in balance with Laws of the Country where the Parties choose.

Therefore, Regulators of an E-cash Contract need to gauge the real risk posed by innovation to existing systems and to adapt existing regulations to carry forward an equivalent level of protection in new systems. The gauge comes from the Parties Country Act, and Custom in Drafting Contract.