

Moneylender and the Welfare of Traders in Parung Market: Theological and Economic Approach

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ABSTRACT

This research focuses on traders in Parung Market, aiming to discuss moneylender and the welfare of traders in the Parung Market from theological and economic perspectives. The purpose of this study is: (1) to determine the existence of moneylender in trading, (2) moneylender from a theological perspective, and (3) to analyze the impact of moneylender practices on the welfare of traders in Parung Market from an economic perspective. This research is a descriptive-qualitative research method with a critical paradigm approach in a case study research method. The primary data collection method is observation, structured interviews, and documentation. Data processing and analysis techniques are data reduction, data presentation, conclusion drawing, and verification. This research's findings indicate that Moneylender harms the welfare of traders in Parung Market. From a theological perspective, the practice of usury by Moneylenders is not following the principles of Islamic economics. Meanwhile, from an economic perspective, capital loans from moneylender can only meet capital needs for the short term and support the business being carried out because the interest charged to traders is very high.

Keywords: Economy, Moneylender, Parung Market, Traders Welfare, Theology.

INTRODUCTION

A market is where sellers and buyers meet, marked by a direct transaction or bargaining between the seller and the buyer, which we usually call the traditional market. However, the growth of traditional markets could be faster due to many modern markets with good management, complete selling products, and numerous sources of capital, likewise, in the traditional market in Bogor Regency, namely the Parung market. Merchants must have a strategy to attract consumers to buy their wares. The Parung market is a crucial economic sector for the majority of the population around the area. But on the other hand, the condition of erratic price stability can trigger losses for traders and cause the trading profits to stop.

Another problem that is no less important is the business development of traders in Parung Market, which is constrained by business capital problems. Capital occupies an important position in the process of economic development as well as in job creation. In addition to increasing production, employment will also increase if capital goods such as buildings and machinery are used for different production processes (Chaudhry, 2014).

However, it is undeniable that many traders are constrained in finding additional capital, and many can get in touch with the bank to apply for a capital loan/credit because they need to meet the requirements to get a capital loan/business credit). From this condition, traders are trying to find an easy and fast solution to increase their capital. One of the easy and fast ways is through credit loans from moneylender, which require additional profits in loaned capital which we know as interest which is categorized as usury which is *haram* (Maulidizen, Atikah, & Sahara, 2019).

Moneylender is likened to a need figure sought by traders in Parung Market as a last resort to provide capital loans and, on the other hand, is likened to loan sharks who harm traders as service users. A moneylender is someone who borrows money or capital. moneylender is an activity in which a person lends money with doubled interest, allowing it to exceed the principal debt if the installment is late. Most traders ignore how much interest is lent from 20-40% of the money. And generally, moneylender in traditional markets collects fees/payments are made daily and monthly) determined by moneylender. They are only interested in the ease of borrowing capital/money on easy terms rather than making it difficult for traders. They feel it is easier to find loans/credit from financial institutions/banks (Khasanah, Abdullah, & K, 2019).

The practice of moneylender in Parung Market is effortless to find. People who have excess capital make it a profitable business opportunity. In addition, in the practice of loan sharks, the lending process is straightforward without going through lengthy administrative procedures, such as in formal financial institutions. So, this is what attracts people to use the services of moneylender. His presence is also considered to have helped people who need capital and cash.

وَالْمُؤْمِنُونَ وَالْمُؤْمِنَاتُ بَعْضُهُمْ أَوْلِيَاءُ بَعْضٍ يَأْمُرُونَ بِالْمَعْرُوفِ وَيَنْهَوْنَ عَنِ
الْمُنْكَرِ وَيُقِيمُونَ الصَّلَاةَ وَيُؤْتُونَ الزَّكَاةَ وَيُطِيعُونَ اللَّهَ وَرَسُولَهُ أُولَئِكَ سَيَرْحَمُهُمُ
اللَّهُ إِنَّ اللَّهَ عَزِيزٌ حَكِيمٌ

The believing men and believing women are allies of one another. They enjoin what is right and forbid what is wrong and establish prayer and give zakah and obey Allah and His Messenger. Those - Allah will have mercy upon them. Indeed, Allah is Exalted in Might and Wise.

Based on the verse above, Allah SWT commands us to help each other by doing good and preventing evil. But in practice, moneylender make money as the primary commodity and interest it, which is usury prohibited in Islam. Funds lent to customers will be returned

with additional interest previously agreed between the moneylender and customers who are traders at Parung Market. Traders hope that the funds from loan sharks will help them meet their capital requirements. So that it will be able to improve the standard of living, but in fact, the positive impact of moneylender is only temporary. Traders have additional burdens. Besides meeting their daily needs, they also have to set aside their income to pay loan installments from Moneylender. While running a business, profits are uncertain and sometimes even lost. However, the loan sharks ignored this. Customers still should pay their loans. Customers still should pay their loans (Parlina, 2017; Maulidizen, 2019).

LITERATURE REVIEW

Capital is one of the main instruments used to develop a business. Sufficient capital can cause problems for business actors, including traditional market traders. It is vital to maintain a position in economic development (Koto, 2019). The number of sources of capital in the community causes traders to choose the right source of capital. Among the sources of capital that are still developing among the community, especially wage market traders, are Moneylender. moneylender are still a choice for wage market traders with a total of 11%, due to several things, including ease of borrowing, without conditions, not limited by space and time (Hilyatin, 2019).

Fauziah (2017), the moneylender, provides an easy mechanism for debt and credit without having to go through the stages of complicated procedures and conditions, as well as guarantees determined according to the merchant's loan amount.

Furthermore, Muslim traders choose to borrow from moneylender due to the need for additional capital and other urgent needs, as well as an easy mechanism in the loan process. In addition, moneylender have a positive impact by making it easy to increase capital, which helps Muslim traders fix financial problems. Meanwhile, the negative impact is the high-interest expense and the decreased amount of production in the future (Fauziah, 2017). Moneylender, better known as middlemen in Minangkabau society, offer loans with lighter terms than formal institutions, and the fulfillment of funds is relatively fast. Furthermore, traders are increasingly trapped in the circle of loan shark debt because the loan sharks run their business with a bondage system with loan interest of 20-40% (Syafri, 2014).

Furthermore, Siboro (2015) shows that moneylender work by offering capital services to small traders in Bagan Batu Village. The average age of moneylender is around 35-50 years, indicating that the moneylender is of active age. Furthermore, the people of Bagan Batu Village who are loan shark customers feel benefited by the presence of loan sharks due to the ease of obtaining loan funds and payments made in installments both per day and per week, are considered not to provide relief for their customers even though the interest is relatively high reaching 20% of the total loan (Siboro, 2015). Convenience positively and significantly affects market traders' interest in loan sharks. Knowledge of religion has a significant negative effect on market traders' interest in moneylender loans, and promotions have a significant positive effect on market traders' interest in moneylender loans (Fathurrahman & Amirah, 2021).

Novida and Dahlan (2020) also stated that religious factors significantly negatively affect society related to moneylender. The higher the religious understanding, the less contact with moneylender will be. In contrast, the factors of need, security and convenience positively and significantly impact the community related to Moneylender. Meanwhile, Naning's research states that the Ngawi Regency BAZNAS policy through infaq as a program to reduce community dependence on moneylender uses a strategy to provide loans without interest, collateral, and deductions in installments with a maximum time

limit of 10 months. The following policy of BAZNAS is to create a model by forming groups. Several indicators are used to determine whether people return to moneylender after getting BAZNAS loans from the sociology of Islamic law. First, the rational choice, people choose BAZNAS loans rather than the services of Moneylender. Second, in the typology of instrumental and value rationality, Max Weber's social action society in its actions. Third, in a review of the sociology of Islamic law, it is included in the influence of Islamic law on societal change. Of the 53% of people who received the BAZNAS program to pay off loan sharks, 28.4% said they were trying to let go of them, but it is not maximal. The 28.4% response shows that all the strategies and models offered by BAZNAS are less effective in reducing the community's dependence on moneylender because the funds lent are deemed insufficient, and no BAZNAS da'wah team guides the community regularly (Hidayah, 2018).

The implementation of credit to moneylender is divided into two processes. Namely, there is an active process and a passive process. These two processes have almost the same implementation system, from bidding to billing. Second, four factors influence the community in taking credit to moneylender in Wargamekar Baleendah Village, Bandung Regency. Namely cultural factors, social factors, personal factors, and psychological factors. The average value of each factor is 2.36% culture, 2.84% social, 2.71% personal, and 2.21% personal. Social factors are the most dominant factors, with the highest average value of 2.84%, because these factors are heavily influenced by the social environment, neighbors, friends, and family members (Ainnun, Tresnati, & Srisusilawati, 2018). Credit for moneylender for the community is business capital, a forum for friendship, mutual relief between credit members, and the law of usury on credit (Pratiwi, Prajawati, & S, 2021).

Even according Parlina (2017), the practice of borrowing money by the community does not force them to borrow money from moneylender, meaning that the debtor or the borrower of his own volition comes to borrow from the moneylender and agrees to the interest set by the loan sharks that he must pay. Then the debtor objected and found it difficult to pay it.

RESEARCH METHOD

This research includes a combination of library and field research (Azwar, 2004). The purpose of field research is to intensively study the background, current status, and environmental interactions in a social unit such as individuals, groups, institutions, or communities with qualitative methods. Qualitative research, namely research that intends to understand the phenomenon of what is experienced by research subjects. For example, behavior, perception, motivation, action and others holistically and by way of description in the form of words and language, in a natural context and by utilizing various natural methods (Moleong, 2010), the qualitative method is carried out descriptively.

Descriptive analysis aims to accurately describe the characteristics of a particular individual, condition, symptom, or group, or to determine whether there is a relationship between a symptom, to determine the spread of a symptom, or determine whether there is a relationship between a symptom, or to determine whether there is a relationship between a symptom or not. Whether or not there is a relationship between a symptom and other symptoms in society (Amiruddin & Asikin, 2012). This study provides an overview of the research results by describing the data obtained in the field. Qualitative research produces descriptive data in the form of written words from people, phenomena, events, social activities, attitudes, beliefs, perceptions and thoughts of people individually or in groups (Sukmadinata, 2007). In essence, this study describes the factual conditions obtained from the results of qualitative data processing through interviews and observations of traders at Parung market for two months.

The first step a researcher must take to study is to determine the approach. An approach is a perspective or paradigm in a science that is used to understand something (Nata, 2004). The approach here explains the perspective used in discussing the research object. The approaches used are: (a) Theological approach, which is the approach used to analyze legal provisions sourced from the Qur'an and hadith on issues related to the legal status of capital loans from moneylender using the interest system, (b) Approach juridical, namely reviewing the legal status of interest-bearing loans originating from the statutory aspect and (c) sociological approach, namely a social approach to seeing a symptom from the social aspect to determine the factors that cause traders in Parung market to borrow business capital from moneylender.

Data sources in this study use two types of data sources: (a) Primary data sources are data obtained directly from informants who are closely related to the problem to be studied. Sourced from field studies in the form of information originating from traders in Parung Market, and (b) Secondary data sources, which are indirect data sources from informants or additional data used in the form of documentaries sourced from books that discuss legal issues. Regarding loans with an exciting system, research results, journals, magazines, print media, and other documents related to this research. In this case, all the media information sources above support the researcher's work (Azwar, 2004).

Data collection methods are done through observation, interviews, and documentation. In qualitative research, the research instrument or tool is the researcher himself. As a human instrument, the researcher determines the focus of the research, selects information as a data source, collects data, assesses data quality, analyzes data, and interprets and makes conclusions based on the findings (Ali, 1985)

- a. An observation guide is a tool used as a guide for data collection in the research process.
- b. An interview guide is a tool in the form of a list of questions used in collecting data.
- c. Documentation data is a record of events in direct writing, assessment instruments, and photos of activities at the research time.

The data analysis process is continuously carried out through three stages: data reduction, data presentation and conclusions or data verification:

- a. Data reduction, namely the process of collecting data which is then sorted, classified, and focusing on simplification of data. Therefore, the data taken are data related to the problem under study. This research only deals with distributing capital from moneylender to traders in the Parung Market.
- b. Presentation of data, namely presenting data that has been filtered and organized as a whole in the form of descriptive narratives. In presenting the data, interpretation is carried out on the results of the data found so that the conclusions formulated are more objective.
- c. Drawing conclusions or data verification is formulating conclusions after the reduction stage and presenting data inductively to answer the formulation of the problem. The three flows of data analysis activities are interrelated in inferring the researcher's final results.

RESULTS

Description of Research Location

Parung Market is located in Parung District, Bogor Regency, West Java. This area is famous as a liaison between Bogor City, Depok City, Tangerang City, South Tangerang City and Greater Jakarta. As an object of research, Parung Market has potential, as seen from the number of kiosks of more than 1000 units, as many as 384 units in 2020 and an increase of 10% in mid-2022. Parung Market has an area of approximately 16,038

m2 with several traders of less than 1600 people. With this potential, it can be projected that the circulation of money in the Parung Market will almost touch the figure of Rp 3.2 billion/day. In addition, there are indications of funding schemes from business capital carried out by traders.

The Existence of moneylender in Trading at Parung Market

Moneylender are a job that is not much different from banks or non-bank financial institutions such as Savings and Loan Cooperatives (KSP), People's Credit Banks (BPR) and Commercial Banks, and the difference lies in their business status. At the same time, Pegadaian, KSP, BPR and Commercial Banks are legal entities whose rules and policies are adjusted to the provisions and stipulations of the government or other economic institutions. Therefore, the practice carried out by a loan shark who gives interest to his customers contains an element of usury. The essence of the prohibition of usury in Islam is a rejection of the added financial risk stipulated in money or capital transactions or buying and selling, which is distinguished by only one party while the other is guaranteed profits. Interest on loans of money and goods in all forms and types, whether for productive or consumptive purposes with high or low-interest rates and in the long or short term, is included in *riba*.

The practice of loan sharks that still exists in Parung Market is due to the significant opportunity for loan sharks to run this loan shark business. However, urgent conditions forced them to engage in the practice of loan sharks.

Economic factors and the lack of financial institutions that go directly to the field are the primary reasons for traders in the Parung market to use the services of Moneylender. Research shows that the mechanism of loan shark debt is carried out with an easy process without complicated procedures and conditions, and collateral is only needed depending on the number of loans the customer needs. This is a factor that traders choose loan sharks over Islamic financial institutions. Thus, the community also feels the benefits of loan sharks because they can help with capital in a relatively short period and are not complicated and time-consuming. The reasons traders take loans from moneylender

1. Capital Requirements

Moneylender act as a source of capital for entrepreneurs. Capital is an essential factor when setting up a business. Without capital, a business will not run. In practice, moneylender provide more loans to traders because traders are considered productive businesses and can generate income daily. This, of course, will affect the smoothness of the loan payment process. In general, traders use loan funds from moneylender as initial capital and capital injections which are still ongoing. Loan loans from moneylender are used as entire initial capital or additional capital to start their business. Not only at the beginning of establishing a business, but traders still use capital from moneylender today. For traders, borrowing money from moneylender is the only way to overcome their need for capital. Therefore, the presence of moneylender is considered to have been able to meet the capital needs of traders. With capital from loan sharks, traders hope to have additional income. There has been an increase in capital loans from the beginning of business establishment to current loans.

2. Moneylenders Payable Mechanism

The loan mechanism for moneylender in Parung Market, Parung District, Bogor Regency, West Java, has an effortless and fast way without a lengthy administrative process. moneylender use money as their principal capital, which is then lent to people in need, provided that there is an addition in the form of a percent of the loan principal. Based on the results of interviews with moneylender and traders who are their customers, the following is a description of the mechanism of debt and credit

from moneylender in Parung Market, Parung District, Bogor Regency, West Java. The existence of moneylender as a fulfillment of the need for cash quickly is considered to provide benefits to the community. The average loan shark customer is a trader, where traders need business capital and additional capital. The process of applying for debt differs from the procedures in banking institutions, without any complex procedures, prolonged administration and free administration fees. Loan sharks, in running their business, provide all facilities—merchants who will owe enough to come to the house of loan.

Please submit a request for the money needed, then the loan shark gives the required amount and then records it in a particular book owned by the loan shark without asking for collateral. The fast and easy process is an advantage for loan sharks compared to banking institutions. This applies to traders and all people who want to use their services. It can be seen that loan sharks rely heavily on the principle of trust in their contracts. There is no guarantee of valuables as a precaution when traders and other customers experience lousy credit. This is because traders who become customers are neighbors who live and live in the same environment. The strong sense of mutual trust between neighbors facilitates the accounts payable process between moneylender and traders who are their customers. The debt payment mechanism is carried out in installments per day for 4 (four) months, and 1 month in the loan shark calendar is 30 days. So, the merchant pays the loan installments for 120 days. The payment process can be done by picking up the ball; namely, the moneylender visits the houses of traders who are customers to collect or vice versa, and traders with personal awareness come to the house of loan sharks to pay their debt installments. The interest taken from each loan is 20%.

3. Moneylender's Promotion and marketing techniques for loan.
The promotions carried out by moneylender are exciting and routinely carried out almost every day and every time. Many traders in Parung Market admit that they borrow money from moneylender because the promises made by moneylender are attractive and clear. The promotional style carried out by moneylender is indeed more flexible when compared to Islamic financial institutions, which collide with institutional rules and professional human resources.
4. Influence of Education and Religion
The lack of education and minimal understanding of religion affect the level of dependence of traders on Moneylender. When they are urgently needed fast funds, they return to Moneylender. Because the factor is very urgent, the problem of religious teachings can be abandoned. Almost all informants stated that using moneylender felt their money was not a blessing. However, on average, they ignore it. In addition, most of his business profits are used to pay considerable loan interest, which can reach 20%. This causes many traders to dig to cover the holes to pay off the debt. In the end, the money earned was only used to pay the installments.

The installment system imposed by loan sharks has become a merchant's habit of setting aside part of their income to pay debts. So that traders are used to it and do not feel heavy. The daily installment system will provide accessible communication and good relations between loan sharks and traders when the moneylender who pick up the ball collect the ball directly or other traders or customers who come to them. Direct billing is done by moneylender every afternoon after the Asr prayer or before Maghrib. With all the convenience of the process of submitting and paying Moneylender, they still have to face risks. It is undeniable that there are still merchants who are in arrears. To overcome lousy credit risk, loan sharks provide additional payment times without doubling the interest until the loan installments are completed. All conveniences are provided because

moneylender make decisions directly, unlike formal financial institutions that must comply with procedures.

By continuing to provide loans even though there are remaining installments from the previous loan, the merchant will automatically pay the installments in full without leaving any remaining. The risk of bad credit can be minimized. With all the conveniences loan sharks provide, traders will continue to use their services. In addition to simplifying the payment process, moneylender also provide Tunjangan Hari Raya (THR), which are intended for their customers in the form of essential commodities such as sugar, syrup, oil and other essential materials needed to welcome the holiday following the amount of the loan. moneylender do not set a target customer that must be obtained because the more customers they get, the more profits they will get.

On the other hand, if the number of customers decreases, profits will decrease, and the loan lender's capital turnover will run slowly because of his installment system. From the description of the debt and credit mechanism practiced by moneylender above, traders must meet certain advantages. It can be concluded that the practice of debts and receivables carried out by loan sharks is a practice of *jahiliyyah* usury. This can be seen from the additional interest from the loan principal that must be met. Traders, due to the suspension of debt payments.

DISCUSSION

Moneylender and Welfare of Parung Market Traders from Theological Approach

Moneylender are a profession that struggles with usury which is prohibited in Islam. However, it is undeniable that the moneylender business is still growing amidst trading activities at Parung Market. Act as a supplier of cash needs, both used as capital and to cover sudden and urgent needs. A contradiction that continues to grow in the majority of people who are Muslim but still use the services of Moneylender. Economic needs are the reason for using the services of loan sharks. Moneylender, in trading activities at Parung Market, provide benefits for the economic life of traders.

Acting as a non-formal financial institution that fulfills the need for capital has an impact on increasing the income of retail traders. However, the welfare of retail traders has yet to be achieved. In addition, the existence of moneylender is considered to have violated the principles of Islamic economics, namely the principle of justice, the principle of *Ta'awun* and the principle of *maslahat* (benefit).

1. Principle of Justice

Money is a medium of exchange used for transactions. A medium of exchange means that other commodities are needed and exchanged for money per the agreement between the parties. Not become a commodity in a transaction that can generate profits. The study results show that moneylender make money as their primary commodity in running a debt and receivables business in Parung Market. Money is used to make a profit without working hard. With this money, moneylender run a business by lending money to retail traders and other customers by adding the amount of interest as a profit to be earned. There is an addition to the loan's principal, which is usury/rent. moneylender set the interest rate at the beginning of the transaction, indirectly forcing retail traders to agree on the amount (Maulidizen & Borhan, 2018).

Traders pressed for capital needs must agree to the agreement, affecting the number of dependents. Merchants must pay the principal and interest paid by the loan sharks. While the business is run, the amount of profit cannot be calculated with certainty and can even experience losses. moneylender with this business have exploited others to reap huge profits.

On the one hand, Moneylenders are just waiting for profits without working and without bearing the burden of losses. While on the other hand, retail traders have to work hard to make ends meet and repay their debts. The practice of moneylender in Parung Market violates the principle of justice, namely the form of the ideal condition of moral truth about something, whether it concerns objects or people. The practice of usury is by using money as the primary commodity with additional interest as the amount of profit. It violates the true nature of money, a medium of exchange. Exploiting others to gain profit without any effort violates the truth of equality between humans. This impacts the economic life of retail traders who, although they experience an increase in income, continue to depend on capital intake from Moneylender.

2. Principle of *Ta'awun*

The principle of *Ta'awun* in human life is essential because *Ta'awun* (please help) can create a sense of brotherhood and close ties of friendship. So that when the principle of *Ta'awun* is used as the basis of social life, a peaceful society will be created even though it lives with diversity. Not only that, *Ta'awun* can be a strong foundation for building the people's economy without social inequality between the rich and the poor by distributing wealth.

Debt in Islam is an implementation of the *Ta'awun* principle because it contains elements of mutual help and a form of affection for fellow human beings. By giving loans to those in need is a good deed. The existence of these loans means that they have overcome the difficulties faced by others. It is even said that giving debt is better than giving charity. The borrower will try to repay debt following the agreed time agreement by providing debt. The efforts are to prevent someone from being lazy, while Islam does not teach its people to be lazy. The existence of moneylender in Parung Market who makes debts and receivables in an attempt to make a profit. Provide money loans to retail traders and other communities, which are then returned with the loan amount that has been added with interest, where the payment process is carried out in installments per day for 4 months. The loan sharks argued that they did the debt to help needy people. Helping people who need capital is just a classic excuse used by moneylender to recruit their customers.

While the primary reason underlying the debt transaction is still profiting, It is clear that debt-receivable transactions carried out by moneylender are solely to reap profits and are only business-oriented. Even though moneylender declare to help relieve people in need. However, the primary intention of the moneylender is to make a profit. If the moneylender is not profit-oriented, he should be able to provide loans without setting interest on each transaction. The principle of *ta'awun* means cooperation, mutual assistance, and mutual guarantee, not just business and profit-oriented. In practice, moneylender do not cooperate but only make one party work hard to repay his loan. moneylender is not oriented to help, but to make other people's difficulties a business field that is profitable for oneself is not justified in Islam. Islam calls for mutual help between human beings.

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَحْلُوا شَعِيرَ اللَّهِ وَلَا الشَّهْرَ الْحَرَامَ وَلَا الْهَدْيَ وَلَا الْفَلَيْدَ وَلَا أَمَينَ
الْبَيْتِ الْحَرَامَ يَبْتَغُونَ فَضْلًا مِّن رَّبِّهِمْ وَرِضْوَانًا وَإِذَا حَلَلْتُمْ فَاصْطَادُوا وَلَا يَجْرِمَنَّكُمْ
شَنْ أَنْ قَوْمٍ أَن صَدُّوكُمْ عَنِ الْمَسْجِدِ الْحَرَامِ أَن تَعْتَدُوا وَتَعَاوَنُوا عَلَى الْبِرِّ وَالتَّقْوَىٰ وَلَا
تَعَاوَنُوا عَلَى الْإِثْمِ وَالْعُدْوَانِ وَاتَّقُوا اللَّهَ إِنَّ اللَّهَ شَدِيدُ الْعِقَابِ

O you who have believed, do not violate the rites of Allah or [the sanctity of] the sacred month or [neglect the marking of] the sacrificial animals and garlanding [them] or [violate the safety of] those coming to the Sacred House seeking bounty from their Lord and [His] approval. But when you come out of ihram, then [you may] hunt. And do not let the hatred of a people for having obstructed you from al-Masjid

al-Haram lead you to transgress. And cooperate in righteousness and piety, but do not cooperate in sin and aggression. And fear Allah; indeed, Allah is severe in penalty.

In the verse above, it is clear that Allah commands us as His people to help each other and work together in good things, not in things that violate His Shari'a. Although for retail traders with money from Moneylender, capital has helped them overcome difficulties in setting up a business. However, what these moneylenders do is usury which is not allowed in Islam. So, by engaging in usury practices carried out by Moneylender, retail traders have directly cooperated in violating the Shari'a. Furthermore, in practice, moneylender do not guarantee the profits and losses that may occur in the businesses of retail traders who are their customers. However, the moneylender has guaranteed the profits he gets from each debt transaction by determining the amount of interest as profit. So, it is evident that moneylender have a selfish side as capitalist agents who think about their profits.

Furthermore, moneylender is only business and profit-oriented. This can be seen from interviews with moneylender who have never given loans for free without any additional interest. Debts have become a side business for loan sharks without having to work hard but can calculate the profit they will get. The excess wealth owned by moneylender that should be used to help others is turned into an effort to enrich oneself by using other people's weaknesses as opportunities. So, retail traders who need capital must face new problems, namely, being trapped by debt.

3. Principle of *Maslahat*

Work is a human effort to fulfill primary, secondary and tertiary needs. Work can be in the form of a profession to earn income through wages, salaries or profits. Allah has ordered his people to work since the Prophet Adam. Islam provided work rules until the Prophet Muhammad that the command applies to all people without discrimination. In essence, all muamalat activities are lawful as long as there are no rules that forbid them. Work is a mandatory activity carried out by the community in Parung District, where 75% of the people sell, and the rest are involved in the industry, trade, private employees, government employees, carpentry and transportation. Men or husbands work not only in Parung District, but many women who act as housewives also help their husbands by opening small selling businesses in front of their homes or running other businesses that do not interfere with their roles.

One of the businesses that still exist in Parung District is the loan shark business. This business runs by using accounts payable transactions and money as its main commodity. Establishing this business is straightforward. moneylender provide money as capital and the main commodity without processing it into other goods/commodities. moneylender act as founders as well as leading actors in running this business. This is because this business is not institutional but an individual business with no organizational structure.

The loan business in Parung Market has provided benefits for traders who use their services. From the results of interviews with traders who are loan shark customers, they assume that the loan shark business has provided benefits both as a source of capital and in helping the economy. In essence, the benefits said by Mursal are all forms of goodness and benefits that have integral dimensions of the world and the hereafter, material and spiritual, as well as individual and social. Economic activity is seen as fulfilling the benefits if it fulfills two elements: obedience (halal) and beneficial and brings goodness (thayyib) to all aspects integrally. Based on these two elements, it can be seen that the moneylender business that uses the usury mechanism in practice has violated the elements of halal and thayyib. Violating the halal element, Islam strictly forbids usury.

يَا أَيُّهَا الَّذِينَ ءَامَنُوا لَا تَأْكُلُوا الرِّبَا أَضْعَافًا مُّضَاعَفَةً وَاتَّقُوا اللَّهَ لَعَلَّكُمْ تُفْلِحُونَ

O you who have believed, do not consume usury, doubled and multiplied, but fear Allah that you may be successful [Ali Imran 3:130].

It is clear that in this verse, Allah forbids His servants from practicing usury. Furthermore, it must be understood that the criterion of doubling is not a condition for the occurrence of usury (if the interest is multiplied, then usury, but if it is small, it is not usury), but this is a general characteristic of the practice of interest money at that time. Although the interest taken by moneylender at Pasar Parung is relatively tiny, namely 20% or 5% per month, it is still said to be usury which is forbidden in Islam and is undoubtedly a sin for those who do it. Even the lightest sin for the perpetrators of usury is the same as adultery with the biological mother.

In violation of the *thayyib* element, it can be seen that the moneylender business does not provide well for the community. Instead, it causes worldly and hereafter harm. The worldly harm can be seen in that the welfare of retail traders does not increase. However, on the contrary, retail traders are increasingly dependent on moneylender and cannot independently run their businesses. The harm caused by *ukhrawi* is that moneylender have brought retail traders into the practice of usury which is forbidden in Islam. By participating in the practice of usury, the retailer has committed a sin in which sin will be rewarded accordingly in the hereafter. The lightest sin for *riba* is the same as adultery with his mother.

Islam has regulated all aspects of community life, including business. *Halal* and *thayyib* business in Islam are a business that provides benefits for the surrounding community. A loan business based on *usury*, which is forbidden, can become lawful if the basis is changed, using a cooperative system based on profit and loss sharing. In the practice of loan sharks, it can be transferred using a *musharaka* or *mudharabah* cooperation system where loan become total investors or provide part of the capital. Profits and losses are calculated together, if there is a profit, it will be divided according to the agreement, and if there is a loss, it will be shared according to the contract. In this case, neither party is *harmed*

Moneylender and Welfare of Parung Market Traders from an Economic Approach

Humans, as economic beings, strive to meet their basic needs, both primary, secondary and tertiary needs. By carrying out economic activities, humans hope to be able to live in prosperity. The definition of prosperity in Islam is not only the fulfillment of material needs but also the fulfillment of spiritual needs and includes individual and social. As well as the welfare of the world and the hereafter, human life does not only live in the world, but the practice in the world will be a provision for the welfare of life in the hereafter. Therefore, welfare in Islam must meet 2 (two) indicators: the fulfillment of material and spiritual needs. In this study, the indicators of the fulfillment of material needs are eliminating hunger and fulfilling human consumption needs. And an indicator of the fulfillment of spiritual needs, namely worship of God by not being involved in usury activities and serenity in living life. The first indicator is the fulfillment of material needs. Material needs are visible, can be felt by the five senses and can be used for their benefits. Can meet Material needs by relying on income.

The community's income in Parung Market, Parung District, Bogor Regency, West Java, varies according to the profession they are engaged in. Traders use the existence of moneylender to borrow money as business capital or for additional capital. From capital loans from Moneylender, traders set up their businesses so that they can earn additional income or a more decent income. With this income, traders use it to meet their material needs. It can see that the income of traders has increased. One of the traders

interviewed, who is also a loan shark customer, stated, "With this capital loan, I can set up a business which of course will provide additional income. who used to only depend on their husband'shusband's income, an average of Rp. 3,000,000 per month, and the lowest income is Rp. 1,000,000 per month. Now even though my husband doesn'tdoesn't work, he still has income to cover his needs. From trading, you can earn around Rp. 150,000 per day, if per month it becomes Rp. 4,500,000". This proves that the existence of moneylender as a source of capital can increase the income of traders, which then affects the fulfillment of the material needs of their families.

According to BPS in 2012, the income level is divided into 3, namely the low-income group < Rp. 1,500,000 per month, medium income group Rp. 1,500,000 to Rp. Two million five hundred thousand per month and high-income group Rp. 2,500,000 to Rp. 3,500,000 thousand per month and very high-income group > Rp. 3,500,000. Traders generally understand the prohibition of usury even though they have different opinions. However, urgent conditions make them use the services of moneylender and engage in the practice of usury. The need for capital in running a business that must meet the needs of life is not accompanied by the existence of a formal financial institution in Parung Market, Parung District, Bogor Regency, West Java. It must understand that usury is still haram, even in a small percentage.

This follows the opinion of the Indonesian Ulema Council, which sees the prohibition of usury as any addition imposed on a loan. Although the loan is used for productive things in practice, the law is still usury because of an addition to the loan. The reason for the urgent condition that has been used to justify the practice of usury in Parung Market, Parung District, Bogor Regency, West Java still has another alternative, namely by changing the interest-bearing lending and borrowing system with a system based on sharia, namely the profit and loss sharing system. So, from the two indicators of the fulfillment of spiritual needs, neither is fulfilled. The loan sharks were helping traders in meeting their material needs. By trading from capital borrowed from Moneylender, the family income also increases, affecting the ease of meeting material needs. However, the spiritual needs of traders are not met. Thus, it can conclude that the practice of moneylender in Parung Market, Parung District, Bogor Regency, West Java harms the welfare of traders, where their existence is not able to improve the economic welfare of traders.

CONCLUSION

The existence of moneylender in the Parung Market has existed for 5 years, namely since 2013. The need for capital and the absence of financial institutions are the reasons for its existence. The mechanism of debt receivables carried out by loan sharks is very easy. The loan application process is uncomplicated and without going through a lengthy procedure. Debt repayment is made in installments per day for 4 months / 120 days, with the amount of the installments being the total loan plus 20% interest, then divided by 120 days. The mechanism of debt and credit carried out by moneylender in Islam is included in usury nasi'ah. The practice of moneylender at Parung Market violates the principles of justice, the principle of ta'awun and the principle of mashlaha. The practice of moneylender helps traders in meeting their material needs. However, the spiritual needs of retail traders still need to be met. Thus, the practice of moneylender in the Parung Market is not able to prosper traders.

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hopes that the research results are helpful and increase knowledge in Islamic economics and that the community can avoid transactions with moneylenders.

DECLARATION OF CONFLICTING INTERESTS

The author declares that this research has no interest except academic interests to provide education to traders in Parung Market so that they can obtain halal profits and bring benefits in this world and the hereafter.

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