Implementation of Buying and Selling Transactions in the Perspective of Islamic Economics (Case Study of Traders at the Kauman People's Market, Tulungagung)

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ABSTRACT: Trade is an economic activity that must be connected to the role of today's society in meeting their daily needs. This trading activity is marked by an agreement or agreement between two parties, namely between the trader and the buyer. In this study, the researcher wants to conduct research in the Pasar Rakyat Kauman Tulungagung with the formulation of the problem, namely how to implement the buying and selling transactions of traders in the Pasar Rakyat Kauman Tulungagung from a conventional perspective and an Islamic economic perspective. In this study, researchers used qualitative research methods. The data sources used by researchers are primary data and secondary data. Then the data collection techniques that researchers use are general interviews, passive participation observation, and documentation. The data analysis technique that the researcher uses is data reduction, while to check the data's validity, the researcher uses the observation extension technique. The results of this study indicate that buying and selling transactions carried out by traders at the Pasar Rakyat Kauman Tulungagung are under the perspective of Islamic economics, that they are also correlated with the Kitab Undang-Undang Hukum Perdata on Ketentuan-ketentuan Umum tentang Jual Beli issued by Jaringan Dokumentasi dan Informasi Hukum (JDIH) in Article 1457.

Perdagangan merupakan kegiatan ekonomi yang harus dikaitkan dengan peran masyarakat saat ini dalam memenuhi kebutuhan sehari-hari. Kegiatan jual beli ini ditandai dengan kesepakatan atau kesepakatan antara dua pihak yaitu antara pedagang dan pembeli. Dalam penelitian ini peneliti ingin melakukan penelitian di Pasar Rakyat Kauman Tulungagung dengan rumusan masalah yaitu bagaimana implementasi transaksi jual beli pedagang di Pasar Rakyat Kauman Tulungagung dari perspektif konvensional dan perspektif ekonomi Islam. Dalam penelitian ini, peneliti menggunakan metode penelitian kualitatif. Sumber data yang...
I. INTRODUCTION

Trade is an economic activity that must be connected to the role of today's society in meeting their daily needs. This buying and selling activity is marked by an agreement or agreement between the two parties, namely the seller and the buyer. The current way of trading is not only done traditionally, such as physical meetings between sellers and buyers but more than that. In the era of modernization, human trafficking can be done online through applications available on personal cell phones. Over time, the convenience of shopping through applications only sometimes provides a solution. For example, when we have to buy daily necessities such as vegetables, which incidentally must be fresh, of course, we have to go to traditional places such as markets, grocery stores, or minimarkets.

In today's modern era, the role of a market is still very much needed by today's society. Apart from acting as a medium for fulfilling daily needs, the existence of a market can also play a role in increasing local revenue through a levy system. When discussing the context of the market as a place of survival for humans in economic activities, the most vulnerable entities are traders. These traders have to compete with various products that tend to be homogeneous. Therefore, of course, innovation in buying and selling is needed for traders if they want to attract customers.

The definition of a trader himself is a person or entity that carries out buying and selling activities of goods or services in the market. In the context of micro-enterprises, micro-traders are a form of small-scale economic activity that is mainly carried out by some of the lower strata of society with the informal sector or subsistence economy, with the characteristics of not obtaining high formal education, low skills, many customers coming from the lower class. Most workers are family members and work on a labour-intensive and retail basis (Latif et al., 2018).

Several factors influence the success of a business, including the following (Mashuri et al., 2019):

**Business Capital**

According to the Big Indonesian Dictionary, business capital is money used as the principal (parent) for trading, releasing money, and so on. Capital, in this sense, can be interpreted as an amount of money used in carrying out business activities.
Capital in the Islamic economic system is required to continue growing so that money circulation does not stop. Because if the money or capital stops, the property will not benefit other people. However, suppose the money is invested and used to do business. In that case, that money will benefit other people, including if a running business can absorb labour as Allah SWT says in QS. Al-Baqarah 279:

"If you do not do it, then declare war on Allah and His Messenger. But if you repent, then you are entitled to the principal of your wealth. You are not unjust (harmful) and not wronged (harmed).” (Thaha, 2020).

**Labour**

Labour is an essential factor in production activities because these workers allocate and utilize other factors to produce a useful output. Islamic Sharia has also discussed and paid attention to human life in its capacity as "labour" and contains principles and rules as well as the concept of "work" and teachings to always "work". In this regard, humans as workers absolutely pay attention to possibilities that can be used as material for consideration in carrying out their activities.

**Education**

Education according to the Big Indonesian Dictionary is the act of educating about how, the method, etc (Poerwadarminta, 2007). Thus education is a process of changing the attitudes and behaviour of a person or group of people to mature humans through teaching and training efforts. From this explanation, it can be concluded that education is a conscious effort carried out to develop knowledge and skills.

**Experience**

The experience of a business person in pursuing his business will affect his professional abilities. For example, the longer a person has been in the trading business field, the more experience (knowledge) about consumer tastes or behaviour will increase.

**Working Hours**

Working hours are the time to do work, which can be carried out during the day or at night. The Central Bureau of Statistics defines the number of working hours for all jobs as the length of time in hours used for working for all jobs, excluding working hours of official breaks and working hours used for things outside of work during the past week.

**Age**

Age can be used as a benchmark in looking at a person's activity at work; where the age condition is still productive, it is likely that someone can work well and optimally.

Islam exemplifies trading activities through the Prophet Muhammad SAW, where he is a trustworthy trader who guides how to trade correctly and professionally. The success of the Prophet Muhammad in doing business was influenced by his personality, which was built based on a dialogical dialogue between the social reality of the ignorant society and himself. His ability to manage a business can be seen in his courage when carrying
Khadijah's merchandise accompanied by only one employee (Maisarah). If he does not have the experience and ability to trade, then he will only be Maisarah's companion. Apart from being fully responsible for all of Khadija's merchandise, she also brought her merchandise from market to market or trade festival venues regionally and internationally. Following are some of the Prophet Muhammad's business ethics in practice, including:

1. Sellers are prohibited from lying or deceiving buyers regarding the goods they sell.
2. When a business transaction occurs, the seller must avoid excessive swearing in selling an item. The Prophet Muhammad SAW said: “Be wary of excessive swearing in a sale. Even though it could increase sales results, it will reduce its blessings.”
3. The sale of an item must be based on mutual agreement of both parties (seller and buyer) or with a proposal and acceptance. The mutual agreement implies that all transactions must be carried out based on mutual agreement (‘a taradhin), not by force or fraud.
4. The seller may not cheat in weighing or measuring an item.
5. In trading, the Prophet Muhammad SAW really respected and appreciated the rights and position of the buyer. He serves customers wholeheartedly and encourages his people to adopt this attitude. Jabir narrated that the Prophet said: “Allah's mercy on a person who is kind when he buys and sells and when he makes a decision.” Thus, establishing a good relationship between the seller and the buyer is one of the keys to success.

Departing from the description above, the researcher is interested in researching traders at the Kauman People's Market, Tulungagung. The location of this market is located on Jl. KH Hasyim Asyari No. 52, Kauman, Kauman District, Tulungagung Regency, East Java, which was revitalized by the Tulungagung Regency Government in 2017. With this revitalization effort, economic activity at the People's Market is increasingly boosted because the market conditions are more comfortable to visit. Merchants can trade comfortably, and vice versa, with buyers can also shop comfortably because it is clean and orderly. The reason for the researcher to conduct research at the Kauman Tulungagung People's Market is to know about traders' buying and selling practices in that market. Is applying the concept of Islam in the flow of trade? Or apply a simple buying and selling transaction model for profit and loss alone?

II. METHOD

Research, when viewed from the word order, consists of two syllables, namely re, which means doing again or repetition and search, which means seeing, observing or searching, so research can be interpreted as a series of activities carried out to gain a new understanding that is more complex, more detailed, and more comprehensive than the matter being studied. Research when viewed from the word order, consists of two syllables, namely re, which means doing again or repetition and search, which means seeing, observing or searching, so research can be interpreted as a series of activities carried out to gain a new understanding that is more complex, more detailed, and more comprehensive than the matter being studied (Anggito & Setiawan, 2018).
In this study, researchers used qualitative research methods. In the opinion of Norman Kent Denzin & Yvonna Sessions Lincoln in their book entitled Handbook of Qualitative Research, as quoted by Albi Anggito and Johan Setiawan stated that qualitative research is research that uses a natural setting to interpret phenomena that occur and is carried out by involving various existing methods. Meanwhile, in the opinion of Jerome Kirk & Marc Lin in his book, Reliability and Validity in Qualitative Research, as quoted by Albi Anggito and Johan Setiawan, Miller states that qualitative research is a specific tradition in social science which fundamentally depends on observations on humans, both in its area and in terms of it.

From the two expert opinions above, it can be concluded that qualitative research is the collection of data in a natural setting to interpret the phenomena that occur, where the researcher is the key instrument. Sources of data used are primary data and secondary data. The primary data were obtained from respondents through direct measurements, questionnaires, panel groups, or data from interviews with informants. Data obtained from primary data must be processed again (Tersiana, 2020). The researcher interviewed Kauman Tulungagung People’s Market traders to obtain the required data and information. According to Setiawan, the interview only contains instructions about the process and content to keep the points planned so that they can cover the whole.

Then, the researcher also collected data through the observation method by coming to the Kauman Tulungagung People’s Market to observe buying and selling activities at that location to obtain data and information according to what was seen and in accordance with reality. The researcher thus does not just review the location but also participates directly, or Setiawan calls it an active participatory observation activity, where the observer takes part in the life of the being observed. The researcher thus does not just review the location, but also participates directly or Setiawan calls it an active participatory observation activity, where the observer takes part in the life of the being observed. And if not involved in the activity, it is called passive participant observation.

While secondary data is obtained from records, books, government reports, etc., the data obtained from this secondary data does not need to be processed again because this data source is indirect; it only provides data to data collectors. Qualitative data collection methods, in addition to observation, is documentation, namely by viewing and analyzing documents made by the subject himself or by other people regarding the subject. Researchers used this method to obtain data about the number of traders in the research location, namely the Kauman Tulungagung People’s Market.

III. RESULT AND DISCUSSION

Buying and Selling in Islamic Economic Perspective

Buying and selling is exchanging something for something. In the Kitab Undang-Undang Hukum Perdata regarding Sale and Purchase, Article 1457 explains, “Buying and selling is an agreement in which one party binds himself to deliver an item, and the other party to pay the promised price.” Then in Article 1458, it is also explained that: “Buying and selling is considered to have taken place between the two parties, as soon as these people reach
an agreement regarding the goods and the price, even though the goods have not been delivered and the price has not been paid.” (JDIH, 2022).

Whereas according to fiqh law, buying and selling is exchanging assets for assets based on the opinion of ways that have been determined by share. The law is Halal or permissible (Hasan, 2018). In the Book of Kifayatul Ahyar, it is stated that the definition of buying and selling, in language, is: "Giving something because there is a gift (certain reward)." Whereas Sheikh Zakaria al-Anshari argues that buying and selling is: “Exchange something for something else. Sayyid Sabiq, in the Fiqh Sunnah book, explains that buying and selling etymologically that buying and selling based on the opinion of the definition of lughawiyah is exchanging (exchange). Exchange something for something else. Sayyid Sabiq, in the Fiqh Sunnah book, explains that buying and selling etymologically that buying and selling based on the opinion of the definition of lughawiyah is exchanging (exchange).” Whereas Hamzah Ya’qub, in his book entitled Kode Etik Daagang Menurut Islam (Pola Pembinaan Hidup dalam Berekonomi), explains that: “Buying and selling based on language opinion is exchanging something for something.”

From the definition above, it can be understood that the essence of buying and selling is an agreement to exchange objects or goods that have value voluntarily between two parties, one party receives the objects, and the other party receives them under the agreement or regulations that the syara, has justified' and agreed. While the perpetrators of buying and selling are called traders. Traders who carry out buying and selling activities in the market can be in the form of individuals or entities. In the context of micro-enterprises, micro-traders are a form of small-scale economic activity that is mainly carried out by some of the lower strata of society with the informal sector or subsistence economy, with the characteristics of not obtaining high formal education, low skills, many customers coming from the lower class, some of the workers are family members and are working on a labour-intensive basis and retail sales.

Buying and selling as a means of mutual assistance between human beings has a strong foundation in the Al-Quran and Hadith. Several verses in the Al-Quran and Hadith discuss buying and selling, including The Word of Allah SWT in QS Al Baqarah 275:

"Those who eat usury cannot stand up but are like the standing of a person whom a demon has possessed because he is mad. That is because they say buying and selling are the same as usury. Whereas Allah has justified buying and selling and forbidding usury. Whoever gets a warning from his Lord, then he stops, and then what he has earned before becomes his, and his business is (up to) Allah. Whoever repeats, then they are resident of hell; they are eternal in those who eat usury cannot stand up but are like the standing of a person whom a demon has possessed because he is mad. That is because they say buying and selling are the same as usury. Whereas Allah has justified buying and selling and forbidding usury. Whoever gets a warning from his Lord, then he stops, and
then what he has earned before becomes his, and his business is (up to) Allah. Whoever repeats, they are resident of hell and eternal in it.” (Thaha, 2020).

According to the Hanafiyyah scholars, there are two pillars in buying and selling: *Ijab* and *Qabul*. Meanwhile, based on the opinion of the majority of scholars, the pillars of buying and selling must include four types, among others (Martha & Ika, 2019):

1. *Akidain* (seller and buyer).
2. Something was bought.
3. *Sighat* (pronunciation of *Ijab* and *Qabul*).
4. There is a replacement exchange rate for goods.

**Conditions and Forms of Buying and Selling Transactions at the People's Market, Kauman, Tulungagung**

In the opinion of Nyoman Suartha in his book entitled Revitalization of Customer-Based Balinese Traditional Markets (Case Study in Gianyar Regency), as quoted by Ignatia Martha and Nuruni Ika, in a narrow sense, the market is a meeting place between sellers and buyers to carry out transactions. This understanding implies that the market has a specific place or location, allowing sellers and buyers to conduct buying and selling transactions of products, goods and services (Bastian, 2017).

In general, the market is a place where the informal sector develops and operates carefully as a place for economic activity (buying and selling) and the main driver of economic growth. The market is a real activity where buying and selling activities occur directly; sellers and buyers meet in a place to carry out the process of exchanging merchandise with money. Therefore, the market is divided into two, namely the Niskala Market and the Real Market. The Niskala market is an abstract market, where the goods purchased do not reach the market, and the buying and selling process is based only on the goods' samples. While the Real Market is a market where buying and selling activities occur directly, where sellers and buyers meet in a place to carry out the process of exchanging merchandise with nominal money.

When referring to the Regulation of the Minister of Trade of the Republic of Indonesia Number 23 of 2021 concerning Guidelines for the Development, Arrangement and Development of Shopping Centers and Supermarkets, in Article 1, it is explained that:

“People's Market is a place of business organized, built and managed by the Government, Regional Government, private sector, State Owned Enterprises and/or Regional Owned Enterprises which can be in the form of shops, kiosks, booths and tents owned/managed by small traders and medium, non-governmental organizations, or cooperatives as well as UMK-M with the process of buying and selling goods through bargaining.” (JDIH, 2021).

The market is synonymous with dirty, cheap, and other negative things. That may be why the traders in the market selling their wares do not make much profit. Apart from the reasons above, the community's paradigm of the market is closely related to the price of relatively cheap and competitive goods. This was stated by Mr Hariadi, a grocery store owner who has been trading at the Kauman People's Market since 2015.
“We’re not making much profit. Because we are semi wholesalers. It depends on who is buying; if the merchant buys it, we make a profit of Rp. 50-Rp. 100 per item because we take dozens of them. It’s different from retail; for example, someone buys body soap per item for IDR 2,500. However, if you buy it wholesale, we set the price for 2-bath soaps to IDR 4,500. Because if we don’t, we can’t compete. This is because the people’s mindset of the market is definitely cheap and cheap.” (Hariadi, 2022).

Even though the profit is not too much, the grocery store run by Mr Hariadi is still alive today. Implementation of flexible prices for goods is also the focus of Mr Hariadi, as he stated: “If it is a price issue, we are flexible, Mas. Depending on whether there is a promotion or not, if there is a promotion, we will lower the price according to the market, and vice versa.” (Hariadi, 2022).

When Mr Hariadi became a trader, he should not be unprofitable, even if the profit was not more than IDR 500. Healthy competition is also the main capital of the man from Banyuwangi.

“Well, when becoming a trader, we must profit and not lose even though the profit is only Rp. 200-Rp. 500, if you multiply it, it can become a lot. And the important thing is that we compete in a healthy manner, not manipulating prices. This is because customers will run away if we set prices that are not common in the market. It is also called a market, Mas, the competition is very tight. Our focus is on customers, do not run away to another store.” (Hariadi, 2022).

Ahmat Guntoro, an outlet owner who focuses on selling snacks from the market, also disclosed that not much profit-making: “I do not take much profit, Mas. One snack, I take a profit of 10%.” (Guntoro, 2022).

The obstacle or problem that Mr Hariadi often experiences is the dishonesty of the buyer when receiving the money back: “When there are many buyers, we are often overwhelmed and do not focus on the number of items purchased. If the person is good, the spare change is returned. But if they find something that is not good enough, they just leave with the excess change.” (Hariadi, 2022).

Related to the trade constraints above, Mrs Mariyam, a shop owner who sells all kinds of bananas, also experienced this: “The obstacle when selling is that the bananas are rotten/withered, Mas. So, the price has decreased.” (Mariyam, 2022).

The process of bargaining for products is also characteristic of buyers in the market area, as revealed by Zulfa, a teenage boy who is an employee of the Gold Shop in the market area.: “Our problem so far has been the lack of buyers, Mas. Not as busy as clothes and grocery stores selling here; once there are buyers, they just haggle without buying. Even though it has been well served.” (Zulfa, 2022).

The amount of waste is also an obstacle/problem for traders at the Kauman Tulungagung People’s Market; this was confirmed by Ahmat Guntoro, a stall owner who focuses on selling market snacks: “The constraints for trading in my place are almost the same as this row (block), Mas, namely regarding waste with an uncertain collection schedule. If I am diligent, it is clean, but if it is right, the clerk is lazy, so the smell reaches my selling area.” (Guntoro, 2022).
Implementation of Traders' Buying and Selling Transactions from an Islamic Economic Perspective at the Kauman People's Market, Tulungagung

In Islamic perspective, a sale and purchase transaction is considered valid if it fulfills the pillars and conditions (Rozalinda, 2016). Pillars are elements that are at the heart of the contract, while terms are elements that are outside the contract. The conditions for buying and selling activities include five important points that cannot be separated from their existence, namely as follows:

1. The conditions for a person who is entering into a contract include being intelligent, meaning that a madman or a person who has not been mumayyiz is illegal, and the person carrying out the contract must be a different person.

2. In terms related to Ijab and Qabul, all scholars agree that the main element in buying and selling is the willingness of both parties. The willingness of both parties can be seen from the ijab and qabul. The scholars of fiqh think that the terms of the qabul consent include: the person who says he has reached puberty and has a reason, the qabul that is carried out must be under the ijab, ijab, and qabul must be carried out in one assembly.

3. Terms of traded goods (ma’qud alaih), among other things: the goods are available or not in place, but the seller declares his ability to procure the goods, can function or be used.

4. The goods already have an owner and may be handed over at the time the contract takes place or the time specified when the transaction takes place.

5. Terms of the exchange rate (goods price), a fundamental element in buying and selling is the exchange rate, and most people use money. Related to the exchange rate, fiqh scholars distinguish al-stamina from al-sir. Staman is the market price that applies in the middle society, al-sir is goods capital that all traders should receive before being sold to consumers Staman is the market price that applies in the middle society, al-sir is goods capital that all traders should receive before being sold to consumers.

Based on the results of the research that the researchers managed to collect from traders at the Kauman Tulungagung People's Market regarding the conditions for buying and selling activities in Islam are as follows:

1. Every buyer who comes to the trader's stall is a reasonable person and mumayyiz (a child who has reached the age of about seven years who can distinguish between beneficial and harmful things to him).

2. The Ijab and Qabuk between traders and buyers at the Kauman Tulungagung People's Market are price agreements that have been known from the start between the two parties.

3. The conditions for the goods to be traded (ma’qud alaih) include: the goods are available or not in place, but the seller declares his ability to procure the goods, which in Islam is called Bay' as-Salam, namely buying and selling carried out by
ordering goods in advance by providing a down payment, and the buyer makes payment after the goods ordered are received in full under the agreed agreement. Examples of this case at the Tulungagung Kauman People's Market are jewellery shops and banana sellers, where buyers can place an order in advance even though the item they want is not yet available.

4. The goods already have an owner and may be handed over at the time the contract takes place or the time determined when the transaction takes place. In Islam, this is also called ijarah, which is an activity required by humans because there are humans who cannot fulfil their needs except through rent or wages. An example is a grocery store trader, where the shop also provides goods delivery services (wages and wages).

5. The exchange rate requirements at the Kauman Tulungagung People's Market use rupiah.

Based on the discussion above, the researcher concludes that implementing traders' sale and purchase transactions at the Kauman Tulungagung People's Market is sufficient to meet the buying and selling requirements in Islam. Every buyer who comes to the trader's stall is a reasonable person, and mumayyiz and shigat between the trader and the buyer have also gone through a price agreement known from the start between the two parties. Then for matters that become Islamic principles in economic activities, such as the halalness of an item that is traded, the benefits of the object being transacted, and the benefit of the transaction also meet the requirements. Then for matters that become Islamic principles in economic activities, such as the halalness of an item that is traded, the benefits of the object being transacted, and the benefit of the transaction also meet the requirements.

IV. CONCLUSION

Research on the Implementation of Buying and Selling Transactions from an Islamic Economic Perspective (Case Study on Traders in the People's Market of Kauman Tulungagung) can be concluded as follows: The discussion regarding the terms of sale and purchase from an Islamic economic perspective carried out by traders at the Kauman Tulungagung People's Market is in accordance with the Shari'a, where every buyer who comes to the trader's stall is a reasonable person and mumayyiz. The shigat between traders and buyers at the Kauman Tulungagung People's Market is also a price agreement that has been known from the start between the two parties. Then for things that become Islamic principles in economic activities, such as the halalness of an item that is traded, the benefits of the object being transacted, and the benefit of the transaction also meet the requirements.

As a supporter of the legality of the sale and purchase agreement carried out by traders at the Kauman Tulungagung People's Market is the legality of the Civil Law Act article 1457 regarding General Provisions regarding Buying and Selling issued by the Legal Documentation and Information Network (JDIH), in which every buyer who comes already know the price set by the traders, which is also in accordance with the agreement between the traders and the buyer.
Thus, the buying and selling transactions carried out by traders at the Kauman Tulungagung People’s Market are in accordance with an Islamic economic perspective; besides that, it also correlates with the Civil Code concerning General Provisions regarding Buying and Selling issued by the Legal Documentation and Information Network (JDIH) in Article 1457.

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