

CHAPTER TWO

LITERATURE REVIEW

A. Cooperatives in General

1. The Definition of Cooperatives

Cooperatives or Cooperative Organizations has the meaning that the organization is owned and operated for the benefits of those using its services or those cooperative organizations are organizations that are owned and operated for the benefit of their use, in this case, are members.

The cooperative starts from the word "co" which means together and "operation" which means working, so that the cooperative is defined as "working together". Meanwhile, the general understanding of cooperatives is a group of people who have the same goal, who are bound in an organization based on the family system with the intention to reach the welfare for the members.

Cooperatives are associations of people who acknowledge the same specific needs among them. These same needs are jointly endeavoured to fulfil through joint ventures in cooperatives. This means that the person joins voluntarily, for the awareness of the need for a shared, so that in the cooperative there is no element of coercion, threats or interference from other parties.

Based on Article 1 Paragraph 1 of Law number 25 of 1992 concerning Cooperatives, the definition of a cooperative is a legal entity established by individuals or cooperative legal entities, which activities are based on cooperative principles as well as people's economic movements based on the principles of family.¹³ Besides being based on family principles, the main foundation of the cooperative itself is Pancasila and the 1945 Constitution of the Republic of Indonesia.

According to the International Labour Office (ILO) the definition of cooperatives is as follows:

“A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.”¹⁴

Meanwhile, Arifinal Chaniago as written in his book *Perkoperasian Indonesia* gives the definition as follows:

"Cooperatives are an association consisting people or legal entities that give freedom of entry and exit as members by working together in a family-run business to enhance the physical well-being of its members".¹⁵

2. The Foundation and Objectives of the Cooperative

According to Article 2 of Law number 25 of 1992 concerning Cooperatives, cooperatives are based on Pancasila and the 1945 Constitution of the Republic of Indonesia and are based on family

¹³ Article 1 Paragraph 1 of Law number 25 of 1992 concerning Cooperatives

¹⁴ ILO, 2014, “Cooperatives”, published on [https://www.ilo.org/global/topics/cooperatives/lang--en/index.htm](https://www.ilo.org/global/topics/cooperatives/lang-en/index.htm) accessed on March 18th, 2019 at 10:30 PM.

¹⁵ Arifinal Chaniago, 1984, *Perkoperasian Indonesia*, Bandung, Angkasa Bandung, p. 14.

principles.¹⁶ Article 3 of Law number 25 of 1992 concerning Cooperatives, cooperatives aim to promote the welfare of members in particular and society in general, and participate in building the order of the national economy in order to realize an advanced, just and prosperous society based on Pancasila and the 1945 Constitution.¹⁷

3. Cooperative Fund Sources and Types of Cooperatives

Source of funds is significant for the life of savings and financing cooperatives to meet the funding needs of its members. For members of cooperatives that have excess funds, they are expected to save their funds in cooperatives and then the cooperatives will loan the funds to members who need funds and if possible cooperatives can also lend their funds to the wider community.

Each member of the cooperative is obliged to deposit a sum of money as a principal contribution of the member. Besides that a mandatory contribution is also made to its members. Then, other sources of funds can be obtained from various institutions, both government and private institutions, which are over-funded.

In general, the source of cooperative funds can be:

- 1) From the members of the cooperative:
 - a) Mandatory fee;

¹⁶ Article 2 of Law number 25 of 1992 concerning Cooperatives

¹⁷ Article 3 of Law number 25 of 1992 concerning Cooperatives

- b) Basic expenses;
- c) Voluntary contributions.

2) From outside of the cooperative:

- a) Government agencies;
- b) Banking;
- c) Other private institutions.

The distribution of benefits given to members is very dependent on the activeness of its members in lending funds. For example, in a savings and loan cooperative, the more a member borrows a sum of money, then the profit sharing will be greater than the member who does not borrow, and vice versa.¹⁸

One of the objectives of establishing a cooperative is based on the needs and interests of its members. Each community group that establishes a cooperative has different interests or goals. This difference of interests causes cooperatives to be formed in several types according to the needs of the group.

The types of cooperatives based on their business fields consist of:¹⁹

- 1) Consumer cooperatives;
- 2) Producer cooperatives;
- 3) Service cooperatives; and

¹⁸ Kasmir, 2000, *Manajemen Perbankan*, Jakarta, Raja Grafindo Persada, p. 253.

¹⁹ Revrisond Bawsir, 2000, *Koperasi Indonesia*, Yogyakarta, BPFE, p. 78.

- 4) Savings and loan cooperatives.

B. Sharia Cooperatives

1. The Definition of Sharia Cooperatives

Cooperatives as one of the financial institutions have the function of raising public funds. Funds that have been collected, and then channelled back to the community. In carrying out these two major activities, cooperatives must be carried out in accordance with the applicable rules, especially the rules of transactions in the collection and distribution of funds according to Islam and do not conflict with the objectives of the cooperative.

As quoted in Article 3 of Law Number 25 of 1992 concerning cooperatives, the aim of cooperatives is as follows:²⁰

"Cooperatives aim to promote the welfare of members in particular and society in general and participate in developing the national economy in order to realize an advanced, just and prosperous....."

Cooperatives as financial institutions (non-banks) that use Sharia principles are very much in accordance with the concept of financial institutions according to the Qur'an, although it does not explicitly mention the concept of financial institutions, but the Qur'an has since long ago provide basic rules and principles that became the basis for the establishment of a modern Economic Organization.

²⁰ Article 3 of Law Number 25 of 1992 concerning Cooperatives

Business practices of cooperatives managed in Sharia have grown and developed in the community and have taken the important part in empowering the economy of the city. Cooperatives are a new *syirkah* created by economists, and there are many benefits, namely giving benefits to members, providing employment for their employees, providing financial assistance from a portion of the cooperative's proceeds to build houses of worship and social funds. Thus, this cooperative does not contain elements of tyranny. The management is democratic and open (open management) and divides profits or losses to members according to applicable provisions that have been known by all members of the shareholders.

In the view of scholars, cooperatives (*syirkah ta'uwuniah*) in Islam are using *musyarakah* contracts, namely a cooperation agreement between two or more people, on the one hand providing business capital, while on the other hand doing business on the basis of profit sharing according to the agreement, and among the legal requirement for *musyarakah* is profit every year with a fixed percentage to one of the parties of the *musyarakah*.

The Sharia cooperative upholds the principles of Islamic economics as follows:²¹

²¹ M. Yazid Afandi, 2009, *Fiqh Muamalah dan Implementasinya dalam Lembaga Keuangan Syariah*, Yogyakarta, Logung Pustaka, p. 125.

1. Wealth is the mandate of Allah SWT that cannot be owned by anyone absolutely.
2. Humans are given freedom to do so as long as together with Sharia provisions.
3. Humans are the caliphs of Allah SWT and prosperous people on earth.
4. Upholding justice and rejecting every form of *ribawi* and concentrating economic resources on a few people or groups of people.

2. The Concept of *Riba* in Sharia

Riba is derived from the derivative word “*raba-wa*” it has certain meanings as “to increase; to grow; to grow up; to exceed; be more than.”²² In the specific sense, *riba* is generally translated into English as “usury” or “interest”²³ but in fact, it has a broader meaning. Zuhaili mentions that the meaning of *riba* in etymology is additional.²⁴ Imam Sarkhasi (with the Hanafi school) defines usury as an additional requirement in a sale and purchase transaction without the existence of *iwadh* (equivalent).²⁵ Al-Askalani states that *riba* or usury is essentially an advantage, whether it is goods or money. Then according to

²² Hans Wehr, 1980, *A Dictionary of Modern Written Arabic—J. Milton Cowan ed.*, Beirut, Librairie du Liban, p. 6.

²³ *Ibid*, p.8.

²⁴ Zuhaili, 1998, *Tafsir al- Munir fi al-Aqidah wa as-Syariah wa al-Manhaj*, Bierut, Dar al-Fikr al-Muashir, p. 84.

²⁵ Imam as-Sarakhsi, 1997, *Al-Mabsuth*, Beirut, Mauqi al-Islam, p. 61.

Afzalurrahman, basically, usury is a payment that is imposed on a principal loan in return for a principal loan in return for the term of the loan.²⁶ Al-Maududi and the Arab Muslim Scholars state that usury is an addition that exceeds the loan principal even though it is a little extra.²⁷

Riba differs from sale in which the latter is characterized by risk taking as the basis of its normality, while the former is fixed and does not fluctuate like profit. The fixness of profit is not in accordance with the nature of any transactions. In *riba*, the creditor will get for himself a definite amount of money for his loan regardless of loss or profit to the debtors or investors.

Thus, there is an unfair stipulation in *riba* whereas unfairness is strongly prohibited in Islam. Moreover, *riba* consists of the exploitation of the capital of the needy, and there is an element of hoarding. *Riba* also creates the undesirable weakness of miserliness, selfishness and lack of sympathy. Therefore, from the economic and ethical standpoint, *riba* uproots the very foundation of humanity and mutual help and stands in the way of full employment and economic growth.²⁸

In the Qur'an itself, there are several verses which clearly show that *riba* is prohibited. One of them is as follows:

²⁶Habib Nazir and Muhammad Hasanuddin, *Insiklopedi Ekonomi dan Perbankan Syariah*, p. 562

²⁷Heri Sudarsono, 2008, *Bank dan Lembaga Keuangan Syariah, Deskripsi dan Ilustrasi, edisi ke-3*, Yogyakarta, EKONISIA, p.10 also see Muslim, 2005, *Fiqih Ekonomi di Indonesia*, Mataram, LKIM IAIN Mataram, p. 128.

²⁸Abdurrahman Raden Aji Haqqi, 1991/1992 "*Al-Qiyas (Analogy) and Banking Interest*", Master Thesis at Kuliyyah of Laws, International Islamic University Malaysia, p. 54-56.

يَمْحَقُ اللَّهُ الرِّبَا وَيُزِيهِ الصَّدَقَاتِ ۗ وَاللَّهُ لَا يُحِبُّ كُلَّ كَفَّارٍ أَثِيمٍ

Meaning: “Allah destroys interest and gives increase for charities. And Allah does not like every sinning disbeliever.”

(QS. Al-Baqarah, 2:276)

Based on the verse above, it shows that *riba* is prohibited in Islam, but sale is permitted. The practice of *riba* is prohibited, including in the concept of Sharia cooperatives. In conventional banks, *riba* or also known as interest is allowed to be implemented even though it may cause financial loss to the consumers. This is in contrary to the Islamic concept because in Islam anything which causes damage or loss to someone is prohibited by Allah SWT. The opinions of some scholars, such as Abu Zahra, Abu A'la al-Maududi, M. Abdallah al-Araby, Yusuf Qardhawi, and Sayyid Sabiq, states that interest is the same as *riba*, and therefore the law of interest is haram in Islam.²⁹

Broadly speaking, *riba* is grouped into two, namely the debt of receivables and the purchase of *riba*.³⁰ The *fuqaha* such as Hanafiyah, Malikiyah and Hanabilah divided *riba* into two, namely *riba an-nasi'ah* and *riba al-fadl*. *Riba an-nasi'ah* is the suspension of the delivery or receipt of *ribawi* items which are exchanged with other types of *ribawi* goods.³¹

²⁹ Ghazaly, et. al., 2012, *Fiqh Muamalat*, Jakarta: Kencana, p. 32.

³⁰ Heri Sudarsono, 2008, *Bank dan Lembaga Keuangan Syariah*, Yogyakarta, EKONISIA, p. 15.

³¹ Asmi Nur Siwi Kusmiyati, 2007, “Risiko Akad dalam Pembiayaan *Murabahah* pada BMT di Yogyakarta (dari Teori ke Terapan)”, *La Riba Jurnal Ekonomi Islam*, Vol. 1 No. 1, Yogyakarta, Universitas Islam Indonesia, p. 22.

Riba an-nasi'ah can appear due to differences, changes, or additions between those submitted at this time and submitted later. *Riba al-Fadl* is the exchange of similar items with different levels or exchanges. Whereas according to Syafi'iyah Fuqaha, *riba* is divided into three types, namely *riba annasi'ah*, *riba al-fadl* and *riba al-yad*.³²

Ibn a-Qayyim al-Jauziyyah, in Hendi Suhendi (2002), divides *riba* into two, namely *riba jalli* (clear) and *riba khafi* (vague). *Riba jalli* is *riba* which is very well-known among the Arab Jahiliyyah community which is very deserving of their lives and strictly prohibited by the Qur'an, which in other terms is called as *riba nasi'ah*. *Riba nasi'ah* is *riba* which payment or exchange is doubled because the time is delayed. While *riba khafi* is a *riba* that is less well-known and doubtful in the Arab Jahiliyyah society, which in other terms is called as *riba al-fadl*. *Riba al-fadl* is selling something with a type of exchange with the addition of one without a time limit, such as selling a kilo gram of wheat with two kilograms of wheat.³³

C. Saving and Financing in Islamic Perspective

In Islam there are many provisions that become references in carrying out economic activities including the following:³⁴

³² *Riba al-yad* is *riba al-buyu* 'if the delivery of goods from one of the parties is suspended. See Abdul Mugits, 2009, "Ketidakpastian Jenis dan Kriteria Hukum Riba", *Journal AS-SYIR'AH*, Vol. 43, Yogyakarta, Universitas Islam Negeri Sunan Kalijaga, p. 112-113.

³³ Hendi Suhendi, 2002, *Fiqih muamalah*, Jakarta, Raja GraFindo Persada, p. 61-62.

³⁴ Ahmad Baraba, 1999, *Prinsip Dasar Operasional Perbankan Syariah*, Jakarta, Bank Indonesia, p. 44-45.

1. Islam places the function of money solely as a medium of exchange, not as a commodity traded especially for speculative activities.
2. *Riba* in all forms is prohibited.
3. Assets must be cultivated so that it should not only be centered on a handful of people and Allah SWT is very displeased with people who hoard assets so that they are unproductive and therefore those who have unproductive assets will be subject to greater zakat than if produced. This is also based on the teaching which states that the position of man on earth as a caliph who accepts the mandate of Allah SWT as the absolute owner of everything contained in the Earth and the duty of humans is to make it as great as prosperity and human welfare.
4. Working and/or earning a living is worship and mandatory, and worship is conducted so that no one without work– which means being prepared to face risks– could obtain benefits.
5. In various fields of life, including in economic activities, it must be done transparently and fairly on the basis of mutual consent without coercion from any party.

The practice of savings and financing (*qardh*) in the *fiqh* literature is included in the *tabarru* contract (social) because there is an element of mutual help in terms of goodness and piety rather than a commercial contract.³⁵

³⁵Rozalinda, 2016, *Fikih Ekonomi Syariah Prinsip dan Implementasinya pada Sektor Keuangan Syariah*, Jakarta, Raja Grafindo Persada, p. 237.

The law of savings and financing (*qardh*) may change according to the circumstances, methods and processes of the contract. Sometimes it is permissible, *makruh*, obligatory, and haram. *Qardh*'s law becomes corrupted if someone is in debt not because of an urgent need, but to increase trading capital. The law becomes permissible if someone who is in debt is sure to be able to pay it as if he has assets that can be expected and has the intention to pay. *Makruh* if someone who owes is not due to an urgent need, but to increase the trading capital because of the ambition to gain a big profit. It becomes mandatory if the person who owes is someone who has very urgent needs, while the person who is trusted by the rich, then the rich person must give him a debt. Someone must owe if the condition is forced to avoid danger. If the lender knows that the debtor will use the money to commit an immorality or *makruh* deeds, then the law of giving debt is also haram or *makruh* according to his condition.³⁶

In Islamic law, the practice of savings and financing (*qardh*) is one of the *muamalah* transactions allowed by the ulema based on the hadith of Ibn Majah's history and scholars' *ijma*. However, with the theory that allows the practice of *qardh*, there is often a community group or individuals who misuse and take advantage of these conditions to make a profit even though the intent and purpose of the *qardh* contract are to help each other, bring

³⁶ Miftahul Khairi, 2009, *Ensiklopedi Fiqih Muamalah dalam Pandangan 4 Madzhab*, Yogyakarta, Maktabah al-Hanif, p, 157-158.

benefit to each other, and not to seek profit and exploitation. In the practice of savings and financings (*qardh*), it is not justified to take advantage by *muqtarid* (the person who gives the loan). If it is required an additional (*ziyadah*) or interest in payment, then that will be recognized as *riba*.

There are two principles which can be implemented in saving, namely the principle of *Wadi'ah* and the principle of *Mudharabah*. The principle of *Wadi'ah* is a pure deposit contract from the owner of the goods/funds to the recipient of the trust to maintain safety, security and integrity. Based on its authority, the principle of *Wadi'ah* is divided into 2 types, namely *Wadi'ah yad dhamanah*, which means that the recipient of the deposit has the right to use funds/safekeeping goods without the obligation of the recipient to provide rewards to the keeper with the agreement that it can be taken whenever necessary, on the other hand, *Wadi'ah yad amanah* does not give authority to the recipient of the deposit to utilize the goods/funds deposited.

Mudharabah principle in saving is a fund storage contract with a ratio agreed at the beginning of the contract to share the results. In this principle, the customer acts as *sahib al-mal* or the owner of the fund and cooperative acts as the *mudharib* or fund manager.

Furthermore, there are also principles which can be implemented in the practice of financing. Those are as follows:

1. *Mudharabah* financing is a contract of business capital cooperation where cooperatives as owners of capital (*Sahibul Maal*) deposit their

capital to members, prospective members, other cooperatives and/or members as entrepreneurs (*Mudharib*) to conduct business activities in accordance with the contract with sharing of benefits shared in accordance with the agreement (ratio), and if the loss is borne by the owner of the capital insofar as it is not the recipient of the financing.

2. *Musyarakah* financing is a contract of business capital cooperation between cooperatives with one party or several parties as owners capital in certain businesses, to combine capital and conduct joint ventures in a partnership, with a profit-sharing ratio in accordance with the agreement of the parties, while the loss is borne proportionally in accordance with the contribution of capital.
3. *Murabahah* financing is a contract of financing an item by confirming its purchase price to the buyer, and the buyer pays it at a price that is more as an agreed profit. The sale of goods by stating the acquisition price and profit (margin) agreed upon by the seller (cooperative) and the buyer (member, prospective member, other cooperatives and / or its members) and for the sale-purchase transaction, which requires members to pay off their obligations according to a certain period of time accompanied by payment of compensation in the form of agreed profit margins in advance according to the contract.
4. *Ijarah* is a contract for the provision of funds in the context of transferring use rights or benefits from an item or service based on a

lease transaction, without being followed by the transfer of ownership of the goods themselves.

5. *Ijarah Muntahiya Bittamlik* (IMBT) is a contract for the provision of funds in the context of transferring the use rights or benefits of an item or service based on a lease transaction with the option of transferring ownership of goods.
6. *Krishna* is an item financing contract in the form of ordering the making of certain goods with certain criteria and requirements agreed upon between the buyer or buyer (*mustashni'*) and the seller or maker (*shani'*).
7. *Qardh* is a loan agreement to members of the cooperative provided that members of the cooperative are obliged to return the funds received at the agreed time.
8. *Salam* is a financing contract for an item by ordering and paying the price made in advance with certain agreed conditions.

D. The Essence of *Wadi'ah* and *Murabahah*

1. *Wadi'ah*

The word *Wadi'ah* comes from the word *wad'a asy syari'* which means leaving it. It is named by something left by someone to someone else to be guarded as *qadi'ah* because he left it to the person who entrusted it.³⁷

³⁷ Sayyid Sabiq, *Fiqh as-Sunnah 5, Terj. Abdurahim & Marukhin*, Jakarta, Cakrawala Publishing, 2009), p.58.

Linguistically, *Wadi'ah* has two meanings, namely to give property to be guarded and to the recipient. The word *Wadi'ah* comes from Arabic, which means to leave, which is to leave the goods placed on not the owner for the purpose of guarding them. According to this understanding, *Wadi'ah* is an item placed by someone other than the owner and the person who maintains it.³⁸

Cumulatively, *Wadi'ah* has two meanings. The first is a statement from someone who has given power or represented to another party to maintain or safeguard his property. The second is something which is entrusted by someone to another party to be maintained or guarded.³⁹

Wadi'ah can be interpreted as a deposit from one party to another, both individuals and legal entities that must be safeguarded and returned whenever the keeper wants it. The purpose of the agreement is to maintain the safety of the goods from loss, destruction, theft, and so forth. What is meant by "goods" here is something valuable such as money, documents, securities and other valuable items from the side of Islam.⁴⁰

Wadi'ah basically functions for the safekeeping of goods because only that is the purpose of the *Wadi'ah* in the time of the Prophet Muhammad.

However, there are cases that allow deposit funds to be invested with the

³⁸ Syarif Hidayatullah, 2012, *Qawaid Fiqhiyah dan Penerapannya dalam Transaksi Keuangan Syariah Kontemporer*, Jakarta, Gramata Publishing, p. 90

³⁹ Ahmad Hassan Ridwan, 2004, *BMT & Bank Islam Instrumen Lembaga Keuangan Syariah*, Bandung: Pustaka Bani Quraisy, p. 14

⁴⁰ Wiroso, 2005, *Penghimpunan Dana dan Distribusi Hasil Usaha Bank Syariah*, Jakarta, PT Gramedia Widiasarana Indonesia, p. 20.

condition that the funds used as *Wadi'ah* are fully returned to the owner. Therefore, the *Wadi'ah* in the technical sense is the property entrusted to someone for the purpose of being kept so that the deposited funds must not be used. If the deposit or uses it, the depositors can use the profits. However, if a loss occurs, the depositor is fully responsible for compensating the loss.⁴¹

There are two kinds of *Wadi'ah*, namely:

a. *Wadi'ah yad amanah*

Wadi'ah yad amanah with its characteristics is a pure deposit where the goods deposited must not be used by the requester, and when the deposit is returned it must be intact both in value and physical property, and if during the safekeeping there is damage the party receiving the deposit is not burdened with responsibility while compensation for the responsibility of maintenance can be charged safekeeping fees.

b. *Wadi'ah yad dhamanah*

The characteristic of *Wadi'ah yad dhamanah* with characteristics is the development of the *yad al-amanah wadi*, which is adapted to economic activity. The entrusted recipient is given permission to use and take advantage of the deposit. The depositor has an obligation to be responsible for the loss or damage of the item. All

⁴¹ Zainuddin Ali, 2008, *Hukum Perbankan Syariah*, Jakarta, Sinar Grafika, p. 24

profits obtained from the deposit are the right of the recipient of the deposit. In return, the owner of the goods or funds can be given a kind of incentive in the form of a bonus that is not required beforehand.⁴²

The pillars that must be fulfilled in transactions with the *Wadi'ah* principle are as follows:

- a. The goods which are deposited
- b. The person who deposits the goods
- c. The recipient of the goods
- d. *Ijab qobul*⁴³

In essence, there are things related to *Wadi'ah* as follows:

1. The party who entrusts the goods and someone that is trusted to keep the goods must be someone who is healthy and mature. Thus, it is forbidden to entrust something to a minor, or a crazy person, and vice versa.
2. The party entrusted is not responsible for any damage to the safekeeping goods which are not intentionally damaged or due to negligence.
3. Each party, whether entrusts or entrusted, has the right to return safekeeping, at any time.

⁴² Hendi Suhendi, 2014, *Fiqh Muamalah*, Jakarta, Rajawali Pers, p. 22-23.

⁴³ Wiroso, 2005, *Penghimpunan Dana dan Distribusi Hasil Usaha Bank Syariah*, Jakarta, PT Gramedia Widiasarana Indonesia, p. 20.

4. The party entrusted with the item (something) is prohibited from using it in any form except if there is permission from the owner and upon his willingness.
5. If dispute occurs between the party who entrusts the goods and the party entrusted regarding the return of the item, then the acknowledgment that must be held is the acknowledgment of the party entrusted by saying the oath, except if the party who owns the item carries proof that the entrusted party does not return the entrusted item to him.⁴⁴

2. Murabahah

Etymologically, *Murabahah* comes from the word *ribh*, which means profit.⁴⁵ While in terms of terminology, *Murabahah* is the sale and purchase of goods for the price of the goods plus the profits agreed upon between the seller and the buyer.⁴⁶ Financing is the provision of money or bills that can be equated with a loan agreement between the bank and another party that requires the borrower to repay the debt after a certain

⁴⁴ Abu Bakar Jabir El-Jaziri, 1991, *Pola Hidup Muslim (Minhajul Muslim Mu'amalah)* terj. Rachmat Djatnika & Ahmad Sumpeno, Bandung, PT Remaja Rosdakarya, p. 122-123

⁴⁵ Wardah Yuspin, "Penerapan Prinsip Syariah dalam Pelaksanaan Akad Murabahah", *Jurnal Ilmu Hukum*, Vol. 10 No.1, 2007, Surakarta, Universitas Muhammadiyah Surakarta, p. 55-67.

⁴⁶ Dewi Rika Koesnaini, 2009, "Analisis Akad *Murabahah* dalam Produk Pembiayaan Hunian Syariah (Persepektif Hukum Perpajakan dan Perlindungan Konsumen)", undergraduate thesis in *Muamalah*, Jakarta, UIN Syarif Hidayatullah, p.23

period of time. *Murabahah* financing is the most important part of buying and selling, and this contract dominates the income of the banks offered.⁴⁷

According to the book of Sunnah fiqh, *Murabahah* is the sale and purchase price of goods along with known benefits.⁴⁸ Whereas according to Ibnu Rusyd al Maliki, *Murabahah* is a commodity trading where the seller provides information to the buyer about the cost of goods purchased and the desired level of profit.⁴⁹

According to Sami Hamoud, *Murabahah* is a buying and selling transaction where a customer comes to the bank to buy an item that he wants with certain criteria, and he promises to buy the commodity in a *Murabahah* contract that is in accordance with the purchase price plus the agreed profit rate between both parties, and customers will make payments in instalments according to their financial capabilities.⁵⁰

⁴⁷ *Ibid*, p.24.

⁴⁸ Sayyid Sabiq, 1995, *Fiqh Sunnah Terjemahan Kamaluddin Jilid 12*, Bandung, Al-Ma;Arif, p. 47.

⁴⁹ Dimyauddin Djuwaini, 2010, *Pengantar Fiqh Muamalah*, Yogyakarta, Pustaka Pelajar, p. 103.

⁵⁰ *Ibid*, p.116.