

Volume 1, Issue 2

Research Article

Date of Submission: 19 June, 2025

Date of Acceptance: 22 Oct, 2025

Date of Publication: 30 Oct, 2025

Placing the Principle of Non-Moharta Contracts on Money as a Commodity in the Islamic Banking System Towards Fair Financing

Agus Pandoman*

Universitas Widya Mataram Yogyakarta, Indonesia

***Corresponding Author:**

Agus Pandoman, Universitas Widya Mataram Yogyakarta, Indonesia.

Citation: Pandoman, A. (2025). Placing the Principle of Non-Moharta Contracts on Money as a Commodity in the Islamic Banking System Towards Fair Financing. *Lett Econ Res Updates*, 1(2), 01-08.

Abstract

On August 15, 1971 the US Dollar died, On that day without Congressional approval, President Nixon ended the link between the US Dollar and gold. The dollar became Monopoly Money. ¹After that, the biggest economic boom in history had begun. In 2009, when the economy ran aground, the central bankers of the world created trillions of dollars, yen, pesos, euros and pounds by following the monopoly for the bankers. The concept of money has changed until today. The distribution of money has transformed into the concept of debt in various forms, including the use of money as an instrument of capital. The main contributor to capital in financing in trade traffic (muamalah) is financial institutions. Banks and non-banks as actors of money distribution used for business capital are concentrated in the form of financing, but after the end of money no longer uses the gold standard (fiat money), how far the meaning of financing can fulfill justice based on Islamic Banking [1].

Introduction

The mohatra contract originated from a representation of the casuistic thoughts of Catholic Christians contained in Blasé Pascal's 8th Lettre Provincile in 1656 ². A mohatra contract is a way of lending money at interest without violating usury laws. The lender sells a trivial item to the borrower to be paid on the due date of the loan. The borrower then resells the same item immediately for cash at the price minus interest. An example would be the lender selling a pencil for \$120 to be paid within a year and immediately buying it back for \$100 in cash. The borrower has effectively borrowed \$100 at an interest rate of 20%.³

The mohatra contract refers to the ancient double sale known as ina or mukhtara, which is when a debtor and a creditor sell and then resell between them a movable or immovable item, one buying for cash and the other for a larger sum on credit, using the difference in price as a loan with interest.⁴ Such methods are quite common in Islamic banking practices in Indonesia. In this principle, the way to avoid usury is to make an agreement on profit with the term "nisbat" which is agreed by the parties.

The Islamic banking system focuses on one-sided "profit", identical to the pattern of arithmetic calculation and production capacity, as conventional banks. Islamic banking is a comprehensive system that is a combination of business and capital, only with the addition of Islamic norms that are emphasized solely on the head of the deed with lines of Islamic sentences which are essentially about honest trade, not cheating each other, all done by each individual or company with honesty and mutual respect, the rest of the mechanism and the burden is equivalent to conventional banks.

This concept makes it easy for banking actors to develop an abundance mentality, a lifestyle that gives more than it demands from others. Working with the logic of short-term and narrow profits. Competition also encourages human

exploitation, environmental destruction, and violations of the public interest. The long-term result is not only that the business world is threatened, but also the sustainability of human life is threatened. Based on the results of the above research. Some transactions that use instruments include:

Murabahah Transaction Practice [2,3].

- The practice of Islamic Banks is essentially the same as Conventional Banks, which are profit-oriented business entities. Therefore, the proportion of murabaha financing to date has reached around 60-70% of the total financing disbursed by Islamic Banks.⁵
- In the implementation of the Murobahah contract, we often encounter practices in the field of Islamic Banks, the first of which is determining the margin entirely by the Islamic Bank.
- This unilateral determination is not allowed because in the contract there must be transparency from the bank. Secondly, most Islamic Banks do not deliver goods to customers but give money to customers as representatives to buy the goods needed.
- This certainly deviates from the rules of fiqh, because there are two transactions in one contract, namely wakalah and murabahah. In addition, with such a transaction, the customer may misappropriate the funds provided by the Islamic Bank.

Mudharabah Transaction Practice

- In the implementation of mudharabah contracts in the field, it will rarely be found a pure mudharabah contract because the contract is mudharabah modified with musyarakah because the capital comes from two parties, the Islamic Bank and the customer. Although in terms of management, the Islamic Bank does not interfere. This happens because Islamic Banks only want to provide financing to businesses that have been running for a certain period of time.
- In addition, the distribution of financing returns is not based on a profit and loss sharing system but uses a revenue sharing system. This system was chosen because Islamic banks have not fully dared to share the risk or loss (loss / risk sharing) of capital in full.
- The profit that must be given by the customer has been estimated (determined in advance) by the Islamic Bank because the customer is unable to make financial reports to calculate the profit or loss of his business [4].
- Many Islamic Banks have not been thoroughly involved in carrying out Islamic economic activities, namely not having a real business that can generate profits.
- All types of banking products they offer are limited to financing and funding. Thus, in every business unit managed, the role of banking is only as a distributor of customer funds. They do this because they are afraid of various business risks, and only want to make a profit.
- This is not in line with the spirit of Islamic Economics, which is based on the real sector. But there is also sometimes a kind of 'apology' (defense) from Islamic Banks. Islamic banks say that the existence of banking is to collect funds from people who have excess funds and distribute these funds to people who need funds. Of course, at first glance there is no problem, but it must also be remembered that in Islamic Economics economic activities are based on the real business sector. In addition, if Islamic Banking does not yet have a real business entity, it can be an indication that Islamic Banking is only looking for safety or does not want to take risks....

Analysis of Fair Financing Model

The Essence of Financing

According to etymology financing comes from the word cost [], namely financing business needs. Another meaning of financing or funding, namely funding provided by one party to another to support planned investments, either carried out alone or through institutions. This meaning illustrates that there are two actors, financing what and what is financed. The essence of financing can be described as follows:

- Financing is a productive action by using the results of production that has resulted in profit.
- Debt "is a consumptive act using future income which is still in the form of expectations.

Two legal events above, we can describe as follows:

For example, we want to have a car or a house, or have a factory if the actions we take to have these objects, at that time do not have money. There is a contradictory event, namely:

- Insufficient money is not having money according to the price of goods.
- The element of will is the desire to have goods

If the desire to own the car is unavoidable, and let's say, we still force ourselves to own the car, the question is with whose money and what expectations, so that the action can be realized. The action constructed by the fact that we want to own a car is really just a prediction that one day we will have the income to pay the price of the car.

Owning a car, or owning a house, or a factory, is actually the result of an act of exchange, with what we have being transformed into what someone else has.

It could be that this transformation event raises a dilemma, we want to take other people's goods, how is the legality of what is done to take other people's goods must be justified and recognized by the community, but at that time while we do not have the means of exchange or the means of exchange that we have is less commensurate with the value

of the car or goods.

If the desire to own the car is unavoidable, and let's say, we still force ourselves to own the car, the question is with whose money and what expectations, so that the action can be realized. The action constructed by the fact that we want to own a car is really just a prediction that one day we will have the income to pay the price of the car.

Owning a car, or owning a house, or a factory, is actually the result of an act of exchange, with what we have being transformed into what someone else has.

It could be that this transformation event raises a dilemma, we want to take other people's goods, how is the legality of what is done to take other people's goods must be justified and recognized by the community, but at that time while we do not have the means of exchange or the means of exchange that we have is less commensurate with the value of the car or goods.

The means of exchange that we already have is actually obtained from the results of the work obtained from what we do, being part of the profit in obtaining income from a muamalah / trade relationship, be it by trading or working. From what we do in the muamalah relationship is something that produces or a compensation for the work produced.

The income we receive and become ours, is certainly useful and useful as a medium of exchange, if the medium of exchange in the form of "money" has not been found, of course what we get is the result whether it is in the form of crops, livestock, or marine products, all of that income as a means of barter, with other goods that we do not yet have and that we want to have. This exchange is the problem of trade if the barter is not done in cash (non-cash), so that the shortage or the remaining unpaid eventually turns into another form, namely bills that must be paid. But it could be that the remaining invoiced is paid by another actor as a person who can pay the remaining invoiced, more precisely to call this actor using vocabulary in Javanese language, namely "nomboki". Bills arising from non-cash transactions have legal consequences, among others:

- If there are only two actors conducting the muamalah, the burden of the unpaid shortfall or remainder creates a legal subject, namely the collector and the collected, then the legal effect is an uncollectible bill.
- If the other actor who pays the "nomboki" is also present and involved in the non-cash transaction, then the instrument that the actor wants to use becomes his choice about the "nomboki" thing. Whether by using the "debt" instrument or he does it by "financing". These two instruments also have legal consequences;
- If the nomboki method is carried out through the "debt" instrument, then a legal subject will be born, namely the actor who gives the debt is called 'creditor' and the actor who receives the debt is called "debtor", and when this debt results in failure, it is called an uncollectible receivable. The profit expected by the Creditor is in the form of "interest", the amount of which has been set.
- If the nomboki method is carried out with the instrument "finance", the legal subject is the actor who finances, and the actor who is financed, the two vocabularies, namely the one who finances and the one who is financed, are not found in conventional legal language, but in the language of Islamic law the designation of the two vocabularies, namely the one who finances is called "syahibul mal" and the financed is called "mudharib". If this instrument fails, it will be referred to as a "default" event. The profit expected by the Sahibul mal is the "profit" from the profit sharing that has been determined.

The question arises: how can this problem be solved?

The Qur'an provides a solution as explained in Surah Albaqarah - verses 281-282.

The concept of non-cash trade settlement, explained by Surah Albaqarah above, is purely a real commercial relationship and although there is an unpaid price, the rest of the payment cannot be categorized as a debt bill, simply because the price has not been paid, the lack of payment is done with a certain period of time, while the way the remaining payments are made in agreed stages. The basic concept of what is intended in the above albaqarah letter is based on non-cash transactions, the perception built in non-cash trade is equality.

The concept of non-cash trade in the view of the teachings of Islamic law is how to produce something no more than the ability of the buyer to pay the shortage of payment prices given the space and time determined together in its competence under the influence of God's law, the meeting of the will is not only oriented to the satisfaction of the utility of the transformation of one good with another, but also prioritizes the benefit of the people, where actors who trade / do business by means of non-cash payments, remain in the context of real trade.

The emergence of "nomboki" actors is a helping actor, within the limits of the provider of help, the legal corridor is not as a debt-giving actor, why is that. The implementation of "nomboki" actors in non-cash trade, are people who finance what he should help, so in the capacity as a helper must be in the middle of activities where he wants to do work and uphold his will in such conditions.

Therefore, if "nomboki" is established in a business institution, this business institution is a means for surplus actors to share happiness and pain. What happens is in return for the disbursement of funds from the actor who enters and takes

the role of the trade that is spearheaded.

The concept of non-cash trade settlement depends on the legal influence that wants to be used as a means of transaction instrument. Legal influence in the Indonesian legal system has a dual concept;

- The influence of God-made law, namely the Koran.
- The influence of man-made law, in the form of laws and other regulations, for example in Indonesia was born the Civil Code, the Trade Code, and several laws such as the Capital Market Law, Sharia Banking Law, Currency Law, Government Securities Law and so on.

Let's say this issue is characterized by looking for who will and is willing to "make up" for his shortcomings.

Principles of Equity Financing

Equity Financing implies a way of spending a company that gives the investor the right or part of the company's assets so as to give the investor the status as one of the owners of the company. The Equity Financing concept carried out by a finance company can finance the company in two ways: loan financing and equity financing.

On this basis, what happens in some transactions of Islamic Banking and Conventional Banking, makes money as a commodity that can generate profit and the profit depends on the calculation of its "nisbat", how to calculate the multiplication, both of them use the parameter "percentage" (beraprosen/ %). The only difference that stands out is the designation, the Conventional Banking System profit is called "interest", while the Islamic Banking System calls it "profit" which is divided.

Each according to its ability and each according to its activities, the similarity really exists, because each Banking functions as an intermediary, collector of public funds, doing muamalah "money" against the needs and benefits of capital, as it is, not the problems that should be the foothold to be fulfilled and limited, but encourage people to seek capital continuously to meet their business needs, develop their production, because capital has limitations to be able to meet the diverse needs of trade activities. This relative scarcity and limitation is used as a foothold by banks to increase profits both quantitatively and qualitatively based on the capital needs of the community, without paying attention to other aspects to such a high degree that it eliminates the use value of "capital" to increase the rate of production, taken over entirely by banks.

The value of profit earned from the commodity of capital channeled by the Banking supported by the factor of capital scarcity based on Islamic law-based "Akad", measured by the unit of capital channeled with the agreed nisbat, should be based on the principle of justice, determined by the end point limit to generate profits.

Because the legal principles of financing in the form of "Akad" should show the direction of law enforcement that is completely different from the law enforcement of "agreements" in the Conventional Banking system. This has the consequence that all Financing "Agreements" must have the meaning and norms of Fair Financing. The question is whether the notion of Fair is the same as the principle of balance that directs the substance of the law "Agreement based on Western law (BW) or Fair in the sense of helping based on Islamic law. To understand this, it is necessary to think about Fair Financing with an Islamic crown not labeled "sharia".

Loan Concept

- Borrowing money in the form of "debt", so that we can get money and spend it to get a car, is debt put in the proper place if we want to use it in the influence of God's artificial law, the context is 'debt' what is considered debt cannot be separated from the two questions "what do you want, what do I get" these two perceptions are attached to two actors, each of whom has the same intention of "profit". This element can give birth to an "expectation":
Enjoying the goods
Enjoying the result
- Mortgaging future income that is still in the form of hope. The hope of enjoying the results of lending money and the hope of enjoying goods / cars from borrowing money. The consequence of the hope of lending this in the view of Islam is something that must be avoided to be a "multiplication" activity that is coupled from the expectations generated from something that is not necessarily achieving income / non-real.
- Whether something that does not have a tree should "flower" and bear "fruit". The concept of a trunkless tree being able to flower, and then bear fruit, is a despicable act for the lender as well as the borrower. These actors have actually shed their lusts in "gratifying" themselves in the form of pleasure. The pleasure of owning a car and the pleasure of earning "interest".
- Because it is still a hope, there is no certainty that the income that has been consumed can actually be obtained in the future. While waiting for that hope, the debtor experiences the psychological burden of the obligation to pay that always looms over him. . If that hope is not realized, the consumption that has been spent is recorded as a debt that cannot be paid and becomes a heavy burden for the debtor. When faced with such a burden, the Prophet said, people will tend to avoid their obligations and even become hypocrites or disbelievers.

Islamic Law Instructs

- Qs Al- Baqarah (2): 280, that the creditor is required to provide leeway for the debtor, until he has the ability.
- Bail out, if the debtor has no ability to pay, the state can help overcome the debt by paying the loan using zakat funds (Qs Al- Taubah (9): 60). The principles of debt in Islam are as follows ⁷:

Debt is the transfer of one's rights to others but temporarily. If the right is not returned, it means that the person who borrowed it eats the right of the person who lent it. Based on Surah Anisa verses 29 and 30 states that eating the rights of others is forbidden by God because it is a despicable act, the law is to go to hell.

Large debts are equated with disbelief, as the Prophet's hadith above states that he equates disbelief with large debts. This is because there is a tendency for people or legal entities that have large debts to lie when they speak, and when they promise, they will not fulfill it. Large debts in the language of conventional financial institutions are called Over Leverage and one of the causes of banking crises throughout the ages in the current era of liberal economics, is the issue of over leverage.

Property is everything that can be obtained in life in the world that is material and has value, absolutely belonging to God [5]. Therefore, how to acquire and use it must be in accordance with the morals contained in Islamic methods (Al-Baqarah verse 86, Ali Imran 14, 117 Al-Humazah 1-9).

In Islam, property or rights can only be acquired through three ways, namely exchange or purchase, gifts or grants, and the results of labor.

Islam highly values "labor" or "work" and good work. Thus, debt in the first type, i.e. for work, has a higher value than just "giving" even though "giving" does not involve an obligation to repay. Qiradh is higher than Sedaqoh because it is based on honesty; someone who borrows because he does not have, while the one who asks does not necessarily have. Debt is better than asking, for the same reason that debt places a heavy burden on the Muslim if he does not repay. God rewards man's "effort" in this world and respects the rights of others.

Analysis of Research Results

Fair Financing

Financing children so that they can go to college, financing bridge construction, financing housing construction, financing mining, agriculture, plantations is an act of hope by using the results that are owned that deserve future benefits. Profits for whom? of course for those financed / placing financing, for example, the cost for him to be able to go to school hopes that the benefits are for those financed and those who finance are getting a degree, building bridges, the hope is that the bridge stands, the benefits for those who finance and those financed are connected traffic lanes, while the profits obtained from the order price.

Consumers are actors who want the bridge, such as the government or mining entrepreneurs. Financing is a way of spending a company that gives the financier the right to part of the company's assets so as to give the financier the status of one of the owners of the company. The concept of Equity Financing carried out by finance companies can finance companies in two ways, namely: loan financing and equity financing.

Loan Financing

If the company wants to do a transaction in the form of lending (loan financing), then the company that provides the loan (financier) has a legal position has the right of charge because of the loan, and this financier has the status only as a creditor, the pattern of loan financing transactions, transactions carried out only limited to transactions between capital, The nominal value of the capital does not reflect the capital invested at the time of the transaction, but the investment is no longer a part of the profit obtained from the profit of the project financed, but how much the amount must be returned, based on the rent of time. The profit invested in this model of financing is based on the calculation of interest or the terms of the nisbat that is signed.

Equity Financing

The equity financing model is a transaction in the form of an agreement to provide capital that is financial in nature, namely the position of the capital provider (financier) has a legal status and is placed as the owner of the company and provides a place with all the rights and obligations determined as an owner in accordance with the amount of capital paid in. The position of the capital provider in this second financing is carried out in order to carry out financial work, with the aim of making a profit.

Norma Equity

The definition of financing in Article 1 point 12 is: "The provision of money or bills that can be equated with that, based on an agreement or agreement between a bank and another party that requires the financed party to return the money or bill after a certain period of time in return or profit sharing." Meanwhile, according to the Islamic Banking Law (UUPS) No. 21 of 2008, financing is the provision of funds or bills that are equated with that in the form of:

- Profit sharing transactions in the form of mudharabah and musyarakah.

- Lease transactions in the form of ijarah or lease purchase in the form of ijarah muntahiyah bit tamlik.
- Sale and purchase transactions in the form of murabahah, salam and istishna' receivables.

AlBaqarah/2: 282, هُوَ بُنْتِكُمْ أَفْ كَيْمَسْمُ لِحْ أَلِكْلِ نِي دَبْ مَرْتِنِي أَدَتِ إِذْ أَوْ تَمَاءِ نِي دَلْ أَيْ أَي

“ O you who believe, when you do business not in cash for a specified time, you should write it down.”⁸Trade is one of the forms of mu'amalah, the context of this verse shows that trade can be carried out as follows:

- Trade (muamalah) can be done with cash transactions, because the trade is carried out in cash, of course the reciprocal can be carried out harmoniously.
- Trade is carried out with non-cash transactions must pay attention to the form of reciprocity in order to be harmonious and lasting. However, even though the trade is carried out with non-cash transactions, the Quran does not only emphasize mu'amalah, the willingness of both parties or what is termed “an tarâdhin minkum”. Islam views that the legal position in non-cash transactions is emphasized to be equal and does not favor one party over another (the relationship between capital owners or employers and workers for example). Of course this is different from the capitalist system, where the owner of capital has a tendency to be more dominant and controlling.

Conclusion

Capital is fundamentally needed for the production process in the form of cash; it is static, unchanging, and does not transform itself into a movable commodity to be traded. Capital is identical with “money,” since money is viewed as a medium of exchange based on a “reimbursement” logic. It represents a convergence of the profit-and-loss sharing logic among partners created by actors who possess wealth in the form of “money” — not as a means to enter and exit financial arrangements, but in the capacity of contracts for risk sharing arrangements within the flows of trade (merchant banking), and venture capital.

- Capital owned by the bank, which is distributed to customers, is used as an actor with the power to “cover” (nomboki) and engage in productive activities for the development of the customer’s real business. This happens in cooperation with other actors trading with the customer, where the customer, in carrying out their commercial activities, relies on the bank as the “covering” actor, utilizing this support in their production activities.
- Capital is oriented toward real business activities, and is implemented through means of production and economic output. The goal to be achieved is equality—that is, what should be pursued, more precisely, for what type of enterprise, rather than how capital is treated or moved to gain profit based on the principle of equality of opportunity. Profit derived from trade is fundamentally different from profit gained through money lending. Islam tends to approve of trading ventures, but views money-based business with suspicion. Money business is heavily influenced by a philosophy of risk asymmetry, where interest rates are determined by one party (the lender) and the risk is borne by the other (the borrower). This philosophy is exploitative, creates a constrictive economy, and potentially leads to a new norm of disaster, namely a perpetual monetary crisis.⁹
- The construction of capital in the philosophy of non-cash trade as taught by the aforementioned verse is that capital is used for real trade, where equal opportunity is achieved through risk sharing (profit and loss sharing/PLS)—that is, building trade activities in accordance with capital that has been selectively allocated.
- Material-based capital refers to money backed by gold, not debt-based money. This gold-backed money is distributed by the central bank as the foundational capital for Sharia banking, and then channeled by banks to business actors to be circulated as a stable medium of exchange in trade, where capital functions solely as a “covering” tool (nomboki). This ensures that money remains preserved as productive business capital, generating real economic profit.
- In the distribution of money for real business capital, the bank is involved by using a business component related to the capital it covers (nomboki), not entirely based on a fixed percentage calculation. Instead, the capital distributed is returned based on a proportional share (nisbat) of the profit, referred to as “laba” (gain).
- Contracts are designed to avoid the prohibition of interest (riba). One of the most important mechanisms is the profit and loss sharing contract, implemented through legal instruments such as mudharabah, murabahah, and musyarakah.¹⁰
- Capital is not immediately returned along with installments. The concept of capital return differs from conventional banking, where return of investment is calculated along with profit based on a predetermined interest rate ceiling (interest rate cap).

The difference between Sharia principles and debt-based capital can be seen in the diagram below:

List of Tables

Type of Difference	Sharia Bank	Conventional Bank
Legal Foundation	Al-Qur’an & Al-Sunnah and national positive law	National positive law
Operational Basis	Profit	Interest
Product Scheme	Based on Sharia principles, e.g., mudharabah, wadiah, murabahah, musyarakah, etc.	Interest-based
Treatment of Public Funds	Public funds are considered deposits/investments that will yield returns only when used in productive activity	Public funds are considered savings that must earn interest upon maturity

Sector for Fund Distribution	Must be in halal (permissible) sectors	No consideration of halal or haram sectors
Organizational Requirement	Must have a Sharia Supervisory Board (Dewan Pengawas Syariah - DPS)	No Sharia Supervisory Board

The scheme comparing interest-based and profit-based banking systems from the perspective of “bank profit”:

Bank Profit Scheme: Interest-Based vs. Profit-Based

Interest (Bunga)	Profit (Laba)
Interest rate is determined in advance	Profit-sharing ratio (nisbah bagi hasil) is determined in advance
Interest is applied to the loan principal (for credit)	Profit-sharing ratio is applied to the revenue earned by the financing recipient
Interest rate can be changed unilaterally by the bank at any time	Profit-sharing ratio can only be changed with mutual agreement between both parties

References

- Kiyosaki, R. T. (2009). Rich dad’s conspiracy of the rich: the 8 new rules of money. Business Plus.
- Warde, I. (2010). Islamic finance in the global economy. Edinburgh University Press.
- Black, Henry Campbell. (1990). Black’s Law Dictionary. St. Paul, Minnesota: West Publishing Co.
- ISRA (International Shari’ah Research Academy for Islamic Finance). (2015). Islamic Financial System: Principles & Operations. Rajagrafindo Persada, Jakarta.
- Agus Pandoman, Andika Maulana, Satrio Abdullah. (2017). Principles of Fair Financing in the Sharia Banking Legal System, Vol. I & II. Sun Rise, Yogyakarta (1st ed.).
- Abdul Ghofur Anshori. (2007). The Application of Sharia Principles in Financial Institutions, Financing Institutions, and Finance Companies. Pustaka Pelajar, Yogyakarta.
- _____. (2010). Sharia Banking in Yogyakarta. Gadjah Mada University Press, Yogyakarta.
- Pandoman, A. (2014). BLBI Extraordinary Default. JawaraBisnis Group, Jakarta.
- _____. (2015). The Theory of Quietus Politics. UII Press, Yogyakarta.
- _____. The Conventional Legal System of Banks and Non-Banks, Vol. I & II (Lecture Notes for Master’s Program), Faculty of Sharia and Law, Sunan Kalijaga State Islamic University.
- Aqyuddin An-Nabhani. (1990). An-Nidlam Al-Iqtishadi fil Islam. Darul Ummah, Beirut. Indonesian edition: Membangun Sistem Ekonomi Alternatif (2009), translated by Drs. Moh. Maghfur Wachid. Risalah Gusti, Surabaya.
- Badruzaman, Mariam Darius. (2001). Compilation of Contract Law. Citra Aditya Bakti, Bandung.
- Stanford, Charles. (1995). The Disorder of Law: A Critique of Legal Theory. Basil Blackwell, Oxford. (Quoted in Menggagas Hukum Progresif Indonesia, ed. Ahmad Gunawan, Pustaka Pelajar, 2012, Yogyakarta).
- Frasminggi, K. (2012). The Age Of Deception: Riba Dalam Globalisasi Ekonomi, Politik Global Dan Indonesia.
- Vogel, F. E., & Hayes, S. L. (1998). Islamic law and finance: Religion, risk, and return (Vol. 16). Brill.
- Roubini, N., & Mihm, S. (2010). Crisis economics: A crash course in the future of finance. Penguin.
- Jumhana, M. (1993). Banking Law in Indonesia. Citra Aditya Bhakti, Bandung.
- Hrijanto, Hendy. (2016). Save the Banking Sector. Expose, Jakarta.
- Harahap, Yahya M. (2006). Aspects of Contract Law. Alumni, Bandung.
- Ichsan, Achmad. (2006). Private Law IB. Pemimbing Masa, Jakarta.
- Salim, H. S., and M. S. Sh. “Introduction to written civil law (BW).” Jakarta: Sinar Grafika (2008).
- Simatupang, Richard Burton. (2007). Legal Aspects in Business (Revised Edition). Rineka Cipta, Jakarta.
- Subekti, R. (2008). Law of Contract. Intermedia, Jakarta.
- Rivai, V., & Permata, V. A. (2006). Credit management handbook: teori, konsep, prosedur, dan aplikasi panduan praktis mahasiswa, bankir, dan nasabah. PT RajaGrafindo Persada.
- Rivai, V. (2011). Transaction Law in Business dari Teori ke Praktik. Jakarta: PT Bumi Aksara.
- The Holy Qur’an and Its Translation, Juz 1–30. Ministry of Religious Affairs of the Republic of Indonesia. Published by Kumudasmoro Grafindo, Semarang, 1994.

Foot Notes

Robert T Kiyosaki – Rich Dads Conspiracy of The Rich The 8 New Rules of Money, 2009 translated into Indonesian by Ratu Fortuna Rahmi Puspahadi, 2010, GramediaPustaka Tama, Jakarta, page 59

² Ibrahim Warde, Islami with the title "Islamic Finance in Global Finance", 2009, Pustaka Pelajar Yogyakarta Publisher, page 104

³ Ibrahim Warde (2000). Op.Cit page 211

⁴ Black Henry Campbell, 1990, Black Law Dictionary, St. Paul Minnesota West PublishingCo

⁵ ISRA (International Syari'ah Research Academy, for Islamic Finance), SistemKeuangan Islam Prinsip&operasi, 2015,Rajagrafindo, Jakarta.

⁶ Compare - the definition of financing combined with the vocabulary "institution" becomes "financing institution" legal norms on financing institutions are regulated only by Presidential Decree Number 61 of 1988 concerning Financing Institutions amended by Presidential Regulation Number 9 of 2009 concerning Financing Institutions. Financing Institutions are business entities that carry out financing activities for the procurement of goods based on consumer needs, with an installment or periodic payment system by consumers.

⁷ Agus Pandoman, Andika Maulana, Satrio Abdullah. (2017). Principles of Fair Financing in the Sharia Banking Legal System, Vol. I & II. Sun Rise, Yogyakarta (1st ed.).

⁸Another translation: According to the author, debt is not a legalistic system.

⁹Capital pattern in capitalist system, the economy is regulated by the market. The market functions to give signals to producers and consumers in forming prices. Government intervention is attempted to be as small as possible. The invisible hand that regulates the economy to be efficient. The motive that drives the economy is seeking usury.

¹⁰The facts tell a different story: Based on the author's research, the practice of Sharia banking tends to rely more on legal instruments such as mudharabah, musyarakah, and murabahah contracts. The form and structure of these contracts are often so cleverly constructed (circumventive) that they are considered hiyal (singular: hila), which implies deception or trickery.

The legal construction of these akad (contracts) closely resembles Western civil law concepts—especially when Sharia banks require collateral. It becomes evident that hiyal is carried out by using something that is legally valid under positive law to achieve an objective that is not valid under Islamic law. These formalities are precisely what allow interest, though called by another name, to be charged and paid.