

Research Article

Reinterpretation of Bank Interest Law in the View of K.H Bahauddin Nursalim on YouTube Channel

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Abstract.

The controversy over the bank convention still colors the discourse that lives in society because the interest given by the bank convention is something that is forbidden by the Indonesian Ulema Council (MUI). But not long ago, there were contemporary scholars such as K.H Bahauddin Nursalim who said that the status of bank interest is not unlawful. Then what is the reason why K.H Bahauddin Nursalim does not contain haram elements? This research is library research. The data were collected using secondary data. As a result, bank interest in the view of K.H Bahauddin Nursalim is associated with re-interpretation. K.H Bahauddin Nursalim linked interest banks more with inflation rates, so the reason bank interest is compensated to prevent inflation cannot be justified, which like this is strictly prohibited in Islam considering that even a penny's excess includes usury.

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1. Introduction

The Bank is a major milestone in running the economy of the community, especially the people of Indonesia. Everything related to economic issues must have to do with banks. Conventional banking operations use an interest system [1]. Bank interest can be interpreted as a reward for services provided by banks based on conventional principles to customers who buy or sell their products. Interest can also be interpreted as the price to be paid to the customer (who has deposits) with the price to be paid by the customer to the bank (customer who obtains a loan).

Sheikh Qaradawi said that the practice of bank interest is no different from the practice of riba in the days of jahiliyah even worse, because in riba jahiliyah additional only occurs if the payment of the debt is late than the specified time while in the bank interest even though the payment is on time the interest on the loan still applies.

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Usury itself means the addition, development, increase and enlargement that the lender will receive from the principal loan amount as a reward for suspending or parting with part of his capital for a certain period. Islamic fiqh views this bank interest system as containing elements of riba because in borrowing property (*qardh*) it is forbidden to take advantage, because this is the same as the practice of riba jahiliyah, namely riba *nasi'ah*. The Qur'an explains that it forbids forms of mu'amalah that contain elements of riba (usury). *Etymologically*, the word *exploitation* has an additional meaning.

Form of The act of usury is to ask for extra on something that is owed. Therefore, usury in the context of banking is called interest because one of the actions of usury is to make assets, money or whatever is loaned to others excessively or swell and increase in size.. All scholars have different opinions about the law of bank interest. Those who forbid postulate that bank interest has similarities with usury, so it should be banned. Those who justify bank interest explain that bank interest is not the same as usury, so the law is halal. As for those who consider it as *syubhat*, because according to them bank interest in addition to having similarities with riba also has a number of differences, so the law is *syubhat*.

Ibrahim Abdullah al-Nashir also reinforced his opinion saying that the correct opinion is that there can be no Islamic power without being supported by economic power, and there is no economic power without being supported by banking, while there is no banking without usury. without the support of banking, while there is no banking without usury. Ibra he Abdullah al-Nashir also said, this banking economic system has a clear difference with the ribawi deeds prohibited by the Qur'an, because bank interest is a new muamalah, whose laws are not subject to the definite texts contained in the Qur'an about the prohibition of usury. [2]. The problem is that many scholars say that bank interest is haram, but not long ago there were contemporary scholars such as K.H Bahauddin Nursalim saying that the status of bank interest is not haram what is the legal reason issued by K.H Bahauddin Nursalim, so that bank interest *is legitimized* does not contain haram elements. Of course, this is inversely proportional to Sharia fiqh which actually forbids bank interest.

2. Methods

2.1. Type and Nature of Research

The method used in solving a problem or a problem requires data so that the problem can be solved, therefore in research using qualitative methods because in general the

purpose of this research is to describe the characteristics of preferences on Youtube channels [3]. The author will look at the Reinterpretation of Bank Interest Law in the View of K.H Bahauddin Nursalim. Qualitative is an interpretative method, because the research data is more related to the interpretation of the data found in the field [4]. While the type of qualitative data is in the form of categories not numbers [5].

2.2. Source of Research Data

Sources of research data to facilitate confronting the problems in this study, the authors collect data consisting of: Secondary data, namely data obtained using documentation techniques, as for the form of secondary data in this study in the form of records or documents that can support those related to the problems to be discussed in this thesis. Secondary data in writing this thesis consists of: Books, Law, Legal Dictionary, Youtube Chanel

2.3. Data Collection Method

Data collection in this study was carried out by : Literature study is conducted to obtain secondary data, namely conducting a series of documentation studies, by reading, recording and quoting books, youtube channels or references related to the Reinterpretation of Bank Interest Law in the View of K.H Bahauddin Nursalim.

2.4. Data Processing Technique

This method can mean weighing, filtering, organizing, clarifying in weighing and filtering data, the author really chooses carefully relevant and fixed data and is related by classifying, compiling according to certain rules [6]. Through processing the data that has been collected by the author, the author uses the following stages: Data selection is that which is checked for completeness, clarity, and relevance to the research. Data classification is sorting or classifying data obtained both by literature study and observation. obtained both by literature study and observation results. Data systematization is placing data in accordance with the subject matter that has been determined practically and systematically.

2.5. Data Analysis

The data obtained from this research is analyzed using qualitative analysis, namely describing the existing facts based on the results of the research by describing systematically to obtain clarity and facilitate discussion. Furthermore, based on the results of the data analysis, conclusions are then drawn using the inductive method, which is a method of drawing data based on facts that are specific to then draw conclusions that are general in nature in order to answer problems based on inductive methods.

3. Result and Discussions

3.1. The Law of Bank Interest in the View of K.H Bahauddin Nursalim

K.H Bahauddin Nursalim / Gus Baha in his study discusses the law of debt to banks. Saying that the law of owing to banks is threefold, namely Haram, Halal and Shubhat, there are those who firmly state that it is haram. Then there are those who say without evidence that it is halal. There is also a third with caution, saying that it is syubhat, according to Gus Baha in his 2010 study which is still relevant in 2020. Starting from the first congress 26 until now. Gus Baha had several times participated in questioning why usury was so blasphemed. According to him, it turns out that usury has something to do with the situation of a poor person who owes a rich person in order to eat. "For example, I owe you 100 thousand for food, the promise is paid in a week but it turns out that you can't pay so you add interest to 120 thousand to 140 thousand. The point is that usury is then blasphemed by God, why do you owe poor people why expect interest, it is the same as extortion," according to Gus Baha.

Nowadays, usury is blasphemed because it oppresses the poor. They borrow money just to eat, so they should not be oppressed or charged interest on their loans. The bank eventually reversed this so that poor people could not borrow money from the bank because the main requirement was to use collateral. This leads to the conclusion that only the rich can borrow from banks. The bank explained to the kiai that the bank's money was state money so only people with money could borrow from the bank. Borrowing from the bank is forbidden because of interest, which means returning it as it is so that the state does not benefit. Gus Baha did not give a fatwa on the law of usury, but he recommended using Muamalah Riba for the good of the people. According to Gus Baha, the best of you are those who when paying debts are exaggerated.

K.H Bahauddin Nursalim's reinterpretation relates bank interest more to the value of inflation. Now the issue of usury is debated, because there is an intrinsic value, a normal value that is damaged. For example, in fiqh discussions, if usury is totally haram with the meaning of interest, there will be a dilemma. The problem is that there is an interest value that is equivalent to pure value. "For example, in 1970 you had a debt of 1,000 rupiah, in 2006 you paid 1000, it was like heaven and earth. In 1970 people could lend 1000 rupiah by selling roosters. Now 1,000 rupiah can't even get rooster food. In 1984, a family went on Hajj by selling 6-10 cows. The cost of Hajj was 6 million. Now a 30 million hajj only needs to sell 3-4 cows. This means that the value of money is uncontrollable. For example, in 1970 people had a debt of 7 million, now in 2010 they are told to pay a debt of 7 million, which is still unfair. So it is better to use the exchange rate. This exchange rate is recognized in Islam, in such a problem, it is recommended to use the gold exchange rate.

For example, if the money of 20 million or 2 million at the time of 2010 gets how many grams of gold. When looking at the price of gold in 2023, of course the gold will experience inflation. Therefore, in Islamic economics or fiqh, fulus (money) is never counted as currency. Although it acts like gold, what counts is gold. Apparently, in world banks what is counted until now is the gold rate. Try in a problem like this, then you equate riba with the meaning of "interest", it's different. It's a deflationary depreciation factor, a factor that reduces the value of money. For example, in 1980 you had a debt of 2 million. In 2010 you paid 2.5 million. Then you punish the 500 thousand is usury, because it adds. clearly such an opinion is wrong.

From the author's analysis, the reinterpretation of K.H Bahauddin Nursalim/Gus Baha seems quite logical as a justification for taking additional action on receivables. When lending money to a party, after a certain time the value of the money drops, if the borrower returns the same amount, then the lender loses. An additional amount of money in return is required of the borrower if he wants to borrow. Interest is a means by which they compensate for this inflation. The value of money decreases over time so as not to lose money, they must take additional interest if they lend a certain amount of money to a party over a certain period of time. On further examination, there is something strange about the practice of the above-mentioned action. Is it true that the lender requires additional interest only as compensation? The practice of money debts and credits is usually found in banks. However, banks do not use the term "debt", but rather "saving". Perhaps the use of this term has a psychological effect on customers. The interest rate in banks has been determined in advance of the calculation of inflation. This value makes the amount of interest given not in accordance with the amount / level

of inflation that occurs. We can even find in a month where there is deflation, but there is still interest charged on receivables made.

Bank interest charged on receivables is always associated with inflation. However, aren't we familiar with the real interest rate? The real interest rate is the nominal interest rate that has been removed from the influence of inflation. If the nominal interest rate is 8% and inflation is 3%, then the real interest rate is 5%. This definition of the real interest rate also makes us think whether this is still in accordance with the reason for the existence of interest due to inflation, even though the effect of inflation has been removed but there is still more.

From the above explanation, we can see whether interest is actually charged to compensate for inflation or to make a profit from existing debts and credits. Have we ever wondered why our money has to be compensated? Suppose we have 1 million rupiah in our wallet today. Incidentally, we only used 800,000 rupiah this month and there is still 200,000 rupiah in the wallet. We keep the money in the wallet. Our 200,000 rupiah remains intact until the end of the year in the wallet because what is used is the other money (namely the 800,000). Of course, our money is exposed to inflation, but whether our 200 thousand rupiah should be compensated for inflation, it must change to 220 thousand. By what right should we get an additional 20 thousand and also who is obliged to pay an additional 20 thousand if indeed interest is compensation for inflation as stated by Gus Baha, of course we will leave the interest because actually the interest is detrimental to others (or ourselves if we are required to pay interest).

There is no such thing as bank interest in Islamic, because there is no such thing as inflation in Islam, because the currencies used are dinars and dirhams, which have a stable value and are justified by Islam. Bank interest itself is applied to prevent a decrease in the value of currency due to inflation, so the reason bank interest is compensated to prevent inflation cannot be justified, something like this is strictly prohibited in Islam considering the excess of even one penny it is included in usury, especially since it has been determined at the beginning through an agreement of course the one who lends and the one who is lent money because of the interest requirement is the same as both participating in sin.

3.2. Islamic Law Review of Gus Baha's Thoughts on Bank Interest

Gus Baha is a scholar known for his views on Islamic finance. He has a critical view of bank interest and promotes Islamic finance alternatives based on the principles of justice and transparency. On the occasion of the study, Gus Baha examined the verse

on usury. Usury is a disease of property ownership that is often found in human life, not even choosing a profession. Especially in the scales or size of one item with another, therefore Gus Baha suggested using gold as an exchange rate or exchange rate.

According to Gus Baha, people who do not want to leave usury are considered direct enemies with Allah SWT. "The bank is partly usury and partly not usury, if it replaces the debt when the deficit is not usury, if it is above the deficit it is usury," said Gus Baha. Gus Baha has been speaking everywhere, not only about usury, that religion must be rational.

Humans are trained to be rational, about the law of usury, he said that above the estimation (takwim) is usury. Gus Baha gave an example, a case for example in the 1980's, where someone borrowed a calf for a celebration that would be held, at that time if the calf was cashed it was Rp. 600,000, over time, The debt was not repaid until 2016, then they had a conflict over the debt. "If the debt is only paid Rp 600,000, while the price of the calf is currently Rp 9,000,000, and paying the current price is considered usury, that is stingy, not usury," explained Gus Baha, some scholars'. According to Gus Baha, applying takwim is not the value of the money, because when takwim is done the results are never the same, as in that case. Another example is that in that year, for example, Rp 600,000 bought gold can get several grams, while in the future the value will not be the same. "If in the past Rp 600,000 got 12 grams, today 12 grams can reach a value of Rp 9,000,000," according to Gus Baha. Gus Baha argues that in order to be safe from usury, he suggests using gold as an exchange rate. A good exchange rate is the price of gold, because gold is the world standard,

Islamic views state that such transactions can also be considered as usury, if they are carried out with the aim of taking advantage in an unfair manner, in Islam buying and selling transactions must be carried out in a fair and balanced manner, where each party must get equal benefits and no one is harmed. A transaction if carried out with the aim of taking advantage of price fluctuations, without providing equal benefits to other parties, then the transaction can be considered as usury, therefore the Islamic view teaches that the alternative to avoid usury is not to use gold or other financial instruments that contain elements of usury, but in a halal and fair way, such as building an Islamic financial system based on the principles of justice, equality, and benefits for society as a whole.

Islamic permits buying and selling transactions in a fair and balanced manner, where the prices of goods bought and sold are mutually agreed upon and there is no element of fraud or cheating. Islam also teaches to avoid transactions that harm one party or take advantage in an unfair way. In the financial context, Islam introduced an Islamic financial

system that is based on the principles of justice, equality and benefit for society as a whole. Under the Islamic financial system, financial transactions must be conducted in a fair manner and not contain elements of usury. Some of the financial instruments allowed in Islam are mudharabah, musharakah, murabahah, and istishna. These instruments are based on Islamic financial principles that promote justice and benefit to society.

Mudharabah is a form of investment in which one party provides the capital and the other party provides the labor and management. Profits are shared based on prior agreement. Musharakah is a form of cooperation where two or more parties provide the capital and the other party provides the management.

Mudharabah is a form of buying and selling where the seller buys goods and sells them at a higher price for a profit. The price and profit must be agreed upon in advance. Istishna is a form of contract where the buyer orders goods and the seller makes the goods according to agreed specifications.

Islamic also teaches to increase people's understanding and awareness of the dangers of usury and invites them to strengthen their commitment to avoid usury by choosing halal and ethical alternatives. It is very appropriate if the Qur'an forbids usury with buying and selling as the solution. Mathematically, buying and selling is very visible in its profit potential. As for the risks, buying and selling has the possibility of going bankrupt, people in debt also have the potential to run away, not pay debts and so on. That is, if you talk about risk, there is a risk, but if you talk about potential, buying and selling is more prospective with a note that all sales-purchases must be cash, safety system, thus, Allah dares to "challenge" the concept of usury will definitely lose when compared to buying and selling with the verse above. This means that Allah is responsible. The argument above is called hujjatullah. Muslims must defend the religion of Allah, but not just by threatening that usury brings great sin, but must be solutive. Muslims must not be stupid. Usury is indeed a great sin, but ignorance is a greater sin. Ignorant Muslims are the cause of the country being closed, Islam can also be closed.

4. Conclusion

The Law of Bank Interest in the View of K.H Bahauddin Nursalim. The reinterpretation of K.H Bahauddin Nursalim relates bank interest more to the value of inflation, so that the reason bank interest is compensated to prevent inflation cannot be justified, which like this is strictly prohibited in Islam considering the excess of even one cent it is included in usury. Islamic Law Review of Gus Baha's Thoughts on Bank Interest. although Gus Baha's thoughts to prevent usury suggest using gold to be used as an exchange

rate or exchange rate. A good exchange rate is the price of gold, because gold is the world standard, using gold instruments may sound attractive, but the Islamic view states that such transactions are not legally permitted. Islam emphasizes the importance of conducting financial transactions in a fair and balanced manner, and avoiding any form of oppression or fraud. An alternative approach is needed such as an Islamic financial system that is based on the principles of justice, equality, and benefit to society as a whole.

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