

CHAPTER I

INTRODUCTION

A. Research Background

The economic situation in at this time is very competitive. Human work for a living every day to support the necessities of life. People also must be prepared for their unexpected future. The impact that can be caused by the imbalance between revenue and spending in the economy is poverty. Poverty is a great danger for humanity and not a few people who fall the civilization only because of indigence. The reason it was like the Prophet stated that poverty was close to the infidel (Qadir, 2001). Islam as *Ad-din* has offered some human doctrine for a universally applicable two dimensional characteristics, namely the happiness and welfare of the world as well as happiness and prosperity in the afterlife. One way to overcome poverty is the support of people who are able to expend their wealth in the form of *zakat* to the needy. *Zakat* is one of the five strategic and instrumental values greatly affect the economic behavior of human and community and economic development in general. (Ahmad, 1987) The purpose of *zakat* is not merely sympathize poor consumptive, but has a more permanent goal is to reduce poverty. (Qadir, 2001) Not only of *zakat* can reduce poverty in other ways such as *infaq* and *Sadaqah*. Interest ZIS (*zakat*, *Infaq*, and *Sadaqah*) actual is

to improve the economic welfare of the community and the lives of Muslims are better, especially those classified as poor and needy, therefore the potential of ZIS among Muslims should continue extractive, improved mechanism and directed to eradicate Muslims who still live in poverty.

People in society were realize of their future important necessities, later on people will be vying for saving and investing. To be able to save and invest, one must endeavor to work hard at trying to be an employee or become entrepreneurs. On behalf to start a business certainly require considerable capital. In order to obtain capital through loans to private persons, or to borrow to institute formal or non-formal institutions. In this way a person is going to earn money to collect supplies in the future. Government regulation and support facilities indispensable for the growth of sharia-based people's business, so that income inequality can be addressed in a tempo that is not too long. (Euis, 2006)

Many financial institutions are scattered throughout Indonesia, but in fact has not been able to touch the lower middle class people. Lower layers of society in general was barely touched (*undeserved*) and are not considered to have the potential funding by the formal financial institutions, resulting in stunted economic growth at the subsistence level only. (Muhammad, 2005) In fact, the majority of Small Medium Enterprise (SME) and many people trapped on money lenders as they may be in need of funds is not too much.

(Amalia, 2009) Success of Islamic banking in Indonesia cannot be separated by the Islamic Micro Finance Institutions. Distribution of funds for micro-finance channeled through Islamic Microfinance Institutions including *Baitul Maal Wa Tamwil* (BMT), Sharia Rural Bank (BPRS) and the Cooperative. Currently Islamic Financial Institution (IFI) much ogled as an answer to the problem of poverty and unemployment, because as has been proven in some Islamic countries, for example Bangladesh with Grameen bank known as very famous. (Hejazziey, 2009)

Islamic finance at this time is debate to widespread and well-known in the state that the majority of Muslims and non-Muslims even in the West. (Saeed, 2004) The term certainly has a detailed understanding of Islam *muamalat* in economics. Islamic finance course has a special characteristic that distinguishes, that is free from any element of *riba*, the element of tyranny, exploitation elements, and all elements which focuses on injustice. On the other hand, conventional financing in the form of debt-receivable are a means of exploitation. (Ayub, 2009)

Islamic finance aims to promote economic growth of the people, safeguarding the stability of the real sector and also the balance of the monetary sector, but also must consider the basis of Islamic law that in order to avoid injustice. (Karim, 2001) The efficiency of Islamic finance is finally formed the thought that the establishment of Islamic financial institutions, due

to the banking sector in particular occupies a very strategic position in bridging the working capital needs and investments in the real sector with the owner of the funds. (Muhammad, 2005) Islamic Financial Institutions have a lot of concentration to enable more people to transact with one of them. One concentration is *Qardh*, or loans. Islamic banking loans to develop it into profit-oriented and non-profit, non-profit product for *qardh* named *qard al-hasan* or benevolent loan.

Authors interested more to discuss about *Qard al-hasan* in the BMT Amanah finance products. *Qard al-hasanis* a loan without revenue sharing, which the receiver financing loan only obliged to return the principal when due and only the administrative costs weighing on board. (Muhammad, 2005) In the time it has been determined, it is estimated they had turned to be *muzzaki* or at least it has been able to give charity. Evidence of the ability shown by way of refund (loan) in question.

Then that becomes the problem was just a bit the *mustahiq* are able (willing and able) to return it. Learning from this experience, the need to be more selective in selecting eligible for benefits of earning it with better supervision. Several factors are inhibiting the return of funds that is productive it is the view *mustahiq* own funds are not required to be returned because it thinks there is no provision to return it in religion, the amount of funds provided are too small for venture capital, the *mustahiq* not have

thought patterns are self-employed and there *mustahiq* productive funds moved unnoticed address to new address. Therefore, it is necessary strategies in channeling the funds to the maximum ZIS. Automatic potential small entrepreneurs and do not have the capital may be assisted in its entirety and evenly. Then that the economy can be run, unemployment can be minimized, and alleviate poverty and also that there will be abuse of ZIS by parties who are not responsible.

BMT Amanah as the Micro Finance Institutions as research object having the profit oriented (tamwil) but must also have a social oriented (Mal). BMT Amanah itself has to develop themselves both in various fields, including in the collection and distribution of ZIS. In order to a source of funds that can be utilized for the welfare of the community need their distribution strategy ZIS more professional and accountable while optimizing its distribution. Afterwards BMT Amanah can supposed to represent main topic in this research, and can be represent other BMT which have qard al hasan contract in their practices. Based the reason above, the author is interested in conducting research on **“Phenomenology Analysis Qard Al-Hasan Contract (a Debt Contract in BMT Amanah)”**

B. Research Limitation

Understanding the benefits of the concept *qard al-hasan* named as Social oriented from IFI or in other words financing without profit. *Qard al-hasan* as one of the products that should exist in implementation or application in IFI must be in accordance with what is stated in the Qur'an and Sunnah.

Based on that research will focus on *qard al-hasan* contained in BMT Amanah using qualitative research approach with descriptive analysis to determine practice in the financial institution.

C. Research Question

Author on social issues concern, especially in Islamic Financial Institutions (IFI) to the continuance in Indonesia. Forms of care in an institution usually in the form of aid that is CSR, but within Islam itself has been mentioned regarding the forms of assistance in the form of loans that will be on the practice of virtue may be channeled by the supplier (BMT or Islamic Bank). Considering that the author wanted to bring to the surface the discussion of *qard al-hasan* as good of a loan product, with a research question, namely:

- How is the current situation of *Qard al-hasan* application in Indonesia and more specifically in BMT Amanah?

D. Research Objective

1. In order to analyze about *Qard al-hasan* as social product originally from Allah SWT stated in Qur'an.
2. In order to analyze about *Qard al-hasan* application in Indonesia, IFI, and limited in BMT Amanah.
3. In order to analyze about *Qard al-Hasan* implication toward financial product which can help people without aggravating circumstances.

E. Research Benefit

1. Theoretical Benefit.

This research can increase knowledge for the academic community education, especially in fund management *qard al-hasan* in micro IFI especially at BMT Amanah of the business community at the financial institution. And also as an input as well as references to the parties who did similar work. Moreover, perusal or rationale for the non-bank financial institutions in particular on the development of financing *qard al-hasan* in every BMT.

2. Practical Benefit.

a. Author.

Adding Knowledge of fund management *qard al-hasan* in Microfinance Institutions BMT, and to expand the knowledge in the

world of work, especially financial instituted sharia, so the future is able to contribute to the Islamic financial world.

b. Baitul Mal Wa Tamwil.

BMT can be taken into consideration in making a decision on the provision of financing, particularly in the provision of financing *qard al-hasan* so that in the future to further development.

c. Society.

Hopefully this research can add yang complete information concerning the financing of the BMT *qard al-hasan* to the public, in particular small enterprises in taking the decision to acquire modal. later moved people to use the funds financing *qard al-hasan*, and promote growth and development micro IFI in Indonesia.