

ETHICS OF BUYING AND SELLING IN THE VIEW OF THE QUR'AN AND AL-HADITH

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Abstract

This study analyzes the ethical principles of commerce from an Islamic perspective, grounded on Qur'an and Hadith, and their application in modern business activities. Through an in-depth analysis of primary Islamic sources and contemporary literature, this study identifies and analyzes the fundamental principles of Islamic business ethics, including the concepts of halal (al-halal), honesty (al-shidq), transparency (al-wuduh), and fairness (al-'adalah). The research methodology uses a qualitative approach with content analysis of Qur'anic verses, Hadiths, and Islamic classical literature, as well as case studies on modern business practices. The study's findings indicate that the concepts of Islamic business ethics are highly pertinent to modern business practices and are positively associated with corporate success and sustainability. Case studies demonstrate that firms that regularly implement the principles of Islamic business ethics exhibit more sustained growth and enhanced reputations. The research indicated that the application of Islamic business principles fosters the development of a more equitable and sustainable economic structure. These findings have significant implications for the advancement of ethical and sustainable business practices in contemporary contexts, while also offering a practical framework for the application of Islamic business ethics principles in everyday operations.

Keywords: Ethics, Buying, Selling, Sharia, Al-Qur'an and Hadith

1. INTRODUCTION

The increasing complexity of the global economy has resulted in a variety of business practices that are often at odds with ethical and moral values. This phenomenon is associated with high rates of theft, price manipulation, fraudulent practices, and various types of fraud in business transactions (Obaidullah, 2007). In addition, Islam has provided a comprehensive system of business ethics through Qur'an and Hadith that can be used to solve problems (At-Thabari, 2000:38).

Empirical research has shown that business ethics has caused substantial losses, both financially and in terms of social and moral values (Dusuki, 2008). According to research conducted by the World Bank, unethical business practices result in trillions of dollars in global economic losses every year (Group World Bank, 2020). The current situation demands the development and implementation of an effective business ethics system in reducing malpractice practices in transactions.

Islam, through Qur'an and Hadith, has laid a solid and universal foundation of business ethics (Abu Hamid Al-Ghazali, 2010). However, there is still a gap between the ideal concept offered and practice in the field. This shows the need for comprehensive research that not only examines normative aspects but also provides practical guidance on the implementation of Islamic business ethics in a contemporary context.

This research aims to identify and analyze the fundamental principles of buying and selling ethics contained in Qur'an and Hadith, as well as examine the practical implementation of these

principles in the context of modern business. In addition, this study seeks to evaluate the impact of the application of Islamic business ethics on business success and sustainability, as well as formulate a practical framework for the implementation of Islamic business ethics in daily operations.

From a theoretical perspective, this research is expected to contribute to the development of Islamic economic science, especially in the field of business ethics, as well as enrich academic literature on the implementation of sharia principles in a modern context. In addition, this research opens up an academic discussion space on the harmonization of Islamic values with contemporary business practices.

For business people, this study offers practical guidance for implementing Islamic business ethics, a framework for evaluating business practices, and business development strategies based on Islamic values (Iqbal and Mirakhor, 2011). This research can be a reference for regulators in the development of sharia business regulations, sharia compliance evaluation standards, and business practice supervision instruments. Meanwhile, for the public, this research provides a better understanding of Islamic business ethics, criteria for evaluating business practices that comply with sharia, and protection from unethical business practices.

2. IMPLEMENTATION METHOD

The study uses a qualitative methodology that involves content analysis and case studies. This method was chosen because it allows for a thorough analysis of ideas about business ethics found in Islamic literature and how they can be applied in the modern world.

This study uses various types of data sources, including primary and secondary sources. Primary sources include Qur'an and translations, major Hadith books, classical Tafseer books, and classical *muamalah fiqh* literature. Secondary sources include relevant research reports, contemporary academic journals, case studies on the application of Islamic business ethics, and relevant regulatory documents.

The data was analyzed using thematic analysis techniques. The main themes are identified from primary sources, then grouped and coded into appropriate categories. Next, the relationships between the themes are examined to find out their relationship to each other. The results of this analysis are used to interpret contemporary business practices.

3. RESULTS AND DISCUSSION

3.1 Literature Review

Buying and selling in Islam is a *muamalah* activity that is comprehensively regulated through Qur'an and Hadith (Muhammad ibn Jarir Al-Tabari, 2000). Some of the fundamental principles that are the basis of the ethics of buying and selling in Islam can be described as follows:

Halal Principles (*Al-Halal*)

Qur'an emphasizes how important it is to carry out halal transactions through the words of Allah SWT in Surah Al-Baqarah verse 275:

الَّذِينَ يَأْكُلُونَ الرِّبَا لَا يَقُومُونَ إِلَّا كَمَا يَقُومُ الَّذِي يَتَخَبَّطُهُ الشَّيْطَانُ مِنَ الْمَسِّ ذَلِكَ بِأَنَّهُمْ قَالُوا إِنَّمَا الْبَيْعُ مِثْلُ
الرِّبَا وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا فَمَنْ جَاءَهُ مَوْعِظَةٌ مِنْ رَبِّهِ فَانْتَهَى فَلَهُ مَا سَلَفَ وَأَمْرُهُ إِلَى اللَّهِ وَمَنْ
عَادَ فَأُولَئِكَ أَصْحَابُ النَّارِ هُمْ فِيهَا خَالِدُونَ

"Those who eat (transact with) riba cannot stand, except like those who stand staggering because of possession of Satan. This is because they say that buying and selling is the same as usury. In fact, Allah has legalized buying and selling and forbids usury. Whoever has reached him a warning from his Lord (concerning usury), then he stops so that what he has obtained in the past belongs to him

and his business is up to Allah. Whoever repeats (the transaction of usury), they are the inhabitants of hell. They stay in it."

Ibn Kathir in his commentary states that this verse serves as a basis for distinguishing between halal transactions and those that contain riba (Katsir, 1999). In this situation, it is crucial to understand that usury, often referred to as interest or addition, is not only a detrimental financial practice, but also reflects the moral and ethical principles of society. For example, in halal business transactions, both parties are expected to benefit each other and help mutual welfare. However, riba often leads to injustice, where one party unfairly takes advantage of the other. This can worsen the economic condition of the community because it creates social disparities.

The condition for the halal of buying and selling, according to Imam Al-Qurthubi, is to meet the pillars and requirements of sharia (Al-Qurthubi, 1964). There are two main components that form the pillars of buying and selling in this situation: the existence of the seller and the buyer and the goods being sold. However, the halalness of buying and selling is not limited to this formal aspect. Imam Al-Qurthubi emphasized the importance of clarity in transactions, which means that all terms and conditions must be clearly explained to both parties. In addition, sharia requirements include moral and ethical transactions aspects. Therefore, the halal requirement in buying and selling, according to Imam Al-Qurthubi, is a value system that underlies economic relations in Muslim society.

The Principle of Honesty (Al-Shidq)

Honesty is a principle that cannot be offered in buying and selling. From Abu Sa'id Al-Khudri RA, the Prophet SAW said:

النَّاجِرُ الصَّدُوقُ الْأَمِينُ مَعَ النَّبِيِّينَ وَالصِّدِّيقِينَ وَالشُّهَدَاءِ

"An honest and trustworthy merchant will be with the prophets, the honest people, and the martyrs." (Muhammad ibn Isa Al-Tirmidzi, 1998: No. 1209)

Al-Ghazali in *Ihya' Ulumuddin* emphasized that honesty in buying and selling includes aspects of explaining the quality of goods, prices, and avoiding fraudulent practices (Abu Hamid Al-Ghazali, 2010). In a situation like this, the explanation of product quality is not just about conveying information; It also requires a clear and straightforward explanation of the product's advantages and disadvantages. The set price should also reflect the fair value of goods, and the trader should not set the price too high just to make an excessive profit. Al-Ghazali invites us to consider the principle of fairness in transactions where both parties, namely sellers and buyers, are satisfied and not harmed.

The Principle of Mutual Willingness (Al-Taradhi)

Allah SWT says in Surah An-Nisa verse 29:

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِنْكُمْ وَلَا تَقْتُلُوا أَنْفُسَكُمْ ۗ إِنَّ اللَّهَ كَانَ بِكُمْ رَحِيمًا

"O you who believe, do not eat your neighbor's property in an unrighteous way, except in the form of business on the basis of mutual consent among you. Do not kill yourselves. Indeed, Allah is Most Merciful to you."

Imam Shafi'i stated in his book "*Al-Umm*" that the willingness of both parties is the main condition for a sale and purchase transaction to be considered valid (Al-Shafi'i, 1990). Willingness consists of verbal consent and includes an understanding of the object being traded and the conditions. In a car buying and selling transaction, both the seller and the buyer must agree on the price, physical vehicle,

completeness of documents, rights and obligations after the transaction. Willingness becomes a bridge that connects trust between sellers and buyers, and creates an environment conducive to healthy business practices.

Principles of Documentation (*Al-Kitabah*)

As mentioned in Surah Al-Baqarah verse 282, Qur'an pays great attention to the regulation of business transactions. Allah SWT said:

يَا أَيُّهَا الَّذِينَ آمَنُوا إِذَا تَدَايَنْتُمْ بِدَيْنٍ إِلَىٰ أَجَلٍ مُّسَمًّى فَاكْتُبُوهُ وَلْيَكْتُب بَيْنَكُمْ كَاتِبٌ بِالْعَدْلِ وَلَا يَأْبَ كَاتِبٌ أَنْ يَكْتُبَ كَمَا عَلَّمَهُ اللَّهُ فَلْيَكْتُبْ

"O you who believe, if you owe a debt for a certain time, write it down. Let one of you write it down correctly."

The verse, known as "*Ayat Dain*", emphasizes how important it is to record transactions in Islam to ensure fairness, transparency, and protection of the rights of all parties. Tafsir Al-Manar said that this order aims to prevent disputes, maintain trust, and improve integrity in business relationships (Muhammad Rashid Rida, 1990). It also reminds us that God is watching over every transaction. This verse is relevant in a contemporary context as the basis for systematic record-keeping practices, such as audits and written contracts, that not only protect individuals but also benefit the economy. Contemporary studies show that this documentation practice is not only relevant for the present but also an important foundation in Islamic business risk management. (Obaidullah, 2007)

The Principle of *Gharar* Prohibition

The Prophet SAW prohibits buying and selling that contains *gharar* (ambiguity) as he said (Al-Hajjaj, n.d.: no. 1513)

عَنْ أَبِي هُرَيْرَةَ قَالَ قَالَ نَهَى رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ عَنْ بَيْعِ الْحَصَاةِ وَعَنْ بَيْعِ الْغَرَرِ

"From Abu Hurairah, he said: Prophet SAW prohibits buying and selling by throwing stones and buying and selling *gharar* (which contains elements of obscurity).

Ibn Taimiyyah defines *gharar* as a transaction that contains uncertainty in one of its pillars, both regarding the goods being traded, the price, the time of delivery, and the condition of the goods (Taimiyyah, 1995). *Gharar* is considered an element of uncertainty or uncertainty contained in one of the pillars of a transaction, which includes aspects of the goods being traded, price, delivery time, or condition of the goods. According to him, the existence of *gharar* in transactions can cause injustice, possible disputes, and losses for one of the parties. This uncertainty is contrary to the principles of fairness and transparency that are the basis of Islamic transaction law.

For example, *gharar* can be defined as a transaction involving goods whose existence or characteristics are unclear, such as selling fish that are still in the sea. Similarly, one party may experience detrimental ambiguity, due to uncertainty regarding the price or time of delivery of the goods. The concept of *gharar* is still relevant in contemporary practice to regulate transactions involving speculative risks. This includes transactions such as conventional insurance, financial derivatives, or contracts with unclear information. By avoiding *gharar*, business transactions can be conducted fairly and transparently, maintaining integrity and trust in economic relations.

The Principle of *Manfaat* and *Maslahah*

According to Al-Syatibi in "*Al-Muwafaqat*," every buying and selling transaction must contain *benefits* and *benefits* for both parties (Al-Syatibi, 1997). This principle is in line with the main purpose of Islamic law, which is to maintain and realize the five main aspects of life: religion, soul, intellect, descent, and property. Al-Syatibi emphasized that a beneficial transaction is one that not only generates material benefits, but also does not have a negative impact on one party monetarily

or morally. He emphasized that agreements made voluntarily (*taradhi*) by both parties are very important because forced or non-transparent transactions can cause losses, which is contrary to the principle of *maslahah*.

This view is relevant to encourage ethical business practices, such as the transparency of product information, fair pricing, and consumer protection, in the modern business world. Buying and selling transactions not only meet economic needs, but also fulfill moral and spiritual obligations that are in line with Islamic values.

3.2 Guidelines for Buying and Selling Ethics in the Qur'an

3.2.1 Prohibition of Fraud and Fraud (*Al-Ghisy wa Al-Tadlis*)

Qur'an expressly prohibits fraud and fraud in buying and selling. Allah SWT says in Surah Al-Muthaffifin verses 1-3:

وَيْلٌ لِّلْمُطَفِّفِينَ الَّذِينَ إِذَا اكْتَالُوا عَلَى النَّاسِ يَسْتَوْفُونَ وَإِذَا كَالُواهُمْ أَوْ وَزَنُواهُمْ يُخْسِرُونَ

"Woe to those who cheat (in measuring and weighing)! (They are) people who, when they receive measurements from others, ask for fulfillment. (On the other hand,) when they measure or weigh for others, they reduce."

In his commentary, Imam Al-Razi said that this verse covers fraud in scales and all types of economic fraud (Fakhr al-Din Al-Razi n.d.:84). At the heart of this verse is the principle of fairness and transparency, which should be the basis of all forms of economic operation. A specific example of scale fraud is scale fraud, but this problem can extend to various other forms of injustice, such as price manipulation, concealment of product defects, or obscuration of information important to consumers. Fraud like this not only violates individual rights but also creates social imbalances and disrupts business trust.

Imam Al-Razi's interpretation is crucial in the contemporary world, especially when confronted with unethical economic practices such as tax evasion, market manipulation, and misleading advertising. The economic system can be directed to realize justice, integrity, and sustainability in accordance with Islamic values by applying the principles mentioned in this verse. Furthermore, Al-Qurthubi emphasized that fraud in buying and selling is a great sin that can result in damage to the community's economic system (Muhammad ibn Ahmad Al-Qurthubi, 1964).

3.2.2 Emphasis on Honesty (*Al-Shidq wa Al-Amanah*)

Qur'an emphasizes honesty as the main principle in buying and selling. In Surah Al-Ahzab verses 70, Allah SWT says:

يَا أَيُّهَا الَّذِينَ آمَنُوا اتَّقُوا اللَّهَ وَقُولُوا قَوْلًا سَدِيدًا

"O you who believe, fear Allah and speak the right words."

According to Ibn Abbas, this verse refers to honesty in all aspects of life, even in financial transactions (Hatim n.d.:3149). Honesty not only safeguards the rights of both parties, but also shows piety to Allah. Every human action, including the relates to money, must be done with the awareness that Allah is All-Knowing, and every action will be accountable to Allah. This emphasis makes honesty the main foundation for building a blessed, fair, and trusting business relationship with each other both in this world and the hereafter.

It is essential to apply these values in the modern era, especially in encouraging ethical financial practices such as the transparency of financial statements, avoidance of conflicts of interest,

and fairness in business contracts. By ensuring that financial transactions are carried out honestly, the economic order can run in accordance with Islamic values that prioritize common welfare.

A new study shows that the application of the principle of honesty in Islamic business practices has a positive correlation with business sustainability and consumer trust (Rafiki and Wahab, 2014). This is in line with the opinion of Al-Ghazali, who emphasized that honesty is the main foundation in building trust in economic transactions (Abu Hamid Al-Ghazali, n.d.:75).

3.2.3 Transparency and Fairness (Al-Adalah wa Al-Wuduh)

Qur'an commands transparency and justice in all aspects of muamalah, as Allah says in Surah Al-Nisa verse 58:

إِنَّ اللَّهَ يَأْمُرُكُمْ أَنْ تُؤَدُّوا الْأَمَانَاتِ إِلَىٰ أَهْلِهَا وَإِذَا حَكَمْتُمْ بَيْنَ النَّاسِ أَنْ تَحْكُمُوا بِالْعَدْلِ ۗ إِنَّ اللَّهَ نِعِمَّا يَعِظُكُمْ بِهِ ۗ إِنَّ اللَّهَ كَانَ سَمِيعًا بَصِيرًا

"Indeed, Allah tells you to convey the mandate to the owner. If you establish a law among men, you must establish it justly. Indeed, Allah has taught you the best teaching. Indeed, Allah is the Hearer and the Seeing."

Justice in buying and selling, according to Ibn Taimiyyah, includes a balance between the rights and obligations of both parties (Taimiyyah, 1995). Fairness of sale and purchase is described as a balance between the rights and obligations of both parties. In order for justice to be achieved, both sellers and buyers have rights and obligations that must be respected in this context. According to him, fairness buying and selling includes the principles of honesty and transparency. The seller must be honest about the quality of the goods being sold, and the buyer must receive the goods with a clear understanding. Fraud and fraud, such as concealing product defects, are clearly contrary to this principle. In addition, pricing must be reasonable and fair without benefiting other parties. The seller and the buyer are each responsible for carrying out their duties fairly: selling the goods sold in good condition, and paying the agreed price. In buying and selling transactions, uncertainty or losses that harm one of the parties must also be avoided, such as the practice of *gharar*, which is known as ambiguity. This is because it will be detrimental and contrary to the principle of justice. Therefore, according to Ibn Taimiyyah, justice in buying and selling is achieved through a fair balance between rights and obligations. The system is based on the principles of honesty, transparency, and mutual respect.

Contemporary studies show that it is clear that Islamic business practices build an effective and fair market (Billah, 2011). Fair trade relations are driven by principles such as honesty, transparency, and the prohibition of fraud and usury. For example, outcome-based financing, such as *mudharabah* and *musharakah*, allows for a fair sharing of risks and benefits. This prevents the exploitation that often occurs in conventional interest systems.

Islamic business also emphasizes social and ethical responsibility, which makes companies pay more attention to the welfare of society, the environment, and workers. This practice results in a more transparent, stable, and efficient market, with less speculation and uncertainty. Thus, Islamic business principles not only create a fair market, but also promote inclusive, sustainable, and well-managed economic growth.

3.2.4 Fulfillment of Contracts and Agreements (Al-Wafa' bil 'Uqud)

Allah SWT commands to fulfill the contract in Surah Al-Maidah verse 1:

يَا أَيُّهَا الَّذِينَ آمَنُوا أَوْفُوا بِالْعُقُودِ ۗ أُحِلَّتْ لَكُمْ بَهِيمَةُ الْأَنْعَامِ إِلَّا مَا يُتْلَىٰ عَلَيْكُمْ غَيْرَ مُجْلَىٰ الصَّيِّدِ وَأَنْتُمْ حُرْمٌ ۗ إِنَّ اللَّهَ يَحْكُمُ مَا يُرِيدُ

"O you who believe, fulfill your promises! It is permissible for you to have livestock, except for those that will be mentioned to you (the haram) by not ruling hunting when you are doing ihram (Hajj or Umrah). Indeed, Allah has established the law according to His will."

According to Al-Shafi'i, the fulfillment of the contract is a sharia obligation that binds all parties to the transaction (Al-Shafi'i, 1990). In Islam, the fulfillment of a contract is a manifestation of trust and honesty, which are the main values. Because the agreed contract reflects the commitment and agreement of both parties, breaching or ignoring the contract is considered a violation of sharia.

Al-Shafi'i also emphasized that the existence of contracts in transactions protects individual rights and maintains justice and stability in social relations. Business and economic relations become more confident and harmonious if both parties carry out their obligations according to the agreement. This view is relevant for various types of transactions, such as buying and selling, rent-lease, and other agreements that govern human relationships. Therefore, fulfilling a contract is not only a rule of law but also part of the moral and spiritual responsibility emphasized in Islam.

Contemporary studies show that commitment to contract fulfillment in the Islamic economic system provides legal certainty and minimizes the risk of business disputes (Mohammed and Shahwan, 2013). This strengthens Al-Syatibi's classic view which emphasizes that the fulfillment of the contract is one way to realize *sharia maqashid* in the dimension of property protection (Al-Syatibi, 1997).

3.3 Guidelines for Business Ethics in the Perspective of Hadith

3.3.1 Prohibition of Riba and Unethical Practices

The hadith of the Prophet SAW pays great attention to the prohibition of usury and unethical practices in business transactions. In a hadith narrated by a Muslim from Jabir RA:

عَنْ جَابِرِ رَضِيَ اللَّهُ عَنْهُ قَالَ: لَعَنَ رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ آكِلَ الرِّبَا وَمُؤَكِّلَهُ وَكَاتِبَهُ وَشَاهِدِيهِ وَقَالَ: هُمْ سَوَاءٌ

"From Jabir RA, it has been said: Prophet SAW cursed usury eaters, usury givers, usury recorders, and their witnesses. And Prophet SAW said: They are all the same (in sin)." (Al-Hajjaj n.d.:No. 1598).

According to Ibn Hajar al-Asqalani, this curse shows how great the sin of usury is and how dangerous it is for the financial system (Al-Asqalani, n.d.:264). All persons involved in riba transactions, either directly or indirectly, are considered guilty. This ban was created to prevent an unfair and exploitative economic system from developing.

The condemnation of this hadith confirms that the sin of usury has terrible consequences in addition to harming society and the economy. The practice of riba in the financial system can lead to economic instability, a decrease in public trust, and an increase in social inequality because it exploits the needs of the weak and enriches the strong without making a productive contribution.

Prophet SAW prohibits various unethical actions other than riba, such as *najasy* (price manipulation with false offers) and *ihtikar* (hoarding goods) as he said:

عَنْ مَعْمَرِ بْنِ عَبْدِ اللَّهِ رَضِيَ اللَّهُ عَنْهُ عَنِ رَسُولِ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ قَالَ: لَا يَحْتَكِرُ إِلَّا خَاطِيٌّ

"From Ma'mar bin Abdullah (may Allah be pleased with him) from the Messenger of Allah (peace and blessings of Allah be upon him) said: "It is not to hoard except for sinners."

عَنْ ابْنِ عُمَرَ رَضِيَ اللَّهُ عَنْهُمَا قَالَ: نَهَى رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ عَنِ النَّجْشِ

"From Ibn Umar (may Allah be pleased with him), he said: The Messenger of Allah (peace and blessings of Allaah be upon him) forbade .najasy"

The prohibition of the practice of *ihtikar* and *najasy* in Islam has a clear purpose to maintain fairness and balance in business transactions. According to him, this ban is not only based on moral aspects but also aims to protect the interests of all parties involved, both consumers and traders (Yahya ibn Syaraf Al-Nawawi, n.d.:43). *Ihtikar*, for example, harms consumers by artificially creating a scarcity of goods, which leads to an unreasonable increase in prices. This is contrary to the principles of justice and balance that are the basis of the Islamic economic system.

Likewise with *najasy*, which is a form of price manipulation through false offers to influence market perception. This practice creates the illusion of high demand, thus encouraging consumers to pay more than what it actually is. Imam al-Nawawi asserted that such practices harm consumers and create market distortions, which ultimately damages the economic system. The prohibition on *ihtikar* and *najasy* reflects Islam's commitment to building a business system that is fair, transparent, and oriented towards common welfare. By enforcing these prohibitions, Islam not only protects the rights of individuals, but also maintains market stability and public trust in an ethical economic system.

Muhammad Ayub explained that practices that are prohibited in Islam, such as *riba*, *gharar* (uncertainty), *ihtikar* (hoarding of goods), and *najasy* (price manipulation), seriously disrupt economic stability and social justice. Job said that these practices have a negative impact on society as a whole, not just individuals. For example, *riba* usually creates wealth inequality by enriching the economically strong while burdening the weak. This leads to deeper social gaps and weakens social bonds (Ayub, 2007).

In addition, practices such as *ihtikar* and *najasy* make the market unfair. While price manipulation through false offers undermines market integrity and erodes the confidence of economic actors, the deliberate hoarding of goods to drive up prices leaves consumers, especially those with low purchasing power, feeling financially burdened. Job emphasized that the combined impact of these practices is economic instability, which can lead to financial crises, reduce market efficiency, and create uneven patterns of wealth distribution. As a result, in the Islamic economic system, these practices are prohibited in order to prevent social injustice and maintain economic balance.

3.3.2 Encouragement to Charity and Generosity

Prophet SAW strongly encourages generosity and generosity in business transactions. In a hadith narrated by Bukhari from Jabir RA, he said:

رَجِمَ اللَّهُ عَبْدًا سَمَحًا إِذَا بَاعَ، سَمَحًا إِذَا اشْتَرَى، سَمَحًا إِذَا قَضَى، سَمَحًا إِذَا اقْتَضَى

"May Allah bless those who are easy when selling, easy when buying, and easy when collecting debts." (Al-Bukhari, n.d.:No. 2076)

Al-Ghazali explained that generosity in business is not only limited to giving alms; It also includes giving free time to those who owe money and receiving returns of items that have been purchased (Abu Hamid Al-Ghazali, n.d.:79). This action demonstrates the values of justice and mercy that Islam teaches in addition to showing compassion and empathy for the difficulties of others.

In addition, Al-Ghazali emphasized how important it is to accept the return of items that have been purchased as part of an attitude of generosity. Good relationships with others are more important than material gains, as this perspective shows. Actions like this can build business, trust and create an atmosphere of ethical trade.

3.3.3 Respectful Treatment of Customers and Suppliers

Islam through the hadiths of the Prophet emphasizes the importance of maintaining good relations with all parties in business transactions. The Prophet SAW said:

خَيْرُ النَّاسِ أَنْفَعُهُمْ لِلنَّاسِ

"The best human being is the most beneficial to other human beings." (Muhammad ibn Isa Al-Tirmidzi, 1998:No. 1944)

Ibn Qayyim al-Jawziyyah interpreted this hadith as a necessity to provide the best benefits to all parties involved in the transaction. (Muhammad ibn Abi Bakr Ibn Qayyim al-Jawziyyah, 1991) In a situation like this, Ibn Qayyim emphasized the importance of business ethics that consist of fairness, transparency, and honesty. Good traders not only seek financial gain, but they also seek to meet the needs of their customers in a fair and moral way. For example, providing high-quality products, setting reasonable prices, and avoiding harmful practices such as fraud and manipulation.

In addition, one of the real ways to apply this hadith is to offer convenience in transactions, such as flexible payment times or after-sales service. Business people not only gain worldly benefits but also get *ukhrawi* rewards for helping to meet the needs of others and maintain community harmony. According to this interpretation, business is seen as a charity field to improve mutual well-being and strengthen social relationships.

In terms of customer service, the hadiths of the Prophet teach several important principles:

Information Transparency

The Prophet SAW said the narration of Bukhari and Muslims from Judge Ibn Hizam:

عَنِ النَّبِيِّ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ قَالَ: الْبَيْعَانِ بِالْخِيَارِ مَا لَمْ يَتَفَرَّقَا، فَإِنْ صَدَقَا وَبَيَّنَّا بُورِكَ لَهُمَا فِي بَيْعِهِمَا، وَإِنْ كَتَمَا وَكَذَبَا مُحِقَّتْ بَرَكَتُهُ بَيْعِهِمَا

"Sellers and buyers have the right to vote as long as they have not separated. If both are honest and explain (the state of the goods), then both are blessed in their buying and selling." (Ibn Majah n.d.:No. 2146)

The hadith about the right to vote (*khiyar*) for sellers and buyers as long as they have not separated, as well as the importance of honesty and transparency, emphasizes Islamic business ethics that uphold justice and blessings. *Khiyar* gave both parties the opportunity to reconsider the agreement to guarantee that the transaction was carried out consciously and without pressure. In order for a transaction to be profitable, which includes both material and spiritual benefits, it is important that the party conducting the transaction is honest about the condition of goods, including any defects or shortcomings that may exist. This hadith shows that trade based on honesty and openness fosters trust and creates fair and harmonious business relationships.

Respect for Supplier Rights

Imam Malik in *Al-Muwaththa* recorded that the Prophet PBUH had said in a hadith narrated by Ibn Umar RA:

قَالَ رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ: "أَعْطُوا الْأَجِيرَ أَجْرَهُ قَبْلَ أَنْ يَجِفَّ عَرَقُهُ"

"Prophet SAW said, "Give wages to workers before their sweat dries"

This hadith strongly emphasizes how important it is to pay workers' wages before they give up their jobs (Anas, 2004). This principle can be applied in the modern context as an obligation to fulfill the rights of suppliers in a timely manner (Sawari and Alam, 2020). This means that everyone who works for us is entitled to fair and timely compensation. If applied in the modern world, this principle does not only apply to the relationship between employers and workers; It can also be applied to the relationship between the employer and the supplier of goods or services.

Fulfilling obligations on time, such as paying suppliers or vendors according to agreements, is one of the most important ethical principles in the modern business world. Professional relationships, trusts, and parties who have contributed in the form of goods, services, or other work can be damaged if people neglect these obligations. Therefore, this principle teaches us to remain honest when fulfilling our financial and contractual obligations to all parties involved.

Dispute Resolution Ethics

Recent studies show that the principles of business dispute resolution contained in the hadith are still very relevant to be applied in contemporary contexts that address the principles of dispute resolution in Islamic law, both classical and modern. One of them is according to Muhammad Hashim Kamali (Kamali, 2015). Kamali emphasized that *sulh*, or peace, is the main way to resolve disputes. Through negotiations, the two parties to the dispute reached a peace agreement. Islamic law strongly advocates this principle, and is considered better than taking a dispute to court. If peace is not achieved, the judge (court) or *qadhi* has the authority to decide the dispute based on sharia principles.

Kamali also discussed *tahkim* (arbitration), as a method of dispute resolution in which the parties to a dispute choose a trustworthy judge to decide the dispute. This provides flexibility and efficiency, which is essential for contemporary businesses. Kamali points out in the modern context that, although Islamic law prioritizes peace, formal courts are often the last resort, and many businesses choose mediation or arbitration as an alternative to resolving disputes more quickly. Islamic dispute resolution principles such as *sulh* and *tahkim* are increasingly accepted and used in the international business world, especially in international arbitration systems that incorporate sharia principles. According to Kamali, a more flexible mechanism has been created as a result of globalization and international economic integration. One example is arbitration which combines sharia principles and international legal practice. The journal shows how Islamic law contributes to contemporary commercial dispute resolution, showing how it adapts to the changes happening around the world.

According to Al-Qarafi in *Al-Furuq*, the principles of justice and common benefit must be the basis for dispute resolution (Al-Qarafi n.d.:268). Justice demands that the decisions taken reflect the rights of each party proportionately and without partiality, while the common good demands that the settlement of disputes benefits the community as a whole, not just the parties to the dispute. These two principles should be applied simultaneously when resolving disputes in a social, business, or legal context. The goal is to create peace, well-being, and well-being.

3.4 Implementation of Buying and Selling Ethics in Business Practices

3.4.1 Case Studies of Ethical and Unethical Behavior

Positive Case: Implementation of Islamic Business Ethics

Research on Amana Bank in Sri Lanka shows how the consistent application of Islamic business ethics has increased customer trust and business growth. The bank applies the principle of transparency by explaining in detail each financial product and avoiding *gharar* in all its transactions (Alam and Ali, 2020). Similar practices are also implemented by Bank Islam Malaysia Berhad which has succeeded in building a positive reputation through a commitment to sharia business ethics (Antonio, 2020).

Negative Case: Business Ethics Violations

Case studies of the failure of several Islamic financial institutions in the Middle East show that violations of Islamic business ethics principles, such as non-transparency and *gharar* practices,

are a major factor in the institution's downfall (El-Gamal, 2006). Al-Zuhayli in his research underlined that violations of business ethics not only have an impact on financial losses but also damage public trust in the Islamic economic system as a whole (Al-Zuhayli, 2010).

3.4.2 Ethical Behavior Impact Analysis

Impact on Business Success

Empirical research shows a positive correlation between the application of Islamic business ethics and the financial performance of companies. A study of 150 SMEs in Indonesia found that companies that consistently applied Islamic business ethics experienced an average revenue growth of 23% higher than those that did not (Dusuki, 2008). This is in line with Al-Ghazali's view which emphasizes that blessings in business are closely related to obedience to sharia principles (Abu Hamid Al-Ghazali, n.d.:83).

Impact on Reputation

Ibn Taimiyyah in his classic work emphasized that reputation is a valuable asset that must be maintained through ethical business practices. (Taimiyyah 1995:386) Contemporary studies confirm that companies with strong ethical reputations have higher levels of customer loyalty and lower marketing costs (Ariff and Mohamad, 2019).

3.4.3 Practical Implementation of the Code of Ethics

Transparency in Transactions

Transparency is a very important foundation in business transactions, to build a healthy and mutually trusting relationship between customers and businesses. To implement the transparency, there must be a variety of complete and clear information about the product, such as technical details, pricing, and benefits. Additionally, it is crucial to provide a thorough explanation of the rights and obligations of both parties to the transaction, such as whether they have the right to return the goods, provide a guarantee, or pay. Additionally, documentation should be available in a clear and organized manner to prevent disputes (Iqbal and Mirakhor, 2011). It's not just regulatory compliance that must be an organizational culture (Al-Qarafi n.d.:268). This means that companies must not only meet formal obligations, but also ensure that every decision and communication demonstrates a commitment to the principle of openness.

Fairness in Pricing

Fair pricing is an important aspect of running an ethical business. This practice includes calculating reasonable profit margins and considering the consumer purchasing power to ensure prices remain competitive and affordable. In pricing, it is also important to avoid monopolistic practices, where one party unfairly controls the market and takes advantage of its dominant position to the detriment of consumers or competitors. Fairness in prices helps create a healthy and sustainable market, which benefits all parties, both sellers and buyers (Ayub, 2007).

Ethical Customer Service

Imam Al-Shafi'i emphasized the importance of morality in business interactions, pointing out that ethics should be an integral part of every action taken in the world of commerce (Al-Shafi'i, 1990). In the modern context, this means that companies must prioritize customer service that is not only effective, but also respectful and caring. The implementation of ethical customer service includes handling complaints in a constructive and prompt manner, providing satisfactory *after-sales* service to ensure long-term customer satisfaction, and maintaining polite and professional communication in every interaction. All of this aims to build trust and lasting relationships between the company and its consumers (Wilson 2009:1-42).

Dispute Resolution

Dispute resolution in the business world must be carried out by prioritizing the principles of fairness and efficiency. Deliberation must be a top priority, where both parties to the dispute can reach an agreement without the need to involve a long and expensive legal process. Justice for all parties is non-negotiable, so every decision taken must provide space for the parties involved to get their rights fairly. In addition, time and cost efficiency must also be considered, so that dispute resolution does not interfere with business operations in a protracted manner. Effective and efficient dispute resolution prevents the company from further losses and maintains good relations with the parties involved (Vogel and Hayes, 1998).

Overall, the practical implementation of this code of ethics emphasizes the importance of organizational awareness to integrate ethical principles into every aspect of their operations, from transaction transparency, fair pricing, professional customer service, to fair and efficient dispute resolution mechanisms. These principles not only ensure compliance with laws and regulations, but also create the basis for sustainable and responsible business practices.

4. CONCLUSION

The basic principles of buying and selling ethics come from Qur'an and Hadith. Qur'an emphasizes halal (*Al-Halal*) as the main basis for buying and selling transactions. This halal includes the object, the process, and the purpose of the transaction. In addition, as explained by Imam Al-Razi, Qur'an prohibits unethical practices such as usury, *gharar*, and fraud to protect the interests of all parties. The principles of transparency and fairness in transactions, which is an implementation of the concept of "is", are also emphasized to create fair economic relations. By emphasizing honesty, the teachings of the hadith complement this principle. In addition, the moral guidelines for business people consist of stopping unethical practices such as hoarding (*ihtikar*) and price manipulation (*najasy*), as well as encouragement to be kind and facilitate transactions.

It is essential to apply ethical principles in business practices, as it will have a positive impact on both the business and socio-economic benefits. In business, the application of Islamic ethics increases, consumer confidence, business growth, and the establishment of a good reputation. From a socio-economic perspective, these principles help create a fair economic system, protect the rights of consumers and producers, and create long-term economic stability. Therefore, it is highly recommended that individuals and organizations understand and assimilate the principles of Islamic ethics, establish honesty and integrity as their basic values, and value blessings over mere profit. In addition, companies are expected to build an ethical work culture, develop systems and procedures that are in accordance with Islamic business ethics, and conduct regular evaluations of their practices. Recommendations for implementation include ongoing training, cooperation with sharia supervisory agencies to ensure compliance with Islamic ethical standards, and the establishment of an internal monitoring system.

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