

TRUST AND JUSTICE: SECRET COMMUNICATION IN MUAMALAT TRANSACTIONS

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Abstract

In Islam, business or muamalat is one of nine sources of income of the ummah. Muslims are free to engage in trading as long as they follow Islamic principles. Malaysian muslims' businesses expand tremendously for the past ten years. One of the business practices which receive lack of attention is secret communication. This technique is applied by sellers in Pantai Perbisik through whispering technique and Facebook via private message. This paper is conceptually discussed on the application of secret communication in online and offline transactions. Two Islamic business principles were emphasized in the discussion, which are trust, fair and justice. This study hoped to give exposure towards secret communication in a business and could deposit the emptiness in a current body of knowledge particularly on muamalat.

Keywords: *muamalat, secret communication, Islamic principles*

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KEPERCAYAAN DAN KEADILAN: KOMUNIKASI RAHSIA DALAM TRANSAKSI MUAMALAT

Abstrak

Dalam Islam, perniagaan atau muamalat adalah salah satu daripada sembilan sumber pendapatan ummah. Umat Islam bebas untuk berdagang selagi mereka mengikuti prinsip Islam. Perniagaan muslim Malaysia berkembang pesat sejak sepuluh tahun yang lalu. Salah satu amalan perniagaan yang mendapat kurang perhatian ialah komunikasi rahsia. Teknik ini diterapkan oleh penjual di Pantai Berbisik melalui teknik berbisik dan laman 'facebook' melalui mesej peribadi. Kajian ini secara konseptual membincangkan mengenai penggunaan komunikasi rahsia dalam transaksi dalam talian dan luar talian. Dua prinsip perniagaan Islam yang ditekankan dalam perbincangan adalah bersifat amanah, adil dan saksama. Kajian ini diharapkan dapat memberi pendedahan kepada komunikasi rahsia dalam perniagaan dan dapat mengisi kelompangan dalam pengetahuan terkini dalam muamalat.

Kata Kunci: *muamalat, komunikasi rahsia, prinsip Islam*

INTRODUCTION

In Islam, business is a permissible activity as mentioned in Surah Al-Baqarah, verse 275 as follow:

"Those who eat Riba (usury) will not stand (on the Day of Resurrection) except like the standing of a person beaten by Shaitan (Satan) leading him to insanity. That is because they say: "Trading is only like Riba (usury)," whereas Allah has permitted trading and forbidden Riba (usury). So whosoever receives an admonition from his Lord and stops eating Riba (usury) shall not be punished for the past; his case is for Allah (to judge); but whoever returns [to Riba (usury)], such are the dwellers of the Fire - they will abide therein (translated)"

In addition, the Prophet Muhammad (PBUH) also has stressed that the position of the business is a high status in the sight of Allah as saying that says: "Nine tenths of provision (offered) by way of business" (Narrated by Tirmidhi).

Traditionally, a business is carried out using offline method, where seller and buyer physically met at one location, cash and good are transferred directly between these parties. This methods also called as 'block and mortar', since the business conducted at a physical premise. In line with the advanced of information technology and information communication technology, a new methods of

conducting business has been introduced, which is online methods. Different with offline method, in an online business, the seller and buyer met virtually via internet. The payment normally paid using other media, such as online bank or pay-pall, while the goods will be sent by external party. For online business, it is also not necessary for a business owner to have store.

The presence of muslims as business owners either offline or online can be seen as encouraging. Almost every day, we can witness muslims entrepreneurs came out with innovative products related to fashion and clothing and health supplement which is claimed as halal or *shariah* compliance. Even though muslim business owners are selling halal products, but their knowledge on Islamic principles in Muamalat is still uncertain since there were many cases of violation or non-*shariah* compliances. For example, when a seller for shawls employ models that have not properly covers their *aurat*. Or when the shawl itself do not confirm to the *shariah* requirement (may be too short, small and thin material) as they promised in their marketing activities.

One thing that is interesting to discuss is about secret communication when the seller negotiate with potential buyers. This technique might be unpredictable in offline businesses, but it does exist. May be it is due to limited application and exposure in block and mortar company. In authors concern, secret communication or it is more popular with whispering technique term is still used in Pasar Berbisik by only two markets in the world (Amin, 2011). However, when talking about private message (pm) in Facebook, the authors believed most of the readers are well known with this term. In short, this secret communication is same with private message (pm).

It is not extreme if the authors assumed that the issue from whispering or private messaging does not mentioned in Quranic verse or not debated among muslims scholars yet since it is considered as modern technique in business. However, some issues should be addressed such as trust and justice. Thus, this paper conceptually discussed the secret communication applied by muslims business owner nowadays and the issues related with this technique. This paper is divided into several parts including literature on whispering in Pantai Berbisik, Private Message (PM) in Facebook (FB), Muamalat Principles and conclusion.

This study purpose is to give exposure towards secret communication in businesses and related issues according to Islamic principles. This is in line with Abdul and Hanapi (2008) who suggested three things in order to achieve *shariah* compliance. First; the business owners should have knowledge and practices regarding Islamic business principles. Second; the buyer should also have clear understanding on it and practice it as well and lastly; the government should introduce framework for Islamic business principles and regulate it. In addition, it is also hoped this paper could deposit the emptiness in the current body of knowledge particularly on muamalat.

WHISPERING TECHNIQUE IN PASAR BERBISIK

The history of whispering market began a long time ago, in year 1946 but it has been stopped for 18 years due to introduction of new sales approach by *Lembaga Kemajuan Ikan Malaysia (LKIM)*. Based on the new approach, the fishermen will sell their catch such as fishes and prawns directly to the LKIM. However after the Tsunami in December 2004, the whispering markets were reintroduced and continue till today, due to two reasons. First the fisherman do not have to waste their time to wait their products to be sold and, second they normally received late payment by LKIM (Amin, 2011). As mentioned previously, there are only two whispering markets in the world and both located in Malaysia, which are Pasar Berbisik Kuala Muda, Penang and Pasar Berbisik Kuala Muda, Kedah. Actually these markets were only separated by a river known as Sungai Muda.

What makes the whispering markets so unique in the eyes of public? As the name of this market, the process of bargaining between fishermen and potential buyer is using whisper approach. Fisherman displays their catch (fish, prawn, cuttlefish and etc.) and wait for the market visitors to approach him. An interested visitor or potential buyer will murmur to the fisherman (seller) on the price that he is willing to pay. When both parties agreed with the price, then the sales take place as usual, where the buyers make payment and the product is hand over to them.

PRIVATE MESSAGE IN FACEBOOK

Today, we can witness many individuals and businesses have been using social networking site (SNS) as a medium to create sales. In general, SNS is a site where a member of this site can post personal information, create network, read reviews, share contents such as photos and video as well as communicating with other members (Hag & Cumming, 2013). SNS can be said as one emerging trend for e-business. Virtual shop offers many advantages to the business owner compared to brick and mortar business, especially in terms of cost and global market outreach.

One of the most popular SNS is Facebook, which is currently being widely used for business purpose. In similarity, most of the business owners are applying the concepts of whispering markets approach through the Private Message (pm) or inbox function. In Facebook, the seller -advertised the products on the post and will normally exclude the price and other information. Interested buyers and the seller will then communicate via PM for further information about the product where price is one of the subject matter. The communication only involved personal communication without disturbance from others. The transaction considered deal once both parties achieve mutual agreement.

MUAMALAT PRINCIPLES

Neither Pasar Berbisik nor Facebook, it is compulsory for the muslim seller to conduct their business according to the *shariah* principle or precisely, it must be

free from *riba* and *gharar* (Ripin and Mansur, 2010). Violation towards this rules do not only contribute sins but also affect their reputations as muslims entrepreneur as world has labelled Islam as a religion of high-moral standards (Abuznaid, 2009). On top of that, Sulaiman Ibrahim (cited by Ripin and Mansur, 2010) stated that to achieve blessing in business, muslim traders must apply principles advocated by Islam which has been prescribed by the Quran, Sunnah (Abuznaid, 2009 and Ragab, 2008), Islamic Law and *ijma'* (consensus among muslim scholars after the death of Prophet Muhammad P.B.U.H) (Ragab, 2008). The concept of general Islamic ethics has been described widely in the Quran by the used of terms like goodness, rightness, justice, truth, right, and piety (Abuznaid, 2009). In muamalat, there were various Islamic principles suggested by different scholars (presented in Table 1). It can be concluded that trust and; fair and justice were amongst two ethics which are highly important.

Table 1: Islamic Business Principles from Different Scholars

Scholars	truth	trust	sincere/honest	brotherhood	knowledge	fair and justice	love Allah more than your trade	consultative	patient	humble	complacent/help each other	generous/charity	friendly	free from cheating	fulfill contract	avoid extravagance	timely	clean (physical and spiritual)	Mutual consent
Hanafi and Sallam (1995)	√	√	√	√	√	√													
Abuznaid (2009)	√	√	√			√	√	√	√	√	√	√	√						
Aziz (2012)		√				√					√	√							
Abdul and Hanapi (2008)	√	√	√			√					√		√	√	√	√	√	√	
Muhamamad & Dali (2015)	√	√	√			√						√							

In the first place, before sell-purchase transaction valid, both parties should agree with the sales terms and conditions (Samad, 2014; Muhamamad and Dali, 2015). Basically, in terms of attaining agreement for sale and purchase, both whispering markets or private messaging, have met the Islamic principal as narrated in Surah Al Nisa', verse 29:

“O believers! Do not consume one another's wealth through unlawful means; instead, do business with mutual consent; do not kill yourselves by adopting unlawful means. Indeed Allah is Merciful to you. This verse clearly explained that Islam stressed on mutual contract, where seller and buyer agree to sell and buy.”

As mentioned previously, trust and fairness received attention by all scholars above, thus the authors are interested to discuss further on this principles. Under the trust principle, the business owners should not cheat, bully and charge price over than it is to be charged for the customers and delay payment to the supplier (Abdul and Hanapi, 2008). The action of cheating is 'haram' and it violates Islamic business principles as translated in Quranic verse 84, Surah Hud:

“And to Madyan [We sent] their brother Shu'ayb. He said, "O my people, worship Allah; you have no deity other than Him. And do not decrease from the measure and the scale. Indeed, I see you in prosperity, but indeed, I fear for you the punishment of an all-encompassing Day.”

Referring to the whispering techniques, the communication is private and confidential between buyer and seller with no interference from other parties. It might not be an issue in Pasar Berbisik, since the product is present on that time. The potential buyer has opportunity to evaluate the product quality by themselves. However, there is a room for seller to cheat customers in Facebook. It can be conducted in various forms, such as providing false information about the products, disclosing important information which might be harmful to the buyer, selling non-authentic product without customers awareness and many more (Yi et al., 2011). Bernama (2013) reported 1,879 cheating cases for online business in year 2011, has been increasing from 551 cases in year 2009. This proved the existence of dishonesty in online market.

Next issues are on justice and fairness. Samad (2014) explain the concept of unity as one of Islamic principles for business. A business or enterprise owned by muslim should not tolerate three things. First, discrimination between staff, seller and buyer on the basis of race, skin color, gender or religion. Second, forced or coerced into doing business practices, since Allah is the one who should be feared and loved. Third, amassing wealth or greed, as a matter of fact wealth is a trust of Allah SWT.

Regarding discrimination issue, one question to rise up is about price. Price discrimination occurs when “similar” products which have the same marginal cost to produce are sold by a firm to various buyers at different prices (Amstrong, 2006; Majid et al., 2014). In Islam, all *ummah* is considered as family, thus the seller must treat the customers fairly (Abdul and Hanapi, 2011). This could be understood based on Surah Al Hujurat, verse 10 translated as follow:

“The believers are brothers to one another, therefore, make reconciliation between your brothers and fear Allah, so that you may be shown mercy.”

Coming back to the whispering market and private messaging in Facebook, since communication between seller and buyer during process of negotiation is confidential, there might be a possibility for different selling price of the same product at different transaction or different buyers. The prices may differ depending on the factors such as age, gender and negotiation skills from both parties (Massad and Tucker, 2000). In *Pasar Berbisik*, the buyer and seller are allowed for price negotiation and normally the seller will accept the highest price (Sapidin, 2010). This explains the existence of price discrimination. However, the status of price discrimination in Facebook is unknown since no empirical study has been conducted. Though it can be said too many business owners violated the act enacted by Ministry of Domestic Trade and Consumer Affairs (KPDNKK) which related to price display.

For this matter, the Muslim businessmen are advised to take the Prophet Muhammad (PBUH) as perfect idols when deal or conduct businesses. The Prophet has described as a businessman who always gives a smile to the customer and put the same sales price to all customers who want to buy the same item (Mohd Zain, n.d.).

In Malaysia, KPDNKK has regulated the Customer Protection Act (E-commerce transaction) 2012. Through this act, the online business owner is required to disclose the business name and person who carry the business, business's registration number, email, address and phone number, main product description, full price for the product/services including delivery cost, tax and other costs, payment and terms, and estimated delivery time (Bernama, 2013). This act is supported by the Islamic principles, particularly related to trust and justice.

Last but not least, some principles in Islamic Muamalat are also emphasized in conventional business. Where, the "honesty" and "justice" principles are the heart of business ethics. While, others include no bullying, no cheating, providing the right information and are free from bribes (Ferrell et al., 2009).

CONCLUSION

There are growing numbers of new Muslim online entrepreneurs in Malaysia but how far they understand and adapt to the Islamic Practice is still debatable. Thus it is important for us as an Islamic country to developed a constructive framework as a guideline to the Muslim entrepreneurs in conducting business which 100% conform to *sharia*. It does not matter whether they carry the business offline or online, but it is important to ensure that the business were adhere the Islamic principles.

This paper discussed on how secret communication approach applied in an online and offline transaction. Two Islamic principles, which are trust and justice when dealing in a close transaction where emphasized. Through report produced by Bernama in year 2013 on the numbers of cheating cases for online business and Customer Protection Act (E-commerce transaction) regulated by KPDNKK in year 2012, somehow reflect the possibility of the violation towards Islamic business

principal. Generalizability of this study is limited to particular context only. Thus for future direction, it is suggested to conduct empirical studies related to knowledge of Islamic business principles among the sellers in *Pasar Berbisik* and Facebook, and also their compliance level.

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