

The Role of Social Capital in the Development of Traditional Markets: An Islamic Economic Perspective

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Abstract

This study aims to analyze the role of social capital on the development of traditional markets in the perspective of Islamic economics. This type of research uses field research with a qualitative approach. The informants of this research are 7 traders. Data collection techniques are done through observation, interviews and documentation. Data analysis techniques are carried out through 3 stages including data reduction, data presentation, and conclusion drawing. The results of this study indicate that social capital plays a role in the development of traditional markets which is shown through the implementation of 3 (three) indicators of social capital, including: First, adherence to norms by traders is said to be good, this is supported by the consistency of market administrators in enforcing existing regulations; Second, a good trader network is shown by harmonious relationships between traders and carrying out healthy trade transactions by applying healthy competition, Third, trust between traders is shown by carrying out healthy competition by sharing profits if the goods needed are not owned by other traders. While in the perspective of Islamic economics the role of social capital is measured through 4 (four) indicators, including: First, ummah wahidah is shown by the attitude and belief that the purpose of trading is to seek fortune which is one of worship; Second, Ukhuwah is shown by good relations between traders; Third, ta'awun is shown by the attitude of mutual assistance between traders if one trader does not have the goods needed by consumers then the trader who has the goods is willing to provide the goods with a profit-sharing agreement; Fourth, Ikhsan is shown by healthy competition between traders and taking turns waiting for merchandise when praying. Thus, through good social capital, traders are not just a collection of traders in the market but can become a social force consisting of the implementation of good norms, networks and trust between traders so that they can have an impact on the development of traditional markets.

Keyword: Social Capital; Traditional Markets; Islamic Economic

A. Introduction

Market as a center of social and economic activities (Malano, 2013). In maintaining its resistance, traditional markets do not only focus on physical or financial capital but also the availability of social capital that can make traditional markets survive in the face of the times. This is proven by Syahyuti's research

(Syahyuti, 2008), stated that even in times of crisis, traditional markets are able to show their resistance through the effectiveness of social capital. Thus, through the availability of social capital that grows and is maintained, it supports the development of traditional markets in addition to infrastructure improvements and financial capital. Fukuyama defines social capital as a set of informal norms or values shared among members of a group that enables cooperation between them (Fukuyama, 2000).

Social capital in Islam is also taught through a sense of helping fellow creatures of Allah. Islam also teaches price equality which is described in Surah Al-Hasyr verse 7 which reads:

مَا أَفَاءَ اللَّهُ عَلَى رَسُولِهِ مِنْ أَهْلِ الْقُرَىٰ فَلِلَّهِ
وَلِلرَّسُولِ وَلِذِي الْقُرْبَىٰ وَالْيَتَامَىٰ وَالْمَسْكِينِ
وَالْأَنْسَابِ سَبِيلٌ كَيْ لَا يَكُونَ دُولَةً بَيْنَ
الْأَغْنِيَاءِ مِنْكُمْ وَمَا آتَاكُمُ الرَّسُولُ فَخُذُوهُ
وَمَا نَهَاكُمْ عَنْهُ فَانْتَهُوا وَاتَّقُوا اللَّهَ إِنَّ اللَّهَ
شَدِيدُ الْعِقَابِ [7]

"The booty (fai') which Allah gives to His Apostle from the inhabitants of some lands is for Allah, the Apostle, the relatives of the Apostle, the orphans, the poor, and those on a journey, lest it should circulate among the rich alone among you. What the Messenger gives you then accept. And what he has forbidden you, leave it. And fear Allah. Indeed, Allah is very severe in His punishment".

This verse is a major rule in the economic and social system of Muslim society. Private ownership is recognized in Islam, but is limited by the rule that "it should not circulate among the rich only". Thus creating a balanced life. A balanced life can be reflected through mutual help, which is one of the reinforcements in social capital (Dinullah & Widiastuti, 2020). Therefore, this research aims to identify the role of social capital in the development of traditional markets in Muara Beliti Metau Market, Muara Beliti District, Musi Rawas Regency, South Sumatra Province, and then identify the role of social capital in the Islamic economic perspective on the development of traditional markets.

B. Research Methods

The type of research used is field research (field research) (Suryabrata, 1998). This research used a qualitative approach (Margono, 2000). This research is located in Muara Beliti Metau Market, Muara Beliti District, Musi Rawas Regency, South Sumatra Province. The source of data for this research comes from primary and secondary data (Sugiyono, 2018). Primary data was obtained directly from interviews with traders, while secondary data was obtained from books, journals, documentation and other sources related to the research variables.

Research informants are subjects who understand the information on the object of research, acting as actors and other people who have the object of research (Bungin, 2010). The informants of this research amounted to 7 traders. Data collection techniques were carried out through observation, interviews and documentation. Data analysis techniques are carried out through 3 stages including data reduction, data presentation, and conclusion drawing (Sugiyono, 2018).

C. Result and Discussion

1. The Role of Social Capital in the Development of Metau Muara Beliti Traditional Market Muara Beliti District, Musi Rawas Regency, South Sumatra Province

Social capital acts as an adhesive that binds everyone in society, especially the street vendors in Muara Beliti Metau Market. For social capital to grow well it requires sharing values and organizing roles (rules) expressed in personal relationships, trust and a common sense of shared responsibility, so that traders become more than just a collection of individuals. Social capital refers to key aspects of social organization such as trust, norms, networks, which are able to mobilize the participation of street vendors to achieve common goals.

The social capital created in the economic climate of the Metau Muara Beliti market is cooperation and trust, the existence of a dimension of cooperation in the context of the market in Indonesia itself teaches that economic transaction activities do not always think about profitability and economic benefits alone, but also build family relationships and brotherhood towards others. Once in the market there was

a buyer who wanted to buy clothes that were not available in shop A, the owner of shop A advised the buyer to buy these items at shop B, this made him realize that traders do not only care about their merchandise, but care about other traders, and this implies a strong social relationship between them, not only profit is prioritized but the element of care or kinship is also upheld.

At the level between individuals, a social network is a series of distinctive relationships among a number of individuals with properties and additional characteristics as a whole that are used to imply the social behavior of the individuals involved. From the results of the research conducted, the overall development of street vendors in the Muara Beliti Metau market is included in the role of social capital, this can be seen from the connected indicators, namely norms, networks and trust. The relationships formed between traders occur because of the intensity of the social actions they carry out in economic activities in the market, in these relationships there are social behaviors involved in it such as mutual care, mutual cooperation and others.

The network between sellers and between sellers and buyers is quite unique, this is because it is formed naturally from economic action, as evidenced by the relationship between sellers and buyers, if the buyer is satisfied shopping at the seller's shop, then he will subscribe and tell other buyers and this creates a micro network. While the network that exists between sellers is strengthened because of their status as clothing traders in the market or in this case it is formed due to the same work environment and has the same goal of selling their merchandise for profit, the relationships that occur between traders and traders and customers give rise to a micro network in it, Individuals who carry out social interactions with other individuals, and this interaction becomes a social relationship, this relationship is carried out continuously making a social relationship between them.

Basically, the relationship formed between street vendors occurs because of the intensity of the social actions they carry out in economic activities in the market, in these relationships there are social behaviors involved in it such as mutual care, mutual cooperation and others. Likewise, the role of social capital in

the development of street vendors aims to increase mutual care and trust among traders in the muara beliti metau market.

In the results of this study, researchers will present the data and research results with the problems that have been formulated, namely how the role of social capital on the development of street vendors in the Muara Beliti Metau Market, Muara Beliti District, Musi Rawas Regency, South Sumatra Province and how the Islamic economic perspective on the role of social capital on the development of street vendors in the Muara Beliti Metau Market, Muara Beliti District, Musi Rawas Regency, South Sumatra Province In interviews with informants there are 10 questions where 10 questions for 5 street vendors and 2 buyers, from the results of the interview can conclude the data. The results of the researcher's interview were made into transcripts, which the researcher then processed by interpreting the data and reducing the data so as to conclude the data.

The following researchers put forward the results of research on the role of social capital on the development of street vendors in the Muara Beliti Metau Market, Muara Beliti District, Musi Rawas Regency, South Sumatra Province, Referring to research conducted by Ichsan Pramatya that there are 3 indicators that must be possessed in the Role of Social Capital including: Norms, Networks, Trust.

a. Norms

It is a component containing the rules contained in a relational relationship, both in society and in certain institutions. The rules in question are written and unwritten rules. The emphasis in this component is on the existence of a norm and how the compliance of the people in the rule applies.

According to Mr. Guntur and Mrs. Tisa, other traders certainly obey the rules in this metau market. However, we cannot be sure that all traders have really been honest or not. Yes, there could be cheating that we don't know about. However, we believe that the efforts of market managers have been maximized in enforcing regulations so that many traders are afraid of breaking the rules in this metau market.

The responses of Mr. Eko and Mrs. Hajar expressed that so far the market situation is conducive and fine, nothing strange has happened while we are shopping at this metau market.

b. Network

It is a component regarding the number of relationships formed from a community within and between communities. This relates to how much a person is known with various advantages and disadvantages so that access can be optimized for various needs. In addition, the number of networks makes it easier for someone to ask for help when they are in trouble because the more networks there are, the more options there are to ask for help.

According to Mr. Gustin and Mrs. Eli, as long as we trade here, things are quite harmonious, that there is mutual respect between traders. That is an important asset in maintaining harmony. As for the solidarity between traders here, it is quite strong, with a great desire to make this market better and more advanced through efforts to clean and maintain the market environment together.

As for the responses of Mr. Eko and Mrs. Hajar, so far we think that the street vendors in the Metau market are harmonious and solid. This is evidenced by the infrequent conflicts that are seen. This is also supported by the condition of the market which looks clean and tidy. And there is occasional banter between traders when they are selling.

c. Trust

It is a component of how a person trusts others within a community or outside the community. This relates to how expectations arise from A who trusts B with the hope that these expectations can be fulfilled. So that trust is reciprocal.

According to Mr. Guntur and Mrs. Asmah as traders in the Metau market. we as traders always interact and provide information to each other, trust between traders here arises if between traders share values (Shared Values) as the basis of life to create common expectations and honesty. With high trust can be success.

B. The Role of Social Capital in the Islamic Economic Perspective on the Development of the Metau Muara Beliti Traditional Market, Muara Beliti District, Musi Rawas Regency, South Sumatra Province.

Social Capital in Islamic Economics Several teachings in Islam have the potential to become social capital for community development activities. Here are some teachings that are considered capable of encouraging Muslims to move together to provide attention and encouragement to fellow Muslims who are experiencing difficulties and are also able to foster mutual trust among fellow Muslims. Islam as the religion of Allah, regulates human life both in the world and in the hereafter. According to Muhammad Abdul Mannan, "The Production Process is a cooperative effort between members of the street vendor community to produce goods and services for their welfare." The economy is part of human life, so of course this is in the absolute source, namely the Qur'an and As-Sunnah, which is a guide in living life. The position of this absolute source makes Islam a special religion compared to other religions so that in discussing the perspective of Islamic Economics everything boils down to Islamic creed based on the Qur'an al Karim and Prophetic As-Sunnah.

Indeed the foundation of a happy life lies in peace, spaciousness and tranquility. because Islamic Economics emphasizes the need for a balance of material and spiritual needs. Spiritual needs are not only satisfied with prayer, but also the fulfillment of individual and social behavior according to Islamic teachings. In conducting a trading business must be honest because honesty is the most basic requirement in trading business activities. Rasulullah strongly recommends honesty in carrying out all trading business activities. Because honesty will lead to virtue and a trader must be honest based on the desire for others to get goodness and happiness as he wants it by explaining the weaknesses, shortcomings, advantages and providing information about the goods he sells.

The Prophet Muhammad SAW said, "Honest and trustworthy traders will be with the prophets, the shidiqqin, and the martyrs on the Day of Judgment." (HR. Ahmad) In addition, humans in business are also ordered to bring the earth towards a better direction and to preserve the environment, as Allah SWT's command in QS Al-A'raaf verse 56:

وَلَا تُفْسِدُوا فِي الْأَرْضِ بَعْدَ إِصْلَاحِهَا وَادْعُوهُ خَوْفًا وَطَمَعًا إِنَّ رَحْمَتَ اللَّهِ قَرِيبٌ مِّنَ الْمُحْسِنِينَ

"And do not make corruption in the earth, after (Allah) has repaired it, and pray to Him with fear and hope. Verily, the mercy of Allah is very near to those who do good.."

The Role of Social Capital in the Islamic Economic Perspective on the development of the traditional market of Metau Muara Beliti Muara Beliti District, Musi Rawas Regency, South Sumatra Province can be seen through these 4 indicators including:

1. Ummah Wahidah

That the concept of Ummah Wahidah is a concept based on normative awareness that Muslims are one because they have the same normative belief system. There are two important things that must be considered in Islam, namely the benefit of mankind and social integrity. Because these two things will be able to provide a strategic rationale for the dynamics of human life.

Therefore, all aspects of human life, both regarding safety and welfare, are a shared responsibility and are not individualized. With the principle of the unity of the ummah, then Islamic education must be run with the work system. Basically, the people in the world are one people both in aqidah and its occurrence.

2. Ukhuwah

The concept of brotherhood between Muslims is a value that can create mutual trust between one Muslim and another. This concept makes Muslims feel they have a bond with other Muslims. He is also able to foster a sense of trust from one Muslim to another Muslim.

3. Ta'awun

This teaching of mutual help is a norm that is able to mobilize Muslims to move together collectively to provide attention and support to ease the burden of suffering of their brothers. Because Ta'awun has a tremendous influence in fostering society, the lives of people and individuals. Therefore, it is the most important activity in the sight of Allah SWT.

4. Ihsan

In language Ihsan has the same meaning as *fi'lul khair* which means doing good, generosity and generosity. While in terms of Ihsan is sincere and do the best possible, which is to sincerely worship only for Allah by perfecting its implementation. Thus, some of the basic Islamic values such as Ummah Wahidah, Ukhuwah, Ta'awun, and Ihsan can become social capital that can move Muslims to fight together to solve their problems and fulfill their needs.

Islam has a strong foundation to build a society that is committed to social capital. According to Mintarti, Islam has a commitment to social contracts and norms that have been mutually agreed upon and the basic building blocks of Muslim society are Ta'awun (helping each other), Takaful (bearing with each other), and Tadhomun (having solidarity) (Suharto, 2007).

D. Conclusion

The role of social capital in the development of traditional markets is measured through three main indicators: (1) adherence to norms by traders, (2) good trader networks, and (3) trust between traders. These three indicators are proven to contribute to the development of traditional markets by creating a harmonious environment and mutual help among traders.

In the perspective of Islamic economics, the role of social capital is measured through four indicators, namely: (1) Ummah Wahidah, which emphasizes the normative awareness that Muslims are one and have mutual ties; (2) Ukhuwah, which reflects brotherhood and mutual trust between Muslims; (3) Ta'awun, which shows the norm of mutual help and collective support to ease the burden of suffering of Muslim brothers; and (4) Ihsan, which teaches sincerity and doing the best possible in various activities.

Through good social capital in the form of norms, networks and trust, street vendors in Muara Beliti's Metau Market are not just a collection of individuals, but a social force capable of positively contributing to the development of traditional markets.

This research underscores the importance of social capital in the development of traditional markets, and highlights how teachings in Islamic economics, such as the unity of the ummah, brotherhood, helping, and doing good, also play a role in mobilizing traders and communities to achieve a balance between material and spiritual needs and create a harmonious and competitive environment.

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