

# KSB NO RIBA

**H. M. Jafar Yusuf, S. Sos**

*Chairman of BAZNAS KSB*

Email: [jafaryusuf53@gmail.com](mailto:jafaryusuf53@gmail.com)

## **Abstract**

**Purpose:** By hoping for Allah SWT's blessing, we look at the economic problems of the people recently as the gap between rich and poor increases. The crux of the problem is the unequal distribution of goods and services so that in people's lives from day to day the poverty rate increases. Rich people get richer and poor people get poorer. Poverty has become an interesting topic in various seminars and meetings from the neighborhood level to the national level. Even International. Either poverty is due to cultural or structural poverty. Cultural poverty (living culture that is supported by the environment does not want change, so they remain poor, but they do not feel poor). Meanwhile, structural poverty is poverty due to the influence of social, political, and economic changes.

**Research limitations/implications:** The result is that government policy suddenly increases fuel prices, thereby affecting other commodities. As a result, there was inflation and large layoffs (layoffs), giving rise to new poverty rates because of government policy. The unemployment rate is increasing, job opportunities are limited. Job seekers in the non-formal sector increase. As a result of this, women selling hawkers, pushcarts, sellers of packaged rice have emerged as fertile fields for loan sharks labeled cooperatives, or online lending businesses. For those who need fast working capital without collateral, just a photocopy of liquid funds in just five minutes. Meanwhile the next day they were visited to be charged back with high interest. If you are unable to pay according to schedule, interest will accrue. So there is a double amount that has to be paid.

**Originality/Value:** As a mosque activist who is also in government, I always think about finding a way out so that people can be saved from usury. The process of da'wah struggle and contribution of ideas through policy that we describe in this short article may be of benefit to readers whether local to KSB, Indonesian National or living in the ASEAN region.

**Keywords:** Illustration, Anxiety, Way Out, Four Pillars, A Strand Of Hope

## **Introduction**

By hoping for Allah SWT's blessing, we look at the economic problems of the people recently as the gap between rich and poor increases. The crux of the problem is the unequal distribution of goods and services so that in people's lives from day to day the poverty rate increases. Rich people get richer and poor people get poorer.

Poverty has become an interesting topic in various seminars and meetings from the neighborhood level to the national level. Even International. Either poverty is due to cultural or structural poverty. Cultural poverty (living culture that is supported by the environment does not want change so they remain poor, but they do not feel poor). Meanwhile, structural poverty is poverty due to the influence of social, political and economic changes. The result is that

government policy suddenly increases fuel prices, thereby affecting other commodities. As a result, there was inflation and large layoffs (layoffs), giving rise to new poverty rates as a result of government policy. The unemployment rate is increasing, job opportunities are limited. Job seekers in the non-formal sector increase. As a result of this, women selling hawkers, pushcarts, sellers of packaged rice have emerged as fertile fields for loan sharks labeled cooperatives, or online lending businesses. For those who need fast working capital without collateral, just a photocopy of liquid funds in just five minutes. Meanwhile the next day they were visited to be charged back with high interest. If you are unable to pay according to schedule, interest will accrue. So there is a double amount that has to be paid.

As a mosque activist who is also in government, I always think about finding a way out so that people can be saved from usury. The process of da'wah struggle and contribution of ideas through policy that we describe in this short article may be of benefit to readers whether local to KSB, Indonesian National or living in the ASEAN region.

### **Discussion and Conclusion**

#### **ILUSTRATION**

When I came home from the mosque, I accidentally saw a burly young man with black hair and curly hair, standing at the door of my neighbor's house, shouting at the owner of the house, "If you don't pay off today, the interest will increase by ten percent" in a harsh tone. "Give me another chance in two days," said Mrs. in a hopeful tone A few moments later the young man spoke and shouted, "Watch out, I'll come in two days," as he walked away. After the young debt collector came home, a commotion suddenly broke out between the husband and wife of the house owner.

Maybe the husband felt embarrassed that his wife had been charged by someone, so there was a commotion. An argument was unavoidable, so the husband threw his hand at his wife's cheek, while he shouted "I don't allow you to borrow usury money, but you are still stubborn." His wife screamed hysterically. "Divorce me... I can't stand suffering like this." Well, a scene like that is a free spectacle in every corner of the neighborhood. (RT). Because of loan sharks labeled as cooperatives, many households have been broken up and ended up in the Religious Courts. To get a divorce.

There was another brother who moved from Surabaya because of the season. Covid 19 he was dismissed from the company where he worked. The company was dissolved. He tried to apply there to Kamari and was rejected. He came with capital loan proposals to various banks. The bank refused because there was no collateral. Finally, he was forced to take money from "Bank Rontok" (a term for usurious cooperatives). He was a brother who understood, but due to pressure, his faith was forced to be pawned.

Conditions like these brothers are not small. Those who have studied the Koran and understand about "Buying and selling is permitted, and usury is prohibited." However, compulsion made them fall into the valley of sin. Can we continue to let the people sink into the mire of sin? Not to mention that some millennial couples can easily get online loans (pinjol) but when they pay them the interest is double.

Remember the verse of the Qur'an Surah Al Ahzab verse 45: 46. Which reads: "O Prophet, indeed we have sent you to testify (Islam), bring good news, and give warnings. And become Da'i ilallah (call for Allah), with His permission you Become a Star of Light."

I was stunned, our task of continuing the Messenger of Allah's Messenger there are four main principles as follows:

- 1) Witnessing Islam. Showing Islamic Sharia to humans. Whether in the family, society, or country. All aspects of life are colored (sibgoh) by the will of Allah SWT. Likewise, in the fields of politics, economics, education and culture, we always fight according to "Iradah Allah" (God's will).
- 2) Conveying the good news to the people that the Future Home we dream of is Jannah (Heaven). And the pinnacle of all our hopes is Redho Allah SWT. All the facilities we have now in this world are a means to reach our future home, namely Jannatunnaim
- 3) Providing warnings against evil is the obligation of all of us who understand the basic principles of Islamic teachings. When we understand a verse about halal and haram then we are obliged to convey it to the people according to the limits of our abilities. Rasulullah SAW reminded us, "If you see something evil, rebuke it with your hand (your power), if you cannot then rebuke it with your tongue, and if you cannot rebuke it with your heart. Rebuking with your heart is as weak as faith.
- 4) Daiyan Ilallah (become a leader in the way of Allah). Da'i is a task carried out by all Muslims. Da'i is not a profession that can be commercialized.

To be Da'i for Allah does not have to stand on the pulpit of the mosque or at the Akbar table. The duties of preachers in the way of Allah can be carried out wherever we are with the conditions: Sincerity for Allah and Mutabaah (following the Sunnah of the Prophet SAW) On the basis of these four principles as an individual who has gained trust as Chair of BAZNAS (National Amil Zakat Agency) West Sumbawa Regency.

### **ANXIETY**

Anxiety as a Da'i who has received the government's trust to become Chair of the West Sumbawa Regency BAZNAS sees the rampant evil and usury that is strangling the poor and getting poorer. Remember the Hadith of Rasulullah SAW which says: "If you see something wrong, rebuke it with your hand, if you are unable, rebuke it with your tongue, if you are unable, rebuke it with your heart. Rebuking with your heart is as weak as faith."

The words in the Qur'an: "Let there be among you those who call people to do good, command them to do good and prevent them from doing evil...". There are many verses from Allah that tickle my heart to wake up to "Prevent evil". Remember the Word of Allah in Surah AL-Baqarah verse 276: "Allah fights usury and makes alms fertile. And Allah does not like people who remain in disbelief and always commit sins." Allah SWT's explanation is that the punishment in the world for those who commit usury is that Allah will destroy their wealth.

### **Destroying in the sense of:**

First, destroy what is concrete. Maybe a disaster struck their assets or the perpetrator fell ill, so they ran out of assets for medical expenses. Second, destroying in the abstract sense, namely eliminating his blessings. Even though he has many possessions, he lives like poor people. Not feeling enough, always restless until the end of his life.

In the Qur'an, there are several clear verses about usury:

- 1) Allah SWT expressly forbids the practice of usury: "Waahallallahul bai'ah waharramar usury" meaning that Allah permits buying and selling and prohibits usury (Al Qur'an surah Al Baqarah 275)
- 2) Then Allah SWT ordered believers to stop the practice of usury. "Ya ayyuhalladzina amanuttaqullaha wazaruu maa baqiya minarriba inkuntum mukminin" means: O you who believe, fear Allah and leave behind the remains of usury (which have not been collected) if you are believers (QS. Al Baqarah 278).
- 3) Allah SWT threatens to fight against those who do not want to stop usury: "Fain lam taf alu, fa 'zanu biharbin minallah wa rasulih. Meaning: So if you do not want to stop with the rest of usury, then Allah and the apostle will fight you (QS. Al. Baqara 279)."
- 4) Allah SWT promises to put the perpetrator in hell and forever.

The word of Allah which means: "Allah has permitted buying and selling and forbidden usury. People who have received a prohibition from their Lord, then continue to stop (from taking usury), then for him what he took first (before the prohibition came) and his affairs are up to Allah "Those who return to taking usury, then that person is an inhabitant of hell and they will remain there forever" (Surah Al Baqarah 275). I thought about it after reading and understanding the verses above. But how?

Verbal preaching, preachers and preachers preach at all times but usury still exists.

From that anxiety came the idea:

- 1) Silaturahmi with related parties
- 2) Massive postings on social media about the law of usury, the sin of usury and the impact of usury in household and community life. Column. Comments emerged between the pros and cons. Patiently and wisely answer the opposites.
- 3) Raised at a meeting of the leadership of BAZNAS West Sumbawa Regency the desire to create a program "Equipment of Islamic Religious Counselors as an extension of our arm. Finally, an MoU was issued between the Leader of BAZNAS KSB and the Head of the Ministry of Religion KSB regarding the empowerment of non-ASN Counselors in fighting usury. However, after the activity was underway, only 30% of the 40 extension workers had the courage to accuse usury. The rest are preaching about zakat, infaq and alms. Several friends quipped sarcastically. It's useless to waste time, energy and funds but in vain. Another approach is urged by SatPol. PP to arrest loan shark agents labeled as cooperatives. But SatPol. PP has no basis for action. Must be regional regulations or Regent regulations.
- 4) Sign an MoU with the Head of KESRA regarding efforts to combat usury. Several efforts to develop study groups as preaching agents in villages.
- 5) Signed an MoU with the Head of the Cooperative Service in an effort to develop sharia cooperatives as an alternative to fighting usury. A little progress is starting to emerge because the Cooperative Service, apart from developing cooperatives, also supervises cooperative cooperatives that come from outside the region and carry out activities of distributing usury money at KSB.

- 6) Signed an MoU with MES (Sharia Economic Society regarding efforts to empower the people's economy without usury. Alhamdulillah, the blessing of the MoU with MES has resulted in support from various parties. So the MES program emerged, an effort to turn several compensation cooperatives into sharia cooperatives.
- 7) A Cooperative Service program emerged to pioneer the birth of a Usury Free area. Starting from one sub-district to another, starting with Jereweh sub-district, then Taliwang sub-district and so on.
- 8) Conduct outreach through print media, putting up billboards and social media about the dangers of usury.
- 9) The Regent and deputies stated that West Sumbawa Regency's stance is NO RIBA. This attitude is proven:
  - a. The Deputy Regent (Fud Syaifuddin, ST), after witnessing the signing of the MoU between the Leader of BAZNAS KSB and the Head of the Cooperative Service and Ketus MES (Sharia Economic Society) gave a speech and at the same time hit the gong "KSB NO RIBA"
  - b. The Regent of KSB (Dr. Ir. H. W. Musyafirin. MM) declared together with TBA activists throughout KSB hundreds of people with booming voices chanting "KSB is NO RIBA". Is it just the slogan of KSB being NO RIBA. Certainly not. What's the follow-up?

## WAY OUT

Thank God, people are starting to understand the sin of usury, but they are asking what alternatives BAZNAS KSB or the Regional Government will take. Based on input from various parties, we as Chair of BAZNAS KSB addressed this issue at the leadership meeting. I propose that a Micro Zakat Bank program be established with three main programs, namely:

1. Interest-free Revolving Fund Loan (Qardul Hasan)
2. Financing the procurement of daily necessities using the Murabaha system.
3. Assistance and guidance for small and medium enterprises.

To understand more deeply the technical aspects of sharia economics, we collaborate with a sharia economic consulting agency from Bogor. In line with the Micro Zakat Bank program which must be funded, BAZNAS income must increase. For this reason, we carry out intensive coordination so that the Regent and KSB Regional Government officials provide full support to BAZNAS.

This is proven by the following things:

1. KSB Regent's Regulation issued regarding ASN's obligation to pay ZIS through BAZNAS.
2. Issue of KSB Regent's Regulation regarding the obligations of Project Partners/Procurement of goods. KSB Regional Government is obliged to pay ZIS via BAZNAS.

The realization of the Regent's Regulation, thank God, the collection of zakat infaq and alms has increased quite significantly from year to year. In the first year 2016 the target was IDR250.000.000. the realization of collecting IDR526,397,150,-. In the second year 2017 the

target was IDR. 1M realized Rp. 2.2M, and so on until the fifth year 2020, the target is IDR. 5M realized Rp. 6M. Likewise, in the sixth to seventh years, BAZNAS KSB's income continued to increase in collecting zakat, infaq and alms.

Table of ZIS BAZNAS KSB Collection results.

NO	YEAR	REALIZATION PLAN	COLLECTION PLAN	DISTRIBUTION
1	2016	250.000.000	526.397.150	424.737.000
2	2017	1.000.000.000	2.297.913.577	2.072.027.749
3	2018	2.000.000.000	2.582.185.831	2.813.188.492
4	2019	3.500.000.000	4.396.825.995	3.737.512.345
5	2020	5.000.000.000	6.028.205.312	6.237.659.861
6	2021	5.500.000.000	5.604.446.970	5.366.482.362
7	2022	6.500.000.000	7.870.768.050	6.330.357.294
8	2023	7.500.000.000	N/A	N/A

The funds collected are used for programs in the following areas:

1. Health Program
2. Educational Program
3. Humanitarian Program
4. Preaching and advocacy programs.
5. Economics Program

All programs are based in sharia on the eight asnaf listed in the Qur'an. Among many programs which is closely related to the "USury-Free KSB" movement is the economic empowerment of the people without usury. To accommodate this program, we pioneered BZM (Micro Zakat Bank) which serves the people as a replacement for "Bank Rontok". Indeed, in terms of quality and quantity of funding, it is still very far from people's expectations. However, we have done something sincerely and truly, let Allah move the hearts of the people. The IJS principle (Sincere, Honest and Truly) is the motto for the struggle of the KSB community that we instill in the BAZNAS KSB staff. IJS is a spiritual dynamist who makes us determined to fight for the welfare of the people.

Oblique tones are sometimes heard. "Is BAZNAS able to create a bank?" They don't understand. That the bank we formed is called a program for economic empowerment of the people without usury. Not a conventional bank, not even a sharia bank. But micro banks are not legal entities. The name of a program under the guidance of BAZNAS KSB. Thank God, there are limited professional human resources, service to the basket women and hawkers every day runs smoothly. More than one billion in 2023 funds launched. More than a thousand people have been served in the form of Qardul Hasan (interest-free) loans. Several hundred people received business capital grants and tens of people in the form of murabaha.

We feel happy that we can do something even though we are still far from perfection. Thank God, this exit is a bright spot "A ray of light" at the end of a dark tunnel.

A way out that gives hope.



## FOUR PILLARS

A glimmer of hope remains true even though he is already "Towards Asr" age. The unfading hope for the realization of a just and prosperous society practicing the Shari'a of Allah and the Sunnah of the Prophet Muhammad. The people of Baldatun Tayibatun Warabbun Gafur, a good, safe, and peaceful country for its citizens in the forgiveness of Allah SWT.

To realize Fitrah Regency or Baldatun Tayibah country, one of the indicators is the establishment of a people's economy without usury. In order to realize the **KSB NO RIBA** movement, it is necessary to have a united movement of four pillars, namely:

1. Knowledge experts, namely Da'ii, Ustad and Muslim scholars convey massive knowledge to the people regarding:
  - Sharia economic principles
  - Sharia principles and the dangers of usury
  - Basic Syar'i and fadilah of zakat, infaq and alms.
2. Ulil Amar, namely the government as the policy holder seeks to improve the welfare of its people with the strength and potential it has, namely:
  - Regulations are made according to policy.
  - Human resources that support it
  - Source of funds (regional budget)
3. Ulil Amwal, namely the agniyah (rich people), to be made aware by conveying the knowledge of your ulil to realize that in the assets they own there is 2.5% belonging to other people. Agniyah's awareness does not come immediately, serious efforts are needed from the Da'i to convey the message so that the guidance can penetrate their hearts. When the hearts of agniyah realize that in their wealth there are other people's rights, there will be an equal distribution of goods and services from the rich to the poor. In this case, the government requires courage and firmness, "Khuz min amwalihin shodakatan tutahiruhum watuzakkihim" (Take zakat from their wealth to cleanse their wealth and purify their souls" (QS. Attaubah 103).
4. Ulinnafs, namely Amil, social workers and volunteers who are ready to work for the people. They are the bridge between government policy, the knowledge of the ulama and the assets of the agniyah so that they are channeled properly according to sharia guidance. Ulinnafs can take the form of government institutions such as BAZNAS or private institutions such as LAZ (Lembaga Amil Zakat) or social workers. The role of ulinnafs is very dominant in the success of KSB NO RIBA.
  - Ulinnafs who invited Da'i, ustadz delivered da'wah.
  - Ulinnafs proposed to the government that a policy be made that requires rich people to pay zakat.
  - Ulinnafs who collects data, calculates how much zakat the agniyah receive.
  - Ulinnafs collects zakat and distributes it to those entitled to receive it.

There is a ray of hope that these four components will move together, God willing, KSB NO RIBA. Without good cooperation between these four pillars, it is difficult to hope that the KSB NO RIBA movement will be successful. For this reason, the hourly movement, i uniting all the

potential of the people, God willing, will bring blessings. And that blessing is the beginning of success. Uniting the Four Pillars towards the success of KSB NO RIBA.

### **A STRAND OF HOPE**

A strand of hope for "Mustad'afin" (weak people) that the sun will rise, bringing the brightness of life in the future to be better, begins to appear. The West Sumbawa Regency Regional Government's firmness towards loan sharks labeled as Cooperatives is starting to appear. One by one they began to leave the land of "Pariri Lema Bariri" (KSB motto which means Arranging quickly towards perfection). Apart from that, the policy of the Regent of West Sumbawa through the Cooperative Service is to help victims of loan sharks by providing soft loans without interest which are given through several Sharia Cooperatives.

In the KSB NO RIBA Declaration event, the Regent of West Sumbawa, Dr. Ir. H. W. Musyafirin MM, handed over donations to 65 Complete Al Qur'an Reading groups, an( Mrs. TBA) in the amount of Rp. 650,000,000,-. Then every day BAZNAS KSB provides business capital assistance for mothers who have given up "Bank Rontok" (a term for loan sharks). Around two billion rupiah BAZNAS KSB distributed funds to save mothers who were ready to move from ribawi to a sharia economy.

Apart from that, there was assistance from the Governor of West Nusa Tenggara with the MAWARMAS (Fighting Loan sharks through Mosques) program, although not all mosques had a positive impact, it had a positive impact on the community that saving people from loan sharks was the obligation of all parties. As a motivator, we echo the voice of Nahi Mungkar (preventing evil) both verbally and in writing. So the support of the people is increasingly visible in efforts to build the people's economy without usury.

In the context of our writing this article, BANK NTB Syariah Taliwang Branch reports that in order to help mothers who are victims of loan sharks, they will provide interest-free loan assistance with the recommendation of the Takmir of the mosques of each village/district. A strand of Mustad'afin's hopes began to be felt, but they were not yet complete.

We want to see that large companies that mine gold and copper in the West Sumbawa Regency area can contribute to saving people trapped in usury by setting aside just 1% of CSR funds.

This mining company has been operating since 2000 by PT. NNT is a United States company. Since the last few years, the holder has changed to native, namely PT. AMNT. If just one portion of community social funds or CSR is donated to the community specifically for usury settlement, God willing, will be KSB NO RIBA.

The KSB community is like "starving chickens in the rice barn". The potential source of natural wealth in the form of gold and copper which is mined every day is already 20 t. There should be no poor people. Because this area has a population of only 145,000 people. Suppose one percent of the social funds are given to the poor with a system of economic empowerment that solves one or two problems of the people.

Then, apart from that, a potential source for the community that can help with usury issues is the mosque donation box. In West Sumbawa Regency there is 1 quite magnificent Grand Mosque, 8 Subdistrict Grand Mosques, 65 Village/Subdistrict Mosques and several hundred Hamlet/Neighborhood Mosques. Every Friday, the Takmir Masjid announces the condition of



incoming and outgoing money as well as the cash balance from the infaq box of each mosque. It occurred to me, if each mosque every week set aside 10% of the donation money to help neighboring mosques who have difficulty with capital, God willing, the KSB NO RIBA movement will be complete.

Unfortunately, the mosque administrators from day to day only think about how to polish the mosque to make it magnificent. Don't think about the congregation. It is time for the mosque to rise as a support for the people's economy without usury. Verbal da'wah bil needs to be accompanied by da'wah bil hal (real practice). If necessary, each Village/Subdistrict Jami Mosque will form a Baitulmal Watamwil or Sharia Cooperative owned by the congregation. So that the economic problems of mosque congregations can be resolved by the mosque without having to be involved with loan sharks. Allah is the Greatest.

This idea or idea is a strand of hope for the Mustadafin (people who are weak in every way), hopefully it will come true someday. Nazrun minallahi wafathin qarib.

### **Closing**

Alhamdulillah, this short article can be concluded:

1. That poverty approaches disbelief (Al Hadith).
2. The development of loan sharking (usury) in underprivileged (poor) communities
3. To make the KSB NO RIBA program/Movement successful, four pillars are needed that support each other:
  - Ulil of knowledge (ulama/ ustaz, kiyai)
  - Ulil Amar (government official)
  - Ulil Amwal (property owner/rich person)
  - Ulil Nafs (Volunteer, Amil zakat, social worker)

Coordination and consolidation of these four pillars is the key to the success of a struggle, more specifically in eradicating usury. Nazrun minallah wafathun qorib (Allah SWT's help will come and victory is near) if the struggle to eradicate usury is carried out in congregation by combining the four components mentioned above. God willing, the hope of the mustadafin will come true. Amen YRA.

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Some personal notes from the author as Chair of BAZNAS Kab. West Sumbawa / Lecturer at Cardova University Indonesia, West Sumbawa. NTB.

Personal note: The author is always a lecturer at UNDOVA (University of Cardova Indonesia) West Sumbawa.