Analysis of Istishna’ Contract Implementation in the Sale of Furniture Products: A Case Study in Bengkalis District, Riau Province

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ABSTRACT

Background. The Istishna contract, from the point of view of mutsman (goods sold), has a special character, namely goods that are manufactured in nature, as explained in the theory of production, which, among other things, converts raw goods into finished goods. Therefore, an istishna’ contract of sale and purchase is impossible for natural goods, such as watermelons, durians, mangosteens, and bananas, because humans can’t make these things. However, manufactured goods, such as vehicles (cars, aeroplanes, ships), houses, buildings, and furniture, can be used as mutsman in buying and selling istishna’.

Purpose. This study aims to determine how the Istishna contract’s implementation in buying and selling occurs at CV. Alsindo Furniture follows the perspective of Islamic Economics.

Method. This research is classified as qualitative research with an empirical descriptive approach, examining the sources used as subjects in this study. The primary data is based on observation, interviews, and documentation.

Results. The results of the research, it can be concluded that transactions occur at CV. Alsindo Mebel is following the Islamic Economics review, based on the Hanafi school’s opinion, where goods being transacted are clear in shape, type, and size. In other words, buyers can enjoy goods according to their wishes.

Conclusion. The istisna contract was carried out on a CV. Alsindo Mebel follows the Islamic economics perspective. Based on the results of the research conducted, it can be concluded that the transactions that occurred at CV. Alsindo Mebel is following the Islamic Economics review, based on the Hanafi school’s opinion, where the goods being transacted are goods that are clear in shape, type, and size. In other words, buyers can enjoy goods according to their wishes.

KEYWORDS

Istishna’, Furniture, Products

INTRODUCTION

In muamalah life, Islam provides a clear line of economic policy. Business transactions are things that are very concerned about and glorified by Islam (Soemitra et al., 2021). Differences of opinion in determining the meaning of financial transaction practices have been going on since the Companions’ time. They are expected to continue as long as forms of economic transactions emerge (Estijayandono, 2019). Buying and selling muammalah permitted in the Shari’a must follow existing provisions.
It is explained in the Qur’an that good muammalah is described in detail and clarified in transactions because the buying and selling system has been regulated. In Islam, in such a way with the condition that it does not prohibit according to what is of this research determined in Islamic law (Dewi, 2020).

Allah says in Al-Quran surah Al-Baqarah 2:283

وَإِنْ كُنْتُمْ عَلَىٰ سَفَرٍ وَلَمْ تََِدُوْا كََتِبًا فَرِهىنٌ مَّقْبُوْضَةٌ ۗ فَاِنْ اَمِنَ بَعْضُكُُْ بَعْضًا فَلْيُؤَد ِ الََِّّى اؤْتُمِنَ اَمَانَتَهٗ وَلْيَتَّقِ اللّ ىَ رَبَّهٗ ۗ وَلََتَكْتُمُوا الشَّهَادَةَۗ وَمَنْ يَّكْتُمْهَا فَاِنَّهٗٗٓ اىثٌِِ قَلْبُهٗ ۗ وَاللّ ىُ بِمَا تَعْمَلُوْنَ عَلِيٌْ

“If you are on a journey and a scribe cannot be found, then a security can be taken. If you trust one another, then ‘there is no need for a security, but’ the debtor should honour this trust ‘by repaying the debt’—and let them fear Allah, their Lord. And do not conceal the testimony, for whoever conceals it, their hearts are indeed sinful. And Allah ‘fully’ knows what you do”.

Buying and selling (al-bai’) are one of the terminologies of jurisprudence whose provisions are contained in the Al-Quran and Sunnah, which from a historical point of view, are a continuation of the Shari’a before Islamic teachings were revealed to the Prophet Muhammad SAW (Widyastuti & Hermanto, 2021). Scholars rely on the word al-bai’ to the word al-‘aqd (‘uqud, plural) so that the terminology of Shari’a science generally refers to a sale and purchase contract (‘aqd al-bai’) which covers eight topics, namely (Schoon Natalie, 2016): 1) the creation of a sale and purchase which consists of an explanation regarding the definition of buying and selling, stipulations, and ethics; 2) terms of sale and purchase; 3) the law of buying and selling which also includes an explanation of the goods being sold (mabi’) and the price (tsaman); 4) sale and purchase including cancellation and fasid/damaged; 5) choice (al-khiyarat); 6) types of buying and selling whose explanations include greetings (ordering agricultural, livestock and forestry products), istishna’ (ordering industrial products), sharf (exchange of money), juzaf (kemplang, Sundanese; trading the number and size of objects unknown in detail), as well as usury; 7) sale and purchase of trust which includes murabahah, tawliyah, and wadhi’ah; and 8) iqah contract (Khan, 2016).

Buying and selling (Ba’i) is an exchange transaction between ‘ayn in the form of goods and data in the form of money accompanied by the transfer of property rights. This transaction is known as a sale and purchase transaction (Ba’i). The seller owns the goods, the buyer acknowledges the money then it is exchanged (Hasan, 2022). Buying and selling is a contract commonly used by the community because in fulfilling their needs, people must stay on this contract. To get food and drink, for example, sometimes he cannot meet those needs by himself but will need and relate to other people, so a sale and purchase contract will likely be formed (Alhusban et al., 2021).

Buying and selling transactions that have become daily activities in society. These vary in the form of finished goods and unfinished goods or raw goods, which must be ordered in advance. One example of buying and selling by ordering incomplete goods is buying and selling in the manufacturing sector (saqib et al., 2015). Buying and selling in the manufacturing sector include buying and building of sale furniture. In practice, in the field, the buyer will pre-order orders from the seller by selecting the type of wood and the model according to the owner’s wishes. Then the buyer will order from these raw materials, namely wood, to make something according to the buyer’s needs, such as doors, cupboards, chairs, windows, and others for home needs (Mohamed Saeed et al., 2021).

When viewed from a contract perspective in Islamic law, the sale and purchase transaction of building timber above uses an istishna contract. What is meant by an istishna’ contract is an order sale and purchase agreement between the producer/craftsman/order recipient (Shani) and the customer (mustashni’) to make a product of goods with certain specifications, in which the raw
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materials and production costs are the responsibility of the producer. In contrast, the payment system can be made in advance, middle or end (Antonio & Nugraha, 2013).

Wahbah al-Zuhaili explained that the istishna sale and purchase contract was born and developed based on special needs, small companies engaged in leather crafts, shoe making, carpentry, and household appliances. Now, istishna agreements are also needed to meet the needs of the general public on a large scale, including companies that manufacture ships and aircraft as well as various production machines for large companies with a high level of complexity (Aldoseri & Worthington, 2016).

The istishna contract, from the point of view of mutsman (goods sold), has a special character, namely goods that are manufactured in nature, as explained in the theory of production, which, among other things, converts raw goods into finished goods. Therefore, an istishna’ contract of sale and purchase is impossible for natural goods, such as watermelons, durians, mangosteens, and bananas, because humans can’t make these things. However, manufactured goods, such as vehicles (cars, aeroplanes, ships), houses, buildings, and furniture, can be used as mutsman in buying and selling istishna’ (Aristoni, 2018). According to the followers of the Hanafi school of thought, bai’ al-istishna’ is a prohibited contract because they are based on the argument that the principal of the sales contract must exist and be owned by the seller. Unlike istishna’, the contract’s principal does not yet exist or is not owned by the seller. However, the Hanafi school of thought agreed to an istishna contract based on istisan (Wady & Kurniawan, 2018).

Some scholars state that the Muslim community has de facto agreed to knit a consensus (ijma’) that an istishna contract is a contract that is justified and has been carried out since time immemorial without any friend or scholar denying it. Thus, there is no reason to ban it. Scholars of all times and in every school of fiqh among Muslims have outlined rules in all matters other than worship: The law of origin in all issues is permissible until evidence shows it is forbidden (Rudiansyah, 2020). People need special items according to the shape and criteria they want. And goods with such provisions are not found in the market, so he needs to order them from producers. If this kind of order contract is not allowed, the community will experience many difficulties. And, of course, this kind of trouble should be exposed and prevented so that it does not interfere with the community’s survival (Firdaus et al., 2020).

More than the production of existing goods are needed to meet human needs and demands, especially in today’s modern era when products have developed rapidly. The human need for these products has also increased, so new products must be created to meet their needs and tastes. Under these conditions, the producers benefit by creating creations and product innovations that suit their preferences. Meanwhile, consumers benefit from meeting their needs and tastes in shape and quality. Thus, both parties equally benefit (Chiu et al., 2017). Most scholars who allow istishna’ transactions argue that istishna’ is a non-binding transaction. Therefore, the customer may cancel the transaction and replace it with another item even though the goods follow the terms and conditions. Some scholars allow istishna’ transactions. Among them is Abu Yusuf, who argues that istishna’ transactions are binding because producers make products according to consumer demand that others may not like. However, if the product ordered is not following the characteristics and conditions proposed, the consumer (orderer) may choose (to continue or cancel) (Selim, 2020).

The opinion that is diligent (valid), in our opinion, is the opinion that states that an istishna’ transaction is binding if it complies with the agreed terms and characteristics. That is what is more important because it brings benefits to both parties involved in the transaction. In addition, in today’s modern era, a business can be done by marketing by explaining the criteria for something
desired, such as time, quality, and place of handover. Habits like this are to maintain the benefit of both parties involved in the transaction (Muryanto et al., 2022).

The author’s reason for researching this problem is because Bengkalis is one of the regencies that are predominantly Muslim. But the shops in the city of Bengkalis are owned by non-Muslims. In the study, here the researcher chose the location on the CV. ALSINDO MEBEL is located in Bengkalis District, Bengkalis Regency, which is the location for producing goods in the form of furniture. A buying and selling system is generally an order buying and selling contract (Istishna’). Besides that, the researcher took the object of furniture research because this item is one of the complementary goods for the needs of human life. Besides that, the researcher takes the object as an example and a reference for further research.

**RESEARCH METHODOLOGY**

In-depth interviews, in general, are the process of obtaining information for research purposes. Face-to-face debriefing between the interviewer, the informant, or the person being interviewed. Then with or without using interview guides. Where the interviewers and informants were involved in a relatively long social life, thus, the peculiarity of in-depth interviews is their involvement in the informant’s life (Suzuki, 2013).

**RESULT AND DISCUSSION**

The author’s research results regarding the implementation of the Istishna contract in the sale and purchase of furniture products at CV Alsindo Furniture in Bengkalis consist of the following:
The consumer will decide to choose which basic material to use, with various sizes of plywood thickness and types of wood provided by the seller. The selection has been made, and the consumer continues the ordering process to create a product according to the consumer’s wishes. Consumers will bargain with an agreement to pay in cash or instalments. After the bidding process, find points of agreement regarding product specifications and completion timeframe.

Based on the theoretical study that the author compiled, there are differences regarding the payment system; in theory, the payment in the Istishna contract is made in instalments at the beginning, middle and end, while in CV. Although Alsindo Mebel also implements a payment system in advance, the middle and end, it also implements a payment system in cash or instalments. Related to the delivery process, the ordered product will be sent to the consumer for free without paying postage. When the product has a defect, it will be replaced by a CV. Alsindo Mebel is following the specifications of the buyer’s order. Regarding implementing the Istishna Contract in the Sale and Purchase of Furniture Products at CV Alsindo Furniture in Bengkalis Viewed from an Islamic Economic Perspective, this is, of course, very important to be known by the public and needs to be implemented as a guide for conducting a sale and purchase transaction based on an Istishna contract. This study uses an overview of Islamic Economics based on the Shafi’I school and the Hanafi school, where both schools can be applied in society.

The Syafi’Iyyah school of thought explains that istishna’ is part of greeting because the time for product delivery is at the end of the transaction, and payment is made in instalments. So, istishna’ can be used in manufacturing and construction. Meanwhile, Hanafiah explained that the Istishna contract was a sale and purchase contract for ordered goods, not manufacturing work. So when the artisans provide goods that are not self-produced, or the goods are made before the agreement takes place but follow the form they want to buy, the contract is permissible. The Mazhab Hanafi thought explains that the amount and form of payment instruments that can be utilized are clear, both in the form of money and goods as well as benefits. Hanafiah prohibits rare
orders that are not usually made by the public. In other words, this order is only sometimes ordered to be made by the community; of course, it will change to a salam contract with certain conditions. Thus the buyer ordering a car must explain the basic materials, sizes, shapes and quantities contained.

As for the terms of payment applied by CV Alsindo Mebel uses two methods, namely by using a cash or instalment system according to the agreement between the seller and the buyer. Istishna contract is a contract that provides benefits for producers and fulfils the needs of buyers due to the driving factor of istishna due to the needs of the buyer. Based on the results of the interview with Mr. Junaldi as the owner of the CV. Alsindo Mebel, it can be concluded that the buying and selling system occurred at CV. Alsindo Mebel complies with the Istishna contract. Sellers and buyers in conducting Istishna’ contract transactions use the theory that has become a habit in the village without thoroughly knowing how the actual implementation of the Istishna contract is. Besides that, in CV Alsindo Mebel still uses a family basis, so there are no collateral items in an orderly condition. So that when there is a default, it is only done in a family deliberation.

The istishna’ transaction has several advantages, among others, in the istishna’ contract the goods ordered can be adjusted to what the buyer wants and the istishna’ contract can make it easier for the buyer to carry out buying and selling transaction activities, especially in the manufacturing sector which requires substantial costs while the buyer only have a little resource cost. There are several benefits from an Istishna sale and purchase transaction, namely: To make it easier for humans to communicate. The people of Bengkalis are given convenience in buying and selling furniture. It is a community need that requires goods that are not available in the market. Thus the community is given a choice according to their wishes. As a medium of mutual help between humans with one another.

Based on the results of the research conducted, it can be concluded that the transactions that occurred at CV Alsindo Mebel following the Islamic Economics review, based on the Hanafi school’s opinion, where the goods being transacted are goods that are clear in shape, type, and size. In other words, buyers can enjoy goods according to their wishes. Because following the provisions of the istishna contract are as follows. The specifications and price of ordered goods are agreed upon by the buyer and seller at the beginning of the contract. The price of goods cannot change during the contract period unless it has been agreed by both parties. The specifications for ordered charcoal must be clear and follow the characteristics agreed between the buyer and the seller, such as type, size, quality, and quantity. If not, then the seller must be responsible.

CONCLUSION

The implementation of the istishna contract in buying and selling furniture products at CV ALSINDO MEBEL is based on the results of interviews with several parties. The author can explain the buying and selling transactions that occurred at CV Alsindo Mebel, in theory, following the elements of buying and selling, namely having to fulfil the pillars of buying and selling. When connected with buying and selling transactions in CV Alsindo Mebel has fulfilled the posts of sale and purchase. CV Alsindo Mebel acts as the seller and customer in Pedekik village and from outside the area. Objects from the results of various types of furniture according to the agreement between the seller and the buyer.

Factors that can affect the perfection of the implementation of the istishna contract on the CV Alsindo Mebel consist of the type, type and form of goods or products ordered: the information must be clear. The ordered goods must follow the entrepreneur’s capabilities and habits in
producing them. There is no time limit. If you mention a time limit, the Istishna contract will be broken and turn into a Salam contract.

The istisna contract was carried out on a CV. Alsindo Mebel follows the Islamic economics perspective. Based on the results of the research conducted, it can be concluded that the transactions that occurred at CV. Alsindo Mebel is following the Islamic Economics review, based on the Hanafi school’s opinion, where the goods being transacted are goods that are clear in shape, type, and size. In other words, buyers can enjoy goods according to their wishes.

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