Is Bank Interest Ribâ? A Content Analysis
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Abstract

This research aims at analyzing the interpretation of ribâ in the current Islamic banking practices to find an answer if bank interest is ribâ. The methodology of this research is qualitative research that employs content analysis approach. The finding shows that there are three distinct groups emerging. The first group contends that bank interest constitutes ribâ, the second group asserts that it does not, and the third group attempts to navigate between the two banking systems.

Given the ever-changing nature of time, place, and era, this study concludes that it is crucial for individuals to comprehend and implement Islamic contracts in their economic endeavors. This responsibility falls on academics, who should provide a simplified explanation of the language used in Islamic contracts, as the aforementioned language demands interpretative skills for comprehension. The public is guided by a fatwa from the MUI stating that bank interest is considered haram. Meanwhile, academics are urged to continually explore debates from diverse sources, including the perspectives of past scholars. According to the fiqh maxim, *Al-Muhāfazah 'ala al-qadīm al-ṣālih wa al-Akhzū bil al-jadīd al-ṣālah* it is recommended for all to uphold beneficial old traditions while embracing modern practices that align with Islamic values. This study is expected to make a contribution in terms of policy recommendation in affirming the ribâ understanding and Islamic banking practices in different jurisdictions.

Keywords: Ribâ, Interest, Islamic Bank, Content Analysis

INTRODUCTION

The law of ribâ mentioned in several verses in Al-Qur'an has been agreed upon by scholars but in practice, the determination of the law of ribâ is quite diverse, for example on bank interest. The first group agrees that bank interest is ribâwi so it needs a replacement for transactions that already exist in conventional banks such as through contracts offered by Islamic banks. They are Shaikh Yusuf Qaradhawi, Mutawalli Sya'rawi, Abu Zahrah, and Muhammad al-Ghazali. However, the second group states that bank interest is not included as type of ribâ, among others: Shaykh Ali Jum'ah, Muhammad Abdus, Muhammad Sayyid Thantawi, Abdul Wahab Khalaf, and Mahmud Syaltut. The argument is similar, as in the case of Sheikh Thantawi who actually agrees that ribâ is
illegal but there are only two types of ribâ that are haram: ribâ an-nasiah and ribâ al-fadl while the rest are relatively based on ijtihad consensus.

However, Bank Muamalat Indonesia was established in 1992 where there was no fatwa on bank interest at that time. Only twelve years later, the Indonesian Ulama Council has taken a firm step by issuing Fatwa No. 1 of 2004 regarding bank interest that bank interest is regarded as ribâ. Currently, the position is clear, but the two groups still keep arguing till today. In fact, there is a third group where they reject both, who consider that either conventional bank and Islamic bank practices ribawi transactions but this group prefers to do the transactions in conventional banks with a note that they will not take the bank interest. Tafsir Ahkam by Imam Al-Jashshâsh contains an explanation of ribâ where it is one of the books of tafsir al-Ma'tsur (at-tafsîr ar-riwâyah) which is to interpret the Qur'an with the Qur'an, with the saying of shahabah or with what agreed upon by the commentator. Meanwhile, from his method, Imam Al-Jashshâsh uses analytical methods (tahlili). From the explanation of the existing interpretation in conjunction with the current modern understanding, then according to Al-Jashshâsh transactions that exist in conventional banks today does not belong to ribâ (excess) transaction.

From the various developments of tafsir of the Qur'an from then until now, there are four methods of tafsir, namely; 1. ijmali (global), 2. tahlili (analysis), 3. muqaranah (comparison), and 4. maudlu'i (thematic) (Baidan, 2000). The ijmali method is a method of tafsir in which the commentators try to interpret the Qur'an briefly and globally, for example: Tafsir Jalalain by al-Suyuti and al-Mahalli. While tahlili is a method of tafsir in which the commentators try to explain the content of the verses of the Qur'an from various angles by paying attention to the sequence of verses and letters of the Qur'an as listed in the Ottoman manuscripts, for example: Tafsir Al-Thabrani. The commentators begin their description by presenting the meaning of the vocabulary and are followed by an explanation of the meaning of the verse globally.

The method of tafsir muqoronah is a method by comparing a number of Qur'anic verses that have editorial similarities, comparing Qur'anic verses with hadith and comparing with various scholars' opinions of tafsir by interpreting the Qur'an. The last method is maudlu'i, which is a method in which the commentators gather all the verses of the Qur'an that talk about an issue and lead to one meaning and one purpose, even if the verses differ in the way and descent of various letters and also different places and It's time. For example: Abbas Mahmud al-Aqqad, al-Insân fi al-Qur'ân, al-Mar’ah fi al-Qur’ân, and the work of Abul A’la al-Maududi, al-Ribâ fi al-Qur’an (Yamani, 2015).

Given the liberty in choosing the Al-Qur'an interpretation, therefore there are different practices in Islamic banking around the world. This study selects Indonesia with the influence of Mazhab Syafii that has been rigorously in promoting its Islamic banking permanence and consider conventional bank interest is totally impermissible. From the background of this study, therefore this research aims at analyzing the interpretation of ribâ in the current Islamic banking practices with research questions are as follows: 1. To what extent is ribâ defined by various scholars of Islam? and To what extent do implication of different interpretation of ribâ on the public acceptance towards Islamic banking practices? This study is expected to make a contribution in terms of policy recommendation in affirmation of ribâ understanding and Islamic banking practices.

This paper consists of four sections, started with discussion of ribâ in Section One followed with the explanation of research methodology in Section Two. Next, Section Three elaborates analysis on different scholars’ opinions while Section Four concludes the paper with recommendation for future research.

LITERATURE REVIEW: THE LAW OF RIBÂ

In this paper, the tafsir of ahkam that will be discussed is related to "bank interest" but before that, the discussion in this paper starts from the term "ribâ" which comes from Arabic which means 'additional'. In QS Al-Hajj (22): 5 the verse spells out rebate, which means 'high growth', O
people, if you are in doubt about the resurrection (from the grave), then (know) that We have created you from dust, then from a drop of semen, then from a clot of blood, then from a lump of perfect flesh and not perfect, so that We Explain to you and We fix in the wombs what We will for a term appointed, then We bring you forth as infants, then (gradually) you come to maturity, and of you are some who die and (are) in among you whose age is prolonged to old age, so that he no longer knows anything that he once knew. And you see the earth dry up, then when We send down water on it, the earth is alive and fertile and grows all kinds of beautiful plants. The word "ribâ" is mentioned eight times in the Qur'an, which the commentators agree that the law is forbidden, because the prohibition has been clearly outlined by Allah SWT such as in QS Ali Imran (3): 130: O ye who believe! do not consume usury, doubled and multiplied, but fear Allah that you may be successful.

Law of ribâ was revealed in stages, first stage, Allah SWT explains that the ribâ practice renders benefit to people but not in the view of Allah SWT: And whatever you give for interest [i.e., advantage] to increase within the wealth of people1 will not increase with Allāh. But what you give in zakāh, desiring the face [i.e., approval] of Allāh - those are the multipliers (QS Ar-Rum (30): 39).

The second phase, Allah SWT states that usury is forbidden: And [for] their taking of usury while they had been forbidden from it, and their consuming of the people's wealth unjustly. And We have prepared for the disbelievers among them a painful punishment. (QS An-Nisa (4): 161). In the third stage, Allah SWT makes it even clearer that ribâ is strictly forbidden, see QS Ali Imran (3): 130.

As for the fourth stage, it is a confirmation of the whole series of stages of the prohibition of ribâ namely in QS Al-Baqarah (2): 275-281. Those who consume interest1 cannot stand [on the Day of Resurrection] except as one stands who is being beaten by Satan into insanity. That is because they say, "Trade is [just] like interest." But Allāh has permitted trade and has forbidden interest. So whoever has received an admonition from his Lord and desists may have what is past, and his affair rests with Allāh. But whoever returns [to dealing in interest or usury] - those are the companions of the Fire; they will abide eternally therein (275). Allāh destroys interest and gives increase for charities. And Allāh does not like every sinning disbeliever (276). Indeed, those who believe and do righteous deeds and establish prayer and give zakāh will have their reward with their Lord, and there will be no fear concerning them, nor will they grieve (277). O you who have believed, fear Allāh and give up what remains [due to you] of interest, if you should be believers (278). And if you do not, then be informed of a war [against you] from Allāh and His Messenger. But if you repent, you may have your principal - [thus] you do no wrong, nor are you wronged (279). And if someone is in hardship, then [let there be] postponement until [a time of] ease. But if you give [from your right as] charity, then it is better for you, if you only knew (280). And fear a Day when you will be returned to Allāh. Then every soul will be compensated for what it earned, and they will not be wronged [i.e., treated unjustly] (281). The closing stage of the prohibition of ribâ clarifies that ribâ with any type and nominal as small as any is illegal in Islam.

From the verses about ribâ above, the content of the verse states some reasons why ribâ is forbidden, namely:

1. People who consume ribâ will be humiliated among His creatures;
2. People who still do ribâ after the prohibition is clear is a proof of resistance to the command of Allah SWT;
3. Ribâ makes people unproductive and immoral to fellow human beings;
4. People who commit ribâ are threatened to remain in hell;
5. Those who commit ribâ will be destroyed by Allâh;
6. Allah SWT sets ribâ as the opposite of alms; and
7. Allah SWT and Rasulullah SAW will fight those who are still committing acts of ribâ.
Ribâ linguistically means grow and addition, meanwhile quoting Abdurrahman Al-Jaziri in the book Al-Fiqh 'ala al-Madzahib al-Arba'ah interprets it as "the increase of one of two similar conversions without any reward for this addition" (NU, 2018). For example, exchanging 10kg of glutinous rice for 12 kilograms of glutinous rice, or A is willing to lend Rp.300,000 to B, as long as B is willing to return Rp325,000. The scholars, both Salaf scholars (four schools) and contemporary scholars, all agree on the prohibition of ribâ. Scholars have several different editorial expressions of expressions. Broadly speaking, ribâ is a contract that takes place without knowing the similarity of the goods according to shariah or delaying the time of delivery. Basically Islam recognizes several types of ribâwî goods, as mentioned in the hadith: “Gold is sold for gold, silver is sold for silver, wheat is sold for wheat, poetry is sold for poetry, dates are sold for dates, and salt is sold for salt, the doses or weights are the same and are paid in cash. Whoever adds or asks for more, then he has done ribâ.” (HR Muslim, No. 2972).

If this item is transacted in a shariah contract but there is an advantage in the return (payment), then it enters the category of ribâ. Therefore, all scholars agree that transactions on the above ribâwî items must be done with the same type and time. For example, exchanging one kilo of dates should be at the same dates at the same time. When there is a time difference and there is an additional exchange, this transaction is classified as a ribâ transaction.

Similarly, in a transaction involving goods which are monetary in nature into goods usurious money is considered as gold and silver, which essentially becomes means of transaction. So that both, and similar goods, are categorized as ribâwî goods, and transactions on these goods must be similar and the same. Because both are types of money, they must be exchanged for the same amount without deducting the amount of rupiah.

From another reference, Ibn Rif'ah as quoted by Wahbah az-Zuhaili explains that ribâ is an added value in transactions of gold, silver and all kinds of food. If the sale and purchase agreement or the debt agreement related to the ribâwî property there is an added value of one or both goods that are suspended, or the handover is not direct, then the contract already contained the element of ribâ (Kaltsum and Ghazali, 2015).

In principle, ribâ is categorized into two, namely: Ribâ an-nasiah (also known as ribâ al-duyun or ribâ al-jhiliyyah) and ribâ al-fadl. Ribâ al-Nasî'ah was popular and conventional among the Arabs during Jahiliyyah period, they used to give loans on the condition that each month they will receive a specified amount with all the remaining principal, then, when the loan is due and the borrower is unable to pay its obligations, the amount is increased and the period is extended. Ribâ practiced in Jahiliyyah. Ribâ al-Naqd (al-Fadl) is, like selling one part (unit weight) of wheat, or anything similar to it in two parts (Borhan and Saari, 2004).

**RESEARCH METHODOLOGY**

Content analysis is a research method aimed at drawing reliable and valid conclusions from texts (or other meaningful materials) concerning their usage contexts (Krippendorff, 2012, p. 18). Numerous researchers have employed content analysis in their studies, particularly when assessing the extent of information disclosure in annual reports, including elements such as chairman's statements, president's letters, operating and financial reviews, and other accounting-related communications (Steenkamp & Northcott, 2007). Some researchers focus on narrative research related to social and environmental aspects (Unerman, 2000; Guthrie and Abeyseker, 2006).

This paper discusses different opinions on ribâ in several publications that requires critical examination so to arrive at a conclusion, thus using content analysis is deemed practical.
ANALYSIS; IS BANK INTEREST RIBÂ?

There are two groups of scholars and scholars who agree that bank interest is ribâ so that the law is illegal and must be avoided. They are Shaikh Yusuf Qaradhawi, Mutawalli Sya'rawi, Abu Zahrah, and Muhammad al-Ghazali, who stated that bank interest is not permissible, because it constitutes ribâ. Indonesian Council of Ulama (Majelis Ulama Indonesia) affirmed it in its fatwa that the bank interest is impermissible.

While the second group of scholars argue that it does not include ribâ, such as Shaykh Ali Jum'ah, Muhammad Abduh, Muhammad Sayyid Thanthawi, Abdul Wahab Khalaf, and Mahmud Syaltut. They all asserted that bank interest is legal and permissible and it is not categorized as ribâ. This opinion is in accordance with the fatwa issued by Majma 'al-Buhus al-Islamiyyah on 23 Ramadhan 1423 H, coinciding on 28 November 2002 AD. They adhere to the QS An-Nisa' (4): 29: O you who have believed, do not consume one another's wealth unjustly but only [in lawful] business by mutual consent. And do not kill yourselves [or one another]. Indeed, Allâh is to you ever Merciful.

From the above verse, Allah SWT forbids consuming other people's property in a false way but allows it if it is constructed through business with mutual pleasure. The word "ridha" is what is believed if it is expressed by both parties to the transaction as when determining the amount of profit in the beginning is allowed. In addition, when they analyze the profit or addition to the principal of the loan, it is should also legal, even if the addition is not required during the contract. However, since the addition is permissible in shariah, then bank interest is also permissible, because there is no difference between bank interest and the addition on the principal of the loan. It is confirmed that as follows: “Ribâ means usury. It is an undue profit made, not in the way of legitimate trade, out of loans of gold and silver, and necessary articles of food, such as wheat, barley, dates and salt (according to the list mentioned by the Prophet himself). My definition would include profiteering of all kinds, but exclude economic credit, the creature of modern banking finance (Yusuf, 1999).

In addition, the second group above assesses that value-added in the context of ribâ is permissible if used as follows (Ahmad and Hassan, 2007):
1. For purposes other than exploiting the weak in the community by the strong, for lending similar to what was practiced in the pre-Islamic period;
2. For current forms of interest -based banking transactions but not for ribâ purposes;
3. For the purpose of indebtedness similar to the economic activities of the pre-Islamic period;
4. For business investments but not for consumption loans;
5. For losses suffered by creditors due to inflation;
6. For moderate interest but not for compounding interest; and
7. For institutional credit.

During the National Meeting (Musyawarah Nasional/MUNAS) of Nahdatul Ulama in Bandar Lampung in 1992, there were three opinions on the law of bank interest: First, the opinion that saw the equality between bank interest and ribâ absolutely, so that the law is illegal. Second, an opinion that does not equate bank interest with ribâ, so the law is permissible. Third, the notion that the bank interest is doubtful. Nevertheless, MUNAS considers it necessary to find a way out to determine the banking system in accordance with Islamic law. From the above description, it can be understood that the law of bank interest is a matter of agreement among Nahdatul Ulama scholars. There are scholars who forbid it because it includes ribâ and there are scholars who allow it, because they do not consider it as ribâ. But they all agreed that ribâ is impermissible, except in the form of practices, it differs which one falls under the definition, and which one does not.

After studying several sources, the scholars agree on the understanding of nash and hadith on the law of the prohibition of ribâ. The problem is whether the interest given by the bank is ribâ? After two years of establishment, Bank Muamalat Indonesia (Indonesia's first Islamic bank
established in 2002) began to receive support with the issuance of the Indonesian Ulema Council No. 1 of 2004 on bank interest that bank interest is ribâ which takes the following propositions:

2. From Jabir ra, he said: “The Messenger of Allah (may peace be upon him) cursed those who ate (took) ribâ, gave, wrote, and two people who witnessed it.” He said: “They have the same legal status” (HR. Muslim).
3. From Abu Hurairah ra, he said, Rasulullah said: “There will come to mankind a time where they are accustomed to eating ribâ. Whoever does not eat (take) it, he will be exposed to its dust” (HR. Al-Nasa'i).
4. From Abu Hurairah ra, he said, Rasulullah saw said: “Ribâ is seventy sins; his lightest sin is (equal to) the sin of one who commits adultery with his mother” (HR. Ibn Majah).
5. From Abdullah, from the Prophet saw, he said: "Ribâ has seventy -three doors." (HR. Ibn Majah).
6. From Abdullah bin Mas'ud: “The Messenger of Allah (may peace be upon him) cursed those who ate (took) ribâ.
7. The opinion of the scholars of fiqh that the interest charged in loan transactions (debts, al-qardh; al-qardh wa al-iqtiradh) has met the criteria of ribâ which is forbidden by Allah SWT. The jurists include: Imam Nawawi in Al-Majmu; Ibn al-'Araby in Ahkam al-Qur'an; Al-'Aini in "Umdah al-Qari"; Al-Sarakhsy in Al-Mabsuth; Ar-Raghib al-Isfahani in Al-Mufradat fi Gharib al-Qur'an; Muhammad Ali al-Shabuni in Al-Fiqh al-Islamy wa Adillatuh.

Although the Fatwa Majlis Ulama Indonesia No. 1 of 2004 on interest has been issued that spells out bank interest is ribâ, the debate remains up to today. There is even emerging group (the third group) that it is not in favor of those who agree or disagree that bank interest is ribâ. This third group declare that their group was a group without ribâ which in fact was of the opinion that Islamic banking activities today still belong to activities that still include the element of ribâ. For example, additional on sale and purchase transactions (Murabahah) and additional revenue sharing on financing based on partnership such as Mudharabah and Musyarakah.

This third group is not unreasonable because Murabahah transactions are currently the most dominant transactions carried out by Islamic banks because the contracts are most easily understood by the general public. The third group states that with the addition or benefit of the Murabahah contract, making this contract is no different from the existing credit contract in conventional banks. If ribâ is viewed as addition to a purchase (Murabahah), it is clearly mentioned in the following verse QS Al-Baqarah (2): 275 that there is a clear difference between trading and creating ribâ. Murabahah uses a sale and purchase agreement by setting an acquisition price and a certain profit margin is agreed upon by both parties. From the language, the word "Murabahah" is taken from the Arabic word ar-ribhu which means excess and additional (profit) which means Murabahah is the process of selling goods at a price and then reselling them by setting the price difference to obtain a profit with a certain value. The amount of the profit can be determined in nominal or a certain presentation based on the purchase price (Antonio, 2001). One of the conditions that must be met in a Murabahah transaction is that the seller must inform the buyer about the purchase price of the goods and state the amount of profit added to the cost.

Murabahah is also explained as follows: Bai Murabahah (bai'ul Murabahah) is the sale and purchase of goods at the original price in addition to the agreed profit. In a Murabahah, the seller must inform the principal price he is buying and determine a level of profit in addition. As for based on Law Number 21 of 2008 on Islamic Banking, the definition of Murabahah is found in the explanation of Article 19 paragraph (1) letter d which states that Murabahah is a financing contract for an item by confirming the purchase price to the buyer and the buyer pays a higher price as an agreed benefit. From the above explanation of contracts, advantage or profit becomes something
that is permissible which does not always mean ribâ. For more details, the following section explains the activities of conventional banks and Islamic banks and the differences between the two.

**Activities of Conventional Banks and Islamic Banks**

From conventional banking sites in Indonesia, we can know that currently there are several products and services offered as follows (Produk dan Jasa Bank Central Asia, 2020):

1. **Products**: Savings, Checks, Deposits, Investment Bonds, Mutual Funds, Credit, E-banking.
2. **Services**: E-Money, Transfer, Bank Guarantee, Letter of Credit.

Bank serves as a mediator so that whatever is received from the customer to be managed, the bank will provide a reward in the form of a payment that has been promised in advance. For example, Mr. A opened a deposit of Rp. 10,000,000, the current bank rate is 5.5% per annum. So the reward that will be paid by the bank every month is: Rp. 10,000,000 x 5.5%/12 months = Rp. 45,833, the bank then used Rp. 10,000,000 to be lent to Mr. B who needs money in return from Mr. B to the bank that has been determined that is 8% per year. So Mr. B will pay to the bank a reward of Rp. 10,000,000 x 8%/12 months = Rp. 66,666. The difference between Rp. 66,666 - 45,833 = Rp. 20,833 is considered as the bank's profit. It is this advantage that according to the second group does not include ribâ because it serves as a means of triggering savings and cooperation, both of which are recommended by the syara’ (Thanthawi, 2019).

As for the Islamic banking in Indonesia, the products and services offered are as follows (Produk dan Jasa Bank Central Asia, 2020):

1. **Products**: Savings, Giro, Deposit, Sukuk Investment, Islamic Mutual Fund, Financing, Mortgage, Hajj and Umrah, E-banking.
2. **Services**: Zakat, E-Money, Foreign Exchange, Clearing, Transfer.

From the bank activities above, it seems that there is not much difference between the two types of banks. Therefore, it is very clear if the second group states that the products and services offered by Islamic banks are an example of what has been made by conventional banks. In his argument, Grand Sheikh Al-Azhar Imam Thanthawi, for example, explained in detail the nature of ribâ, loans and receivables, deposits and investments, emergence, development, functions and activities of banking, examples and applications, as well as a review of Islamic law on banking transactions accompanied by a description scholars who agree with him. Sheikh Thanthawi agrees that ribâ is haram legally but there are only types of ribâ that are haram, namely: ribâ an-nasiah and ribâ al-fadl while the rest are relative meaningful ijtihadi. Of course in ijtihadi there is a difference that lies in assumptions and tayyif (delicacy) related to the banking transaction itself where there are five underlying theories: theory of sanadiyyah’, ardhiyyah, badaliyyah, ilhaq bil fulus and naqdiyyah (Thanthawi, 2019). However, the first group that stated different had the following arguments.

**Table 1. Differences between Conventional Banks and Islamic Banks**

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<tr>
<th>No.</th>
<th>Conventional Banks</th>
<th>Islamic Banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>The functions and modes of operation of conventional banks are based on man-made principles.</td>
<td>The functions and mode of operation of sharia banks are based on Islamic sharia principles.</td>
</tr>
<tr>
<td>2.</td>
<td>Investors are guaranteed a pre -determined interest rate (risk on the one hand).</td>
<td>Promote risk sharing between two parties: capital providers (investors) and fund users (entrepreneurs).</td>
</tr>
<tr>
<td>3.</td>
<td>It aims to maximize profits without limit.</td>
<td>This also aims to maximize profits but is subject to sharia restrictions.</td>
</tr>
<tr>
<td>4.</td>
<td>Not dealing with zakat.</td>
<td>In the modern Islamic banking system, this</td>
</tr>
</tbody>
</table>
Lending money and returning it with interest is a fundamental function of a conventional bank.

Participation in partnership business is a basic function of Islamic banks.

The scope of its activities is narrower when compared to Islamic banks.

The scope of its activities is wider when compared to conventional banks, which are basically multi-functional institutions.

This may incur additional money costs (compound interest) in the event of default.

Islamic banks have no provision to charge additional money from defaulters.

In them very often, bank interest becomes prominent, so that there is no effort to ensure equity of growth.

This provides an interest in the public interest. The main purpose is to ensure growth with equity.

For interest-based commercial banks, borrowing from the money market is relatively easier.

For Islamic banks, it is relatively difficult to borrow money from the money market.

Because the income from the down payment is determined, it is of little importance to develop skills in project assessment and evaluation.

Because of the sharing of advantages and disadvantages, Islamic banks pay more attention to the development of project assessment and evaluation.

Conventional banks place greater emphasis on the creditworthiness of clients.

Islamic banks, on the other hand, place greater emphasis on project feasibility.

The status of a conventional bank, in relation to its clients, is creditor and debtor.

The status of Islamic banks in relation to clients is that of partners, investors and traders.

Conventional banks must guarantee all their deposits.

Islamic banks cannot guarantee all their savings.

From the above differences, it can be concluded that fundamentally, Islamic bank is a bank that implements the principles of shariah, which transforms (Islamization) the activities that exist in conventional banks into activities that exist in Islamic banks. This is reinforced in terms of legal force that the definition and activities of Islamic banks are regulated in Law No. 21 of 2008 concerning Islamic Banking which is translated into regulations by Bank Indonesia, Financial Services Authority, and Ministry of Finance. For example: Bank Indonesia Regulation Number 15/13 / PBI / 2013 concerning Amendments to Bank Indonesia Regulation Number 11/3 / PBI / 2009 concerning Islamic Commercial Banks.

From all the debates that have been put forward, this section describes the thoughts of scholars who have expertise in the interpretation of ahkam, namely Abu Bakr Ahmad Ibn 'Aliy Al Raziy Al-Jashshâsh who is the author of the book Tafsir Ahkam Al-Qur'an, which better known as Al-Jashshâsh. The name Al-Jashshâsh was given because his daily livelihood was as a maker and seller of house chalk. Apart from Al-Jashshâsh, other nicknames are Al-Hanafi, Al-Raziy, Ahmad Ibn 'Aliy, Abu Bakr. Al-Jashshâsh was born in 305 AH in the city of Rayyi, Iraq and died in Baghdad in 370H. Al-Jashshâsh's works include:

1. Ushul Al-Jashshâsh; is the first fairly systematic work that treats comprehensively the principles of Hanafiah jurisprudence, which consists of more than 105 chapters, not counting those that are otherwise missing;
2. Tafseer of Ahkam Al-Qur'an; divided into three volumes which are important contributions not only to the science of interpretation but also to the science of the principles of jurisprudence;
3. Syarah Mukhtashar Al-Karkhi;
4. Syarah Mukhtashar Al-Tahawi;
5. Syarah jam'i 'Al-Saghir Wa Al-Jami' Al-Kabir of Muhammad ibn Hasan al-Shaybani;
6. Syarah Asma 'Al-Husna;
7. Answer Al-Massa'il Waradat 'Alayh;
8. Sharh of Khassaf's Adab al-Qada'; and
9. Mukhtasar of Tahdwi's Ikhtilaf al-Ulama'/ Fuqaha' (Saeedullah, 1977)

This paper takes one of the nine works above, namely Tafsir Ahkam Al-Qur'an (Al-Jashshâsh, 1993). This book is divided into three volumes which are important contributions not only to enriching the knowledge of Tafsir but also to the legal foundation of fiqh. From its form, the book of interpretation of Ahkam Al-Quran by Al-Jashash is included in the interpretation of Al-Ma'tsur (at-tafsîr ar-riwāyah), namely interpreting Al-Qur’an with the Al-Quran, with the saying of companions or with what the mufassir agrees. Meanwhile, from his method, Imam Al-Jashshâsh uses the analytical method (tahlili). Imam Al-Jashshâsh is a fanatical follower of Imam Hanafi jurisprudence and his book Ahkam Al-Quran is seen as the most important book of jurisprudence, especially for followers of the Hanafi school of thought. From the approach of writing tafsir, Al-Jashshâsh is considered too blind fanatical towards the Hanafi school which clearly prompts him to force the interpretation of verses and his depictions, in order to support his mazhab, Al-Jashshâsh is also very extreme in refuting those who disagree.

According to Imam Al-Jashshâsh, ribâ is a technical term in Islamic law whose meaning must be explained through the sunnah of the Prophet Muhammad. After quoting Surah Al-Baqarah (2): 275, Al-Jashshâsh immediately quoted QS Ar-Rum (30): 39 which explains the advantages referred to by the verse related to the meaning of ribâ. Of the two verses that were sent down were different, namely QS Al-Baqarah (2): 275 descended in Medina while QS Ar-Rum (30): 39 descended in Mecca. According to several hadiths, the prohibition on ribâ is found in the verses that were revealed last (Farooq, 2007).

In addition, the term ribâ which the Arabs knew and practiced was that they applied for a loan in dirhams (silver coins) or dinars (gold coins) for a certain period of time with an agreed increase in the value of the loan (Usmani, 2001). An example of coin translation that became a community tradition in the past of the jahiliyah era is clearly in the category of ribâ an-nasiah (also known as ribâ al-duyun or ribâ al-jahiliyyah) as described above. Al-Jashshâsh said that all the jurists have quoted Al-Jashshâsh to say that the Arabs at the beginning of the period carried out riba transactions in loans from a juristic perspective (Farooq, 2007).

Furthermore, Imam Al-Jashshâsh explained the law of ribâ in his book, Ahkam al-Qur'an, in Chapter 2, pp. 183-189. According to him, the ribâ was occurred during the period of ignorance through debts, where the additional debt required to replace the tough time. So the debts should not be subject to any additional. Imam al-Jashshâsh quoted Abu Hanifah that the repayments of the debt must be made equal and cannot be increased. He defined ribâ as a loan given for a certain period on the condition that at the end of the period, the borrower would repay the excess (Kareem, 2017).

The law of prohibition in exaggerating the dosage is not only for the six kinds of ribâ items, therefore it may be practiced. A debt transaction will become invalid when it requires that if the maturity date is reduced, the installments will be reduced. According to Imam Al-Jashshâsh, ribâ exists because of nasiah (not cash), both in buying and selling and in accounts. Debt for the purpose of tabarru 'must be paid in cash. Likewise, grants must be given in cash, cannot be promised but not given directly to those in need.

From all of Al-Jashshâsh's thoughts about ribâ is an emphasis on the element of injustice and exploitation by the borrower. Therefore, the excess is called a ribâ transaction, although in QS
Ar-Rum (30): 39 it is not explained where the excess comes from. Without referring to the hadith or sunnah, finally Al-Jashshâsh argues that "a ribâ transaction is when lending (qard) dirhams or dinars with excess to them within a certain period of time."

Al-Jashshâsh is one of the legal experts who confirms the understanding of ribâ al-jahiliyyah and determines "excess" as a condition of a transaction called ribâ. However, Al-Jashshâsh's explanation does not confirm his opinion regarding his method of quoting verses and hadiths that are not systematic (Farooq, 2007). This explanation can be related to the opinion of the second group above where they argue that the advantages in the context of Al-Jashshâsh's explanation that exist in conventional banks today (bank interest) are not classified as ribâ transactions.

CONCLUSION AND RECOMMENDATION FOR FUTURE RESEARCH

From the title of the paper, namely “The Law of Bank Interest in the Book of Al-Jashshâsh by Imam Al-Jashshâsh” it can be concluded that the method of interpretation used by Imam al-Jashshâsh is the tahlili method or uses reasoning in the interpretation of verses. For Imam Al-Jashshâsh, the term ribâ can invite various interpretations so it must be explained in more detail such as the application of zakat, prayer and fasting. This is not straightforward because the law of ribâ was only conveyed by Rasulullah SAW not long before his death which still leaves many questions to this day. From the above explanation, Al-Jashshâsh's opinion regarding bank interest at conventional banks is currently not classified as a ribâ transaction.

However, to take a firm path, the Indonesian Ulema Council has issued Fatwa No. 1 of 2004 regarding bank interest that bank interest is a ribâwi transaction. Even though the fatwa has been issued, differences of opinion still exist which consist of three groups; the first group argued that bank interest was ribâ, the second group stated that bank interest was not ribâ, while the third group tried to avoid the two banking systems.

With all the changes in time, place and era, this paper concludes that it is important for people to understand and practice Islamic contracts in their economic activities. This is one of the responsibilities of academics who need to provide a simplified explanation of the language. This is because the language in Islamic contracts that has been described above requires the ability in terms of interpretation to understand it. For the public, there is a guideline in the form of a fatwa from the MUI that states bank interest is haram. For academics, it is necessary to continue to study debates from various sources including the views of previous scholars. The law of fiqh says that it is Al-Muhâfazah 'ala al-qadîm al-sâlih wa al-Akhzû bil al-jadid al-ašlah which recommends all of us to maintain good old traditions and take something modern as long as it does not conflict with Islamic values.

This paper suffers some limitations such as the methodology and its practical implications. Future study can expand the methodology by adopting interview approach and making comparative research for instance practices in different countries.
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