

Implementation of Business Ethics on Floating Market Traders Lok Baintan, South Kalimantan

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Abstract

The Lok Baintan Floating Market in South Kalimantan is an intangible cultural heritage that is one of the cultural tourist attractions in the city of Banjarmasin. The floating market has existed since the 14th century, although there has been a decline in buyers because infrastructure growth on land has shifted. But currently, apart from buyers from riverside communities, tourists also dominate. The aim of this research is to provide insight into the Islamic business ethics of floating market traders and to increase awareness among floating market traders regarding good business ethics at a time when other businesses are developing rapidly in the modern business era. This research is a descriptive qualitative type of research using field research to provide information, facts, and data regarding the business ethics of Islamic traders at the Lok Baintan Floating Market, South Kalimantan. The population of this research is floating market traders. The sample in this study used a snowball sampling technique, so that 10 main informants were obtained from traders. As for research instruments using observations, interviews, and documentation. Research finds that business ethics is well applied by traders through the principles of unity, free will, equilibrium, responsibility, and benevolence. Although on the principle of free will found ways of forcing approaches and trying to convince buyers to buy, this behavior is just as a strategy of proactive marketing in a customer-seeking approach.

Keyword: islamic business ethics; traders; lok baintan floating market

1. Introduction

Indonesia is referred to as an island state because it has 17,508 islands stretching from Sabang to Merauke, thus making Indonesia rich in tourist potential. Kalimantan is the second largest island in Indonesia, where South Kalimantan as one of its provinces has a distinctive characteristic of its socio-cultural communities. Making most of the lives of the people who live around rivers and delta areas affects the cultural patterns of local wisdom values, known as river culture, where rivers are used as a means of transportation, social interaction, and fulfill the needs of the local community. (Fatmawati, 2021). So the cultural pattern of this river is made as a tourism that is characteristic of the City of a Thousand Rivers, one of which is the Floating Market.

According to Constitution No. 7 of 2014, markets have a role as the place where trading activities unite sellers and buyers in an economic context. The introduction of methods of trading on the surface of water has become an inherent cultural element in the floating market trader community, across the ages with the terms tradition and local wisdom/indigenous knowledge. Local wisdom represents the treasure of local culture that includes principles of life and world views that include the "way of life" in living everyday life.

The Lok Baintan Floating Market is an intangible cultural heritage that still exists today. Its position is in Lok Baintan Village, Banjar Regency. Trading activities are carried out every day from 6 to 9 am. Trade is carried out on boats or *jukung* using oars or machines following the flow of the Martapura river, therefore they are never limited to one location. Various goods are traded, such as plantation/agricultural products, traditional food, vegetables, fruit and others. The majority of traders are dominated by women who usually wear traditional clothing such as clothes, sarong and headscarves, and use *tanggai*, kind of hat that made from palm leaves (Sakdiah, 2017). The exact number of traders is not known, according to interviews, the average is at least 100 people. However, if we enter the harvest season and holiday season or there is a big event held by the government, such as the participation of Floating Market traders in the 2022 Nusantara Event, it is estimated that more than 500 traders will attend (Pratama, 2022).

Economics in the historical development of Islam has always been an integral element of human activity which is realized through trade. Integrity in business is important as a benchmark for determining success. Moreover, amidst increasing scrutiny of business practices, it is now increasingly important to carry out work in the right way. Ethics programs are a wonderful tool for improving moral behavior (Schroeder, 2021). Where ethics and business cannot be separated because business is not free from values as part of the social system (Muslim, 2018). Business ethics ensures a certain level of trust between consumers and companies, guaranteeing fair and equal treatment for society (Twin, 2023). In Islam, business ethical values have been applied when Arab society was ignorant. Moreover, currently many business people only focus on seeking profits for their final goals, so they often ignore business ethics (Saifullah, 2011). In fact, Islam sets boundaries between what is permitted and what is not through ethics.

Sofiyanty et al found that business ethics can be seen from the transaction of buying and selling used clothes which is intended by traders not only to make a profit but also to seek the blessings of sustenance, through honesty, selling good products, not swearing falsely, being generous, building good relationships, and establishing transparent prices (Fairuz et al., 2022).

Nurhadi and Wati revealed that business ethics need to be expressed through an Islamic lens, such as implementing morals, trust, fairness, not forcing, making efforts, being honest and not committing usury. However, research found that traders did not practice honesty and committed usury (Nurhadi & Wati, 2019). Khasanah and Ma'ruf stated that implementing ethics in business has a vital role in strengthening customer loyalty through values such as unity, justice, freedom of will, responsibility and truth (Maghfur et al., 2019). Abuznaid outlines some of the ethical guidelines that should be manifested in a Muslim manager, such as being trustworthy, honest, and consultative. Finally, the paper highlights some of the moral issues that seem to be common between Islam and other religions such as no lying, stealing, fraud, or deceit (Abuznaid, 2009).

In the context of Islamic business ethics, the focus of this research is to analyze how the principles of business ethics are applied in the traditional business environment of the Lok Baintan Floating Market. The floating market as a cultural heritage is interesting to discuss where trading activities are carried out along the Martapura river. Although there has been a decline in buyers because previously buyers came to the market with pure motivation to fulfill needs. But currently, apart from buyers from riverside communities, tourists also dominate. (Budiarti et al., 2015) This is partly because the growth of infrastructure on land has shifted the role of floating markets. Despite this, the community remains enthusiastic in preserving local cultural heritage during the rapid development of the modern business era. Based on the background that has been described, the researcher is interested in raising the issue of "Implementation of Business Ethics on Floating Market Traders Lok Baintan, South Kalimantan".

2. Literature Review

2.1 Business Ethics

This research was conducted at the Lok Baintan Floating Market, Sungai Tabuk District, Banjar Regency, South Kalimantan Province. The choice of research location was based on several considerations, such as being a cultural tourist attraction since the 14th century and being able to survive in an era of rapidly developing business. The type of research used in this research is descriptive qualitative. The research subjects are floating market traders and the research object is business ethics. Types and sources of data come from primary and secondary data. Primary data, namely data directly obtained from informants determined using the snowball sampling technique. According to Sugiyono, snowball sampling is a technique for determining a sample that is initially small and then enlarges until the research is completed (Sugiono, 2014), So the researchers got 10 informants from traders. Secondary data, namely indirect data obtained from articles, books, journals and other media. Data collection was carried out using observation, interview and documentation techniques. For data analysis in the form of data collection, data reduction according to the research object, data display (data presentation), and conclusions (Sugiono, 2014).

2.2 Principles of Islamic Business Ethics

According to Imaduddin, there are five basic principles in Islamic ethics, namely Unity, Equilibrium, Free Will, Responsibility and Benevolence (Imaduddin, 2007)

2.2.1 Unity

The principle of unity is reflected in the concept of monotheism which integrates aspects of Muslim life in social, economic and political aspects into a uniform form, prioritizing the concept of consistency. Based on this concept, Islam offers the concept of religious, economic and social integration in order to create unity. The application of this principle can be seen from managing business in accordance with Islamic rules, and prioritizing carrying out obligations in any situation.

2.2.2 Equilibrium

Equilibrium is an ethical principle that must be applied in business entities. In doing business, Islam recommends always acting fairly and prohibits cheating or acting tyrannically. A big accident for people who cheat is that people who receive a measure from someone else ask for it to be fulfilled, whereas when measuring for someone else it is always reduced. The Qur'an commands to measure and weigh in the correct way without cheating.

2.2.3 Free will

Freedom is an important part of Islamic economic ethical values, however, this freedom is limited by sharia regulations so as not to harm collective interests. In the Islamic view, humans are free to desire to work and work among various choices in order to earn income. The human tendency to continuously fulfill unlimited personal needs is controlled by the obligations of each individual towards his community through zakat, infaq and alms.

2.2.4 Responsibility

Unlimited freedom is something that is impossible for humans because it does not require responsibility and accountability. To fulfill the demands of justice and unity, humans need to be responsible for their actions which are closely related to free will. Where are the principles that set limits regarding what humans are free to do by being responsible for everything they do.

2.2.5 Benevolence

Truth in this context apart from containing the meaning of truth as opposed to error, also contains two elements, namely good and honesty. In the business context, truth is meant as the right intention, attitude and behavior which includes the contract (transaction) process, the process of searching for or obtaining development commodities as well as the process of trying to achieve or determine profits. With this principle of truth, Islamic business ethics is very protective and preventive against possible losses to one of the parties carrying out transactions, cooperation or agreements in business.

3. Material and Method

This research was conducted at the Lok Baintan Floating Market, Sungai Tabuk District, Banjar Regency, South Kalimantan Province. The choice of research location was

based on several considerations, such as being a cultural tourist attraction since the 14th century and being able to survive in an era of rapidly developing business. The type of research used in this research is descriptive qualitative. The research subjects are floating market traders and the research object is business ethics. Types and sources of data come from primary and secondary data. Primary data, namely data directly obtained from informants determined using the snowball sampling technique. According to Sugiyono, snowball sampling is a technique for determining a sample that is initially small and then enlarges until the research is completed (Sugiono, 2014). So the researchers got 10 informants from traders. Secondary data, namely indirect data obtained from articles, books, journals and other media. Data collection was carried out using observation, interview and documentation techniques. For data analysis in the form of data collection, data reduction according to the research object, data display (data presentation), and conclusions (Sugiono, 2014).

4. Result

4.1 Unity

The application of the principle of unity to traders departs from the majority of traders at the Lok Baintan Floating Market who are Muslim. This characteristic can be seen from the female traders who wear headscarves when trading. The principle of unity is implemented in prioritizing religious obligations, namely carrying out morning prayers before starting trading activities because trading activities on the floating market start at 06.00 WITA and pray to intend to obtain sustenance.

4.2 Equilibrium

The application of business ethics based on the principle of equilibrium can be seen from measuring fairly when setting prices. Each trader uses different methods, such as using scales, counting per basket, per bunch, and per seed. Floating market traders also believe that committing fraud will make the business unsuccessful. Apart from that, there are also traders who adopt a unique approach by not setting a fixed price, but instead asking customers to offer a price first. Bargain until *tarukui*, if the price is deemed to be in line with the market price, the merchandise will be released. *Tarukui* means the same opinion (Wislah, 2021) regarding the price agreement between the two parties.

4.3 Free Will

The implementation of the principle of freedom at the Lok Baintan Floating Market is demonstrated by the freedom of traders to carry out business activities. Free traders want to sell their goods, some sell fish, fruit, vegetables, typical Banjar cakes, basic necessities, clothes, food and drinks. Especially if the product is seasonal fruit, traders sometimes add other things to their merchandise. On the other hand, business activities in the process of marketing merchandise carried out by traders vary, most of them use coercive methods to approach and try to convince buyers to buy. This coercive nature is applied by traders only as a proactive marketing strategy considering developments in the times where previously buyers were actively looking for traders, but now traders are the ones who have to be proactive in looking

for customers. However, this is followed by the customer's freedom to continue the transaction or not. Apart from that, traders still try to carry out their obligations as individuals towards society through alms.

4.4 Responsibility

The application of responsibility is reflected in the trader's open-minded attitude if someone complains about nonconformities or shortages of goods received by the buyer. The trader directly and sincerely apologized for the error that occurred and promptly replaced the item.

4.5 Benevolence

The application of business ethics based on the principle of benevolence is reflected in traders providing responsive service when customers ask questions and usually also providing testimonials or positive reviews of their merchandise as a form of positive contribution to their business environment. In providing services, traders are also honest in disclosing the quality and quantity of merchandise. Apart from that, correct behavior is also when carrying out the transaction process by saying the words '*juallah*' (I sell this item at this price) for the seller and '*tukarlah*' (I buy this item at this price) for the buyer. Then the trader usually continues with the word '*berelaan*'. Acceptance means an apology, thanks, and giving up sincerely for what was given (Fajriani & Mushlihati, 2023).

5. Discussion

This research shows that the principles of Islamic business ethics are implemented by Lok Baintan Floating Market traders.

5.1 Unity

The implementation of Islamic business ethics for Lok Baintan Floating Market traders is in accordance with the principle of unity, namely in the integration of the concept of monotheism with economic aspects which is reflected in the behavior of traders carrying out morning prayers before trading and always including the intention of worship in trying to create blessings in the good fortune they obtain. This is in accordance with the words of Allah "*When the (Friday) prayer has been performed, spread out on the earth, seek Allah's grace, and remember Allah as much as possible so that you will be successful.*" (Q.S Al-Jumu'ah-10). This verse explains that Allah explains that after the prayer is finished, Muslims can scatter on the face of the earth to carry out worldly affairs and try to find sustenance.

5.2 Equilibrium

The implementation of Islamic business ethics for Lok Baintan Floating Market traders is in accordance with the principle of Equilibrium, which is described by traders who measure fairly to set prices. Whether it is by providing balanced measurements according to orders, setting fair prices whether in accordance with market prices or in accordance with demand and supply from buyers. The aim of avoiding fraud by traders is to ensure business success, this is in accordance with the word of Allah which means: "*And make perfect the measure when you*

measure, and weigh it with the correct balance. That is what is more important (for you) and the consequences are better." (Q.S Al-Isra:35)

5.3 Free will

The implementation of Islamic business ethics for Lok Baintan Floating Market traders is in accordance with the principle of free will, demonstrated by the freedom of traders to carry out business activities trading merchandise, traders give freedom to buyers to continue transactions or not after carrying out proactive marketing, so that business is still carried out voluntarily, without coercion. Allah says, *"O you who believe, do not consume each other's wealth in a false way, except by means of business that is carried out mutually between you"* (QS. An-Nisa: 29). Apart from that, traders also do not forget about giving charity as an individual's obligation to society. This is done so that the income earned becomes a blessing and as a form of charity to provide benefits to other people. This balance between individual and collective interests is the driving force for the wheels of the economy to move without damaging the existing social system.

5.4 Responsibility

The implementation of Islamic business ethics by Lok Baintan Floating Market traders is in accordance with the principle of responsibility, reflected in the open-mindedness of listening to buyers' complaints, promptly apologizing for mistakes and promptly replacing the goods. This fulfills the demands of justice and unity due to the exercise of free will. So that freedom does not harm collective interests because it is limited by the rules of the Shari'a, Allah SWT said *"Say (Muhammad)," Is it (proper) for me to seek a god other than Allah, even though He is the Lord of all things. For every sin a person does, himself is responsible. And one will not carry the burden of another's sins. Then you will return to your Lord, and He will tell you what you previously disputed."* (QS. Al-'Anam/6:164).

5.5 Benevolence

The implementation of Islamic business ethics by Lok Baintan Floating Market traders is in accordance with the principle of benevolence is illustrated by responsive service to customers, the Prophet Muhammad SAW said, *"Allah bless someone who is friendly and tolerant in business"* (H.R. Bukhari and Tarmizi). Apart from that, the honest attitude of traders and carrying out contract processes in transactions in accordance with the Shari'a through the words *"juallah atau tukarlah"* in Urang Banjar business ethics is considered to bring blessings. Then the word *"berelaan"* is an expression of thanks and apology if a transaction occurs which is followed by a sincere handover of the goods.

6. Conclusion, Implication, and Recommendation

The implementation of Islamic business ethics by Lok Bantan Floating Market traders is demonstrated by the fulfillment of five principles, such as: unity, free will, equilibrium, responsibility, and benevolence. This implementation is in accordance with Islamic business ethics, especially in carrying out obligations, fair measurements in setting prices; giving alms,

freedom to carry out business activities that do not harm collective interests, although in this principle a way to forcefully approach and try to convince buyers to buy is found, this behavior is only a proactive marketing strategy. However, this is still accompanied by the customer's freedom to continue the transaction or not, apart from that the trader is also responsible for buyers' complaints; and a good attitude when serving buyers. The current research can be interpreted as a first step in researching Islamic business ethics in floating markets. However, the results of this study should be taken with caution due to the small sample size and this is only from the perspective of sellers, not buyers. Future research can further examine the perspectives of buyers in floating markets regarding business ethics in floating markets. This can also contribute to a deeper understanding of Islamic business ethics towards traders in floating markets.

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