



## An Islamic Law Review of Conditional Debt Practices Between Collectors and Fishermen

**Kamisatun<sup>1</sup>, Nilfatri<sup>2</sup>, Hasna Dewi<sup>3</sup>, Kurniawan<sup>4</sup>, Zeni Sunarti<sup>5</sup>, Reza Okva Marwendi<sup>6</sup>**

<sup>1</sup>Institut Islam Al-Mujaddid Sabak (IIMS) Tanjung Jabung Timur, Indonesia

<sup>2</sup>Institut Islam Al-Mujaddid Sabak (IIMS) Tanjung Jabung Timur, Indonesia

<sup>3</sup>Institut Islam Al-Mujaddid Sabak (IIMS) Tanjung Jabung Timur, Indonesia

<sup>4</sup>Institut Islam Al-Mujaddid Sabak (IIMS) Tanjung Jabung Timur, Indonesia

<sup>5</sup>Institut Islam Al-Mujaddid Sabak (IIMS) Tanjung Jabung Timur, Indonesia

<sup>6</sup>Institut Islam Al-Mujaddid Sabak (IIMS) Tanjung Jabung Timur, Indonesia

\*Correspondent Author: [kamisatunisaa@gmail.com](mailto:kamisatunisaa@gmail.com)

### Article Info:

Article history: Accepted, 10/09/2025, | Revision, 20/10/2025, | Published, 01/11/2025, | Vol (2), Issue (2), (Nov. 2025)  
e-ISSN 3063 – 8933 | doi: <https://doi.org/10.61233/zijis.v2i2.46>

### Abstract:

This study examines conditional debt practices between collectors (fish buyers) and fishermen in Tanjung Solok Village, Kuala Jambi Subdistrict, a traditional economic relationship rooted in urgent livelihood needs yet prone to contractual inequities from an Islamic law perspective. The primary objective is to analyze how these conditional lending arrangements are executed and to assess their validity under Islamic legal principles. Employing a qualitative socio-legal (legal empiricism) approach, the research integrates field data collected through interviews, direct observation, and documentary review with normative analysis grounded in muamalah theory and contemporary contract principles in Islamic finance. Findings reveal that transactions are predominantly oral, lack written agreements or formal witnesses, and commonly impose a requirement to resell catches to the collectors at prices below prevailing market rates, producing a structural imbalance in bargaining power. Normative analysis indicates that such practices conflict with the Islamic tenets of contractual clarity, distributive justice, and the prohibition of exploitative gains. The study contributes empirically and conceptually to Islamic legal scholarship by bridging muamalah theory and ground-level practice, and it offers a foundation for community-level syariah-compliant interventions and policy measures to protect economically vulnerable fisher cohorts.

### Keywords:

*Conditional debt; collectors; fishermen; Islamic law; muamalah.*



This work is licensed under a [Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License](https://creativecommons.org/licenses/by-nc-sa/4.0/).

## INTRODUCTION

In modern economies, the practice of debt and credit plays an important role as a means of liquidity, micro-enterprise financing, and social solidarity. In Indonesia, a Muslim-majority country, this activity needs to be reviewed from the perspective of Islamic law to ensure compliance with the principles of fairness and the prohibition of usury. Islamic finance studies show that profit-sharing-based financing is more resilient to economic pressures than interest-based systems, making it a relevant alternative for low-income communities (Fayyad, 2023). In the context of informal sectors such as fishing communities, the practice of conditional debt and credit demands serious attention to remain in accordance with Islamic muamalah values (Hardiati, Nugroho, & Latifah, 2024).

Although debt and credit are understood as a form of *ta'awun* or mutual aid in Islam (Musadad, 2020), practices on the ground often deviate from this ideal. In the relationship between collectors and fishermen, for example, the requirement that catches be sold back to lenders at below-market prices creates power asymmetry and the potential for hidden usury. The lack of empirical research that addresses the validity of such practices indicates an academic gap in the application of muamalah theory to the socio-economic realities of coastal communities.

This research is based on Islamic muamalah theory that emphasizes the clarity of contracts, justice ('adl), and debt recording as recommended in QS. Al-Baqarah: 282 (Nazir, 2022). Through interviews and observations in the field, this study assesses the extent to which the practice complies with Sharia principles. The main objective is to analyze the implementation of conditional debt and credit transactions and examine the validity of the conditions in terms of Islamic law, including the potential for default and injustice.

The main concept of this research is based on the theory of *qardh* and *fiqh al-'uqud* that reject usury and *gharar*, as well as modern contract theory that highlights the problem of moral hazard and information asymmetry (Usmani, 2021; Arbi, 2021). Although Islamic finance literature has extensively discussed normative and institutional aspects, empirical studies on the practice of conditional debt in traditional communities are still rare (Zulfa & Kasniah, 2022; Hardiati et al., 2024). This research seeks to fill this void by combining empirical and normative approaches to describe the dynamics of complex economic relations between fishermen and collectors.

As a synthesis, this research uses a hybrid framework between muamalah theory and Islamic contract theory to assess the fairness and legality of conditional debt practices in the field. This approach allows for a more comprehensive analysis of risk distribution, contract clarity, and protection of economically weaker parties. Thus, this research is expected to not only enrich the study of muamalah *fiqh* but also provide an empirical contribution to the development of a fairer and more contextualized Islamic contract model in Indonesian coastal communities.

## METHOD

This research method adopts an empirical juridical (socio-legal) strategy as the main type of research, which combines normative (legal analysis) and empirical (field data analysis) approaches to understand the practice of conditional debt and credit in the community while assessing its compatibility with the principles of Islamic law (normative). This approach was chosen because it can capture the interaction between legal norms and social realities in the field, as well as allowing normative criticism of practices that occur (Noor, 2023); it does not merely carry out analysis of legal texts or legislation, but also explores informants' experiences, interpretations of practices, and conflicts of values in the community (Afif Noor, 2023). In this framework, the research prioritizes qualitative methodology because the characteristics of the data are narrative, contextual, and diverse, making it more suitable than quantitative methods that are oriented towards numbers (Torres, 2025). The use of empirical juridical as a modern legal research method has been recognized as a synergy between normative and empirical studies, which increases the depth and relevance of legal research (Sidi Ahyar Wiraguna, 2024).

The research data sources are divided into primary and secondary data. Primary data was collected through in-depth interviews, direct observation, and field documentation (field notes, local documents) with 4 informants: 1 collector, 2 fishermen, and 1 community leader. Secondary data included Islamic law literature (fatwa, muamalah books), Islamic contract theory books, related research journals, and local policy and regulation documents. Data collection instruments included semi-structured interview guidelines, field observation sheets, and documentation checklists. In processing the secondary data, the research set inclusion criteria: literature published within 2020-2025, open-access status, relevant to conditional debt or muamalah, and peer-reviewed; while the exclusion criteria were non-academic literature (blogs, opinions), published before 2020, and did not discuss the conditional aspect of debt and credit. For field subjects, the unit of analysis is the individual transaction practice between fishermen as borrowers (the smallest unit) and collectors as creditors in their local context. Data analysis was conducted through inductive thematic analysis (open coding, categorization, themes), strung from interview narratives and field notes, accompanied by contrastive normative analysis on Islamic law and contract theory to assess the validity of practices, for theme organization, as well as an Islamic contract analysis framework to guide interpretation (Drápal et al., 2023). This technique enabled the research to map empirical themes, test for sharia compliance, and formulate integrative interpretations in the context of local praxis.

## RESULTS AND DISCUSSION

### Results

In this qualitative research, from the results of coding and thematic analysis of interview and observation data, four main themes emerged related to the practice of conditional debt and credit between fishermen and collectors, namely: (1) the mechanism of tie-in sale obligation; (2) discounted pricing by collectors; (3) no written contract and witnesses; and (4) perception of fairness and risk by fishermen.

#### 1. Tie-in Sale Obligation Mechanism

Based on interviews with fishermen and collectors, the pattern of resale requirements is a stipulation that is automatically attached when a loan is granted. A fisher informant (SMN) said: "If I borrow a loan, I have to sell the fish to the collector first before I can find other buyers." This suggests that the collectors control the distribution channel of fish catch through the terms of the verbal contract. Field observations also confirmed the existence of informal notes in the collectors' diaries that record the amount of catch and the corresponding fishermen's debts.

#### 2. Discount Pricing by Collectors

Fishers report that the price given by collectors is always lower than the general market price. Informant KRN said: "The price that collectors take for fishermen in debt can be 10-20% below the market price." The collector (Bn) recognizes that the discount is compensation for risk and capital, but does not openly calculate the amount of the discount before the verbal contract. Observational

notes on daily transactions also found that negligence in recording the discount margin occurred, so the discount value could be greater than it should be based on the verbal agreement.

### 3. Without a Written Deed and Witness

All informants stated that debt and credit agreements are made orally without written documentation or formal witnesses. A community leader (ARS) said, "I suggested that it be written down and that there be witnesses, but they refused because this is just a habit." This is consistent with the finding that collectors only record names and amounts owed in a small book, not in a legal contract document in the presence of witnesses. The absence of written evidence and witnesses makes the fishermen's position weak in the event of disputes or failure to perform.

### 4. Fishermen's Perceptions of Fairness and Risk

Fishermen expressed doubts about the fairness of the conditions imposed, especially when catches are small or the season is low. SMN stated: "Sometimes if the yield is low, after the discount and the remaining debt, I even lose money." Meanwhile, collectors consider capital risk and catch uncertainty to be part of the business. These narratives reflect that fishers often feel subordinated in these informal contractual relationships.

In addition to these main themes, local documentation data found ten cases of transactions over the past six months at the research site, recording the loan amount, fish catch, set price, and discount difference. For example, from a transaction case in April 2024: the fisherman borrowed Rp 1,500,000, caught fish worth Rp 1,700,000, but the collector bought for Rp 1,400,000, leaving a difference of Rp 300,000 as a "condition fee." Similar data in other cases show a difference of between 10% and 25% of the total catch value.

From the perspective of related research literature, the results of this study add to the empirical documentation of conditional debt practices in traditional community contexts that have so far been more theoretically studied in microfinance or agriculture (e.g., reviews of Islamic contracts in microfinance and agriculture). The field data shows that the practice of tie-in resale conditions and unilateral price discounts by creditors is not only a potential theoretical problem, but actually occurs in local dynamics.

## Discussion

The results show that the practice of conditional debt and credit between collectors and fishermen in Tanjung Solok Village creates structural inequalities in informal contracts, especially through tie-in sale conditions, unilateral discount pricing, the absence of written contracts or witnesses, and perceptions of injustice among fishermen. These findings clearly answer the research objectives: (1) to describe the implementation of local conditional debt and credit transactions, and (2) to examine the validity of these conditions based on Islamic law. In terms of the conditional mechanism, the practice violates the principles of clarity of contract and freedom of bargaining in Islamic muamalah. Thus, the results of the study confirm that transactions that appear to be "economic help" can turn into unequal economic relations and potentially contain contract defects.

Within the framework of Islamic muamalah theory that emphasizes the obligation of justice ('adl), the clarity of the contract, and the prohibition of usury, the practice of unilateral price discounts and resale conditions shows a potential violation of the principle of prohibition of gharar and exploitative practices (Al-Zuhayli, modern edition). Through the lens of modern Islamic contract theory, especially the principle of al-kharaj bil dhaman (results must be related to risk responsibility), the practice in the field appears to shift the burden of risks and benefits to the fishermen without proportional compensation (Abdullah, 2023). In this situation, collectors who require resale take advantage of full market rights without bearing the "ownership risk" of the fishermen's produce, thus potentially setting a "return" that is not Shariah-compliant. Thus, this interpretation of the findings suggests that while debt contracts are permissible in Islam, conditions that bind quality and price may undermine the principle of contractual fairness.

Compared to previous studies, most of the muamalah literature highlights usury issues, qardh contracts, or microfinance contracts in formal contexts (Fayyad, 2023; Arbi, 2021), but few uncover the practice of internal contract terms in informal communities such as fishermen-collectors. A study on crop-based debt and credit (Zulfa & Kasniah, 2022) shows how repayment through production reduces debtors' flexibility, but does not detail the unilaterally applied price terms. Research on Islamic microfinance (Hardiati et al., 2024) illustrates that information weakness and low bargaining power constrain the implementation of fairness principles, which is in line with the findings of this study. However, this study adds a unique dimension: that explicit resale terms and price discounts in informal contracts can shift the basic principles of Islamic finance into conditions that approach mohatra or hidden practices that resemble usury.

The main scientific contribution of this research is the presence of empirical-normative studies that reveal the reality of conditional contracts in the field and analyze them with muamalah theory and modern Islamic contract approaches. As such, this article enriches the contemporary muamalah literature with empirical evidence in the previously under-discussed informal sector of fishermen-collectors. In addition, this research offers a conceptual interpretation model: the price condition imposed on the debtor must pass the test of proportional justice and risk distribution, not as a unilateral clause of the creditor, which has the potential to expand the discourse on the application of Islamic contract theory in muamalah studies of local practices.

This research is not free from limitations. Firstly, the subject coverage was only 4 informants in one local community, so the findings cannot be widely generalized. Second, the absence of formal quantitative data limits the ability to conduct statistical comparative analysis or correlational testing. Third, normative interpretations rely heavily on fatwa literature and theoretical frameworks that may differ between madhhabs or local contexts, so generalizations within heterogeneous Islamic communities should be made cautiously.

Based on the findings and analysis, there are several practical implications and recommendations. For practitioners (fishermen and collectors), it is recommended that debt and credit transactions be structured in written contracts and witnessed with transparency of terms and prices. For religious leaders and local sharia institutions, supervision of the community's muamalah practices and counseling on the principles of contract fairness are needed. For local policymakers,

the regulation or certification model of fishermen's micro transactions could consider the protection of debtors through minimum Sharia contract standards. For future research, a comparative study among fishing communities in different regions, as well as the use of mixed methods with quantitative measurement of the economic impact of contractual terms, is highly relevant. Also, more in-depth research on indications of mohatra or hidden practices of usury in conditional transactions should be elaborated through fiqh text analysis and contextual interviews.

## CONCLUSION

This research concludes that the practice of conditional debt and credit between collectors and fishermen in Tanjung Solok Village is a form of economic relationship born from inequality of bargaining position and urgent economic needs, which is factually carried out through oral contracts without written agreements or witnesses. The research results show four main findings, namely: First, the requirement to sell the catch to the collector (tie-in sale obligation) as a consequence of the loan received; Second, the fixing of the catch price below the market price by the collector as a form of return of capital which potentially contains elements of injustice; Third, the absence of recording mechanisms and witnesses in the contract which weakens the position of fishermen legally and morally; and Fourth, the perception of injustice and economic burden experienced by fishermen due to the dominance of collectors in contractual relations. From the perspective of Islamic law, the practice is considered not in line with the principles of muamalah that emphasize justice, willingness, clarity of contracts, as well as the prohibition of exploitation and usury, thus requiring a reconstruction of the transaction mechanism to be in accordance with sharia values.

Theoretically, this article contributes to the enrichment of empirical Islamic legal studies by presenting field evidence that connects classical muamalah theory and modern Islamic contract theory in the context of the traditional economy of coastal communities. This research shows that the concept of qardh and the principle of al-kharaj bil dhaman need to be reinterpreted in the context of needs-based microeconomic relationships, so that the principle of helping each other is not distorted into structurally oppressive practices. Practically, the findings emphasize the need for intervention by religious institutions and local governments in providing education, legal assistance, and the implementation of a written and transparent contract model in transactions between fishermen and collectors to protect the economic rights of vulnerable groups.

The implication is that further research is expected to expand the scope of the study through a comparative approach between coastal areas, the use of mixed methods to measure the economic impact of conditional contracts, and a more in-depth study of the ethical aspects of Islamic business in trust-based socio-economic relations. In addition, these findings can serve as the basis for formulating community-based sharia micro-policies that balance moral, social, and economic interests within the framework of equitable Islamic law.

## REFERENCES

Abdullah, M. A. (2023). Principles of fairness and risk distribution in Islamic contracts: Revisiting al-kharaj bil dhaman in contemporary finance. *International Journal of Islamic Economics and Finance Studies*, 9(2), 113–129. <https://doi.org/10.5577/IJISEF.2023.9.2.113>

Afif Noor, M. (2023). Socio-legal research: Integration of normative and empirical juridical research in legal research. *Jurnal Ilmiah Dunia Hukum*, 7(2), 77–86. <https://doi.org/10.47268/jidh.v7i2.1923>

Al-Zuhayli, W. (2020). *Al-Fiqh al-Islami wa Adillatuhu* (Modern Edition). Damascus: Dar al-Fikr. <https://library.islamonline.net/>

Arbi, L. H. (2021). A contract theory approach to Islamic financial securities. *Journal of Risk and Financial Management*, 14(1), 1–15. <https://doi.org/10.3390/jrfm14010017>

Drápal, J., Westermann, H., & Savelka, J. (2023). Using large language models to support thematic analysis in empirical legal studies. *arXiv Preprint*. <https://arxiv.org/abs/2305.12345>

Fayyad, M. (2023). Reconstructing lease-to-own contracts: A contemporary perspective. *Journal of Islamic Accounting and Business Research*, 14(3), 512–528. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10474404/>

Hardiati, I., Nugroho, A., & Latifah, N. (2024). Utang piutang online dalam perspektif hukum Islam dan hukum perdata. *Justitiabile: Jurnal Hukum dan Keadilan*, 9(1), 41–56. <https://journal.iainkudus.ac.id/index.php/Justitiabile/article/view/9202>

Mohamed, M. A. (2025). The comparison between transactions based on debt vs. equity: Literature review. *Journal of Information Systems Engineering & Management*, 10(2), 211–225. <https://doi.org/10.55208/jisem.2025.10.2.211>

Musadad, A. (2020). Konsep hutang-piutang dalam Al-Qur'an. *Dinar: Jurnal Ekonomi dan Keuangan Islam*, 7(2), 115–128. <https://doi.org/10.21107/dinar.v7i2.8890>

Nazir, A. (2022). Manajemen hutang piutang (kajian analisis terhadap Surah Al-Baqarah ayat 282). *Jurnal Ilmu Syariah dan Hukum*, 6(1), 71–85. <https://doi.org/10.24952/jish.v6i1.6982>

Noor, M. (2023). Integration of empirical and normative approaches in Islamic legal research. *Indonesian Journal of Law and Society*, 4(1), 101–119. <https://doi.org/10.19184/ijls.v4i1.3722>

Sidi Ahyar Wiraguna. (2024). Metode normatif dan empiris dalam penelitian hukum: Studi eksploratif di Indonesia. *Jurnal Penelitian Sosial (JPS)*, 3(3), 221–234. <https://doi.org/10.23917/jps.v3i3.12023>

Torres, J. R. (2025). Navigating legal knowledge: A comparative analysis of quantitative, qualitative, applied, and descriptive research methodologies in law. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.4918234>

Usmani, M. T. (2021). *Principles of Islamic finance* (Open Access Edition). Karachi: Darul Ishaat. <https://islamicfinancebook.com/principles>

Zulfa, N., & Kasniah, S. (2022). Sistem hutang piutang dibayar hasil tani dalam perspektif ekonomi Islam. *Syarikat: Jurnal Rumpun Ekonomi Syariah*, 5(1), 73–89. <https://doi.org/10.21043/syarikat.v5i1.12852>