

**THE ROLE OF ISLAMIC BANKING IN INCREASING THE POTENTIAL OF
TRADITIONAL MARKETS REVIEWED FROM AN ISLAMIC PERSPECTIVE**

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ABSTRACT

In the National Development carried out by the Indonesian Nation which is one way to achieve development goals to create community welfare based on the Constitution and the fifth principle of Pancasila. This study was conducted with the aim of understanding the role of banking in increasing the potential of traditional markets in an Islamic perspective. This study uses a descriptive method with a qualitative approach. The data source for this study uses primary data and secondary data. The data collection technique used is interviews. The results of this study are Based on interviews conducted by researchers with morning market actors in the Cirebon City Prosecutor's Office, especially traders who utilize banking financial services, there has been an increase in adequate results or income. With the increase in capital from bank loans, traders are able to increase the quantity of merchandise and types of goods traded. This shows that banking companies have a great contribution in increasing the potential of traditional markets in the Cirebon City Prosecutor's Office Morning Market.

Keywords: Islamic Banking, Traditional Markets, Islamic Perspective

INTRODUCTION

Banking is one of the actors of development in the life of a country. This is because the main purpose of the banking industry is to be a financial intermediary, namely an institution that collects and collects funds from the community in the form of savings and returns them to the community. Providing funds to the community in the form of loans or loans. These features include attention to the operations of Islamic banking.

As an institution that organizes Zakat, Infaq and Sedekah, one of the Bank's efforts in developing the community's economy is to understand the behavior of the community to meet financing needs. One of the consumer behaviors that banks need to understand is the behavior of small and medium enterprises (MSMEs) in choosing a bank. In this case, banks need to know what aspects are considered by consumers in choosing a bank. Therefore, as a financial intermediary, banks must be able to interact and understand how each consumer chooses, feels and evaluates the services offered. Understanding consumer behavior has a positive impact on banking operations, because banks strive to complement and improve their performance by offering products that meet consumer needs and expectations.

National development implemented by the Republic of Indonesia is one of the efforts to achieve development goals to create community welfare in accordance with the Constitution and the fifth principle of Pancasila. Regional development is an integral part of national development. Community development is the utilization of existing resources to improve the real welfare of a community, both in terms of income and employment opportunities, business fields, access to policy making, competitiveness, and increasing the human development index

There is also the creation of business opportunities in the market. The market has become an integral part of people's lives. Some people depend on the market for their daily work. Therefore, the existence of the market is very important for society and the economy. In everyday life, the market can be interpreted as a place where buyers and sellers meet. However, in the economic field, the market is not interpreted as a place, but rather prioritizing buying and selling activities. In addition, the market also supports the increase in regional revenue budgets. Therefore, the presence of markets in local communities is very important, both traditionally and modernly.

Since human civilization has known and practiced buying and selling as a means of fulfilling its needs. The existence of a market is one of the important factors in buying and selling activities. The market is not only a place where buying and selling activities take place, but also a clear indicator of the economic activity of a community in an area. Like other countries, Indonesian people have long known markets, especially traditional markets. One of the traditional markets in Indonesia is Pasar Kramat, Kejaksan Village, Kejaksan District, Cirebon City.

Pasar Pagi is a traditional market that was initially only visited by several sellers and buyers from various sub-districts in the Kejaksan district of Cirebon City. However, over time, many people passed through this strategically located market, and Pasar Pagi is currently used as a traditional market that people visit to shop to meet their needs and have fun. The name of the market itself describes the nuances of a traditional market in this market. The market in Pagi is open every day from morning to 4 am. You can find various types of household equipment in this market. And the prices offered are still relatively cheap compared to more modern markets. The prices offered are relatively cheap because traders offer goods purchased directly from suppliers to buyers in this market. This makes Pasar Pagi a traditional market that attracts the attention of city residents who visit this place. In fact, the presence of Pasar Pagi has changed the appeal of the main market in terms of visitors. Trading in the morning market is one effort to improve the community's economy'

Large-scale economic subprocesses are supported by the buying and selling process that takes place in traditional markets. Most of the local people work as traditional traders. These efforts are expected to create better economic conditions for the community than before. Especially in terms of meeting daily needs. In order to be able to carry out this service optimally, it is necessary to explore the existing possibilities for further development. Morning market has many potential products, ranging from agricultural products to other daily necessities. In addition, the market is also a place to buy and sell livestock, especially goats. What is problematic in the research field is the behavior and activities of buying and selling which still need to be clarified whether they are in accordance with the Islamic perspective, and the possibility of trading goods in the market has not been studied. do not

have. The purpose of this study is to determine the role of banking in increasing the potential of traditional markets, especially morning markets from an Islamic perspective.

RESEARCH METODE

This study employs a qualitative descriptive method aimed at understanding the role of Islamic banking in increasing the potential of traditional markets from an Islamic perspective. The qualitative approach was chosen to explore the experiences and perspectives of traditional market traders who utilize Islamic banking services. The data used in this research consists of both primary and secondary sources. Primary data were obtained through direct interviews with traders in the Morning Market at the Cirebon City Prosecutor's Office area. These interviews aimed to gather detailed insights into how Islamic banking services—particularly financing—have influenced their business activities, such as capital growth, merchandise quantity, and income levels. Secondary data were collected from relevant literature, including books, journals, and articles related to Islamic economics, Islamic banking, and traditional market development. The data collection technique focused on in-depth interviews, while the data analysis was carried out using descriptive analysis. This involved organizing, reducing, and interpreting the interview results to derive meaningful conclusions aligned with Islamic economic principles. The research was conducted within a defined period at the Cirebon Morning Market, with trader participants selected based on their experience with Islamic banking products and services.

Published by	Equality	Difference
(Sholikhuddin, 2021)	Deminstrate potential supporters in the market where the research is taking pace	The research that will be conducted is more inclined towards how the potential
	To understand the market management system	made in order to improve the community's economy
(Hulaimi, 2020)	Research Methodology This research shows that the supervision and decision-making of market officers in managing traders is not optimal and there are still traders who do not comply with Islamic law regulations.	Studying the problems of market management in order to increase the community's economy and improve community welfare.
(Hidayati, 2019)	The purpose of this study is to explore the market potential to improve the local community economy. To find out how Islamic economics assesses the buying and selling activities of traders in the market.	Is the buying and selling or trading process in accordance with Islamic teachings or not?

(Herawati, 2019)	Together we discuss the behavior of traders in increasing income in Traditional Markets	Increasing income and community welfare is viewed from the scope of Islam.
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RESULT AND DISCUSSION

Based on interviews conducted by researchers with actors in the Morning market, especially traders who utilize banking financial services, it shows an increase in results or income. With the increase in capital from bank loans, traders are able to increase the quantity of merchandise and the types of goods traded. This shows that banking companies have contributed to increasing the potential of traditional markets in the Morning market

The goods traded in the Morning market are:

Group	Commodity Name
Groceries	Rice, sugar, cooking oil, wheat flour, soy sauce, coconut, eggs, etc
Aksesoris dan pakaian	Shoes, sandals, clothes, sarongs, mukenas, songkok, shirts, trousers et
Roadside stall	Coffee, tea, cigarettes, various ices, fried foods, dawet, etc.
Vegetables	Spinach, kale, long beans, tomatoes, carrots, mustard greens, cabbage, eggplant, potatoes, green beans, celery, spring onions, chilies
Fruits	Banana, pineapple, jackfruit, watermelon, cucumber, rambutan, salak, melon, mango, avocado, dragon fruit, orange, papaya, langsung, durian, apple, soursop, longan, etc.
Service	Goods carrier services
Animal	Chicken, goat
Herbs and spices	Turmeric, galangal, ginger, coriander, pepper, garlic, shallots, candlenuts, etc.
Animal feed	Grass, hay
Lauk-pauk	Chicken, beef, tempeh, tofu, fish, etc.
Food	Cakes, tempeh chips, tofu, etc.
Drug	Various types of livestock and agricultural medicines.

From the table above, it can be seen that in the traditional market, Pasar Pagi has the potential for basic food commodities in the form of rice, sugar, cooking oil, wheat flour, soy sauce, coconut, eggs, accessories and clothing commodities such as shoes, sandals, clothes, sarongs, mukena, songkok, clothes, pants, etc. Then for stall commodities there are coffee, tea, cigarettes, various ice, fried foods, dawet, etc. vegetables in the form of spinach, kale, long beans, tomatoes, carrots, mustard greens, cabbage, eggplant, potatoes, green beans, celery, spring onions, chilies. For fruit commodities there are bananas, pineapples, jackfruit, watermelon, cucumbers, rambutans, salak, melons, mangoes, avocados, dragon fruit, oranges, papayas, langsung, durians, apples, soursops, longans. Commodities in the service sector include goods transport services, animal commodities include chickens and goats. For staple food commodities there are rice, cassava, corn. In animal feed commodities there are grass and straw. And for side dishes there are chicken, beef, tempeh, tofu, fish. Food commodities Cakes, tempeh chips, tofu, etc. Medicine commodities there are various types of livestock and agricultural medicines. These commodities are the mainstay of the economy of the Kejaksan Village community and its surroundings, as well as potential commodities that raise the regional economy, especially Kejaksan Village, Kejaksan District.

a. Role of Banking

Banking is one of the agents of development in national life, because the core purpose of banking is as a financial intermediary institution, an institution that collects funds from the community in the form of savings and distributes those funds back to the community in the form of credit or financing. This function is also the concern of Islamic banking in addition to other functions.

b. Traditional Market

According to the General Dictionary of the Indonesian Language, a market means a place where people buy and sell, and tradition means attitudes, ways of thinking, and actions that always follow norms and customs that are passed down from generation to generation. From the definition above, a traditional market is a place where people buy and sell at a location based on their customs. In Indonesia, the existence of traditional markets is not only economic issues alone, but also extend to norms, culture, and civilization that have long existed in various regions in Indonesia. Traditional markets are places where buyers and sellers meet, marked by direct transactions and negotiation processes between buyers and sellers. There are also buildings that usually consist of food stalls and outlets, kiosks and open spaces opened by street vendors and market managers. Most shops sell daily necessities such as vegetables, ready-to-eat food, fruits, cakes, snacks, and other ingredients. Other shops sell goods such as clothing, electronics, and services. Traditional markets must be maintained because they represent the national economy, the economy of the lower class, and are where small and medium traders depend. Traditional markets are a focal point for farmers, ranchers, or other producers such as suppliers.

c. Market Potential

Market potential is an expression of the maximum sales opportunity for a particular service product during a specified period of time, such as one year. Estimating market potential involves current demand for the product and projections of future market trends⁴.

d. Islamic Economic System

The Islamic economic system is an economic system based on Rahmatan Lil Alamin. In Islamic economics, the purpose of business is not merely to seek profit, but rather to achieve and provide intangible benefits, such as fostering an atmosphere of brotherhood and social, both for the entrepreneur himself and for the wider environment. Immediately like awareness. Islam encourages believers to strive and achieve.

The management of existing potential has a great influence on efforts to improve the quality of the community's economy, because the products sold at the Pagi market are able to compete with other more modern markets. The buying and selling activities or economic activities of the community at the Gondsari market are mudhorobah or negotiations to achieve agreement between the seller and the buyer regarding goods and services. The products sold are Halal, regularly checked by the commercial sector, and are of high quality (clean and healthy). This can be seen from the way traders weigh their products transparently. So buyers can immediately see the weight of the scales without reducing the weight of the scales. In general, trading behavior in Pagi Kejaksan District is good in terms of the products sold, size, price, and business ethics. Traders at the Pagi Market in Kejaksan District do not violate Islamic law.

CONCLUSION AND SUGGESTION

Conclusion

From the discussion above, it can be concluded that the role of banking is very influential in improving the economy of the community in the Morning Market, Kejaksan District. Products that are the economic potential of the community in the Morning Market range from basic necessities, accessories and clothing, stalls, vegetables, fruits, services, animals, staple foods, spices, animal feed and side dishes, food, animals. It is hoped that all the potential in the GPagi market will be able to increase and stabilize the economy of the community in the Morning Market, generally in the Kejaksan District. If seen, economic activities in the Morning Market are in accordance with the Islamic perspective Suggestion For further researchers, the results of our research can be developed into further research based on hypotheses and the results of this research found by previous researchers can be used as a description for conducting further research.

Suggestion

Based on the discussion and findings of this study, it is suggested that the role of Islamic banking should continue to be optimized to support and empower the economic activities of communities in traditional markets, particularly in the Morning Market of Kejaksan District. Considering the wide range of community economic potentials—including basic necessities, accessories, clothing, food stalls, vegetables, fruits, services, livestock, spices, animal feed, and other daily goods—Islamic financial institutions can provide more tailored financial products to help traders grow sustainably in accordance with Islamic principles. It is also recommended that local governments and stakeholders strengthen collaboration with Islamic banking institutions to provide training, assistance, and easier access to Sharia-compliant financing. This would not only help improve the economic well-

being of traders but also support the realization of a just and stable community economy based on Islamic values. For future researchers, this study can serve as a foundation for more in-depth studies using hypothesis-based quantitative approaches. Further research may explore specific variables such as profit-sharing systems, customer satisfaction with Islamic banking, or the long-term economic impact on market traders. Additionally, previous studies can be used as comparative references to broaden the analysis and enrich the literature related to Islamic banking and traditional market development.

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