

# AN ANALYSIS OF ISLAMIC BUSINESS ETHICS AMONG MUSLIM TRADERS WITHIN THE CONTEMPORARY URBAN MUSLIM SOCIETY OF THE CITY OF THOUSAND CHURCHES

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An Analysis of Islamic Business Ethics Among Muslim Traders Within the Contemporary Urban Muslim Society of The City of Thousand Churches Licensed Under a Creative Commons Attribution-ShareAlike 4.0 International License

## Abstract

Islam recognizes the urge to engage in commercial operations and does not forbid such activities; in fact, business activities can be an element of worship if done according to Islamic code of ethics. This principle becomes particularly relevant in analyzing the business practices of Muslim traders within the contemporary urban Muslim society of the City of Thousand Churches. The purpose of this article is to meticulously map the business practices of urban Muslim traders in the city of a thousand churches, using Rafik Issa Beekun's theory of Islamic business ethics, as well as theory indicators such as unity, equilibrium, freewill, responsibility, and benevolence. This study used a descriptive qualitative method with a phenomenological approach. A total of six informants, consisting of four women and two men who are Muslim traders in urban Manado, were selected to provide in-depth information based on their business experiences within the predominantly non-Muslim society. The data collected from these interviews were analyzed using the framework of Islamic business ethics to explore the ethical practices applied by these traders. The findings of this study demonstrate that practically all informants who operate as traders in the Urban Manado area met the five markers of Islamic business ethics theory. Although two traders' practices do not match the Free Will indicator, this has no substantial impact because they can still be improved through socialization. It may be inferred that, despite the fact that Muslim traders reside in a minority area, trade practices consistent with Islamic business ethics are nonetheless widely practiced by traders in Manado's urban centre, known as the city of a thousand churches.

**Keywords:** Business Practice; Contemporary; Islamic Business Ethics; Urban Muslim Traders.

## A. Introduction

Since the Prophet Muhammad's era, trade has played a significant part in expanding the Arab nation's economy, and the Prophet practically implemented Islamic business standards in trading (Adinugraha dkk., 2023; Afzalurrahman, 1997;

Rokan, 2013; Shulthoni dkk., 2023). As the Prophet's sunnah, this should serve as a guidance for Muslim businessmen all around the world, including Indonesia. “*Verily, the Prophet serves as an excellent example for those who seek Allah's pleasure and the reward of the Hereafter*”. (QS Al-Ahzab [33]: 21), (Nahlah dkk., 2023; Rozi dkk., 2023). However, when it comes to the gap between theory and practice, there are still social facts that reveal discrepancies, with some Muslim business actors, particularly in urban areas in Indonesia, engaging in business practices that are contrary to Islamic Business ethics in muamalah. This can be evident in the practice of fraud or the loss of Amanah mentality among Muslim businessmen who harm other parties or consumers. (BBCnews, 2023; Giffar Jiyad Uswah, 2021; Rosalina dkk., 2023).

It is undeniable that fraudulent practices have long permeated the world of commerce, manifesting in various forms that continue to evolve over time. One particularly persistent form of deception that remains prevalent today is fraud related to the sale of cooking oil. Cases range from the circulation of counterfeit cooking oil to the deliberate manipulation of quantity, where consumers receive less than the amount advertised. Such malpractices not only violate consumer rights but also pose serious health risks. Alarmingly, incidents of cooking oil fraud have been reported across numerous regions in Indonesia, reflecting systemic issues in market regulation and consumer protection. These recurring cases highlight the urgent need for stricter oversight and public awareness to safeguard the integrity of trade practices (Gideon, 2025; Iskandar, 2023; Tavip, 2024; Utami, 2022).

Departing from this phenomenon, indeed, more comprehensive research is needed in urban areas of Indonesia, one of which is in Manado. Where, there are still many Indonesians who do not savvy the existence of Muslim residents who have lived and settled in the city of a thousand churches as Manado is called. The reason for conducting this research in Manado is that, as mentioned in the background of this novelty, no prior research has looked into the issues raised in this study. The majority of Muslims in Manado own small businesses that operate in crowded areas, although some of them work as office employees, which is definitely not included in this research category. For this reason, the focus of this study also includes Muslim traders in the city's central area. The urgency of this research stems from two factors: first, the need to observe the behavior of Muslim traders living in minority communities in accordance with Islamic business ethics theory, and second, the fact that no research on this theme or issue has been undertaken in Manado.

In terms of research novelty, studies on Muslim business practices have typically focused on two elements. First, research on Islamic Business Ethics in Practice in Banking, Online Business, and Micro, Small, and Medium Enterprises (MSMEs) (Albar dkk., 2023; Dwi Saputra dkk., 2022; Najmudin dkk., 2022; Soumena dkk., 2024; Susilo dkk., 2022, 2023). The second tendency is to look at Islamic business ethics in relation to normative entrepreneurial studies and research that has been done on the theme of Islamic business ethics (Antonio, 2023; Islam & Greenwood, 2023; Jie dkk., 2023; Syaputra dkk., 2024). As said by Muhammad Syafii Antonio (Antonio, 2023), Every year, there were variations and an increase in the number of publications on Islamic business ethics. Of the two tendencies, the issue of urban Muslim traders in Muslim minority communities has gotten less attention. Indeed, urban Muslim trade in minority communities is inextricably linked to the study of business ethics.

The purpose of this paper is to reveal the business practices of urban Muslim traders in the city of a thousand churches, using Rafik Issa Beekun's theory of Islamic business ethics with indicators such as unity, equilibrium, freewill, responsibility, and benevolence, and to fill gaps in previous research by carefully mapping how urban

Muslim traders conduct business in the city of a thousand churches.

This study is based on facts in Indonesia about business practices carried out by Muslim traders or entrepreneurs who breach *muamalah* principles as exemplified by the Prophet SAW, namely that fraudulent tactics continue to harm consumers in both moral and material ways. This phenomenon is undoubtedly a reflection, and even an essential point for Muslims who work as businessmen or traders. Fraud in business practices is unavoidable because people do not understand or have no desire to study or emulate what has become Islamic business ethics in economic transaction.

## B. Methods

The qualitative research takes a naturalistic approach to the world, which means it explores phenomena in their natural settings while attempting to understand phenomena via the "voice" of the participants. (Creswell, 2012; Denzin & Lincoln, 2011; Edmonds & Kennedy, 2017; Golafshani, 2003; Rihoux & Lobe, 2009; Wertz dkk., 2011). As implemented in this research that uses qualitative methods. The phenomenological perspective was used in this research, where the issues raised depart from the phenomena that occur in Indonesian society, especially Muslim businessmen related to fraud cases in business practices. Furthermore, the design in this research was descriptive qualitative. This research presented the results of interviews with informants who certainly meet the requirements of the intended informant group. There are 6 informants in this research who met the qualifications as providers of information related to the business practices they run, with a composition of 4 women and 2 men. The selection process involved choosing individuals who possess expertise and direct experience in the specific business domain under study. This ensures that the information they provide is not only accurate but also insightful, making them credible sources for the research.

The composition of the informants, which consists of 4 women and 2 men, highlights a deliberate effort to ensure diversity and balance in the sample group. This gender distribution allows the research to capture a broader range of perspectives, potentially reflecting different approaches to business practices that may be influenced by gender. Furthermore, this balance helps in mitigating any biases that might arise from having a homogenous group, making the findings more representative and robust. By considering both the qualifications of the informants and ensuring a diverse sample, the selection process strives to maintain objectivity. The qualifications ensure the relevance and reliability of the information, while the diversity in gender composition supports a more comprehensive understanding of the business practices in question. This approach minimizes the risk of overlooking critical viewpoints and strengthens the validity of the research findings. In summary, the selection and categorization of the informants was likely based on a combination of expertise, diversity of business practices, gender balance, and possibly other factors such as business scale. This approach not only ensures the relevance and accuracy of the data but also strengthens the objectivity and comprehensiveness of the research findings.

The population of this study consists of Muslim traders residing in urban Manado, a city characterized by its non-Muslim majority. The sample comprises six informants—four women and two men—selected based on their expertise, direct business experience, and relevance to the study's focus on Islamic business ethics. All informants were Muslim traders in urban Manado who coexist with the non-Muslim majority in the city of a thousand churches. The theoretical indicators used in this study served as the foundation for the research instrument. Furthermore, researchers conducted individual interviews with each of these merchants to get reliable

information for this study. The interview results were then mapped and processed using the theory of Islamic Business Ethics, yielding the outcomes of the discussion in this section of the study. As used in this study with qualitative approaches.

This study employed the phenomenological approach, with the concerns highlighted departing from occurrences that occur in Indonesian culture, particularly among Muslim businessmen, in relation to fraud incidents in commercial practices. Furthermore, the study design is descriptive qualitative. This study offered the findings from interviews with informants who clearly match the standards of the intended informant group. There were six informants who met the requirements to offer information about their business activities, consisting of four women and two males. All informants are Muslim traders in urban Manado who live among the non-Muslim majority in the city of a thousand churches. The theoretical indicators used in this study served as the foundation for the research instrument. Moreover, researchers conducted individual interviews with each of these merchants to get reliable information for this study. The interview results were then mapped and processed using Islamic business ethics theory to produce the findings discussed in this section of the research.

## C. Findings and Discussion

### 1. Findings

#### Islamic Business Ethics

Islamic ethics are based on five fundamental principles, which are oneness or unity, equilibrium, free choice/ free will, responsibility, and compassion/ benevolence.

##### a. Unity

Islam's vertical dimension is unity, which is embodied in the idea of tawhid. It integrates all the various facets of a Muslim's life—religious, social, political, and economic—into a cohesive whole and emphasizes the value of order and consistency throughout. The unity axiom has enduring implications for Muslims. Unity Axiom's implementation to Business Ethics: Discriminate on the basis of race, colour, sex, or religion against his suppliers, buyers, workers, or any other stakeholder. This aligns with the reason Allah created humans: *“O mankind! We have created you male and female, and have made you nations and tribes, that you may know one another.”* (Q.S. 49:13).

Be forced to engage in immoral behaviour since he has only Allah to dread and love. Whether he's in the mosque, working, or engaging in other facets of his life, he adheres to the same, consistent code of conduct. He'll be happy. *“Say: Lo! My worship and my sacrifice and my living and my dying are all for Allah, Lord of the Worlds.”* (Q.S. 6:163). Hoard money imprudently. He understands the importance of trust, or amanah, since he is aware that material gains have a limited shelf life and should be handled carefully. A Muslim does not follow the path of least resistance and does not aim to amass wealth at any expense. He understands that: *“Wealth and sons are allurements of the life of this world; but things that endure good deeds are best in the sight of your Lord, as rewards, and best as hope”* (Q.S. 18:46).

##### b. Equilibrium

The word equilibrium, or *"adl,"* refers to the universal balance of the universe and characterizes the horizontal aspect of Islam. This delicate balance is reflected in the rule and order we observe in the cosmos. As Allah declares: *“We have created everything by measure.”*<sup>65</sup> (Q.S. 54:59). Equilibrium is not just a feature of the natural world. It is a dynamic quality that every Muslim ought to aspire to in their lives. Allah emphasizes the need of equilibrium and balance when He refers to the Muslim Ummah as

*Ummatun Wasatun*. Allah frowns on the behaviour of conspicuous consumerism and emphasizes the need of contributing to preserve harmony between the affluent and the poor: *“And spend of your substance in the cause of Allah. And make not your own hands contribute to (your) destruction; But do good, for Allah loves those who do good”* (Q.S: 2: 195).

Implementation Equilibrium Axiom to Business Ethics. In business, the idea of equilibrium or balance is applicable both physically and symbolically. Allah warns Muslim businessmen, for instance, to *“Give full measure and weigh with a balance that is straight that is the most advantageous in the final determination”* (Q.S 17:35). It’s interesting to note that "Adl" can also refer to equality and justice. A balanced transaction is both fair and just, as the *ayah* above makes clear. The term "Adl" is used in this context throughout the Qur'an. In general, Islam does not seek to establish a community of traders who only engage in charitable endeavours. Islam, on the other hand, seeks to suppress man's inclination toward covetousness and his love of material goods. For this reason, the Qur'an and the Hadith both denounce poverty and a wasteful way of living.

#### c. Free Will

Man, as Allah's vicegerent on earth, has been endowed with a degree of free choice to direct his own life. Despite the fact that every human being is subject to the laws that govern Allah's creation, humans are endowed with the capacity for thought and judgment, the freedom to live any kind of life they choose, and—above all—the ability to act morally. He has the freedom to act morally or immorally, unlike other creatures in Allah's cosmos. Say, *“The Truth is from your Lord. Let him who will, believe, and let him who will, reject (it).”* (Q.S. 18:29).

Application of the Free Will Axiom to Business Ethics. Man has the freedom to create agreements and to either uphold or violate them, according to the axiom of Free Will. A Muslim will keep their end of any agreement, having bowed to Allah's will. *“O, you who believe! Fulfill (all) obligations.”* (Q.S. 5:1). It is significant to remember that Allah is clearly addressing Muslims in the verse above. The term "Uqud" is a multifaceted construct, as Yusuf 'Ali indicates. The statement suggests that there are various obligations associated with it. Firstly, there are the divine obligations derived from our spiritual nature and relationship with Allah. Secondly, there are the social obligations like marriage contracts, political obligations like treaties, and business obligations like formal contracts requiring specific tasks to be performed or tacit contracts requiring decent treatment of employees. In order to behave in accordance with Allah's moral standards, the Muslim must restrain his free will.

#### d. Responsibility

Man must take responsibility for his acts in order to live according to the rules of 'adl and unity that we witness in Allah's creation. Allah emphasizes the idea of having moral accountability for one's deeds: *“[...] Whoever works evil, will be requited accordingly. Nor will he find, besides Allah, any protector or helper. If any do deeds of righteousness—be they male or female—and have faith, they will enter heaven, and not the least injustice will be done to them.”* (Q.S. 4: 123-124).

Islam is just: as was previously mentioned, an individual is not accountable for their behaviour if they are (a) underage, (b) mad/insane, or (c) acting when they are asleep. Islam places a high value on responsibility, which is divided into two categories: macro (organizational and societal) and micro (individual). Islam even unites the macro and micro levels of responsibility (between the person and numerous forces and institutions in society). As noted by Sayed Kotb, *Islam establishes the idea of*

*reciprocal accountability in all of its manifestations. It contains the obligations that exist between a person and his soul, between a person and his close family, between a person and society, and between a community and other communities. (Kotb, p.56).*

Application of Business Ethics to the Responsibility Axiom. If a Muslim in business behaves unethically, he cannot justify his behaviour by blaming it on the demands of the industry or the fact that unethical behaviour is the norm for everyone else. He is ultimately accountable to himself for his own deeds. Thus, Allah says: *“Every soul will be (held) in pledge for its deeds”*. (Q.S. 74:38). As a result, this axiom is related to the axioms of free will, equilibrium, and unity. All duties must be fulfilled unless they are immoral. For instance, Abraham (saaw) disregarded his filial responsibilities because his father encouraged idolatry or shirk. Conversely, the Prophet (SAW) adhered to the terms of the *Hudhaybiyyah* pact, even though it required returning Abu Jandal, a newly converted Muslim, to the Quraysh envoys. A Muslim must follow through on his commitments after making a promise or entering into a legal agreement. *The Prophet (peace be upon him) said, “The signs of a hypocrite are three: 1. Whenever he speaks, he tells a lie. 2. Whenever he promises, he always breaks it (his promise). 3. If you trust him, he proves to be dishonest (if you keep something as a trust with him, he will not return it).* (Abu Huraitah, *Shahih al Bukhari, Hadith no. 1.32*).

#### e. Benevolence

Benevolence, often known as kindness toward others, is described as "an act performed freely that benefits individuals other than the one from whom it proceeds. Islam encourages kindness. According to reports, the Prophet (SAW) said: *Three types of people are imprisoned in Paradise: those who are truthful and have the ability to perform good deeds; those who are in charge and are just and fair; and those who are merciful and kind-hearted to all Muslims, even those who have a large family to support and do not reach out.*

Application of the Benevolence Axiom to Business Ethics. According to al-Ghazali, there are six kinds of benevolence. Implementing the Benevolence Axiom in Business Ethics. Al Ghazzali distinguished six types of benevolence: Giving something to someone in need while generating the least amount of profit is appropriate. It will benefit the giver more if he forgoes the profit; If a man buys something from a poor person, it is more kind on his part to incur a minor loss by paying him more than what he deems to be the fair price. Such an act must have an uplifting effect, but a contrary conduct is likely to have the opposite effect. It is not commendable to pay a rich man more than his fair share when he is known for charging big profit margins; Realizing one's obligations and debts requires one to act kindly by extending to the debtors their period of time to pay overdue and, if need, reducing the amount owed in order to alleviate their situation; It is only fair that customers who wish to return products they have purchased be allowed to do so as a gesture of goodwill/ benevolence; It is a graceful act on the part of a debtor to pay his obligations without being requested to do so, preferably far in advance of the due date; When offering goods for sale on credit, one should be understanding and refrain from pressing customers to pay when they are unable to do so within the allotted time.

### **Contemporary Urban Muslim Society**

Contemporary urban Muslim society is characterized by a dynamic interplay of religious, social, and economic factors within the context of modern urban environments. Urban areas, in this context, are defined by a range of characteristics including high population density, complex social and economic structures, and a marked shift from natural and agricultural landscapes to build the environments. The

growth and transformation of urban spaces, with their diverse populations and intricate networks, provide fertile ground for examining the lived experiences of Muslims in contemporary cities.

Urban spaces are not static; they evolve over time and across geographical areas, influenced by a variety of social, economic, and political factors. The urban-rural continuum concept, which recognizes that urban and rural characteristics exist on a spectrum, allows for a nuanced understanding of urban development and the lifestyles that emerge within these spaces (Brown, Lesley, 1993; Tarek Rashed Weeks, 2010). Within this framework, contemporary urban Muslim society is shaped by the intersection of modernity with traditional Islamic practices, reflecting a unique adaptation to urban living while maintaining religious and cultural values.

In historical terms, Islam's global spread has always been tied to urbanization and trade, beginning in the early days of the Islamic empire. As Islamic empires grew, they positioned themselves at key intersections of global trade routes, particularly during the Abbasid period, where cities like Baghdad became pivotal hubs for commerce and culture (Fitzgerald C. P., 1935; Tibbetts, 1957). This historical legacy of trade and urban development continues to influence the modern Muslim identity, particularly in urban centers where economic, social, and religious spheres intersect in daily life.

Contemporary urban Muslim society includes a broad spectrum of individuals who are both engaged in traditional occupations and adapting to modern business practices. Among these, Muslim entrepreneurs—particularly those involved in food businesses—form a significant part of the urban economy. These entrepreneurs often navigate the complexities of urban life while staying rooted in their religious and cultural identities, reflecting the broader theme of how Muslim communities engage with modernity in urban spaces. In this research, the focus on food businesses within urban Muslim society highlights not only economic activity but also the cultural significance of food in fostering community ties and identity in urban settings. This urban Muslim demographic represents a blend of tradition and innovation, as they continue to shape and reshape the cultural and economic fabric of contemporary cities, both locally and globally (Tarek Rashed Weeks, 2010).

### **Manado, The City of a Thousand Churches**

Manado is the capital of North Sulawesi Province. As a developing city, Manado is increasingly becoming an alternative destination for migrants from various places outside Manado, either as a place to live or to earn a living (Pelambi dkk., 2016). The city of Manado is thought to have been known since the 16th century. The word comes from the *Minahasa* language, *Mana rou* or *Mana dou* which in Indonesian means “in the distance”. There are several versions of the birth of the name Manado. One of them states that this area is the development of a country called Pogidon. According to history, in that century Manado city was also visited by people from abroad, especially from Europe, because of its agricultural products. The name “Manado” of the land began to be used in 1623 replacing the name “Pogidon” or “Wenang” (Setiawati, 2021).

*Kota Seribu Gereja* is the epithet for the capital city of North Sulawesi, Manado. Besides being famous for its tourist spot, *Bunaken*, Manado is also famous for having many church buildings scattered in almost every corner of the city. In fact, each church in Manado has its own characteristic building. Christians who are visiting or living in Manado will certainly find churches easily. Therefore, Manado is known as the 'The City of a Thousand Churches'. Although churches are the majority house of worship, other religious houses of worship such as mosques and temples also stand in this city.

The people of this city are known to be very tolerant (Oskeviola, 2021).

Each church in Manado has its own distinctive building. The city of Manado is even considered as Indonesia's Rio de Janeiro because it has many churches like in the Brazilian city. However, followers of Islam and other religions need not worry, because there are also quite a lot of mosques and other religious places of worship in this city. Although the nickname "City of a Thousand Churches" is not taken literally, Manado does have a significant population of churches that play an important role in the lives of its people (Kadir, 2024; Setiawati, 2021).

### The Result of Interview

The following is a description of the results of interviews with six informants who are included in the characteristics of informants in this study, namely Muslim traders who are involved in trading in the Urban Manado area known as 'The City of a Thousand Churches'. Ms. NIR (21 years old), female, is a culinary trader who sells salad, fruit, rice bowl filled with squid/fish/chicken, chicken porridge, and fried foods. According to her, *"Employees are considered as family, so that when employees experience difficulties, they must assist them, besides that consumer must be treated fairly regardless of rich or poor consumers (Unity). The price I give is proportional to the quality and labour spent to produce our products (Equilibrium). So far, we have never cancelled a transaction unilaterally, nor from the consumer side (Freewill). If there are complaints from consumers, we check first, if it is indeed a mistake on our part, we apologize and find a solution to the incident (Responsibility). Honesty is the main attitude that we uphold in doing business (Benevolence)"*.

Mr. FT (23 years old) Male, is a beverage trader who sells various beverage brands such as Teh Pucuk, Cooltime, Kopiko, Leminerale, 7 kurma, and Tora Café. According to Fajar, *"Cooperation and mutual trust are important things between business owners and employees so that the business can run smoothly, besides that the buyer is the king so that poor and rich are not a standard in treating consumers (unity). The price we give InshaAllah is proportional to the quality (Equilibrium). In my experience I have never cancelled a transaction, but there have been consumers who have exchanged products that have been purchased (Freewill). Regarding complaints, in my opinion, it is normal, through complaints producers can improve product quality and also respect consumer opinions (Responsibility). We have done alms in the form of giving some beverage products to people breaking the fast for free because of course sustenance must also be shared (Benevolence)"*.

Mrs. S (29 years old), female, is a culinary trader. She stated that *"I treat employees like family and do not discriminate against customers (Unity). Price and quality must be balanced because there is an Islamic culture built into our company, so it is in accordance with the teachings of the Prophet, which is to be honest in trading (Equilibrium). There have been transaction cancellations due to miscommunication problems that often occur online, so there are products that have run out of stock and are not updated online, and that is an improvement note for our service (Freewill). We are happy to accept complaints with criticism and suggestions for the improvement of our service in the future (Responsibility). Maintaining product quality in order to continue to provide the best is our effort as a manufacturer (Benevolence)"*.

Mrs. ID (42 years old), female, is a culinary trader of ayam geprek, fresh vegetables, coto makassar and so on. ID explained that *"I built good relationships with employees and do not differentiate between rich and poor consumers, my service remains the same (Unity). The price and quality of the products I provide to consumers are comparable, because if the quality is poor and the price is expensive, no consumers will want to buy (Equilibrium). There are often cancellations of transactions but this does not harm us or consumers (Freewill). I also accept complaints from consumers and take responsibility for it because it is for the improvement of the quality of our sales (Responsibility). Honesty is the*

*attitude that we display, in addition, the raw materials of our products must be in accordance with the standards, namely not using preservatives and sweeteners (Benevolence)".*

Ms. KA (22 years old), Female, is a Bachelor and a culinary trader of *nasi ayam geprek*, rice bowls, bananas, burgers, and hot dogs. She said that *"I am generous and good with my employees because they are my business partners, I also do not differentiate between rich and poor consumers (Unity). The quality of the products and the prices we offer are also comparable (Equilibrium). So far there has never been a cancellation of transactions between us and consumers (Freewill). We are also responsible for consumer complaints, discuss the problem properly, and see the shortcomings where then provide solutions (Responsibility). Honest, polite and friendly is the attitude we hold in running a culinary business (Benevolence)".*

Mr. Gunawan (21 years old) is a Muslim with the last education of SMK and is currently having his Bachelor studies at Samratulangi University. He is a seller of *nasi goreng*, *ayam geprek*, fried bananas and so on. According to him, *"it is important to be fair to employees by paying the wages on time and according to the work portion (Unity). We also do not differentiate service to consumers from the upper class or lower class (Unity). Pricing is certainly based on the quality of the products we provide and according to market prices, which are not expensive and not cheap but still according to the quality (Equilibrium). So far, there has never been a cancellation of transactions between us and consumers (Freewill). When there are complaints from consumers, we accept these complaints and take responsibility (Responsibility). Every Friday we distribute free food for those who will have their iftar or break the fast (Benevolence)."*

## 2. Discussion

### Review of Islamic Business Ethics on Business Practices of Muslim Traders in Manado

Based on the theoretical study conducted in this research, the theory of Islamic Business Ethics will be investigated further using the findings of interviews with Muslim Traders in urban regions of Manado. More particularly, consider the applicability of Islamic principles related to the indicators of Islamic Business Ethics theory, which are unity, equilibrium, freewill, responsibility, and benevolence/compassion.

**Table 1. Theory Classification and Informant Data**

No	Informants	Theory				
		Unity	Equilibrium	Freewill	Responsibility	Benevolence
1.	NIR (21)	√	√	√	√	√
2.	FT (23)	√	√	√	√	√
3.	S (29)	√	√	×	√	√
4.	ID (42)	√	√	×	√	√
5.	KA (22)	√	√	√	√	√
6.	G (21)	√	√	√	√	√

One of the axioms of the unity indicator, which is used in Business Ethics, is not to discriminate against suppliers, buyers, workers, or any other stakeholder based on race, color, gender, or religion. Based on the results of interviews with 6 informants, it can be seen that the business practices carried out by the informants as a whole have fulfilled the unity indicator as conveyed by all informants who said that they treat employees like family, put the element of trust in employees, build good relationships with employees, be kind, be fair to employees, including on-time wage payments, and do not discriminate and treat all consumers in the same way and there is no distinction between affluent and poor consumers, also everyone receives equal service.

This is undoubtedly consistent with Islamic business ethics theory based on the unity indicator, which states that all informants do not discriminate against employees and consumers based on ethnicity, color, religion, gender, or economic status. So, in this study, the unity index corresponds to the activities of Muslim businessmen in metropolitan Manado. This also mirrors the lives of Muslim communities in Muslim-majority areas, where religious tolerance is generally high. Furthermore, this theory states that the indicator of equilibrium or balance is applicable both physically and figuratively. The argument used is based on (Q.S 17:35), *"Give full measure and weigh with a balance that is straight that is the most advantageous in the final determination"*. Additionally, it is claimed that "Adl" might relate to equality and justice. A balanced transaction is fair and equal, as indicated in the above verse.

The term "Adl" is used in this context throughout the Qur'an. Thus, based on the findings of interviews with six informants in this study, it is clear that all informants apply the principle of equilibrium to their business activities. Where the price is proportional to the quality of the items. It is also said that an informant determines the pricing and quality of items because they foster an Islamic culture in the workplace. Another source said that charging high rates for low-quality goods would almost surely result in losses. As a result, based on the interviews and their summaries, it is clear that the equilibrium indicator was applied to the six informants' business practices in this study. Their business behaviours serve as the equilibrium indication in Islamic business ethics theory.

Freewill is the third indicator in the hypothesis used in this study. According to this indicator, humans have the freedom to create contracts and honour or break them, based on the axiom of Free Will. To conduct in conformity with Allah's moral principles, a Muslim must control his free will. Based on the six informants who responded about their business practices that are relevant to the free will indicator, four stated that they had never cancelled a transaction, while one client did so for specific reasons. On the other hand, two other informants admitted that they had cancelled transactions due to miscommunication, in which the availability of the products they market online has not been updated, so that when consumers place orders for goods that have sold out or are no longer ready, the transaction cannot be completed because the product is not available in real terms. This is undoubtedly a note for sellers who are less careful and do not keep up to date on the availability of ready-to-sell products.

As a result, there is a discrepancy in this indicator (freewill) between the theory and practice carried out by two informants who were interviewed; however, the other four informants still show a response of conformity between the free will indicator in the theory of Islamic business ethics and the business practices they engage in. So it can be argued that most of the time there is still congruence between the theory and business practices of traders in urban Manado; nevertheless, the remaining few require improvement by giving these informants with a thorough understanding of Islamic business ethics.

The next indicator is responsibility. As previously established, the indicator of duty in the philosophy of Islamic business ethics states that if a Muslim engages in unethical business practices, he cannot justify his behaviour by blaming industry needs or the fact that unethical behaviour is the norm for everyone else. He is ultimately accountable to himself for his own actions.

Based on information from 6 informants on this indicator, overall, informant 1 to informant 6 revealed that the forms of responsibility they practice are when there are complaints about the goods purchased by consumers, the sellers will try to give a

positive response, accept the complaint, and try to find a solution or take responsibility. This is because, according to most informants, accepting complaints is a form of their efforts in improving the quality of their goods and services in the business. Thus, it can be concluded that, overall, the informants met the responsibility indicators outlined in the theory examined in this study. As a result, theories and business methods of traders can be considered consistent or suitable.

The final indication is related to compassion. According to this indication, benevolence, often known as kindness to others, is defined as a voluntarily done activity that benefits someone other than the person receiving it. Islam urges people to do good. As a result, based on the findings of interviews with six informants in this study, it is clear that sellers in general prioritize Benevolence in their trade. Traders demonstrate this mentality by their activities in selling, such as speaking the truth about the things they sell, providing free food or drinks to Muslims who break their fast, striving for high product quality, and being polite and welcoming to customers. It may be concluded that the kindness indicator in the theory of Islamic business ethics, which serves as the foundation for this research, is consistent with the commercial activities of traders in urban Manado.

#### **D. Conclusion**

The study shows that nearly all Muslim traders in Urban Manado adhere to the principles of Islamic business ethics theory, including unity, equilibrium, free will, responsibility, and benevolence, with minor exceptions that can be addressed through socialization, indicating that their commercial behaviors largely align with these ethical principles despite being in a Muslim minority area. The study reveals that the majority of Muslim traders in urban Manado consistently uphold the core tenets of Islamic business ethics, encompassing principles such as unity, equilibrium, free will, responsibility, and benevolence, with only minor deviations that could be mitigated through targeted socialization efforts. Consequently, the findings affirm that, despite operating within a Muslim minority environment, Islamic business practices remain deeply ingrained among traders in Manado, commonly referred to as the "city of a thousand churches." This designation, however, bears no influence on the ethical conduct or commercial activities of Muslim entrepreneurs in the region. It is anticipated that this study will make a substantive contribution to the academic discourse surrounding Muslim traders in minority contexts and serve as a valuable reference for promoting Islamic business ethics among Muslim entrepreneurs globally, particularly within non-Muslim majority societies.

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#### **F. Author Contributions Statement**

The writing of this article, from background, methods, findings, to conclusions, is entirely the author's original work based on independent research. The study was conducted using a descriptive qualitative method with a phenomenological approach to analyze Islamic business ethics among Muslim traders in the City of Thousand Churches.

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