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THE DEVELOPMENT OF TRADITIONAL MARKET BY THE GOVERNMENT OF SPECIAL REGION OF YOGYAKARTA IN ISLAMIC ECONOMICS PERSPECTIVE

(STUDY ON CENTRAL MARKET TRADITIONAL GIWANGAN)

Setiawan Bin Lahuri¹, Meichio Lesmana², Syamsuri³ and Indra Sholeh Husni⁴

¹ Syariah Faculty, University of Darussalam Gontor, INDONESIA

^{2,4} Islamic Studies Faculty, Islamic University of Indonesia, INDONESIA

³ Economics and Management Faculty, University of Darussalam Gontor, INDONESIA

Corresponding author: binlahuri@unida.gontor.ac.id; meichiolesmana@gmail.com;
syamsuri@unida.gontor.ac.id; indrasholehusni@gmail.com

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Abstract: *As one of the economic hearts of society, the existence of traditional market in Indonesia is very important for the economic growth. The focus of the problem in this study is related to the role of government in market development in the Islamic economic perspective by conducting a study in the central market traditional Giwangan. This study aims to analyze the role of government of Special Region of Yogyakarta in the development of central market traditional Giwangan and to find out whether the concept of Islamic economics has been included in the role of government. In its implementation, this study used the qualitative-descriptive method. Meanwhile, to solve any existing problems, this study used the normative-juridical-sociological approach. The results of this study showed that the role of government of Special Region of Yogyakarta particularly Department of Trade recently are still in the physical roles, i.e., from the aspect of development through planning, organizing, field action, monitoring and evaluating. Other factors were related to the aspects of infrastructure, cleanliness, and security though the monitoring to the weight scale and market entirety were still conducted. On the other side, with such roles, the sellers and buyers feel comfortable and secured. In the perspective of Islamic economics, such roles were seen little bit different and insignificant. It was with a consideration that Islamic economics have*

	<p><i>some main rules obliged to be fulfilled such as monitoring to the price of the goods in market, eradication of fraud and any misappropriation to goods and prices as well as the monitoring to market entirely, ensuring the halal of the goods, and stockpiling in which all are the eminence of market monitoring in Islam. Unique contribution to theory, practice and policy: The contribution unique of this research is Al-Hisbah theory according to Ibnu Taymiyah that implemented in the Yogyakarta Special Regional Government Policy in the Giwangan Traditional Central Market.</i></p> <p>Keywords: Roles of Government, Traditional Market, Islamic Economic Perspective, Development and Market Management.</p>
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1. Introduction

One of the most important problem facing the country is economy. Just like Indonesia which is a rich archipelago with an abundance of natural resources, so that the people can easily produce a primary and secondary goods. Besides, they also can find it easily in the market. The market is a meeting place between sellers and buyers to make a transactions. The market is not oriented to a particular place and location, therefore the market does not have geographical boundaries, especially for traditional markets. (Perpres RI, www.hukumonline.com accessed on February 1, 2021) The intense competition between modern and traditional markets resulted in traditional market being less attractive to the public, and the lack of government attention has pushed he traditional markets into a corner. On the other hand, the existence of traditional markets is considered slum, the sale of staple foods is not hygienic, the lack of awareness of sellers in maintaining cleanliness and order and market security are the main causes of the displacement of traditional markets in Indonesia, resulting in traditional market management falls apart. (Abdul Halik, 2014)

Wilayatul Hisbah has the task of supervising markets to ensure the fairness and commerce in human interaction and to prevent wrongdoing against humans, animals and the surrounding environment. (Romly, 2015) With regard from the above problems, the author is interested in knowing the role of the government towards the development of traditional markets in the Giwangan Central Market reviewed from the perspective of Islamic Economics. And, the author wants to make this research as a guideline for the Islamic market and also as a critique and suggestion to the government for the development of the market which is then outlined in the form of a research entitled, "The Development of Traditional Market by The Government of Special Region of Yogyakarta in Islamic Economics Perspective (Study on Central Market Traditional Giwangan)".

1.1 Problem Statement

This research was conducted to analyze the role of The Government of Special Region of Yogyakarta in the development of Central Market Traditional Giwangan and reviewed it from the Islamic Economics Perspective.

2. Literature Review

Bani Astiti (Bani Astiti et al. 2016) discussed the strategy of developing traditional markets in Semarang. Traditional market development strategy is the main thing, especially in the development aspect using SWOT analysis and using test litmus as a testing tool. Jufri Kasim (Jufri Kasim, 2016) also discussed the role of the government on the management of Bersehati market in Manado city through Islamic economics perspective with the result that the current role of the government is still more on a physical role, although monitoring of price hoarding is still being carried out.

Luh kadek (Luh Kadek Budi Martini et al. 2016) with the research entitle “Traditional Market Development Strategy in Bali in Anticipating Modern Market Growth”. Traditional market opportunities are to increase the security stability, awareness of traditional markets, and traditional market revitalization policies. Devi Evifani (Devi Afifani Turnip, 2016) in her research related to the process of structuring traditional markets and modern markets by local government in Jepara. The purpose of this research is to determine the process of protecting traditional markets in government policy and to find out the efforts to empower traditional traders in modern market management and knowing the application of government policies to traditional market protection and modern market management. Isti Khomah (Isti Khomah, 2016) has discussed concerning market strategy, and concluded that the most important success factor and has the greatest values is the price of the product, while the strategy in the market used is the use of good communication in order to establish good relationship with market stakeholders.

Syaeful Bakhri (Syaeful Bakhri, 2017) on strategies to increase the competitiveness of traditional markets in facing the presence of modern markets in Cirebon Regency. By analyzing market players and market control so as to find a big impact on the presence of modern markets on traditional markets. However, it does not pay attention to the aspect of facilities, whereas the facilities of a market affect the level of customer satisfaction from an Islamic perspective. Alif (Alif Adibatul Lathifah et al., 2017) also conducted an analysis of the same thing in traditional markets, where researchers found market conditions are still far from expected and not maximized in imposing sanctions on economic agents.

Royyan (Royyan Ramdhani Djayusman et al., 2018) analyzed how the development of the Songgolangit traditional market in Ponorogo Regency through on Islamic Economics Perspective. The results showed that first, business development strategy in Songgolangit can be done through two aspects; material and non-material aspects. Second, fluctuations in the number of traders should be followed by additional infrastructure. Third, the role of local government in controlling and managing traditional markets is very important in regional regulations (PERDA) to regulate the position, distance and operational time of street vendors (PKL), traditional and modern markets. Fourth, technological advances are utilized in traditional market development strategies through modernization of infrastructure and marketing.

3. Methodology

This research used qualitative research, which is conducting research in the field in order to obtain various data and information required. (Lexy J, 2006) From the level of explanation, this research is using descriptive method. This research used normative, juridical and sociological approach. As for the technique, it used purposive sampling, which is to consider the informant first, and not random. (Burhan Bungin, 2007) In collecting data, researcher used several data collection techniques including; qualitative observations, interviews, personal and official documents, photographs, recordings, pictures and informal conversations qualitatively. The most commonly used sources are observations, interviews, and documentation. As for data analysis techniques use data reduction, data display, and conclusion drawing/verification. (Emzir, 2018).

4. Discussion

4.1. The Role of Yogyakarta Special Regional Government in the Development of Central Market Traditional Giwangan

According to the Yogyakarta Trade Office, Giwangan market draw the attention of government between the other traditional markets, because this market operates in 24 hours non-stop. (Gunawan, interview, February 5, 2021) Therefore, the government conducts five stages to develop traditional markets, there are planning stage, organization, field action, control and evaluation. Currently, the government is planning to optimize the Giwangan market, in order to make it as the main market that becomes the distribution center for other traditional markets in the Yogyakarta area. (Gunawan, interview, February 5, 2021)

The first step taken by the Trade Office was to establish a digital market which implements non-cash transactions. (Gunawan, interview, February 5, 2021) The government also conducts "greet a traders" program once a week, in order to find out about the complaints from traders. As for other programs, traders exercise twice a week and mutual assistance with traders once a month. (Jawadi, interview, February 5, 2021) The government also holds a meeting with the Technical Implementation Unit and The Market Association regarding the implementation of work programs, merchant income/revenues, and discussing problems and solutions every Friday at 13.00-14.30 WIB. In addition, the government provides evaluation and direction by reprimanding offenders, both verbally or in letters to traders who violate or have not implemented work program. (Gunawan, interview, February 5, 2021) Apart from supervising, the government also collects retribution, according to Yogyakarta City Regulation No. 5 of 2012 concerning Public Service Levy. (PEMKOT DIY, 2016).

4.2. The Role of Special Regional of Yogyakarta Government in the Development of Central Market Traditional Giwangan through Islamic Economics Perspective

Central Market Traditional Giwangan is an example of a market that requires the role of local government in its development because there are many problems faced from internal and external factors. In Islam, *Hisbah* is the Institution authorized to control the market. In this case, the role of *Hisbah* related to the government in the development of Central Market Traditional Giwangan is:

1. Supervision of Goods Prices in the Market (Price Intervention)

In this case, the role of the Government of Yogyakarta in overseeing the price of goods and the market is to control the price according to what has been listed on the JSS board or price announcement board in the market. If there is price volatility, the Special Regional of Yogyakarta Government opens a store named SEMBOROAMARTO (*Semangat gotong royong Majuneng Ngayogyakarta*), where unstable prices of basic necessities can be purchased here at the price of BULOG. Although it is the market that determines the price, but the government also has the authority to control price stability. (Gunawan, interview, February 5, 2021).

2. Eradicating Fraud and Misappropriation of Goods and Prices

The market supervisory that handles and eradicates fraud and misappropriation of sellers is called *Muhtasib*. *Muhtasib* is authorized to inspect and test the scales and measured used. They also have the right to punish sellers who commit fraud according to the level of fraud committed. (Ibn Taimiyah, 1976) The role of the Government of Yogyakarta in eradicating fraud and prices and goods abuse has not been very visible because until now there has been no government action or regulations, so it is difficult for the public to sort out which goods are good or not. (Gunawan, interview, February 5, 2021).

3. Supervision of the Entire Market

Supervision of the entire market is the role of *muhtasib* that must guarantee all forms of needs. The role of the government is to add and maintain the existing infrastructure in the Central Market Traditional Giwangan. The Government of Yogyakarta also provides regulations for traders to regulate the market during trading activities, and maintain the convenience of buyers. (Gunawan, interview, February 5, 2021) and The Government of Yogyakarta also pays attention to the cleanliness of the market by sorting the waste into three section, organic, non-organic and non-recyclable. (Gunawan, interview, February 5, 2021).

4. Ensuring the Goods Marketed are Halal

Islam has obliged that every item marketed must be halal and beneficial to the buyer. In this case, the *muhtasib* has the authority to punish those who do not carry out these obligations. However, the government itself has not issued a regional regulation regarding sales in the market that must be halal. And at same time, in Giwangan market itself has never been found in any non-halal food, such as adulterated meat, pork or the other haram foods. Therefore, there is no role for the government to eradicate the haram goods. (Gunawan, interview, February 5, 2021).

Combating Hoarding of Goods (Ikhtikar)

Hoarding is the purchase of large quantities of a commodity by a speculator with the intent of benefiting from future price increases. And this act is clearly prohibited because is an injustice to humanity. In this case, *Hisbah* has a role in overseeing the spread of hoarding activities in a market. Even *Muhtasib* can also force *Muhtakir* (the person who do a hoar) to sell his goods at market prices to people who need it. However, for now there is no role for the Government of Yogyakarta in terms of preventing hoarding, this is acknowledged by Mr. Gunawan as the Head of Market Division at the Trade Office. (Gunawan, interview, February 5, 2021).

No	Aspects of Islamic Market	The Role of D.I. Yogyakarta Government in Central Market Traditional Giwangan	Description
1.	Supervision of Goods Prices in the Market (Price Intervention)	✓	The Government of Yogyakarta monitor the price of goods and the market, its mean to control the price according what is listed on the JSS board or price bulletin board in the market. If there is an instability, the Special Region of Yogyakarta Government opens a store named SEMBOROAMARTO (<i>Semangat gotong royong Majuneng Ngayogyakarta</i>), where unstable food prices can be purchased here at the price of BULOG. Although what determines the price is the market, but the government also has the authority to control price stability.
2.	Eradicating Fraud and Misappropriation of Goods and Prices	-	-
3.	Supervision of the Entire Market	✓	The role of the government is to add and maintain the existing infrastructure in the Giwangan Traditional Main Market. Additional facilities in the form of building construction, parking lots, security, toilets and others. The Government of Yogyakarta also provides regulations for traders to regulate the market during trading activities, and maintain the convenience of buyers. The Government of Yogyakarta also pays attention to the cleanliness of the market by sorting the waste into three section, organic, non-organic and non-recyclable.

4.	Ensuring the Goods Marketed Are Halal	-	-
5.	Combating Hoarding of Goods (<i>Iktikar</i>)	-	-

From the table description, Central Market Traditional Giwangan, if analyzed through Islamic economic perspective, it has a positive impact on improving the welfare of the people of Yogyakarta. Although Giwangan traditional main market is still far from being of an Islamic-based market standard. As explained in the principle of jurisprudence (*ushulul fiqh*) namely; (M. Bakri Ismail, 1996)

التصرف على الرعية منوط بالمصلحة

Which mean: "Government policy for the people must be based on *maslahah*". So that in this case, the government should have made policies related to traditional market specifically for Central Market Traditional Giwangan, which can improve the welfare of the surrounding community.

5. Conclusion

Based on the analysis that has been done by the researcher on " The Development Of Traditional Market By The Government of Special Region of Yogyakarta In Islamic Economics Perspective (Study on Central Market Traditional Giwangan)", the following conclusions can be drawn:

1. The role played by The Government of Special Region of Yogyakarta in the development of Central Market Traditional Giwangan has been quite effective, this is evidenced by the implementation of several programs related to market development in terms of planning and structuring, organizing, field action, as well as monitoring and evaluation. On the other hand, problems arising from the security, order, cleanliness and fraud in Giwangan market are also slowly being resolved by the Yogyakarta government, especially the Trade Office. In term of market development, the government has also taken an approach using two things, namely infrastructure and regulation. The infrastructure approach referred to by the government is a concentrate approach that is constructive in nature, such as improvements and additions to infrastructure, reorganization program on market conditions management in 2022, greet a trader once a week, mutual assistance with the community once a month and exercise with Giwangan market traders. As for the non-physical approach is the application of Local Regulations and Mayor's Regulations. In addition, the development of Giwangan market also has a big impact on the welfare of people of Yogyakarta.

2. From the interview data, the researcher concluded the role of the government in the development of the Central Market Traditional Giwangan from the Islamic aspect. In general, the government of Special Region of Yogyakarta (DIY) through the Trade Office has played its role as a supervisor of market activities. Many things make the supervision different from the concept of Islam. Among the six concepts of the market in Islam, two of them are implemented, namely control of the price of goods in the market, and supervision in the entire market. While the other four are still not implemented, namely in the aspect of eradicating fraud and misappropriation of goods and price, ensuring that goods marketed are halal, combatting the hoarding of goods, prohibiting contracts and haram or illegal transactions. Where the government has not been able to work on all these aspects, although all of them are the virtues of Islamic market supervision.

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