

Loans Without Time Value: Rethinking Justice, Reciprocity, and Ribā in the Sinoman Tradition of Javanese Islamic Economics

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Abstract. *The article examines the challenges of justice in Sinoman culture in the era of contemporary Islamic economics, focusing on the Time Value of Money (TVM) concept. Using a descriptive qualitative approach and a case study in Brangsong Village, Kendal, data were collected through interviews and observations. Theories like al-ghunmu bi al-ghurmi and al-kharāj bi al-damān explain how sinoman ensures fair distribution of benefits and risks without exploitation or TVM inequality. Social reciprocity is driven by solidarity and collective responsibility, not mere financial profit. Sinoman embodies distributive and commutative justice, rejects usury, and reflects local gotong royong, yet faces challenges within TVM-based modern Islamic economics.*

Keywords: *Sinoman; time value of money; Islamic economic justice; ribā; reciprocity; local Islamic economics*

Abstrak. *Artikel ini mengkaji secara kritis konsep keadilan dalam praktik tradisional sinoman di Jawa, dalam konteks ekonomi Islam kontemporer yang banyak bergantung pada konsep Time Value of Money (TVM). Menggunakan pendekatan kualitatif deskriptif, studi ini berbasis pada penelitian lapangan di Desa Brangsong, Kabupaten Kendal, melalui wawancara mendalam dan observasi partisipatif. Analisis didasarkan pada prinsip keadilan ekonomi Islam seperti al-ghunmu bi al-ghurmi dan al-kharāj bi al-damān yang menekankan distribusi manfaat dan tanggung jawab risiko secara adil. Praktik sinoman mencerminkan sistem pertukaran sosial non-finansial yang didasarkan pada solidaritas, keadilan distributif dan komutatif, serta penolakan terhadap ribā. Tradisi ini memperlihatkan semangat gotong royong dan resistensi terhadap komodifikasi waktu dalam relasi ekonomi. Namun, tantangan muncul ketika sinoman dihadapkan dengan sistem keuangan Islam modern yang mengadopsi TVM sebagai dasar pengukuran keuntungan dan risiko. Artikel ini memberikan kontribusi terhadap wacana epistemologis ekonomi Islam dengan menunjukkan bahwa tradisi lokal dapat menjadi paradigma alternatif keadilan yang tidak berpusat pada kapital.*

Kata kunci: *Sinoman; time value of money; keadilan ekonomi Islam; ribā; timbal balik; ekonomi Islam lokal*

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Introduction

The practice of *sinoman*, or the lending of goods that are returned in the same amount without taking into account changes in time value, is a unique tradition that developed in rural communities, such as in Brangsong Village, Kendal District. In this practice, a person who gives an item, such as 10 kg of meat, to another person for a special occasion will receive the same amount in the future, without taking into account changes in market prices. The example of a wedding in Indonesia, where A gives B 10kg of meat equivalent to IDR 1,120,000 in August 2023, shows that when it is B's turn to have a wedding, A will only receive back 10kg of meat, regardless of future fluctuations in the price of beef. This practice appears to overlook the concept of the Time Value of Money (TVM), a fundamental principle in modern economics, which states that the value of money changes over time (Fajar, 2021). This tradition highlights the essential difference between an economic system based on social solidarity and modern economic concepts, which are more focused on changes in the value of goods and money within the market context.

The concept of TVM, or time value of money, is a fundamental principle in finance that states that an amount of money available today is worth more than the same amount in the future, due to its potential to generate income over time. The concept does not have one single inventor, but evolved from the thinking of classical economists. Some of the major contributors include Irving Fisher in his book *The Theory of Interest* (Fisher, 1980), John Burr Williams in *The Theory of Investment Value* (Williams, 1938), and John Maynard Keynes discussing the concept of liquidity preference in *The General Theory of Employment, Interest and Money* (John Maynard Keynes, 1936).

The variables in the TVM calculation include present value, future value, interest rate (interest rate or discount rate), number of periods, and whether there is a variable payment added (Smith, 1776). As illustrated in the following case calculation, if someone wants to have Rp100,000 in 10 years with an annual interest rate of 5%, how much should be invested today? Then it can be calculated as follows,

$$PV = FV / (1 + r)^n \quad PV = 100,000 / (1 + 0.05)^{10} \quad PV = \text{Rp}61,391.33$$

Therefore, that person needs to invest Rp 61,391.33 today to reach the target of Rp 100,000 in 10 years, assuming an annual interest rate of 5%. In the modern economic world, the concept of TVM has a wide and varied application. In addition to the previous example, it is also applied in the field of investment

and project appraisal. Financial analysts and project managers often use the net present value method to evaluate the feasibility of long-term investments. This method enables them to calculate the present value of future cash flows, taking into account risk factors and expected rates of return. For example, suppose a company is considering a Rp 1 million investment that is expected to generate Rp 250,000 cash flows per year for 5 years at a 10% discount rate. In that case, they can use the NPV formula to determine if the investment is profitable.

In Islamic economics, justice is a key principle. However, the application of fairness in the context of TVM presents its challenges. TVM, which is closely related to interest-based discounting (Karni, 2016), contradicts the prohibition of interest or usury in Islam, as stated in Surah Ali-‘Imran (30):130, *Yā Ayuhāl Lazīna Āmanū Lā Ta’ Kulūr Ribā Ad’āfān Muḍā’afah*, meaning ‘O you who believe, do not multiply usury’. The verses are related and correspond to each other from verses 130 to 132 of Surah Ali- ‘Imran (30). In verse 130, Allah conveys the prohibition of consuming usury for those who believe. Obeying Allah's prohibition will cause one to be fortunate. In the next verse, Allah links His prohibition with His threat if it is violated. Interestingly, there is an attribution to people who ignore the prohibition of eating usury as disbelievers. Obedience to Allah's commands and prohibitions can lead a person to become a person blessed by Allah.

What is disputed in these three verses is the understanding of the word *ad’āfān*. *ad’āfān muḍā’afah* is the *jama'* form of *ḍā’afa*, which means a multiple or double of the previous amount. As for the word *muḍā’afah*, in one *qirā’ah* it is pronounced *mudā’afah*. When it is read as *muḍā’afah*, it comes from the wazan *ḍā’ifa yudāifu muḍāafatan*, which means to double, make copies, copy, multiply. While the word *mudā’afah* is a *maṣḍar* mim from the *fi’il* *ḍaafa yaḍifu tad’ifan*, which means *kaṣrat altaḍ’if* is a multiple or multiplication of many.

Thus, the textual meaning of the phrase *Ad’āfān Muḍā’afah*, from these two syllables, could mean: ‘twice multiplied, many times multiplied, twice copies.’ Meanwhile, when using the two-syllable phrase *Ad’āfān Muḍā’afah*, the meaning of this two-syllable phrase changes to: ‘twice multiplied, multiply multiplied.’ In terms of meaning, the difference between these two sets of syllables indicates a difference in the sense of language (*hissi*).

To find out the exact operative meaning of these two sets of syllables, we need to look at the various narrations of the verse. Based on the narration, At-Thabari based his narration on Ibn Humaid's narration with the transmission from Salamah and Ibn Ishaq, *Yā Ayuhāl Lazīna Āmanū Lā Ta’ Kulūr Ribā Ad’āfān Muḍā’afah Lā Ta’kulū Fī Islāmi Iḍa Hadākumu Allah Lahumā Kuntum Ta’kulūna*

Iza Antum 'Alā Gairahumā Lā Yahillu Lakum Fī Dinikum. The meaning of the verse *Yā Ayuhāl Lazīna Āmanū Lā Tā' Kulūr Ribā Ad'āfān Muḍā'afah* is that *you should not eat it*, because Allah has shown you against it, which is something you eat when you (give a debt) to someone else, which is something that is not lawful for you in religion.' (Ath-Thabari, 2007)

Imam Ibn Jarir at-Thabari also based his interpretation on the narration narrated from Muhammad bin Amru, from Ashim, from Isa, from Ibn Abi Najih, from Mujahid, who said that what is meant by the usury mentioned in the verse *Yā Ayuhāl Lazīna Āmanū Lā Tā' Kulūr Ribā Ad'āfān Muḍā'afah*, is usury of ignorance. As for the meaning of 'usury of jahiliyyah' here, as explained by Al-Tabary, basing the narration on Yunus, from Ibn Jarir said, "By this he means: O you who believe in Allah and His Messenger, do not eat usury in your Islam, after He has guided you to it, as you used to eat it in your ignorance: This is usury multiplied many times over, so Allah forbade them in their Islam from it." Then he mentioned some narrations on this, including one from Ataa. Thaqeef used to owe money to Bani al-Mughira in the Jahiliyah, and when the date came, they said, "We will increase you and delay you." Mujahid said: "The usury of jahiliyyah." Ibn Zayd said, "Abu Zayd is the scholar orther great Companion used to say, "Riba in Jahiliyyah was only in multiplication and in the tooth, A man would have a favorable debt and he would come to him when the due date came and say, "Pay me or increase me; if he had something to pay, he would pay it, otherwise he would change it to the age above that, if it was a daughter of labor, he would make it a daughter of laboon in the second year, then a chick, then a trunk, then a quadruple, and so on upwards. If he does not have it, he doubles it in the next year, and if he does not have it, he doubles it in the next year. If he does not have it, he doubles it in the next year, and if he does not have it, he makes it two hundred, and if he does not have it, he makes it four hundred and doubles it for him every year or spends it. (Ath-Thabari, 2007) ".

Meaning, 'My father said: 'Usury in the pre-Islamic era was practiced based on multiplying and years or periods, namely the excess of a debt that a man received when payment was due. He said to the debtor, *taqtadīnī 'aw tuzidunī*, Do you pay now, or do you give me more?'. If he is able to repay it, then it is repaid. However, if the repayment period is extended by adding another year, then if the debt is in the form of a *bintu makhāḍ* camel, the debtor must repay the debt in the form of bintulabūn in the second year. If the debt is in the form of a *hiqqah* camel, then it is repaid in the form of *jadh'ah*, which is then multiplied by four, and so on. The more years, the more the multiples increase. Moreover, if the debt

is in the form of 'ain (goods), if he does not repay it in the year it is due, then it is taken in multiples in the coming year.

Furthermore, if it is still not paid in the following year, it is multiplied again. If the original debt was 100, then it becomes 200 in the following year (doubled). Furthermore, in the following year, if it has not been paid again, then it changes to 400. Thus, the multiplicity changes with the turn of the year or the end of the repayment period. Then he said, *Hazā Qauluhu Lā Tā' Kulūr Ribā Ad'āfān Muḍā'afah*, this is the meaning of the verse: do not eat usury by multiplying it again (Ath-Thabari, 2007). Based on this narration, it can be concluded that the text of the verse reads *Ad'āfān Muḍā'afah*, while the meaning is to double the debt, and to be multiplied, twice the amount of the principal debt.

In general, *qard* or loan contracts in conventional economics take into account the value of money over time, which is recognised as a form of 'price' of money (Case et al., 2014). In contrast, Islam rejects interest and promotes fairness through the concepts of *al-ghunmu bi al-ghurmi* (profit in line with risk) and *al-kharāj bi al-ḍamān* (everything received must be accounted for) (Azhari, 2015).

Previous research has examined lending practices in the context of TVM and discounting in investments, such as in Mujahidin's Time Value of Money and Sharia Legitimacy (Mujahidin, 2022) and the Islamic law review of the application of time value of money in *qard* contracts by Diah Nuraini (Nuraini, 2016). However, not many studies have explored *sinoman* from the perspective of ethics and justice in the modern context, especially in Islamic economics. This article offers a new perspective by focusing on the application of the concepts of distributive and commutative justice in *sinoman*, which rejects TVM and capitalism.

The purpose of this article is to explore whether the practice of *sinoman* is in line with the principles of justice in Sharia economics, as well as to examine the possibility of reinterpretation in the modern context. The main argument of this study focuses on how *sinoman*, which ignores fluctuations in the value of goods, can be considered a form of local gotong royong that is far from the capitalist system, even rejecting the recognition of TVM.

Methods

This research employs a descriptive qualitative approach combined with a case study method to analyze the concept of justice in the practice of *sinoman* in Brangsong Village, Kendal District, and its relevance to the Time Value of Money (TVM) in contemporary Islamic economics. The descriptive qualitative

approach is appropriate because this study aims not only to describe social realities but also to understand the meanings and values embedded in the practice of *sinoman*, particularly how it reflects principles of distributive and commutative justice in Islam. Unlike exploratory or interpretative approaches, the descriptive approach enables a more structured examination of existing social practices while maintaining attention to context and normative implications. The case study method further supports this by allowing an in-depth, contextualized analysis of a specific phenomenon within its real-life setting, making it ideal for uncovering the complexities and nuances of *sinoman* as a cultural and economic institution (Yin, 2011).

The research subjects were members of the Brangsong Village community who are directly involved in the practice of *sinoman*, particularly those serving as implementers, organizers, or contributors, and recipients of assistance during social events such as weddings, house construction, and childbirth. Informants were selected using purposive sampling, a technique that relies on the researcher's judgment to identify individuals who possess rich and relevant knowledge of the phenomenon under study. The selection criteria included: (1) individuals who have participated in *sinoman* practices within the last five years, (2) community leaders or elders who understand the social norms and historical context of *sinoman*, and (3) recipients of *sinoman*-based assistance. This purposive selection ensures that the data gathered reflects multiple perspectives within the *Sinoman* ecosystem, allowing for a more nuanced understanding of how justice is perceived and practiced in this local tradition (Etikan, 2016). This technique aims to select individuals who have in-depth knowledge of the *Sinoman* culture and are able to provide insight into the principles of justice applied in the practice (Rifa'i et al., 2023).

Data collection was conducted through two primary methods are in-depth interviews and participatory observation. Semi-structured interviews were conducted with Brangsong villagers who are directly involved in *sinoman* practices, such as community leaders, *sinoman* activity implementers, and beneficiaries. These interviews were conducted at the informants' homes or during related social activities, employing a relaxed yet focused approach. The questions explored the process of *sinoman* implementation, the pattern of returning goods without considering the time value, and how the community interprets the concept of justice from the perspective of Islamic economics. The semi-structured format provided the flexibility to adapt questions to the local context and allowed more profound exploration of respondents' understanding (Kallio et al., 2016).

In addition to interviewing, the researcher engaged in participatory observation, not merely observing from the outside but actively taking part in community interactions. This included helping record the list of donors, delivering groceries to recipients' homes, and engaging in conversations about return schedules and the values of fairness embedded in the *sinoman* practice. Such involvement enabled the researcher to directly experience the social mechanisms and ethics of reciprocity at play, while also building closer relationships with the community. This approach granted access to informal, naturally occurring discussions that enriched the data and enhanced the validity of findings through triangulation.

The data was analyzed using the thematic analysis method, which allowed the identification of key themes that emerged from the interviews and observations (Atikah et al., 2024). The analysis was conducted by categorizing the data based on themes such as distributive justice, commutative justice, *al-ghunmu bi al-ghurmi* (profit in line with risk), and *al-kharāj bi al-damān* (everything spent must be accounted for) in the context of Islamic economics (Azhari, 2015). In examining distributive justice, the analysis focused on how *sinoman* reflects fair allocation of resources among community members, especially in times of financial or social need, such as weddings, house construction, or childbirth. The practice was evaluated in terms of its capacity to mitigate social inequality and foster mutual support through reciprocal exchanges, without relying on formal economic contracts.

For commutative justice, the data were analyzed to understand the fairness in the direct exchanges between the giver and the receiver. Particular attention was paid to how the return of goods (typically 5 kg of rice) was conducted without additional value or interest, regardless of the time passed, highlighting the principle of fairness in equivalent compensation rather than profit. The principle of *al-ghunmu bi al-ghurmi* was used to assess whether those who benefit from the *Sinoman* network also share in its risks and responsibilities. The analysis examined how individuals who receive assistance are morally obligated to reciprocate in the future, aligning with Islamic views that entitlements come with corresponding obligations. Similarly, *al-kharāj bi al-damān* was considered by analyzing how those who bear the social or economic liability of an event (e.g., wedding hosts) are also those who receive collective support, emphasizing accountability and mutual responsibility within the community. By organizing the data under these themes, the analysis illuminated the ethical and economic values embedded in *sinoman*, showing how traditional local practices can reflect and reinforce Islamic economic principles.

Results and Discussion

An overview of *Sinoman* practices in Brangsong Village, Kendal Regency

The practice of *sinoman* is a form of gotong royong in society, specifically in the form of loans or voluntary assistance from community members to individuals in need. The basic principles underlying this system are *ta'āwun* (helping), reciprocity, and trust, and it is conducted without interest-free or other financial rewards (Sumitro & Firmansyah, 2024). *Sinoman*, which refers to a loan of goods that is returned in the same amount without taking into account changes in time value, has developed as a social tradition in many rural communities, such as in Brangsong Village, Kendal District. A common example is at weddings, where a person who gives 10 kg of meat to their neighbour who is hosting a celebration will receive the same amount of meat back when they host the celebration, regardless of price changes or inflation. To illustrate, in August 2023, A gave 10kg of meat to B for B's wedding, where the price of meat at that time was IDR 1,120,000. When the time comes for A to organise a celebration in the future, B will only return 10 kg of meat, even though the price of meat may have changed over time (Ahmad, 2024).

The practice of *sinoman* in Brangsong Village, Kendal District, applies a decision-making mechanism that upholds procedural justice. The process is differentiated between personal *sinoman* and collective *sinoman*, but both share the same goal of ensuring transparency, mutual agreement, and preventing abuse or discrimination (Zaro'ah, 2024). In personal *sinoman*, decision-making is done through direct contract between the lender and the loan recipient at the time the goods are handed over. This process reflects the principle of commutative justice in Islamic economics, where both parties have an equal opportunity to agree on the terms of the transaction. If there is a change in the event contract, for example, from an agreement for a wedding to the construction of a house, the two parties communicate to reach a new agreement on the date of delivery of the *sinoman* loan. It is essential to note that although the date may change, the quantity or amount of goods remains the same as per the original agreement. This ensures consistency and fairness in the implementation of *sinoman* while preventing potential conflict or injustice due to changes in the value of goods.

Meanwhile, *Sinoman* collectives adopt a more structured approach to decision-making. The process involves a group deliberation that is typically conducted two months prior to the loan repayment date. The group leader then collates the decisions made. This approach is in line with the Islamic principle of *shura* (deliberation), which emphasises collective decision-making to achieve a common good (Roh, 2024). With sufficient time between decision-making and

implementation (one month prior to the event), all parties have ample time to prepare, thereby reducing the risk of not fulfilling their obligations.

To ensure accountability and prevent negligence, the *Sinoman* system also has a reminder mechanism. In collective *sinoman*, the group leader is responsible for reminding members who have forgotten or the family of deceased members (Aswin et al., 2024). Whereas in personal *sinoman*, this responsibility lies with the borrower. The reminder process is carried out by showing evidence in the form of a record book and presenting witnesses, thus ensuring transparency and preventing disputes in the future.

The results of interviews and observations in Brangsong Village, Kendal District, indicate that the practice of *sinoman* is viewed as highly beneficial and contributes positively to community welfare. For example, ZR stated that mothers often carry out this practice as a way to cope with significant needs by saving or *sinoman* (Zaro'ah, 2024). ST said that participating in *sinoman* can help ease the burden of substantial needs in the future. For example, suppose the estimated cost of a wedding in the next five years includes 20kg of beef or a total expenditure of Rp 100 million. In that case, *Sinoman* participants can start saving in the form of goods that will be needed, such as meat, cigarettes, or rice. ST also added that joining a group is more comfortable because there are clear responsibilities. In addition, the group *Sinoman* usually has more organized transaction records and witnesses to ensure transparency. With a larger number of participants, the *sinoman* rotation is also longer, so each participant receives more goods (Roh, 2024).

Profits and Community Welfare Through the Practice of Sinoman

Sinoman perpetrators claim that the system strengthens the spirit of gotong royong and social solidarity, especially during important events such as weddings, house construction, and the birth of a child. Unlike conventional loans, *sinoman* does not charge interest or additional fees, so it does not cause financial stress for the recipient. This view aligns with the principle of distributive justice in Islamic economics, which emphasizes the importance of a fair distribution of wealth in society. According to distributive justice theory, resources should be distributed based on need, not on the ability to pay interest or calculate the time value of money (Karni, 2016). In a humanist social context, the practice of *sinoman* supports deep solidarity and cooperation among community members.

In contrast to conventional loans that often burden recipients with interest and additional fees, *Sinoman* avoids such financial pressures. Instead, *Sinoman*

emphasizes mutually beneficial social assistance and support, reflecting humanitarian values and social justice. In this way, *sinoman* offers a model consistent with the principles of distributive justice (M. Umer Chapra, 2001), as returns are given according to the recipient's needs without taking into account changes in market value.

Commutative Justice and Islamic Economic Theory: An Analysis in the Context of Sinoman and Time Value of Money

Distributive justice in Islamic economics emphasizes the equitable distribution of wealth within society. This principle prioritizes the fulfillment of the basic needs of each individual, regardless of their economic ability to pay interest or calculate the time value of money. This concept is contrary to the conventional economic system, which often considers the time value of money and interest as part of financial transactions. According to the theory of distributive justice, resources should be distributed based on individual needs, not on the ability to pay interest or calculate the time value of money. This principle ensures that each individual has adequate access to resources to meet their living needs (M. Umer Chapra, 2001).

In contrast, commutative justice focuses on fairness in direct transactions between the parties involved. This means that transactions should provide equal and fair reciprocity for all parties involved. In the context of *sinoman*, commutative justice is reflected in a system where goods given initially must be returned in the same amount without taking into account fluctuations in market prices. This reflects the principle that the reciprocity in a transaction should be equal to what was given, regardless of changes in market value (Karni, 2016).

Contemporary Islamic economics encompasses the application of Islamic principles to a modern economic system, with an emphasis on social justice, the avoidance of interest (*ribā*), and equitable risk-sharing. In this system, transactions must comply with Islamic principles that prohibit interest and exploitation, and encourage distributive and commutative justice (Mujahidin, 2022). In practice, contemporary Islamic economics employs various financial instruments, including *mudārabah* (profit sharing), *murābahah* (purchase and sale with a profit margin), and *qard al-ḥasan* (interest-free loan). These applications aim to provide financial alternatives that align with Islamic principles and meet societal needs without imposing interest or additional costs (Azhari, 2015). One of the main advantages is that this system supports social justice by ensuring that transactions do not unfairly burden one party.

Additionally, sharia principles mitigate the risk of exploitation and economic injustice, fostering social solidarity and cooperation (M. Umer Chapra, 2001). However, the challenge in implementing Sharia economics is the difficulty in measuring and evaluating risks and adapting the Sharia system in the context of an increasingly complex global economy. Some critics note that the Sharia system can sometimes be more rigid in its approach compared to the flexibility offered by conventional systems (Fajar, 2021).

Sinoman is a traditional gotong royong practice in Brangsong Village, Kendal District. In this practice, a person gives goods, such as meat or rice, to another person with the agreement that goods of the same type and quantity will be returned at a later date. This system does not account for fluctuations in market prices, so transactions are made based on quantity rather than monetary value. From the perspective of distributive and commutative justice, *sinoman* embodies noble values such as solidarity, togetherness, and mutual assistance, without an orientation towards financial gain. It rejects the element of usury and removes the burden of interest or added value for the beneficiary. Assistance is given according to need and ability, reflecting the principle of equality in the distribution of social burdens (Mujahidin, 2022). However, challenges arise when there are significant changes in market value. For example, if a person receives 10 kg of rice in 2010 at a market price of IDR 80,000 and then returns the same amount in 2025 when the price reaches IDR 140,000, they experience a greater economic burden. Although the quantity remains the same, the real value of the returned goods is much higher. This inequality has the potential to cause injustice, especially for participants with limited economic means. For some communities, this kind of loss is not always considered a financial loss, but rather a form of social endeavor or cooperation contribution. The risk of price changes is viewed as a consequence of collective trust and solidarity, rather than a flaw in the system. However, not all participants can accept this risk with the same outlook, especially in increasingly difficult economic conditions (Karni, 2016).

Reconciling this potential injustice requires social adaptation. In communal *sinoman* practice, every return of goods is usually informed to participants at least two months in advance. This timeframe allows participants to prepare themselves financially and logistically, so that the burden of return does not feel sudden or burdensome. Some forms of social adjustment can also be made, especially in the context of individual *sinoman*. While in communal *sinoman*, there is no provision for the return of goods based on current market value, in the individual *sinoman* system, the return can be adjusted based on similar goods whose value is

equivalent to the price at the time of return. This is mutually agreed upon, with the main principle of prioritizing the interests of the second party as the recipient of *sinoman*, so that the value of justice is maintained. These adaptive measures are important to ensure that the spirit of *sinoman* remains relevant in contemporary economic dynamics, without neglecting the principles of justice, mutual trust, and togetherness that are the main foundations of this system (Mahdum, 2024; Zaro'ah, 2024).

In conventional economic systems, the principle of Time Value of Money (TVM) recognizes that the value of money changes over time, often reflected in interest and additional fees on loans. This contrasts with the traditional practice of *sinoman*, which implicitly rejects the Theory of Moral Sentiments (TMS). In *sinoman*, the return of goods, such as 5 kg of staple food, is made in the same quantity without any increment, regardless of the time elapsed, emphasizing distributive and commutative justice based on mutual aid and social solidarity rather than financial profit. However, in modern Islamic finance, the application of the Time Value of Money (TVM) is more nuanced. Although interest (*ribā*) is strictly prohibited, some Islamic financial instruments like *murābahah* (cost-plus financing) and *muḍārabah* (profit-sharing) incorporate time considerations in Sharia-compliant ways (Cecchetti & Schoenholtz, 2016). For example, in *murābahah* contracts widely used by Islamic banks in Indonesia, customers purchase goods at a selling price that includes a pre-agreed profit margin, with payments made in instalments over time. Common examples include financing for vehicles or homes through Islamic banks, where payment schedules are set without interest but with an agreed profit margin. This reflects time value consideration without violating the prohibition of *ribā* (Smolo & Raheem, 2024).

Similarly, in *muḍārabah* contracts, such as investment products offered by Islamic banks, profits are shared based on actual business performance over time, taking into account the risks borne by the investor. This contrast highlights the tension between community-based traditional practices like *sinoman*, which prioritize social justice without adjusting for time value, and modern Islamic financial systems that accept the concept of changing value over time as long as it remains within ethical and legal Islamic frameworks (Isnaini & Isadi, 2025).

Suppose the principle of *al-ghunmu bi al-ghurmi* is applied in *sinoman*. In that case, each participant must bear the risk according to their contribution, and the return is expected to occur at the appropriate time based on need. In a *sinoman community*, community members provide goods or assistance without expecting immediate financial gain, but with the hope that in the future, when needed, they

will receive an equivalent return (Mughits, 2009). The risk arises from uncertainty regarding the timing and nominal value of the return, rather than the quantity of goods received. However, the social value and *gotong royong* (mutual cooperation) compensate for this risk. As one informant, Roh, explained, “*When we give, we think of it as saving for when our child gets married, we still have that amount as a kind of savings. However, later, the prices will be different. So when someone wants to withdraw from the sinoman, we gather the goods based on the current price for the same quantity. We cannot predict the price rate*” (Roh, 2024). This highlights that price fluctuations over time are a real challenge, but they are accepted as part of a social mechanism built on trust and collective responsibility.

From a Sharia economic perspective, *sinoman* is in line with the principle of *al-ghunmu bi al-ghurmi*. Although there is no direct material benefit, the benefit lies in enhancing social welfare and strengthening relationships within society. Participants acknowledge that the returned goods may not be equivalent in terms of time or market value. However, the shared welfare gained through mutual cooperation serves as an equivalent form of compensation. One informant, Sri, expressed this sentiment clearly: “*We don’t think in terms of profit or loss, what matters is helping each other. When we are in need, God willing, others will help us too*” (Wahyuni, 2024). Sharia economics emphasizes social justice, *ta’āwun* or mutual assistance, and *maṣlahah* (public benefit), all of which are reflected in the practice of *sinoman*. By avoiding interest and speculation (*ribā* and *gharar*), *Sinoman* affirms this principle by ensuring that assistance is given solely for the social good, not for financial gain. From a Sharia economic perspective, *sinoman* is a model of fair distribution, and in accordance with Islamic principles, where collective welfare is prioritized over personal gain (Saidah, 2024).

The principle of *al-kharāj bi al-ḍamān* in Islamic economics emphasizes that the right to proceeds is linked to the responsibilities that accompany it. This means that a person who bears the burden or risk of a particular asset also has the right to receive benefits from that asset. In the context of *sinoman*, participants have the right to receive assistance when they need it. Still, they also have the responsibility to provide similar assistance to other members of society (Haroen, 1996). For example, a person who receives *sinoman* assistance for a wedding should provide the same assistance when other participants need it.

The principle of *al-kharāj bi al-ḍamān* also includes the risk that the returned goods may not be in accordance with the market value or the appropriate time of return. However, participants understand and accept that this risk is part of the social commitment they undertake. One participant, Ena explained, “*If I have been*

helped before, I'm ready to help in return, even if the value is not always the same. That's what mutual help is about, sincerity and mutual understanding"(Ena, 2024). Thus, *sinoman* functions as a social contract that emphasizes responsibility and fairness, in accordance with this principle.

Sinoman, as a concrete form of implementing the principles of *al-ghunmu bi al-ghurmi* and *al-kharāj bi al-ḍamān*, shows the importance of risk and responsibility in Islamic economic transactions. This practice offers a more equitable and sustainable distribution model compared to the conventional financial system, which is often considered to benefit capital owners disproportionately. *Sinoman* reflects social values that balance economic principles, assisting according to need without taking advantage of changes in market values.

Intergenerational Justice

The *sinoman* practice in Brangsong Village, Kendal Regency, not only reflects distributive and commutative justice within the framework of Islamic economics, but also embodies the principle of intergenerational justice. This system is designed to provide sustainable benefits for both present and future generations, while establishing a strong foundation of social solidarity (Sinungan, 1987).

First, *Sinoman* builds a robust network of social solidarity within the community. This practice fosters mutual support that benefits not only the current generation but also passes it down to the next. Children raised in a *sinoman* environment inherit values such as cooperation (*gotong royong*), social empathy, and collective responsibility. They learn that the community is not merely a place to live, but a reciprocal support system that strengthens one another.

Second, *sinoman* functions as a form of long-term "social savings." Participation in *sinoman* is not just about helping others in the present, but also about storing assistance for oneself or one's family in the future. This cycle of aid is sustainable, enabling the next generation to benefit from their parents' participation. For instance, a child may receive *sinoman* assistance when organizing a wedding in the future, based on their parents' previous involvement in the system. However, there are significant challenges in terms of justice and social solidarity within the *sinoman* system. One of them is the inability of some participants to fulfill their obligation to return the aid either on time or in equal measure. When this occurs, it can lead to imbalances in distributive justice and potential social tensions among participants. In practice, disputes of this nature are typically resolved through deliberation and consensus by community leaders or *sinoman* organizers, with the

primary goal of maintaining harmony and solidarity within the community. This approach demonstrates how this informal system prioritizes peaceful resolution and restorative justice over formal sanctions or punitive measures.

Another important challenge is the significant fluctuation in commodity prices over time. Because *sinoman* values are generally calculated based on the quantity of goods (e.g., 10 kg of rice) rather than monetary value, price differences over time can create economic disparities. For example, if in 2010 the price of 10 kg of rice was IDR 80,000 and in 2025 it rose to IDR 140,000, a participant who received *sinoman* in 2010 and returned it in 2025 would bear a much greater economic burden, despite the quantity of rice remaining the same. This gap in real value creates a unique challenge to achieving justice, especially if a participant returns with limited economic means. Such conditions can reduce community participation and raise questions about the relevance and flexibility of the *sinoman* system in the face of market dynamics. Therefore, wise social adaptations are needed, such as allowing flexibility in return timeframes or reaching mutual agreements regarding substituting goods with equivalent value based on current prices.

Third, *Sinoman* encourages the sustainable management of resources. By avoiding interest (*ribā*) and speculative market practices (*gharar*), this system helps prevent the overexploitation of local economic resources, aligning with the *principle of hiḏ* (*preservation*) in *maqāṣid al-sharī'ah*, which seeks to maintain balance and sustainability. As such, future generations inherit a more stable and sustainable local economy.

Fourth, the flexibility of *sinoman* allows it to adapt to changing socio-economic needs across generations. While its basic principles remain constant, its implementation can evolve—for example, shifting from a traditional focus on weddings and house building to supporting educational needs or small business development in the future.

Fifth, the records and documentation maintained in *Sinoman* serve as a valuable social archive for future generations. *Sinoman* ledgers are not only tools of accountability but also preserve the socio-economic history of the community, which future generations can study to understand patterns of assistance, upheld values, and prevailing social dynamics.

Sixth, *social skills shape character and* are crucial for the next generation, such as the ability to deliberate, make collective decisions, and manage community affairs. These skills equip them to face future socio-economic challenges.

Finally, by applying Islamic economic principles such as the prohibition of *ribā* and *gharar*, *Sinoman* offers an alternative economic model that future generations can further develop. Amid the uncertainty of the global economic system, the next generation has a concrete example of how justice and sustainability can be locally implemented. Beyond these positive aspects, it is also important to examine the long-term economic impact of *Sinoman* on social welfare and wealth distribution. Does *sinoman* merely provide temporary relief in critical moments, or does it truly reduce structural poverty and enhance equitable economic distribution? Market shifts and modernization pose additional challenges, such as changes in aid patterns and the risk of declining communal solidarity. By exploring these issues in depth, a more comprehensive picture of *Sinoman's* economic role emerges—not only as a system that meets present needs but also as a foundation for a just and sustainable socio-economic legacy for future generations.

Conclusions

This research demonstrates that the practice of *sinoman* in Brangsong Village aligns with the principles of justice in Islamic economics. However, it rejects the concept of the Time Value of Money (TVM). *Sinoman*, which prioritises solidarity and *gotong royong*, strengthens social welfare by showing how Islamic principles can be applied in various socio-economic contexts. As a model that supports the principles of distributive and commutative justice, *sinoman* contradicts the TVM principles commonly used in conventional economics. The practice emphasises the importance of social solidarity and cooperation in fulfilling needs without adding to the financial burden. As such, *sinoman* offers a relevant and appropriate model in the context of contemporary Islamic economics, illustrating a more holistic and inclusive application of the principles of justice.

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