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GHARAR AND TADLIS IN INFORMAL FUEL SUPPLY CHAINS: A COMPILATION OF SHARIA ECONOMIC LAW ANALYSIS OF COLLECTOR AND RETAIL GASOLINE TRANSACTIONS IN BANJAR KEJEN VILLAGE

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Abstract :

This study examines a prevalent yet analytically neglected informal economic phenomenon through the lens of Sharia law: the retail gasoline trading system embedded within non-formal rural supply chains. Informal fuel distribution constitutes a critical dimension of rural economic life in developing Muslim-majority economies, yet it has received minimal systematic normative examination. The research novelty lies in its systematic application of the Compilation of Sharia Economic Law (Kompilasi Hukum Ekonomi Syariah / KHES) as a structured analytical instrument rather than merely a normative backdrop for diagnosing contract validity, gharar, tadlis, and ihtikar within village-level informal fuel distribution mechanisms. Prior scholarship has addressed retail fuel practices primarily from macro-economic and general regulatory perspectives leaving a significant gap in micro-transactional Sharia analysis. Employing a descriptive qualitative case study design through direct observation, in-depth semi-structured interviews, and documentation in Banjar Kejen Village, Pandaan District, Pasuruan Regency, East Java, Indonesia, the research identifies four interrelated normative deficiencies: (1) transactions proceed without explicit ijab-qabul (offer and acceptance) or written contracts, violating KHES (2) systematic volume discrepancies caused by the collector transporting fuel in a motorcycle tank, consuming a portion en route constitute gharar fahish (serious uncertainty) in the object of exchange; (3) the collector's non-disclosure of this volume deficit constitutes tadlis (concealment of material fact), regardless of fraudulent intent; and (4) the single-collector monopoly structure creates the structural conditions for ihtikar (market cornering), warranting preventive regulatory attention.The study argues that the appropriate policy response is not elimination but Shariah-ification (syariahisasi) of the existing system through formalized contracts, transparent measurement protocols, and muamalah education for informal rural business actors. It contributes a holistic, operationally grounded analytical framework that previous single-dimension studies have not provided.

Keywords : Compilation of Sharia Economic Law (KHES), gharar, tadlis, ihtikar, retail gasoline, rural informal economy, Islamic contract law, muamalah, informal supply chain, Indonesia.

الملخص:

تتناول هذه الدراسة ظاهرةً اقتصاديةً غير رسميةٍ شائعةً لكنها مُهمَلةٌ تحليليًّا، وذلك من منظور أحكام الشريعة الإسلامية، ألا وهي :نظام تجارة الوقود بالتجزئة المندرج ضمن سلاسل التوريد الريفية غير الرسمية .وتكمن القيمة العلمية الجديدة بوصفها (KHES / كومبيلاسي هوكوم إيكونومي سياريا) للبحث في التطبيق المنهجي لمجلة أحكام الاقتصاد الشرعي أداةً تحليليةً منضبطةً — لا مجرد إطارٍ معياري — لتشخيص صحة العقود، وغرر الفاحش، والتدليس، والاحتكار في آليات توزيع الوقود غير الرسمية على مستوى القرية .وقد تناولت الدراسات السابقة ممارسات الوقود بالتجزئة في معظمها

.من منظورات الاقتصاد الكلي والتنظيم العام، مما يُفضي إلى فجوةٍ واضحة في التحليل الشرعي للمعاملات الجزئية
اعتمد البحث على تصميم دراسة الحالة النوعية الوصفية وفق منهجية يين)2018(، من خلال الملاحظة المباشرة، والمقابلات شبه المنظمة المتعمقة، والتوثيق الميداني في قرية بانجار كيجين، بمنطقة باندان، محافظة باسوروان، جاوة الشرقية، إندونيسيا .وقد كشف البحث عن أربعة قصورٍ معياريةٍ متشابكة) :1 (تجري المعاملات دون إيجابٍ وقبولٍ صريحَين أو عقودٍ مكتوبة، مما يُخالف المادة)22 (من مجلة KHES ؛)2 (التفاوتات المنهجية في الحجم — الناجمة عن نقل الوسيط للوقود في خزان الدراجة النارية واستهلاك جزءٍ منه في الطريق — تُشكّل غررًا فاحشًا في محل العقد؛)3 (عدم إفصاح الوسيط عن هذا النقص في الكمية يُعدّ تدليسًا بصرف النظر عن النية الاحتيالية؛)4 (هيكل الاحتكار القائم على وسيطٍ واحد يُهيّئ الشروط البنيوية للإحتكار، مما يستوجب الاهتمام التنظيمي الوقائي وتُجادل الدراسة بأن الاستجابة السياساتية الملائمة ليست إلغاء هذا النظام، بل أسلمتُه)سياريهاسي (من خلال إرساء العقود الرسمية، وبروتوكولات القياس الشفافة، وتثقيف العاملين في الأعمال الريفية غير الرسمية بأحكام المعاملات .ويُسهم البحث في تقديم

الكلمات المفتاحية :الغرر الفاحش، التدليس، الاحتكار، الوقود بالتجزئة،)KHES(مجلة أحكام الاقتصاد الشرعي
.الاقتصاد الريفي غير الرسمي، قانون العقود الإسلامية، المعاملات، سلسلة التوريد غير الرسمية، إندونيسيا

Abstrak :

Penelitian ini mengkaji sebuah fenomena ekonomi informal yang umum terjadi namun masih kurang mendapat perhatian analitis melalui perspektif hukum syariah, yaitu sistem perdagangan bensin eceran yang terintegrasi dalam rantai pasok pedesaan nonformal. Distribusi bahan bakar secara informal merupakan dimensi penting dalam kehidupan ekonomi pedesaan di negara-negara berkembang yang mayoritas penduduknya beragama Islam, namun hingga kini masih sangat minim memperoleh kajian normatif yang sistematis. Kebaruan penelitian ini terletak pada penerapan Kompilasi Hukum Ekonomi Syariah (KHES) secara sistematis sebagai instrumen analisis yang terstruktur, bukan sekadar sebagai landasan normatif, untuk mendiagnosis validitas akad, unsur gharar, tadlis, dan ihtikar dalam mekanisme distribusi bahan bakar informal di tingkat desa. Penelitian-penelitian sebelumnya umumnya membahas praktik perdagangan bahan bakar eceran dari perspektif ekonomi makro dan regulasi umum, sehingga menyisakan kesenjangan yang signifikan dalam analisis syariah pada tingkat transaksi mikro.Dengan menggunakan desain studi kasus kualitatif deskriptif melalui observasi langsung, wawancara mendalam semi-terstruktur, dan dokumentasi di Desa Banjar Kejen, Kecamatan Pandaan, Kabupaten Pasuruan, Jawa Timur, Indonesia, penelitian ini mengidentifikasi empat kekurangan normatif yang saling berkaitan, yaitu: (1) transaksi dilakukan tanpa adanya ijab dan qabul secara eksplisit maupun kontrak tertulis, sehingga bertentangan dengan ketentuan KHES; (2) adanya selisih volume secara sistematis yang terjadi karena pengepul mengangkut bahan bakar menggunakan tangki sepeda motor dan mengonsumsi sebagian bahan bakar tersebut selama perjalanan, yang merupakan bentuk gharar fahisy (ketidakpastian yang serius) terhadap objek transaksi; (3) tidak diungkapkannya kekurangan volume tersebut oleh pengepul merupakan bentuk tadlis (penyembunyian fakta material), terlepas dari ada atau tidaknya niat untuk menipu; dan (4) struktur monopoli yang hanya melibatkan satu pengepul menciptakan kondisi yang memungkinkan terjadinya ihtikar (penguasaan pasar), sehingga memerlukan perhatian regulatif yang bersifat preventif.Penelitian ini berpendapat bahwa respons kebijakan yang tepat bukanlah menghapus sistem yang telah ada, melainkan melakukan syariahisasi terhadap sistem tersebut melalui formalisasi akad, penerapan prosedur pengukuran yang transparan, serta pendidikan muamalah bagi para pelaku usaha informal di pedesaan. Penelitian ini memberikan kontribusi berupa kerangka analisis yang holistik dan berbasis realitas operasional yang belum disediakan oleh penelitian-penelitian sebelumnya yang cenderung berfokus pada satu dimensi saja.

Kata Kunci: *Kompilasi Hukum Ekonomi Syariah (KHES), gharar, tadlis, ihtikar, bensin eceran, ekonomi informal pedesaan, hukum akad Islam, muamalah, rantai pasok informal, Indonesia*.

INTRODUCTION

Rural communities across Indonesia depend on liquid fuel not merely as a commodity of convenience but as an infrastructural prerequisite for agricultural production, small-scale commerce, and daily household mobility. Energy access in rural areas is widely recognized as a foundational determinant of agricultural productivity, livelihood sustainability, and poverty reduction (Fathoni et al., 2021). Yet the formal fuel distribution network centered on state-regulated petrol stations (Stasiun Pengisian Bahan Bakar Umum / SPBU) operated by Indonesia's national energy company Pertamina remains geographically concentrated in urban and semi-urban areas. Data from the Central Statistics Agency (BPS) indicate that thousands of villages across the archipelago lack an SPBU within a practically accessible radius, a structural gap that has given rise to dense networks of informal fuel collectors (pengepul) and retail sellers who fill the distribution void at the community level (Nurmaulida, R. O., & Rahmawati, L., 2024).

This organic, unregulated distribution ecosystem is not a peripheral or temporary market anomaly. According to the Indonesian Central Statistics Agency, more than 59 percent of the national workforce is engaged in informal employment, with the figure considerably higher in rural agricultural communities (Badan Pusat Statistik (BPS), 2024). It constitutes the de facto energy supply infrastructure for a significant share of rural Indonesia's population, and it operates almost entirely outside the frameworks of both positive regulatory law and Islamic jurisprudence. The paradox is stark: the great majority of actors within this system collectors, retailers, and consumers alike are Muslim, yet the transactional practices through which they conduct their daily commercial lives have received minimal systematic examination through the lens of Islamic economic law (Elhas, N. I., 2020). This represents a profound epistemological gap between the normative framework that guides these individuals' personal religious obligations and the practical economic arrangements through which they ful fill those obligations.

The urgency of addressing this gap is compounded by the scale of the informal fuel economy. Presidential Regulation No. 191 of 2014 governs the formal supply, distribution, and retail pricing of fuel in Indonesia, but its reach is effectively limited to the formal sector. Informal distribution chains which may involve multiple intermediary layers between the SPBU and the end consumer operate in a regulatory and ethical vacuum that exposes participants to exploitation, transaction uncertainty, and reputational risks they may not even perceive as such. The importance of Sharia-compliant regulation for informal economic actors has been emphasized by scholars of Islamic economic governance as a condition for achieving sustainable and just economic outcomes (Karimullah, 2023; Rahman, M. H., & Ismail, R. N. A. B. R., 2023).

Existing academic literature on informal fuel retail has made important contributions but has left critical gaps. Studies by (Nurmaulida, R. O., &

Rahmawati, L., 2024; Nurzidan, Y., 2024) have examined retail fuel practices from perspectives of Islamic law and market stability, but without deploying KHES as a structured analytical instrument or examining the full supply chain from collector to retailer. (Syahbana, I. H., 2024) applied KHES analysis to fuel transactions but within the fundamentally different context of formal SPBU self-service systems, where regulatory oversight, standardized measurement equipment, and corporate accountability structures create a transactional environment incomparable to informal village distribution. (Wafa, N. A., 2022) examined ancillary fee structures in fuel distribution via jerrycans but focused narrowly on supplementary charges rather than on the underlying contract validity and measurement accuracy issues. None of these studies has conducted a simultaneous, integrated analysis of akad validity, gharar, tadlis, and ihtikar within a single informal rural fuel supply chain a gap that this study specifically addresses (Damanik, A. Z., 2024).

This study fills that gap by taking Banjar Kejen Village, Pandaan District, Pasuruan Regency as its research locus a village whose agricultural-horticultural economy creates high and consistent fuel demand, whose geographic distance from the nearest SPBU produces near-total dependence on a single informal collector, and whose homogeneous Muslim population makes the Islamic economic law analysis directly applicable without demographic qualification.

This study is organized around four interconnected research questions:

1. How does the informal fuel supply chain in Banjar Kejen Village operate in empirical terms who are the actors, what are the mechanisms, and what economic logic sustains the system?
2. How should the validity of contracts (akad) within this system be assessed under the standards established by KHES?
3. Are elements of gharar, tadlis, and ihtikar present in the observed practices, and if so, in what concrete forms do they manifest?
4. What Sharia-grounded recommendations can be offered that are practically applicable to the informal rural business context, rather than merely ideally prescriptive?

The study's objectives are threefold. First, to produce a thick, empirically grounded description of informal fuel supply chain operations at the village level that serves as an accurate baseline for normative analysis. Second, to conduct a systematic KHES-based assessment that identifies specific contractual deficiencies and prohibited elements within the observed transaction system. Third, to formulate context-sensitive, practically implementable recommendations for multiple stakeholder groups collectors, retailers, village governments, religious scholars, and academic institutions.

The theoretical significance lies in demonstrating how KHES as Indonesia's primary codification of Islamic transactional law can be operationalized as a diagnostic instrument for micro-level informal economic practices, rather than deployed solely in formal dispute resolution contexts (Effendi, B., 2022; Ira, M., 2022). The practical significance lies in providing actionable guidance for the millions of rural Muslim Indonesians who conduct their livelihoods through informal arrangements that, despite their Islamic cultural context, have never been examined for Sharia compliance. This gap between normative aspiration and economic practice has broader implications for Islamic economic governance and community welfare (Khattak, M. A, 2023; Samad, R. R., & Shafii, 2021).

The Compilation of Sharia Economic Law (KHES): Status, Architecture, and Analytical Applicability. The Compilation of Sharia Economic Law (Kompilasi Hukum Ekonomi Syariah / KHES) was enacted through Decision of the Chief Justice of the Supreme Court Number 651/KMA/SK/XI/2009. Structured across four books covering the full range of Islamic economic transactions from basic sale contracts to Islamic banking KHES represents Indonesia's most comprehensive codification of classical fiqh muamalah in the language of positive law. Its primary institutional function is to provide Religious Courts (Pengadilan Agama) with a unified jurisprudential reference for adjudicating Islamic economic disputes, replacing the previously fragmented reliance on individual classical fiqh texts (Ira, 2022). The codification of fiqh principles into positive law instruments has been identified as a critical mechanism for ensuring the enforceability and practical relevance of Islamic commercial norms in contemporary Muslim societies (Huda & Saripudin, 2022).

The legal status of KHES within Indonesia's normative hierarchy is distinctive. It does not carry the force of a parliamentary statute (undang-undang) with universal legal binding power; rather, it functions as a judicial regulation with binding authority within the Religious Court system. However, as (Damanik, A. Z., 2024) argues, KHES possesses a broader normative relevance that transcends its formal institutional scope: because it codifies the fiqh muamalah principles held by the majority of Indonesian Muslims, it provides an authoritative normative reference for assessing the Sharia compliance of economic practices across Indonesian Muslim society, regardless of whether those practices are subject to formal judicial review. This broader normative applicability has been affirmed by scholars who position KHES as a living instrument for Islamic economic governance beyond the courtroom (Effendi, B., 2022; Elhas, N. I., 2020).

identifies a key feature of KHES that makes it particularly valuable as an analytical instrument: it adopts classical fiqh principles but reformulates them in modern, operational legal language that specifies concrete conditions, criteria, and consequences. This operationalization bridges the gap between the theoretical elaborateness of classical Islamic jurisprudence and the practical need for clear, applicable standards that non-specialist actors can understand and implement. (Effendi, B., 2022) further notes that KHES explicitly prohibits elements that create potential harm to any transacting party and mandates full transparency at every stage of a transaction principles that are directly applicable to the informal fuel distribution context examined in this study. The capacity of codified Islamic commercial law to function as a practical governance instrument for informal sector actors represents an underexplored dimension of Islamic legal studies (Islami, 2021; Iswandi, A., 2023).

Critically, KHES adopts a maqashid al-Sharia orientation in its approach to transaction validity. This means that the assessment of whether a contract is valid is not purely formalistic (Were the correct procedural steps followed?) but also substantive (Were the objectives of justice and benefit achieved?). This dual-criterion approach is essential for analyzing informal economic transactions, where rigid procedural formality is often practically impossible, but where the substantive requirements of fairness, transparency, and mutual benefit the core objectives of muamalah remain fully applicable and mandatory(Kamal, M., & Hasan, N., 2023; Khattak, M. A, 2023). Scholars have increasingly emphasized maqashid as the operative framework for evaluating Islamic economic practices in informal and transitional contexts (Syahrin, S. K. A., & Juliana, J., 2025).

For the purposes of this study, the most directly relevant provisions of KHES are: (1) Book II on Buy-Sell Contracts (jual beli), specifically Articles 22–23 governing valid contract formation; (2) provisions on object clarity (kejelasan objek) requiring specification of type, quantity, and quality; (3) provisions on mutual consent (kerelaan / an-taradhin) requiring the absence of coercion, deception, or information asymmetry; and (4) the general principle that contracts containing gharar, tadlis, or ihtikar elements are not valid.

The Arabic term gharar derives from the root meaning 'danger' or 'risk.' In Islamic jurisprudential terminology, gharar denotes the kind of uncertainty or ambiguity in a transaction that can give rise to dispute or cause harm to one of the contracting parties(Wahbah Zuhaili., 1997). The prohibition of gharar is one of the most fundamental principles of Islamic transactional law, rooted in multiple prophetic traditions including the well-authenticated hadith prohibiting 'the sale of gharar' (Muslim, no. 1513). Contemporary scholarship has extended the analysis of gharar to cover modern commercial arrangements including supply chain transactions and volume measurement disputes (Kato, 2022; Uddin, A. H. M. E., 2023).

Classical scholars of Islamic jurisprudence developed a sophisticated taxonomy of gharar based on its severity and transactional domain. The most consequential classification distinguishes gharar fahish (severe or gross uncertainty, which nullifies a contract) from gharar yasir (minor or tolerable uncertainty, which does not). The determination of whether a given uncertainty crosses the threshold from yasir to fahish depends on several factors: the degree to which the uncertainty affects the essential elements of the exchange; whether the uncertainty is inherent and unavoidable or the result of remediable information failures; and whether the party bearing the uncertainty was aware of and consented to it. This classification system has been applied in contemporary Islamic finance scholarship to evaluate the validity of various commercial arrangements(Islami, 2021).

Gharar can attach to any of the essential dimensions of the object of exchange: its existence (does the thing being sold actually exist?), its quantity (how much will the buyer receive?), its quality (what condition is the thing in?), and its timing of delivery (when will the buyer receive it?). (Mardani., 2015) emphasizes that gharar in quantity is among the most serious categories because it directly undermines the equivalence of exchange the foundational principle of justice in sales transactions. When a buyer pays a fixed price for a specified quantity but cannot know how much he will actually receive, the exchange is no longer equivalent and the transaction becomes exploitative. This principle is particularly salient in informal market contexts where measurement instruments are absent and information asymmetry is structurally embedded (Irfanudin et al., 2022).

Contemporary Islamic legal scholars have extended the analysis of gharar to cover not only classical market transactions but also modern commercial arrangements. In the context of supply chains, gharar can arise from systematic measurement inaccuracies, from the use of non-standardized measuring equipment, from transportation-related volume losses that are not disclosed to the receiving party, and from payment arrangements that leave the timing and amount of financial settlement uncertain(Mohamed Adil, M. A., et al., 2010). All of these dimensions of gharar are empirically present in the informal fuel distribution system examined in this study.

The Arabic term tadlis derives from the root 'dalaasa,' meaning to conceal or obscure. In Islamic commercial law, tadlis denotes the concealment of a material fact that is relevant to the other party's transactional decision, where disclosure would be required by the norms of honesty and transparency that govern Islamic commerce (Musthafa, A. B., 2022)(Musthafa, 2022). Tadlis represents a violation of the principle of sidq (truthfulness) and its commercial expression, the prohibition of ghish (deception in trade). Research on tadlis practices in traditional markets has demonstrated that this form of concealment is widespread and results in systematic wealth transfers from buyers to sellers (Technium, 2023).

A crucial jurisprudential distinction separates tadlis from active fraud (ghisy). Active fraud requires deliberate deception an affirmative act intended to create a false belief. Tadlis, by contrast, can occur through passive concealment the failure to disclose material information even without active deceptive intent, provided that the non-disclosed information is material and that the non-disclosing party knows or ought to know that the other party would consider it relevant to their decision(Mohamed Adil, M. A., et al., 2010). This distinction is important for the present analysis: the informal fuel collector's non-disclosure of volume deficits may or may not involve deliberate fraudulent intent, but this does not affect its categorization as tadlis under Islamic law. The applicability of tadlis doctrine to digital and informal marketplace contexts has been affirmed in recent scholarship on Islamic consumer protection (INCOILS., 2024).

Islamic jurisprudence recognizes four principal domains in which tadlis can manifest: quantity (concealing that the amount delivered is less than agreed), quality (concealing defects or inferior condition), price (concealing knowledge of the true market price to the seller's or buyer's detriment), and delivery timing (concealing information about likely delays or obstacles). In the informal fuel distribution context examined here, tadlis in the dimension of quantity is the most directly relevant, but elements of tadlis in relation to the systematic nature of the volume discrepancy are also present since what is concealed is not merely the fact of a single short delivery but the systematic, recurring pattern of undersupply that has continued for years without disclosure (Technium, 2023).

The KHES framework consistent with classical fiqh imposes on contracting parties a positive duty of transparency (shidq wa amanah) regarding material facts. This duty is not merely aspirational; it is a contractual obligation whose violation gives the deceived party the right to rescind the contract (khiyar al-tadlis) and claim compensation for harm suffered (Mohamed Adil, M. A., et al., 2010). The practical significance of this framework for informal fuel distribution lies in its implication that the informal collector bears not only a moral but a legally cognizable duty to disclose volume-affecting factors to retailers before transactions are concluded.

Ihtikar, derived from the Arabic root meaning 'to imprison' or 'to hoard,' refers in Islamic economic law to the practice of monopolizing or hoarding essential commodities with the purpose of controlling market prices and appropriating excess profit at the expense of the broader community (Hadith, Muslim no. 1605). The prohibition of ihtikar is rooted in the Islamic understanding of markets as communal institutions whose smooth functioning serves the collective welfare (maslaha al-'amma), and in which private actors are not permitted to exploit structural advantages to extract unjust gains from the community(Hanafi Olushola, N., 2024; Johan, 2015). The prohibition has been analyzed as a fundamental mechanism for ensuring distributive justice and economic equity in Muslim societies (Uddin, A. H. M. E., 2023).

Classical jurists debated the scope of ihtikar, with some restricting it to foodstuffs and others extending it to all essential goods. The majority position among contemporary Islamic scholars and the position reflected in KHES extends the prohibition to cover all commodities that constitute essential needs of the community. Fuel including liquid fuel for transportation, agriculture, and productive machinery clearly meets this criterion in rural communities where mobility and agricultural production are dependent on its availability.This extended interpretation has been affirmed across jurisdictions where Islamic commercial law has been applied to modern market structures (Irfanudin et al., 2022; Johan, 2015).

Trihastuti (2021) offers an important conceptual clarification relevant to the present case: ihtikar does not require physical hoarding. What is prohibited is the systematic control of supply and pricing of essential commodities in a manner that restricts consumer access, elevates prices above competitive levels, and appropriates profit that would not exist under conditions of fair competition. A monopoly distribution structure even one that does not involve warehousing excess stock can satisfy the substantive conditions of ihtikar if it produces these market outcomes (Hanafi Olushola, N., 2024). The key criterion is not the collector's physical behavior but the market structure's effect on availability and affordability for the community.

From a maqashid al-Sharia perspective, the prevention of ihtikar is connected to the objective of preserving wealth (hifz al-mal) for the community as a whole, not merely for private actors. When a single distributor controls all access to an essential commodity in a geographically isolated community, the structural conditions for ihtikar are present even if active exploitation has not yet occurred. Islamic law's preventive orientation (dar al-mafasid, preventing harm before it materializes) requires that such structural risks be identified and mitigated proactively (Khattak, M. A, 2023; Saputra, E., et al., 2024).

Indonesia's informal economy is not a marginal economic sector. According to various estimates, it absorbs between 55–65% of the country's labor force and represents a critical component of household income security, especially in rural areas (Badan Pusat Statistik (BPS), 2024). The informal fuel distribution network is a microcosm of this broader phenomenon: it emerged organically to fill the service gap created by the formal Pertamina distribution system's urban concentration, and it persists because it provides genuine value accessibility, convenience, and credit flexibility to rural consumers and small retailers who would otherwise face significant logistical barriers (Fathoni et al., 2021; Nurmaulida, R. O., & Rahmawati, L., 2024).

The academic literature on informal fuel retail in Indonesia has developed across several strands. Economic approaches have analyzed pricing dynamics, markup structures, and the welfare implications of informal distribution for rural consumers. Legal approaches have examined compliance with Presidential Regulation No. 191 of 2014 and other positive law frameworks. Islamic economics approaches have examined individual dimensions of Sharia compliance most commonly focusing on ihtikar or on general prohibition principles without providing a systematic, integrated analysis. Recent scholarship on informal Islamic economic practices in East Java and comparable regions has highlighted the urgency of developing contextually grounded Sharia compliance frameworks for rural commercial actors.
(Nurmaulida, R. O., & Rahmawati, L., 2024) contribute an analysis of retail fuel seller behavior from the perspective of ihtikar and Islamic market stability, documenting price manipulation practices in informal markets but without examining the foundational contract validity issues that are the starting point for any comprehensive Sharia analysis. (Nurzidan, Y., 2024) identifies mismatches between informal Pertalite retail practices and Islamic law principles, but without the analytical structure that KHES provides. (Syahbana, I. H., 2024) brings KHES explicitly into the analysis, but in the context of formal SPBU self-service systems that possess institutional safeguards calibrated fuel dispensers, consumer protection regulations, corporate oversight fundamentally absent from the informal village context. (Wafa, N. A., 2022) examines fee structures in jerrycan fuel distribution, contributing to the understanding of ancillary cost transparency but not addressing the primary contract validity and measurement accuracy issues.

The present study addresses the intersection of these strands that prior literature has left unexamined: a simultaneous, operationally grounded KHES analysis of all four normative dimensions akad validity, gharar, tadlis, and ihtikar within a single, fully characterized informal village fuel supply chain. In doing so, it contributes to the growing body of scholarship applying Islamic economic law frameworks to informal sector realities(Syahrin, S. K. A., & Juliana, J., 2025).

RESEARCH METHOD

Research Approach and Design

This study employs a descriptive qualitative approach (Moleong, L. J., 2005) designed to generate deep, contextually situated understanding of a social-economic phenomenon in its natural setting. The choice of qualitative methodology reflects two fundamental considerations. First, the research problem has a normative-empirical dual character: understanding what practices exist requires ethnographic description, while evaluating whether those practices are Sharia-compliant requires interpretive normative analysis. Neither dimension can be adequately addressed through variable-based quantitative methods. Second, the object of inquiry informal transactional practices embedded in networks of social trust, local custom, and communal norms is constituted by meanings, relationships, and lived experiences that resist reduction to numerical measurement. Qualitative case study methods have been validated as particularly appropriate for investigating informal economic phenomena embedded in specific community contexts (Moleong, L. J., 2005; Yin, R. K, 2018).

Within the qualitative paradigm, the study adopts a single-site case study design (Yin, R. K, 2018). Case study methodology is appropriate when research seeks to answer 'how' and 'why' questions about a contemporary phenomenon within its real-world context, when the boundaries between phenomenon and context are not clearly demarcated, and when the researcher cannot control or manipulate the phenomenon being studied. All three conditions apply here. The single-site design enables depth of investigation that would be sacrificed by a comparative multi-site approach, and the site's specific characteristics most notably the single-collector monopoly structure make it a theoretically productive case for examining the institutional conditions under which gharar, tadlis, and ihtikar simultaneously manifest (Yin, R. K, 2018).

Research Site and Subject Selection

Banjar Kejen Village, Pandaan District, Pasuruan Regency, East Java was selected as the research site on the basis of four convergent criteria. First, the village possesses a structured informal fuel distribution ecosystem dominated by a single identifiable actor, providing a clear and bounded case for analysis. Second, the village's entirely Muslim population (2,998 inhabitants) means that the question of Sharia compliance is both universally relevant to the affected community and free from the confounding complexity of religious heterogeneity. Third, the village's agricultural economy dominated by mango cultivation creates high and consistent fuel demand for irrigation equipment, agricultural machinery, and product transportation, making fuel access a genuinely critical welfare issue (Handayani, I., Nugroho, M. B., & Kusuma, A., 2021). Fourth, the researcher's established community access facilitated the candid participation of all relevant actors.

Research subjects were selected through purposive sampling, with the criterion of direct involvement in the informal fuel supply chain within the village. Four subjects participated: Bapak Rohim, the single fuel collector operating since 2021; and three fuel retailers Bapak Imam, Bapak Wahyu, and Bapak Agung operating from different locations within the village. This sample captures both supply-side and demand-side perspectives on the same transactional system, enabling triangulation across actors with different roles and interests. Purposive sampling is well-established as an appropriate strategy for qualitative research focused on specific institutional phenomena in bounded community settings (Moleong, L. J., 2005).

Data Collection Methods

Three complementary data collection methods were employed. Direct observation was conducted of the physical process of fuel collection, storage, containerization, and delivery, enabling the researcher to document the mechanistic features of the distribution system that generate the measurement and transparency issues identified in the analysis. In-depth, semi-structured interviews were conducted with all four subjects on 20 June 2025, with individual sessions ranging from 45 to 90 minutes. The semi-structured format enabled systematic coverage of predetermined thematic areas while preserving the flexibility to pursue unexpected disclosures such as the spontaneous revelation by two retailers, independently and without prior coordination, of their personal discovery of systematic volume shortfalls. Documentation collection was attempted but yielded minimal material, consistent with the entirely informal and undocumented nature of the transactional system.

The use of interview data as primary evidence requires acknowledgment of its interpretive nature. Responses were treated not merely as factual reports but as perspectives shaped by the speaker's position in the supply chain, economic interests, and awareness of potential normative scrutiny. Cross-informant triangulation was employed to distinguish consistent empirical facts (confirmed by multiple independent sources) from position-specific interpretations. Methodological triangulation combining observation, interview, and documentation is widely endorsed as a validity-enhancing strategy in qualitative Islamic economic research (Moleong, L. J., 2005).

Data Analysis

Data analysis followed the (Miles, M. B., & Huberman, A. M., 1994) as cited in (Wijaya, H., 2018), comprising three iterative stages: data reduction (systematic selection and distillation of relevant information from the full corpus of field notes and interview transcripts); data display (organization into descriptive narratives and thematic matrices that enable interpretive synthesis); and conclusion drawing (systematic interpretation of displayed data against the KHES analytical framework). Data validity was ensured through source triangulation (cross-checking findings across all four subjects) and method triangulation (cross-checking between observational, interview, and documentary evidence). The Miles and Huberman model is well-established in qualitative economic sociology and Islamic economics research for its capacity to systematically link empirical data to normative conclusions(Miles, M. B., & Huberman, A. M., 1994; Wijaya, H., 2018).

The KHES framework was applied in two analytical modes. A formal-procedural mode assessed whether the explicit requirements of KHES provisions particularly Articles 22–23 on valid contract formation were satisfied by the observed practices. A substantive-maqashid mode assessed whether the deeper objectives of KHES justice, transparency, and protection from harm were achieved by the system, irrespective of formal procedural compliance(Kamal, M., & Hasan, N., 2023; Khattak, M. A, 2023). This dual-mode analysis is essential for evaluating informal economic contexts where rigid procedural formality is often absent but where substantive fairness obligations fully apply.

RESULTS AND DISCUSSION

Research Site Profile: Banjar Kejen Village and Its Informal Fuel Ecosystem

Banjar Kejen Village covers a total area of 147,401.50 hectares and comprises five sub-villages (dusun): Banjarkejen, Banjar Tempuran, Banjar Kota, Tondowulan, and Jadirejo. The total population is 2,998 persons (1,524 male; 1,474 female), all of whom identify as Muslim. The dominant economic activities are agriculture and horticulture, with mango cultivation occupying the largest productive area. This agricultural base creates a structural dependence on fuel for irrigation pumps, small agricultural machinery, and the transportation of produce to market making affordable and reliable fuel access a material welfare concern, not merely a matter of convenience. Fuel access has been documented as a critical determinant of agricultural productivity and rural livelihood sustainability in comparable Indonesian contexts (Fathoni et al., 2021; Handayani, I., Nugroho, M. B., & Kusuma, A., 2021).

The nearest SPBU is located approximately 5.7 km from the village center in the direction of the district capital, Pandaan. While this distance is not extreme in absolute terms, the journey is practically burdensome for farmers who require fuel in quantities that vary daily depending on production activities, and who cannot afford to interrupt agricultural work for repeated supply runs. The informal fuel collector system that emerged in response to this gap predates the current study's period of investigation and has become an institutionalized feature of the village's economic life. The institutionalization of informal distribution systems in response to formal infrastructure gaps is a well-documented phenomenon in rural Indonesian economic sociology (Badan Pusat Statistik (BPS), 2024; Nurmaulida, R. O., & Rahmawati, L., 2024).

The village's informal fuel ecosystem is characterized by a single-layer supply chain: one collector (pengepul) Bapak Rohim occupies the sole intermediary position between the SPBU and the three retail sellers operating from fixed locations within the village. Consumers purchase directly from the retailers. This simple structure concentrates the supply-side relationship risk in a single actor and eliminates the market competition that would otherwise discipline pricing, measurement accuracy, and service standards. Single-actor supply monopolies in rural commodity distribution have been identified in the literature as structurally associated with ihtikar-type risks (Hanafi Olushola, N., 2024; Trihastuti, A. E., 2021).

Operational Mechanics of the Informal Fuel Supply Chain

Based on observation and interviews, the operational mechanics of Banjar Kejen's informal fuel supply chain can be described as follows. Bapak Rohim purchases gasoline from the nearest SPBU using his personal motorcycle. The motorcycle's fuel tank has a capacity of 20 liters. This is not a peripheral detail but a central structural feature of the system: the motorcycle tank is not merely used to transport fuel it is the primary transportation vessel. Rohim fills the motorcycle tank with 20 liters of gasoline at the SPBU and rides home, a journey of approximately 5.7 km. Upon arrival, he transfers the remaining fuel from the motorcycle tank into 20-liter jerrycans, which are then delivered to the retail sellers. The use of non-standardized measurement vessels in informal fuel distribution has been identified as a primary source of systematic gharar in comparable distribution contexts(Nurzidan, Y., 2024; Wafa, N. A., 2022).

The fuel collected from Rohim is priced at IDR 220,000 per jerry can nominally representing 20 liters at IDR 11,000 per liter, a margin of IDR 1,000 per liter above the official SPBU price (IDR 10,000 per liter for regular gasoline at the time of research). Retailers then sell to end consumers at prices that generate their own margin above the collector's price, typically IDR 12,000–13,000 per liter. The system thus imposes a dual markup over the official SPBU price for the rural end consumer a markup that is accepted because the alternative (traveling to the SPBU personally) entails greater cost in time and logistics. This dual-markup structure in informal fuel retail has been documented as a consistent feature of Indonesian rural fuel distribution systems (Nurmaulida, R. O., & Rahmawati, L., 2024).

Payment terms are informal and flexible. Retailers may pay Rohim after the fuel they have received is entirely sold, or when they request the next delivery. There is no written agreement governing payment timing, no interest or penalty for delayed payment, and no documented record of any transaction. The entire commercial relationship operates on the basis of personal trust and community reputation a mode of commercial organization that is deeply embedded in rural Indonesian economic culture and that carries genuine social value in the form of mutual support and flexibility during difficult periods. The role of social trust as a governance mechanism in informal rural economies has been extensively documented in Indonesian economic sociology (Badan Pusat Statistik (BPS), 2024; Nurmaulida, R. O., & Rahmawati, L., 2024).

From a microeconomic efficiency standpoint, the system performs well: it reduces transaction costs for retailers by eliminating repeated SPBU trips, provides a stable supply with flexible payment terms, and ensures predictable availability without the capital commitment of large-quantity personal storage. Rohim, in turn, generates income through a volume-based margin on each transaction. The economic logic of the arrangement is coherent and mutually beneficial at least in its surface structure. The efficiency benefits of informal intermediation in rural supply chains have been recognized in the development economics literature, even when such systems operate outside formal regulatory frameworks (Fathoni et al., 2021).

Critical Finding: Systematic Volume Discrepancy and the Gharar It Creates

The most empirically significant and normatively consequential finding of this research emerged not from direct questioning about Sharia compliance of which the participants had little explicit awareness but from the spontaneous, independent disclosures of two retailers who had each, through their own informal measurement practices, discovered a systematic discrepancy between the volume of fuel they paid for and the volume they actually received. This pattern of discovery where informal market actors independently identify systematic discrepancies through personal initiative rather than formal disclosure is consistent with the information asymmetry dynamics documented in tadlis scholarship (Mohamed Adil, M. A., et al., 2010; Technium, 2023).

Bapak Imam described his discovery in these terms: "*I once counted it all, and it turned out to be not a full 20 liters but the price was always the same.*"

Bapak Agung, who had no opportunity to coordinate his account with Bapak Imam before the interviews, independently confirmed the same finding: "*When I pour it into 1-liter bottles, it does not reach 20 liters.*"

These disclosures are significant not merely as evidence of a measurement problem but as evidence of a systematic, recurring pattern of undersupply that has persisted across multiple years of continuous transactions, without ever being disclosed to the retailers by the collector. The retailers discovered the discrepancy through their own initiative; they were not informed of it. Independent corroboration of measurement discrepancies by multiple parties is recognized as strong evidential support for a gharar fahish classification (Mardani., 2015; Wahbah Zuhaili., 1997).

When the researcher raised this issue with Bapak Rohim, his response revealed the structural mechanism responsible:

"*In this matter, the measurement is indeed slightly short because I collect it using a motorcycle with a 20-liter tank; there must be some reduction because it is used for the journey from the SPBU to my house.*"

This explanation is factually coherent and, in one sense, technically honest when elicited: Rohim did not deny the volume discrepancy when confronted with it. But it also reveals that Rohim was aware of the discrepancy throughout the period of transactions, since the mechanism causing it the use of the motorcycle tank as the transportation vessel has been his standard operating method since 2021. The fuel consumed on the 5.7 km journey from the SPBU to his home is unavoidably deducted from the 20-liter capacity before transfer to the jerrycan. Rohim therefore knew, or ought to have known, that each jerrycan delivered to retailers contained less than 20 liters yet this information was never proactively disclosed. The element of persistent non-disclosure despite knowledge is the defining feature of tadlis through omission under Islamic commercial law (Mohamed Adil, M. A., et al., 2010; Musthafa, A. B., 2022).

The magnitude of the volume discrepancy is a function of the motorcycle's fuel consumption rate and the distance traveled. For a typical Indonesian motorcycle fuel consumption rate of approximately 40–50 km per liter, a 5.7 km journey from the SPBU to Rohim's home would consume approximately 0.11–0.14 liters of the 20-liter tank capacity. This may appear trivial, but the cumulative effect across hundreds of transactions over multiple years is financially material. More importantly, from a Sharia perspective, the magnitude of the individual deficit is less determinative than the fact that it is systematic, recurrent, and undisclosed the precise characteristics that elevate it from gharar yasir (minor, tolerable uncertainty) to gharar fahish (serious, transaction-invalidating uncertainty) (Mardani., 2015; Wahbah Zuhaili., 1997).

KHES Analysis: A Systematic Four-Dimensional Assessment

The empirical findings described above are analyzed below through the four-dimensional KHES framework. Table 1 provides an analytical summary before the detailed discussion. This integrated analytical approach simultaneously assessing akad validity, gharar, tadlis, and ihtikar represents a methodological contribution not found in prior single-dimension studies of informal fuel retail (Nurmaulida, R. O., & Rahmawati, L., 2024; Syahbana, I. H., 2024).

Table 1. KHES-Based Analytical Summary of Banjar Kejen Informal Fuel Supply Chain

Analytical Dimension	Empirical Finding	KHES Assessment	Status
Contract Validity (Akad)	Mu'athah without explicit ijab-qabul; no written agreement; no specification of actual volume, payment terms, or dispute resolution	Articles 22–23 KHES not satisfied	Non-Compliant
Object of Transaction (Gharar)	Actual volume delivered systematically less than 20 liters paid; discrepancy recurrent and undisclosed; payment timing unspecified	Gharar fahish in quantity and payment terms prohibited under KHES	Non-Compliant
Transparency (Tadlis)	Collector aware of volume deficit from the outset due to transportation method; never disclosed to retailers over multiple years of transactions	Tadlis through omission violation of sidq principle; prohibited under KHES	Non-Compliant
Market Structure (Ihtikar)	Single collector controls 100% of fuel supply to all village retailers; no alternative supply source; no pricing oversight mechanism	Structural conditions for ihtikar present; preventive regulatory attention required	Requires Monitoring

4.1 Contract Validity: The Absence of Valid Akad

KHES Article 22 requires that every valid contract contain explicit offer (ijab) and acceptance (qabul) that clearly specify the object of the contract. The transactions in Banjar Kejen's informal fuel supply chain proceed by mu'athah wordless exchange of action without any verbal or written articulation of the terms governing what is being exchanged. There is no specification of the actual volume that will be delivered (as distinct from the nominal 20-liter claim), no specification of quality standards, no agreed payment deadline, and no agreed mechanism for resolving discrepancies. The absence of written contracts has been identified as a primary vulnerability in informal economic transactions that exposes weaker parties to systematic informational exploitation (Effendi, B., 2022; Huda & Saripudin, 2022).

Classical Islamic jurisprudence has been more permissive of mu'athah than the procedural requirements of KHES suggest, accepting wordless exchange for simple, low-value transactions where the object is unambiguously clear and the risk of dispute is minimal. However, this permissiveness is explicitly conditioned on the absence of the very ambiguities that characterize the Banjar Kejen transactions: when the quantity of the object is unknown, when the payment timing is unspecified, and when the transaction is a recurring, high-value commercial arrangement rather than a one-off simple exchange, the conditions for mu'athah acceptability are not met (Elhas, N. I., 2020; Islami, 2021). The critical importance of written documentation in protecting transactional rights within informal commercial relationships has been emphasized in contemporary Islamic economics scholarship (Effendi, B., 2022; Iswandi, A., 2023)

KHES's orientation toward written documentation for business contracts (akad tijarah) is not a formalistic preference but a substantive protection mechanism. The requirement that contracts be documented ensures that both parties have a shared, verifiable record of their mutual obligations a requirement that is particularly important in a context where one party (the collector) has informational advantages over the other (the retailers) regarding the actual volume of goods being supplied. The complete absence of documentation in the Banjar Kejen system thus represents not merely a procedural deficiency but the elimination of the primary mechanism through which retailers could assert and enforce their contractual rights (Damanik, A. Z., 2024; Effendi, B., 2022).

Gharar: Uncertainty in the Object of Exchange

The systematic volume discrepancy in Banjar Kejen's fuel supply chain constitutes gharar that meets the criteria for gharar fahish under KHES. The analysis proceeds through three sub-questions: Is the uncertainty real? Is it material? Is it remediable? This tripartite analytical framework for gharar assessment has been endorsed in contemporary Islamic finance scholarship as the appropriate approach for evaluating uncertainty in commercial transactions (Kato, 2022; Uddin, A. H. M. E., 2023).

The uncertainty is real because, as confirmed by independent disclosures from two retailers and acknowledged by the collector himself, the actual volume delivered in each transaction is unknown to the retailer until measured and has historically not been measured at all, leaving the retailer with no reliable knowledge of what quantity they actually received.

The uncertainty is material because it directly affects the financial terms of the exchange. The retailer pays IDR 220,000 for what is represented as 20 liters of fuel. If, as is systematically the case, they receive less than 20 liters, the effective price per liter they pay is higher than the agreed IDR 11,000 and the extent of this overcharge is unknown to them. This uncertainty about the effective price per unit of exchange is precisely the form of gharar that Islamic commercial law has consistently categorized as transaction-invalidating (Mardani., 2015; Wahbah Zuhaili., 1997).

The uncertainty is remediable: Rohim could eliminate it by using a separate, calibrated jerrycan to transport fuel from the SPBU filling the jerrycan at the pump with exactly 20 liters rather than using the motorcycle tank as a transportation vessel. Alternatively, he could disclose the systematic deficit to retailers and adjust the price accordingly, or measure the actual delivered volume before completing each transaction. The remediability of the gharar is a crucial factor: where uncertainty can be eliminated by reasonable measures available to the party creating it, Islamic law imposes an obligation to eliminate it (Irfanudin et al., 2022; Wahbah Zuhaili., 1997).

Tadlis: Concealment of Material Information

The tadlis analysis centers on the collector's sustained non-disclosure of a fact that is both material and known to him: that the fuel delivered to retailers systematically falls short of the 20-liter quantity for which they are charged. The normative analysis does not depend on whether Rohim's non-disclosure was motivated by active deceptive intent. The KHES principle of sidq (truthfulness and transparency) imposes a positive duty of disclosure that is triggered by the materiality of the information and the informational asymmetry between the parties, not by the concealing party's subjective intent (Mohamed Adil, M. A., et al., 2010; Musthafa, A. B., 2022). This framework aligns with the broader principle in Islamic commercial ethics that information asymmetry exploited to the disadvantage of the weaker party constitutes a form of injustice (zulm) regardless of subjective intent (Technium, 2023).

The materiality of the undisclosed information is beyond question. Volume shortfall directly affects: (1) the effective cost price per liter paid by the retailer, which affects their pricing decisions and profit margin calculations; (2) the retailer's ability to accurately price their stock to end consumers; (3) the retailer's overall assessment of the economic viability of the supply relationship; and (4) the retailer's ability to make an informed decision about whether to continue the commercial relationship or to seek alternative supply arrangements. Every one of these dimensions is affected by information about systematic undersupply information that was available to Rohim from the beginning of his operations but was never proactively disclosed (INCOILS., 2024; Musthafa, A. B., 2022).

The temporal dimension of the non-disclosure is also normatively significant. This is not a one-time informational failure or an omission attributable to genuine ignorance. The volume deficit has persisted, systematically, since Rohim began operations in 2021 a period of approximately four years at the time of this research. Throughout this period, Rohim was aware (because the transportation mechanism causing the deficit was his deliberate operating method) that every transaction involved delivering less than the nominal 20 liters. The sustained, multi-year character of this non-disclosure moves it firmly beyond any category of minor informational imperfection that Islamic law might tolerate toward the category of systematic concealment that KHES explicitly prohibits(Elhas, N. I., 2020; Mohamed Adil, M. A., et al., 2010).

Ihtikar: Structural Monopoly and Preventive Concern

The ihtikar analysis in this case operates at the structural level rather than at the level of demonstrated exploitative behavior. Bapak Rohim did not set out to create a monopoly; he became the sole supplier of an essential commodity to a geographically isolated village community because no other actor was willing to perform the collection function. His pricing, while above the official SPBU rate, appears to reflect a reasonable markup for transportation costs and labor rather than monopolistic rent extraction. There is no evidence of deliberate stock withholding to drive up prices. The distinction between structural ihtikar risk and active ihtikar exploitation is an important conceptual contribution of contemporary Islamic economic law scholarship (Hanafi Olushola, N., 2024; Trihastuti, A. E., 2021).

Nevertheless, the structural conditions that define the risk of ihtikar are fully present. A single actor controls 100% of the village's fuel supply. Retailers have no alternative source attempting to self-supply from the SPBU would require the same transportation investment that makes Rohim's service valuable. Consumers have no visibility into the supply chain or pricing structure. There is no regulatory oversight, no competing supplier, and no community mechanism for challenging pricing decisions. In this environment, any change in Rohim's behavior pricing decisions, supply frequency, payment terms would affect the entire village fuel economy without the corrective mechanism of market competition. The structural vulnerability of single-supplier rural commodity markets to ihtikar-type dynamics has been documented in the Islamic economic governance literature (Mohamed Adil, M. A., et al., 2010; Rahman, M. H., & Ismail, R. N. A. B. R., 2023).

Islamic law's preventive orientation (dar al-mafasid) requires that structural conditions enabling harm be addressed before harm materializes. The current situation is not one of active ihtikar; it is one of structural ihtikar risk. The appropriate Sharia response is not condemnation of Rohim's current behavior but the institution of preventive measures transparency requirements, alternative supply facilitation, and community oversight mechanisms that ensure the monopoly structure cannot be weaponized against the community's interests(Khattak, M. A, 2023; Saputra, E., et al., 2024).

Socioeconomic Dimensions: Navigating the Benefit-Compliance Tension

A normative analysis that ignores the socioeconomic value of the system being analyzed risks becoming prescriptively irrelevant. This study explicitly acknowledges the genuine economic and social benefits that the informal fuel distribution system provides to Banjar Kejen Village. These benefits are real, significant, and would be foregone if the system were simply eliminated. The recognition of economic benefit within normative Sharia analysis is consistent with the Islamic principle of maslahah (public interest), which requires that normative assessments balance prohibitions against economic and social welfare impacts (Khattak, M. A, 2023; Samad, R. R., & Shafii, 2021).

For retailers, the system provides stable, convenient supply with flexible payment terms including informal credit that may be unavailable through formal channels. For consumers, it provides access to fuel at a price premium that most regard as reasonable compensation for the convenience of local availability. For Rohim himself, it provides a sustainable livelihood that complements his primary occupation. For the village economy as a whole, it ensures energy access that supports agricultural productivity and household mobility goods that have direct welfare implications. These economic contributions of informal distribution intermediaries have been documented in the rural development literature as genuine public goods deserving policy attention(Fathoni et al., 2021) Enhancing Local SMEs through BUMDes, 2023).

The Islamic principle of maslahah (public interest and benefit) recognizes and values these contributions. Islamic economic law does not seek to eliminate market arrangements that serve genuine community needs. What it requires is that such arrangements be structured in ways that achieve their economic goals through just, transparent, and equitable means. The failing of the current arrangement is not its economic logic but its transactional structure: the benefits it delivers are real, but they are delivered through mechanisms that involve systematic measurement misrepresentation, information concealment, and contractual indefiniteness that violate the foundational principles of Islamic commercial law (Effendi, B., 2022; Musthafa, A. B., 2022).

There is also a longer-term social dimension to the transparency and contractual deficiencies identified in this study. Informal economic systems depend for their sustainability on social trust the mutual confidence between trading partners that undergirds repeated, undocumented transactions. When systematic measurement discrepancies are discovered as they were independently by two retailers in this study the damage to social trust can be significant and lasting. By formalizing the transactional structure, the parties would not only improve Sharia compliance but also strengthen the social trust foundations that make the informal economy function. The relationship between contractual transparency and social trust in informal economic relationships has been identified as a critical dimension of sustainable rural economic governance(Iswandi, A., 2023; Samad, R. R., & Shafii, 2021).

Novelty Positioning: Contribution to the Literature

Against the backdrop of existing literature reviewed in Section B, this study's contributions can be identified at three levels of specificity. At the most general level, it demonstrates that KHES can function as an operational diagnostic instrument not merely a normative reference for analyzing informal micro-economic transactions at the village level, a mode of application that prior scholarship has not fully developed (Damanik, A. Z., 2024; Effendi, B., 2022; Elhas, N. I., 2020).

At an intermediate level, it identifies a specific form of gharar volume loss through the use of a motorcycle tank as the primary transportation vessel for liquid fuel that is unique to this distribution mechanism and that has no precedent in the existing halal economics literature. The specific combination of physical mechanism (partial fuel consumption during transport) and transactional consequence (systematic undersupply without disclosure) creates a gharar scenario that neither the SPBU-focused analysis of (Syahbana, I. H., 2024) nor the general market analysis of (Nurmaulida, R. O., & Rahmawati, L., 2024) could have encountered. This finding contributes a novel empirical case to the literature on gharar in physical commodity supply chains (Mardani., 2015; Wahbah Zuhaili., 1997)

At the most specific level, this study provides the only known simultaneous, integrated analysis of akad validity, gharar, tadlis, and ihtikar within a single informal rural fuel supply chain. This integration is analytically important because the four normative deficiencies identified are not independent: the absence of a valid written contract creates the conditions in which gharar and tadlis can persist undetected and unchallenged; the gharar in volume measurement is both caused by and constitutes a form of tadlis in the same transaction; and the ihtikar risk is enabled and amplified by the same contractual informality that allows measurement discrepancies to go unreported (Damanik, A. Z., 2024; Hanafi Olushola, N., 2024; Irfanudin et al., 2022). Understanding how these four dimensions interact and reinforce each other is essential for designing interventions that address the systemic problem rather than its individual manifestations.

CONCLUSION

This study, grounded in field observation and KHES-based normative analysis, reaches four principal conclusions about the informal fuel supply chain operating in Banjar Kejen Village. First, the transactional practices of the supply chain do not satisfy the requirements of valid contract formation under KHES Articles 22–23. The absence of explicit ijab-qabul, the absence of any written record, the non-specification of actual delivery volumes, and the absence of defined payment terms collectively mean that the commercial relationships operating in the supply chain lack the contractual foundation required by Islamic economic law. This is a systemic deficiency that affects every transaction within the chain

Second, the systematic volume discrepancy in fuel delivery constitutes gharar fahish serious, transaction-invalidating uncertainty under KHES. The discrepancy is real (confirmed by multiple independent sources), material (it directly affects the financial terms of the exchange), recurrent (it persists across every transaction due to a structural feature of the distribution method), and remediable (it can be eliminated by straightforward changes in transportation methodology). Its persistence represents a continuing violation of the KHES requirement for clarity in the object of transaction.

Third, the collector's non-disclosure of the volume discrepancy over multiple years of transactions constitutes tadlis concealment of material fact under the KHES principle of sidq and transparency. This characterization applies regardless of the collector's subjective intent, because the information withheld was material to the retailers' transactional decisions and was within the collector's knowledge throughout the period of non-disclosure.

Fourth, the single-collector monopoly structure creates the structural preconditions for ihtikar market cornering under the extended interpretation of ihtikar adopted by contemporary Islamic scholars and reflected in KHES. While active exploitative behavior has not been demonstrated, the structural conditions that would enable such exploitation sole control over an essential commodity supply in a geographically isolated community require preventive regulatory and community governance attention.

These conclusions are advanced with two important qualifications. First, they do not imply moral condemnation of the individual actors: Rohim's position as collector arose organically, his pricing reflects a legitimate service premium, and his non-disclosure may reflect habit and inattention rather than deliberate fraud. Second, they do not recommend elimination of the system: the economic value it delivers to the community is real and should be preserved. The appropriate response is systemic Shariah-ification transformation of the transactional structure while preserving the economic functionality.

The immediate priority is the formalization of the commercial relationship through a written cooperative agreement (perjanjian kerja sama). This agreement should specify, at minimum: (1) the actual volume of fuel to be delivered per transaction, including transparent explanation of any systematic factors (such as transportation method) that cause the delivered volume to differ from the nominal capacity; (2) the agreed price per liter and the total price per delivery; (3) payment timeline and conditions; (4) the protocol for measuring delivered volume before price is confirmed; (5) the mechanism for adjusting payment if delivered volume differs from agreed volume; and (6) the agreed process for resolving disputes. Written contract templates for informal rural trade contexts have been developed and validated in the Islamic economics literature as practical governance tools.

Rohim should proactively address the volume discrepancy by transitioning to a measurement-accurate transportation method filling calibrated jerrycans at the SPBU pump rather than using the motorcycle tank as a transportation vessel. If the motorcycle tank method is retained for logistical reasons, the systematic volume deficit should be disclosed to all retailers, and the price adjusted to reflect actual delivered volume rather than nominal capacity, or measure the actual delivered volume before completing each transaction. These changes require no capital investment and can be implemented immediately.

The village government (Pemerintah Desa) should establish a lightweight oversight and mediation mechanism for informal fuel transactions within the village. This does not require bureaucratic formalization of the entire informal economy a goal that is both impractical and potentially counterproductive but rather the establishment of minimum standards for measurement transparency and the creation of an accessible dispute resolution pathway for commercial conflicts.

The village government should also explore the feasibility of establishing a Village-Owned Enterprise (Badan Usaha Milik Desa / BUMDes) to manage fuel distribution on behalf of the community. A BUMDes-managed fuel distribution service would by definition introduce collective accountability, transparent pricing, and measurement standards that are currently absent while preserving the economic value of local fuel distribution and potentially directing margin revenue into community development rather than a single private household. BUMDes has been demonstrated as an effective institutional mechanism for formalizing informal village economic activities while preserving local economic value.

Muamalah education for informal rural business actors is essential and urgently needed. However, the form of this education matters greatly. Formal lectures on fiqh principles, while valuable, are unlikely to produce behavioral change in actors who lack the practical knowledge to translate abstract principles into operational business practices. What is needed is hands-on, contextualized muamalah mentoring working directly with collectors and retailers to help them draft simple, appropriate contracts for their specific situation; to understand how to measure and document delivered volumes; and to recognize when their practices create the gharar, tadlis, or ihtikar risks they are now (through this research) being made aware of. The design of practical muamalah education programs for informal sector actors has been identified as a priority research and intervention area in Islamic economic governance studies

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