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Opportunities and Challenges of BASARNAS in Facing Problems of Islamic Financial Institutions with Sharia Arbitration

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Abstract: Liquidity company financial mechanisms include measuring or comparing the amount of inventory available with the company's working capital, how much cash is available to pay debts, and seeing the condition and position of the company's liquidity over time by comparing it over several periods. The liquidity ratio is also used as a trigger tool for management to improve its performance, by looking at the current liquidity ratio. However, the annulment of arbitration decisions can be done in accordance with Law No. 30 of 1999 concerning arbitration and alternative dispute resolution. Determining the requirements of arbitrators and resolving Islamic civil or muamalah disputes through BASARNAS is intended to improve the performance of the institution in the future. The purpose of this article is to analyze the opportunities and challenges of BASARNAS in dealing with the problems of Islamic financial institutions with sharia arbitration. The method used is qualitative. Then in this study researchers used a descriptive research type focus with an empirical juridical approach. The source of data in writing this article is done by searching for primary data information obtained from books. The results show that the role of liquidity is very much, not only in the smooth operation of the company but also other accounting concepts are certainly needed. In addition to aspects in business, daily life to law requires accounting concepts in several activities.

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INTRODUCTION

The financial mechanisms of liquidity companies involve metrics that differ significantly from shareholder concerns. When it comes to profit and equity, but also when it comes to the various assets owned by the company, this method tends to be the least harmful. The reason why this is such a popular topic is because it can be discussed in a different way than traditional methods. In this case, if an asset has a high degree of reliability, it is because the asset has a high degree of reliability because the asset has a high degree of persistence and persistence in the pastIn addition, Liquidity asks business people for help to improve the situation. Through ratio analysis, you can gain insight into user experience (Amrin, 2009).

When making an investment, one of the most important things an investor should do is engage in objective research to find a specific asset or investment strategy. Liquidity is one of the many investment instruments used by the general public. It is also one of the many components used in the process of educating a large or small business. The type of business described in this way is a business with a balanced liquidity ratio and even more so called. There is a lot of trust in one company, but there is also a lot of trust in that company's ability to handle various issues and challenges. This is a problem due to the fact that it depends on the investment performance of the company in question (Inti Ulfi, 2020).

Persuasion or support of businesses for the purpose of ensuring the well-being of employees and achieving their goals in the workplace Signage companies may include taxes, accounts payable, dividends, and other similar items. In addition, no business can run a business. In particular, the figures, including current ratio, quick ratio, and cash ratio, provide information regarding the business enterprise. These will be used to strengthen the business. There is little possibility of company performance in this regard. When a company has Financials are of high quality, and can be used by many different people.

Lenders will definitely choose a company with a strong financial reputation to hold or invest the money they receive. This is another type of finance. Therefore, liquidity is an approach that focuses on a company's profitability and serves as an investor's investment target. Therefore, liquidity can be described as a set that can be bought or sold at a disruptive price. Universal money tuna is used as a more reliable asset because it can be used in conjunction with other assets in an inconsistent and inconsistent manner. In addition, assets are based on real data, such as fine art and collectibles, but are relatively out of favor (Lukman, 2002).

The agency is the National Sharia Arbitration Board (BASARNAS). The agency was established in order to resolve civil cases arising between Islamic financial institutions, both banks and other Islamic financial institutions, namely disputes arising between Islamic financial institutions and or between customers or members and financial institutions. The arbitration body is not much different from the court, which aims to resolve disputes that occur in two cooperating parties. But on the other hand the arbitration body is different from the court, because in arbitration there is no known appeal when a decision has been determined, fast trial time, and low costs, arbitrators who are experts in law, fiqh and others.

Dispute resolution through arbitration (tahkim) is something that is familiar to the Indonesian and international community. Since long ago, people used to submit their cases to kyai/ulama/clever minds/customary leaders and others to resolve disputes that occurred between community members. Thus, arbitration settlement is a culture that has long grown in this archipelago. The question that can be asked here is what is BASARNAS (both in terms of concept and institution), how is its role in resolving Islamic economic disputes in Indonesia and what are the problems that are still an obstacle to BASARNAS operations in the field of Islamic economics. This paper attempts to answer these questions.

The problem with this method is that in an example of a liquidity-related case where someone wants a refrigerator worth Rp 2 million, cash is the easiest type of asset to use to get the refrigerator. If he has books with a value equivalent to Rp 2 million, he cannot simply take his book collection to an electronics store. Instead, he has to sell the books first to get the cash and buy the new fridge. If he can sell them quickly, he's a lucky man. However, it may take longer and he may have to discount his books to sell them. This shows that collectible books are illiquid assets.

If the market is illiquid, it will be difficult to sell or convert assets into cash. Having liquid assets does not only apply to individuals, but also to companies. Because, having liquid assets will be easily and quickly sold in full at a fraction of the cost. If a company has liquid assets, it can be used to improve employee happiness, such as debt or payroll. As a result, you will not be able to rely on risk-free conditions for bankruptcy (Mardiyanto, 2009).

Research related to the problems of Islamic financial institutions with sharia arbitration has been carried out by several previous researchers. Among them was conducted by Alvi Khikmatin, who explained that the opportunities for Islamic Financial Institutions are, the population in Indonesia is predominantly Muslim, the advantages of Islamic financial institutions themselves, the support of the government, the growth and development of Islamic institutions. Apart from having opportunities, Islamic Financial Institutions also have challenges to face competition from Conventional Financial Institutions. The challenges are, the need for institutional development, lack of socialization and promotion, lack of expansion in the office network, the need for increased human resources, the need for increased capital. Another research was conducted by Nofri Ramadhani Syahfitra, the results of Nofre's research show that the Sharia Arbitration Institution plays an important role in providing a dispute resolution mechanism that is in accordance with sharia principles, maintaining the trust of sharia business actors, and reducing the burden on state courts. However, the challenges faced include a lack of public understanding and awareness of sharia arbitration, limited competent human resources, and a lack of harmonization of regulations that support the operationalization of the institution.

The gap in research analysis mentioned above is different from the analysis of the article reviewed in this article. The focus of analysis and questions to be answered in this article is how are the opportunities and challenges of BASARNAS in dealing with the problems of Islamic financial institutions with sharia arbitration?

METHODS

According to Sugiyono, the research method is a scientific way to obtain data with the aim of being able to describe, prove, develop and discover knowledge and theories to be able to understand, solve and anticipate problems in people's lives (Setiawan, 2018). The method used is qualitative. Then in this study researchers used a descriptive research type focus with an empirical juridical approach. Sources of data in writing this article are done by searching for primary data information obtained from books related to the journal aimed at the application of the law accompanied by their respective examples.

RESULTS AND DISCUSSION

Liquidity is one of the most important factors in business, although there are several things to understand about its importance. Good liquidity can be a way of bringing business people together with investors, but it can also be a good short-term borrower, as companies present their business with the impression of good liquidity. From an internal perspective, a company's status quo can be high or low, and it can also be high or low risk. An analysis of the company's risk reveals that the liquidity ratios chosen are in accordance with the records of the Indonesia Stock Exchange, and the liquidity level is depicted by a specific number.

From a practical point of view, it aims to increase employee productivity at a faster pace during the time it is being developed. Specifically, the method for obtaining currently utilized obligations is based on the currently utilized limit schedule (date and month). The partnership pays short-term obligations utilizing the overall current active. This is one of the many liabilities that have existed for a long time or have existed for a long time in the same way, and they are formed by active current. It is not uncommon for one to engage in active current-crying in addition to reaching inventories or receivables. In this case, current activities are aimed at people and things that have a higher level of liquidity.

There is a large amount of cash used to purchase debt between various individuals associated with the US monetary system. As a front-end tool, it is one of the closest to cash and debt planning. See the condition and liquidity position of the company over time by comparing it for several periods. Weaknesses that the company has, from each component in current assets and current debt. A trigger tool for management to improve its performance, by looking at the current liquidity ratio.

Definition of Arbitration

The word arbitration comes from the words *arbitrare* (Latin), *arbitrage* (Dutch), *arbitration* (English), *schiedspruch* (German) and *arbitrage* (French), meaning the power to settle something according to wisdom or peace by an arbitrator or umpire. In an Islamic perspective, the equivalent of arbitration is tahkim and the verb is hakkama-yuhakkimu-tahkiiman, which literally means making someone the mediator for a dispute. Meanwhile, according to the Shafi'iyah school of thought, arbitration is separating between two or more conflicting parties with the law of Allah or stating the law of shara' on an event that is obligatory to carry out. Thus arbitration is a court of peace, where the parties to the dispute or dispute want their dispute about personal rights that they can fully control, examined and adjudicated by a fair judge who is impartial to one of the parties to the dispute. The decision that has been taken is binding for both parties (Rachmadi Usman, 2002).

In CHAPTER I article 1 paragraph 1 of Law No. 30 of 1999 concerning Arbitration and Alternative Dispute Resolution, what is meant by arbitration is a way of resolving a civil dispute outside the public courts based on an arbitration agreement made in writing by the parties to the dispute Sharia arbitration is a dispute resolution by means of arbitration carried out in accordance with sharia. With the existence of an arbitration agreement, the courts, both the District Court and the Religious Court, are not authorized to examine and hear the case. According to Satria Effendi M. Zein, arbitration in fiqh studies is a dispute resolution carried out by hakam chosen or appointed voluntarily by two people in dispute to end the dispute between them and both parties will obey the settlement by hakam or the hakam they appoint (*Law of the Republic of Indonesia Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution*, n.d.).

History of the National Sharia Arbitration Board (BASARNAS)

The National Sharia Arbitration Board (BASARNAS) is a change from the name of the Indonesian Muamalat Arbitration Board (BAMUI) which is a form of Islamic Arbitration that was first established in Indonesia. The establishment was initiated by the Indonesian Ulema Council (MUI), on 05 Jumadil Awal 1414 H coinciding with October 21, 1993 AD. The Indonesian Muamalat Arbitration Board (BAMUI) was established in the form of a foundation legal entity in accordance with the notarial deed of Yudo Paripurno, S.H. Number 175 dated October 21, 1993. In the deed of establishment of the Indonesian Muamalah Arbitration Board (BAMUI), the foundation is named: Indonesian Muamalah Arbitration Board Foundation abbreviated as BAMUI (article 1). The presence of the National Sharia Arbitration Board (BASARNAS) is highly expected by Indonesian Muslims, not only because it is motivated by the awareness and interests of the community to implement Islamic law, but also more than that, it is a real need in line with the development of economic and financial life among the community. Therefore, the purpose of establishing the National Sharia Arbitration Board (BASARNAS) as a permanent and independent body that functions to resolve possible muamalat disputes arising in trade relations, financial industry, services and others among Muslims (Sumitro, 2004).

The history of the establishment of the National Sharia Arbitration Board (BASARNAS) is inseparable from the context of the development of the socio-economic life of Muslims, this context is clearly connected to the establishment of Bank Muamalat Indonesia (BMI) and Sharia-based Rural Banks (BPRS) and Takaful Insurance which were first born in Law Number 7 of 1992 concerning Banking has not been regulated regarding Islamic banks, but in the face of the development of a national economy that is always fast-moving, competitive, and integrated with increasingly complex challenges and an increasingly advanced financial system, it is necessary to adjust policies in the economic sector, including banking.

That in entering the era of globalization and with the ratification of several international agreements in the field of trade in goods and services, adjustments are needed to the laws and regulations in the economic sector, especially the banking sector, therefore Law of the Republic of Indonesia Number 10 of 1998 concerning Amendments to Law Number 7 of 1992 concerning Banking which regulates Islamic banking. With this law, the government has legalized the existence of banks that operate sharia, so that new banks that operate sharia were born. With the existence of these new banks, it is possible for disputes to occur between these Islamic banks and their customers so that the National Sharia Council considers it necessary to issue fatwas for Islamic financial institutions, in order to obtain legal certainty regarding each contract in Islamic banking, where each contract includes an arbitration clause that reads:

"*If one of the parties does not fulfill its obligations or if there is a dispute between the parties, the settlement is carried out through the Sharia Arbitration Board after no agreement has been reached through deliberation*".

With the fatwas of the National Sharia Council where every Islamic bank or Islamic financial institution in every contract product must include an arbitration clause, all disputes that occur between Islamic banking or Islamic financial institutions and their customers must be resolved through the National Sharia Arbitration Board (BASARNAS) (Sumitro, 2004).

Legal Basis of Arbitration (tahkim) in Islam and Legislation

All activities in Islam have a legal basis both in terms of the Qur'an, hadith, ijma' and in terms of state law. Likewise in arbitration in resolving muamalah issues must have a strong legal basis. The legal basis for arbitration is Surah Al-Hujurat verse 9:

فَإِنْ بَغَتْ إِحْدَاهُمَا عَلَى الْأُخْرَىٰ فَقَاتِلُوا الَّتِي وَإِنْ طَائِفَتَانِ مِنَ الْمُؤْمِنِينَ اقْتَتَلُوا فَأَصْلِحُوا بَيْنَهُمَا ۖ
تَبْغِي حَتَّىٰ تَفِيءَ إِلَىٰ أَمْرِ اللَّهِ ۚ فَإِنْ فَاءَتْ فَأَصْلِحُوا بَيْنَهُمَا بِالْعَدْلِ وَأَقْسِطُوا ۖ إِنَّ اللَّهَ يُحِبُّ
الْمُقْسِطِينَ .

Meaning: *"And if two groups of those who believe are at war, then reconcile between them. But if the one breaks his covenant with the other, let him fight you until he recedes to the commandments of Allah. When he has receded, reconcile between them according to justice, and be just; surely Allah loves those who are just"*.

Arbitration according to Law No. 30/1999 is a way of resolving civil disputes outside the public courts, while an arbitration institution is a body chosen by the disputing parties to give a decision on the dispute. The National Sharia Arbitration Board is an arbitration institution as referred to in Law No.30/1999. Decree of the MUI leadership council No. kep-09/MUI/XII/2003 dated 30 Syawwal 1424 H (December 24, 2003) concerning the National Sharia Arbitration Board. All fatwas of the National Sharia Council of the Indonesian Ulema Council (DSNMUI) regarding muamalat (civil) relations always end with the provision: "if one of the parties does not fulfill its obligations or if there is a dispute between the two parties, then the settlement is carried out through the Sharia Arbitration Board after no agreement has been reached through deliberation. (see fatwa no. 05 on Share Sale and Purchase, fatwa no. 06 on Istishna sale and purchase, fatwa no. 07 on Mudharabah Financing, fatwa No. 08 on Musyarakah Financing, and so on).

Definition of Banking Liquidity

Liquidity is a measure of the company's ability to pay short-term obligations (debt) within a reasonable period of time, including long-term debt due this year, with available working capital. According to Mardiyanto (2009), liquidity is an indicator used to measure the company's ability to pay off short-term obligations (debt) on time, including paying off the portion of long-term debt due in the year concerned.

The most important components of liquidity are the points that are designed to be used. There are a total of ten components, each with its own unique qualities for its own customers. 1. The term "gap" or "density" refers to a component that lowers the price of a particular product. There will be a difference between the standard price and the price per use. This is a function, or a business that can facilitate product trade. 2. The term "depth" refers to a system that focuses on the production and sale of a specific product. As a result, businesses often charge higher prices for their products. 3. Resilience is the process of pricing a product in relation to a standard price to achieve higher efficiency. This component is used to stabilize the price of a particular product (Huda & Heykal, 2010).

A business's debt project will be more successful if it has a high degree of popularity. However, in the context of a company's relationship with its customers, liquidity is a factor that must be taken into account when determining the company's position in the market and the market itself. One method used to prevent liability is to remove one's head in the morning. In the event that the company continues to have a high level of employee satisfaction, it will be referred to as liquidity. This means that the hearts of employees will be large and strong compared to the various liabilities that have been identified. In the case of liquidity, there may be various points that need to be broken down in a more than meaningful way

A company's reputation can be a benchmark for investors, which is a positive indicator of the company's financial strength. Liquidity risk, on the other hand, is a loss with a high but low probability. In the case of blue chip companies, there are a number of ways in which the company's liquidity can be affected. a) As an anticipator if the company suffers from a lack of productivity, b) As a means to improve the quality of life in the workplace, c) For consideration of the company's eligibility to receive injections of funds from financiers, d) Support for daily business activities, e) Assist company management in overseeing capital efficiency, f) Facilitate the withdrawal of customer funds to the bank, g) Tool for analyzing and interpreting the company's short-term financial position, h) Its role as a trigger tool for the company to improve employee work (Pandia, 2012).

Types of Liquidity

According to Pandia (2012), there are two types of liquidity based on the source of funds and their use, namely:

a. Deposit liquidity

Deposit liquidity is liquidity for the purpose of acquiring deposits. This makes sense given the fact that it affects individuals. If an individual is able to overcome challenges and the person being entrusted is unable to do so, they will be able to improve their own knowledge and skills, which in turn will improve the quality of life of others. As a result, liquidity is likely to increase when banks take steps to ensure that their customers are satisfied and content with their services.

b. Portfolio liquidity

The portfolio is a reflection of the company's work on loan projects. Nevertheless, it is less sensitive to being motivated by mass production goals. When the bank does not have a liquidity index that can be used to make deposits, profit will be used. The types of liquidity vary depending on time, namely:

1. Daily liquidity needs, by paying attention to how to manage liquidity needs from day to day.
2. Short-term liquidity needs, namely liquidity that provides seasonal factors such as the influence of Christmas, Eid al-Fitr, New Year, vacation periods and business planting periods.
3. Long-term liquidity needs are liquidity needs associated with factors that have an influence on future times, such as the influence of government policies, economic growth or the level of business turnover.

Types of Liquidity Ratios

a. Current Ratio

This is an example of a number that serves as a reminder for the United States to improve the quality of life by enabling active living. The ratio can be used as a comparison between current assets and current liabilities. This is achieved by focusing on various employee-related activities, such as cash, inventory, and active labor.

Employee work that can be done in one day is called current. The components of active current include the following: cash, bank, price letters, accounts receivable, inventories, prepaid expenses, unused income, unaccrued loans, and active current itself. Current debt is a business strategy of at least one year. This particular debt is expected to be activated by the next morning. Current components range from trade, bank for a long time, money orders, salaries, taxes, and dividends to long-term that still moves quickly and short-term as well (Indonesia, 2014).

b. Quick Ratio

The quick ratio shows how much the company's ability to pay off short-term debt, in addition without including the value of the company's inventory. The typical criterion of the quick ratio is to use cash and other cash equivalent calculations in calculating, besides that it also shows how much the company is capable of.

c. Cash Ratio

As a result of current liabilities, procedures can be used to determine whether or not a company has the capacity to produce debt. When the cash ratio is greater than or equal to 1, the product has a range of liquidation and does not contribute to the overall debt assessment.

d. Cash Turnover Ratio

This ratio is used to provide various services to the company's customers in the form of working capital. As a result, cash is used to determine the relative value of products as a function of the method of manufacture. One example is the cash turnover ratio, which comes from the manufacturing and shipping sectors.

e. Working Capital Ratio

The term "working capital" refers to the process by which one company uses working capital ratios for the purpose of obtaining various liquidities. Ratios have various skills and positions that can be used to improve business operations. Capital ratios are the process of combining a company's total assets with the liabilities derived from some assets (Ismal, 2010).

f. Benefits of Liquidity Ratio

Understanding the liquidity ratio of a company certainly has several benefits for both investors and companies. Here are some of the benefits:

g. Benefits to the Company:

1. Knowing the business changes that occur in the company based on the ratio of assets and liabilities that occur in a certain period.
2. Comparing the strategic position of a company with related competitors in terms of business.
3. Knowing the company's financial position in its ability to pay current short-term obligations or debts.
4. Measuring the efficiency of expenditure in operational activities

h. Benefits for Investors:

1. Allows investors to track and analyze the performance of company assets used as investment instruments.
2. Knowing the ability of a company to pay their short-term obligations or debts within a specified period.
3. Knowing whether a company has assets that are worth investing in (Cashmere, 2013).

CONCLUSIONS

The role of liquidity is very much, not only in the smooth operation of the company but also other accounting concepts are certainly needed. In addition to aspects in business, daily life to the law requires accounting concepts in several activities. That's why it's important to require liquidity as the company runs. In practice, it explains to measure the company's ability to pay obligations or debts that are due immediately when collected. That is, the ability to pay obligations that are due to be paid according to a predetermined deadline schedule (certain dates and months). The company pays short-term liabilities with current assets as a whole. This means the amount of liabilities that are under one year old or equal to one year, compared to current assets. Short-term liabilities with current assets without taking into account inventory or receivables. In this case, current assets minus inventory and debt are considered lower liquidity.

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