

MULTI LEVEL MARKETING SHARIA

MULTI LEVEL MARKETING SYARIAH

Herry Syahbannuddin Nasution

Faculty of Islamic Economics and Business – UIN Sumatera Utara

Email: herry_nasution@yahoo.co.id

Andri Soemitra

Faculty of Islamic Economics and Business – UIN Sumatera Utara

Email: andrisoemitra@uinsu.ac.id

Abstract

Sharia MLM Business is dependent business on standard sharia. Study this use method study literature study and approach descriptive qualitative that is content analysis of papers from the Google Scholar database. Selected paper in this review originated from search on the Google Scholar database with the keywords "multi level marketing" MLM and Islam or Sharia and fiqh and fiqh period 2015 to 2022. Search process use help Publish or Perish application. On Step first writer to do search for papers in the Google Scholar database with the keyword "multilevel marketing" found 211 matching papers with keywords search. Explained that article journal of 26 papers summarized into 7 topics discussion tree with the findings described among others: Sharia MLM in Islamic view (Sharia) there are 13 papers, Settings compensation Sale Direct tiered Sharia (PLBS) in Indonesia there are 7 papers, Products Multi-Level Marketing Hajj and Umrah there is 1 paper, MLM in Perspective Fiqh scholars there is 1 paper, Concept on Shari'ah MLM Practice there is 1 paper, Akad Ju'alah on Sharia MLM agent there are 2 papers and Overview Analytic and Criticism: Concept and Practice Multi Level Marketing (MLM) Syari'ah in Indonesia there is 1 paper. Management sharia MLM business set According to the MUI Fatwa, namely: in the DSN-MUI Fatwa No. 75/DSN-MUI/VII/2009 regarding Guidelines Sale Direct tiered Sharia.

Keywords: multi level marketing; sharia; literature review

Abstrak

Bisnis MLM Syariah adalah bisnis yang bergantung pada standar syariah. Penelitian ini menggunakan metode penelitian studi literature dan pendekatan deskriptif kualitatif yaitu konten analisis paper dari database google scholar. Paper yang dipilih dalam review ini berasal dari pencarian pada database google scholar dengan kata kunci "multi level marketing" MLM dan Islam or Syariah dan fiqh dan fikih kurun waktu 2015 s.d. 2022. Proses pencarian menggunakan bantuan aplikasi Publish or Perish. Pada tahap pertama penulis melakukan pencarian paper di database google scholar dengan kata kunci "multi level marketing" ditemukan 211 paper yang sesuai dengan kata kunci pencarian. Dijelaskan bahwa artikel jurnal dari 26 paper dirangkum menjadi 7 topik pembahasan pokok dengan temuan yang diuraikan antara lain: MLM Syariah dalam pandangan Islam (Syariah) ada 13 paper, Pengaturan kompensasi Penjualan Langsung Berjenjang Syariah (PLBS) di Indonesia ada 7 paper, Produk Multi Level Marketing Haji dan Umroh ada 1 paper, MLM dalam Perspektif Ulama'Fiqh ada 1 paper, Konsep pada Praktik MLM Syari'ah ada 1 paper, Akad Ju'alah pada

agen MLM Syariah ada 2 paper dan Tinjauan Analitik dan Kritik: Konsep dan Praktik Multi Level Marketing (MLM) Syari'ah di Indonesia ada 1 paper. Pengelolaan usaha MLM syariah diatur sesuai Fatwa MUI yaitu dalam Fatwa DSN-MUI No. 75/DSN-MUI/VII/2009 tentang Pedoman Penjualan Langsung Berjenjang Syariah.

Kata kunci: *multi level marketing; syariah; literatur review*

A. INTRODUCTION

Multi Level Marketing, often referred to by the acronym MLM, is a strategy for promoting merchandise and services from a direct bidding system through a promotional program because it is more than one level where coworkers earn commissions and offer prizes for selling products or the possible benefits they get. do themselves and the organization's individuals in their meetings. This marketing system is through a distribution network which is an inherent stage by placing the organization's clients as well as presenting the faculty. This framework has outstanding qualities that distinguish it from other marketing frameworks, in particular (1) there are many levels or levels, (2) recruiting new individuals, (3) product offerings, (4) existence of a training system (5) commissions or rewards for each level.

Sharia MLM is a business whose functional system relies on sharia standards. Haram and suspicious angles are replaced with sharia monetary qualities in the view of monotheism, ethics and muamalah law. Sharia MLM is not only aiming at adding material but to support the world and the hereafter for the individuals associated with it. In sharia MLM there is also a Sharia Supervisory Board which is an institution that directs sharia business management. This establishment serves as an internal review and administrative framework to assess and vote if there are executions that are not in accordance with strict Islamic standards in sharia MLM organizations. The Sharia MLM business implementers are controlled by the MUI Fatwa, especially in the DSN-MUI Fatwa No. 75/DSN-MUI/VII/2009 concerning Guidelines for Sharia Tiered Direct Selling (PLBS), so that organizations can run the system according to sharia regulations.

Companies with a Sharia MLM system are present in the midst of society by offering guarantees and very lucrative profit baits, by simply registering and then selling the company's goods, they will be given abundant compensation, get vehicle prizes and get houses according to their level. However, there is confusion in the strategic policy

of this system, the article is that there are two agreements in one exchange or agreement, in particular the agreement to turn into a buyer and at the same time become a representative (Salim, 2015).

Sahlan (2016) also added that the MLM system business is still seen as playing a very important role in moving the wheels of the community's economy. To be honest, sometimes MLM in most cases is a guise of Money Game who likes automatic income. So talk of this business often reap the ridicule of some financial experts. One of the advantages of this business is that it allows limiting the cost of item dispersion to nothing, so that transportation costs do not interfere with the activities of the organization. MLM is considered uncomfortable for the individual, although not all organizations with the MLM framework hinder but instead benefit their individual. But gradually, MLM often causes problems for individuals because they do not understand MLM which causes misfortune.

A business is an act of exchange to a buyer of a specified type of labor and product to create a profit. Any business conducted by a person or business substance must have a bet between misfortune and profit. The misfortunes experienced can occur in a material perspective and, surprisingly, a non-material perspective. After all, assuming the business is fruitful, it will be profitable (Sahlan, 2016).

Starting from this case, Ayu et al. (2015) revealed that recently the Indonesian Ulema Council (MUI) has made efforts to grow these business standards in a sharia manner, including promotional plans. For the time being, the point is to protect business visionaries and their (local area) partners from illegal or fabricated strategic policies. However, there are still differences in assessment regarding MLM business arrangements. There are parties that allow or permit and vice versa, depending on the framework that binds them.

Looking at the data and explanations above, the authors are interested in exploring business management with the Sharia Multi Level Marketing system whose implementation has been carried out among the community so that it is more clear and there is no doubt in running this sharia MLM business.

B. THEORETICAL FRAMEWORK

Rivai (2012), The Multi Level Marketing System is a display framework that is semantically adopted from the English language. "Multi" means "many", While "level" means "level or layer". The word marketing is a language adopted from English which means "the act of introducing, promoting and selling organizational goods in the most ideal way". In this way, sellers are not only to get rewarded for the offers they get, but also ongoing offers from other vendors at lower tiers that they use or list. The people who are registered are called individuals or downlines.

Boni (2007), the Multi Level Marketing (MLM) system was first presented by Prof. Carl Rehnberg of the College of Chicago. He is the inventor of the first multilevel marketing system which is phenomenal until now. The multi-level marketing system was designed in the 1940s by a US company called Nutrilite Item Inc. The products that were first introduced were nutritional products and food additives Nutrilite. The advertising system used by Nutrilite Item Inc. is advertiser registration with generally low regulatory fees. In this delivery, highly dynamic advertisers are expected to increase 2 profits without a moment's delay. The main benefit is the immediate benefit due to the cost contrast between the item's price tag and the cost of selling. This kind of benefit is highly dependent on the number of items sold. Second, the excess of limited fees which in MLM parlance is called reward. Rewards are made from the organization's benefits on the number of items effectively sold by the merchant (downline) registered and prepared by the advertiser. The amount of this prize depends on the complete number of items sold by the downline wholesaler. From the framework of promotions and deals that make MLM organizations earn huge potential payouts and provide development to the marketing scene.

Marimin et al. (2016) revealed that in the case of Islamic law, the MLM advertising framework was examined by the Indonesian Ulema Council (MUI) and concluded that the fatwa is halal as long as the traders and organizations concerned tell the truth genuine, straightforward, not fraudulent and not running an unlawful or uncertain organization. Then, then, the exchange activity that sells labor and products and displays fees or rewards (at a rate) depends on the merit and level of the individual (downline) permitted in Islam because this marketing service operates. As a delegation between the maker and the buyer where this action is called *samsarah* (representation).

The practice of *samsarah* as a wholesaler, individual, or accomplice to exchanges. Islamic law is remembered for *ijarah* contracts, i.e. exchanges that involve the administration of another by giving gifts.

In view of the DSN-MUI Fatwa No. 75/DSN-MUI/VII/2009 concerning Guidelines for Sharia Tiered Direct Selling (PLBS) with legal provisions PLBS practice must meet the accompanying regulations, namely:

1. There is a genuine exchange protest, namely the exchange of types of merchandise or administrative goods;
2. Merchandise or administration exchanged is not something that is prohibited and used for something that is against the law;
3. Exchange in exchange does not contain components of *gharar*, *maysir*, *usury*, *dharar*, *dzulm*, unethical behavior;
4. There are no excessive costs/costs (unreasonable increases), thus hindering buyers because they are not commensurate with the quality/benefits obtained;
5. Commissions awarded by organizations to individuals, both in size and structure, must be based on sincere work performance which is directly related to the volume or value of the labor and product offerings, and must be the base salary of colleagues in PLBS;
6. The award given by the organization to the individual (co-worker) must be clear in amount when the exchange (contract) is made according to the business focus of the merchandise or administrative item that the organization could potentially set;
7. No commissions or rewards should be earned consistently without training and sales of merchandise or potential profits;
8. Giving commissions or rewards by organizations to individuals (coworkers) does not cause *ighra'*.
9. There is no double agreement and bad form in the distribution of awards between the main and subsequent sections;
10. Procedures for registration, types of grants and special events do not contain elements that are contrary to faith, sharia and dignity, for example avoiding religion, shamelessness and others;
11. Each co-worker who initiates participation is obliged to provide direction and management to the individual he/she chooses;

12. Don't do *money games*.

The agreements in the DSN-MUI Fatwa No. 75/DSN-MUI/VII/2009 concerning Procedures for Direct Selling Sharia Layered (PLBS) with an understanding of PLBS Practices that can be utilized are:

1. The *Bai'/Murabahah* Agreement alludes to the substance of Fatwa Number 4/DSN-MUI/IV/2000 concerning *Murabahah*; Fatwa Number 16/DSN-MUI/IX/2000 concerning *Murabahah* Limits;
2. The *Wakalah bil Ujrah* contract alludes to the substance of Fatwa Number 52/DSN-MUI/III/2006 concerning *Wakalah bil Ujrah* concerning Sharia Protection and Reinsurance;
3. The *Ju'alah* Agreement alludes to the substance of Fatwa Number 62/DSN-MUI/XII/2007 concerning the Definition of *Ju'alah*;
4. The *Ijarah* contract alludes to the substance of Fatwa No. 9/DSN-MUI/IV/2000 concerning Supporting *Ijarah*;
5. The difference in agreement according to sharia standards after the fatwa is given by the DSN-MUI.

In the course of the sharia MLM system, there are still pros and cons, so that it has positive and negative impacts. According to (Sahlan, 2016). There are positive impacts, among others, 1) Business visionaries get more benefits by saving expenses (limiting expenses, for example place costs, promotion or publication costs, etc. 2) Productive traders as *Simsars* (brokers/traders/waiters/specialists/wholesalers) who must work independently and selflessly.

However, according to Utomo (2003), there are also bad consequences that are more prominent than the positive impacts. As stated by the Sharia Board of Capitalized Parties through fatwa No. 02/K/DS-P/VI/11419, among others; 1) The emergence of an unnatural desire to hide the target of the transaction because it is triggered by the MLM system, 3) The unstable atmosphere that sometimes encourages a greedy lifestyle. 4) During a meeting or conference, not a few of them leave their long-term positions because they want to get profit in a short time. 5) This framework will make individuals (accomplices) materialistic. Because the standard of agreement that focuses on drawing large profits will ignore the basic reason for carrying out work, namely getting closer to God Almighty.

C. METHOD

This study uses a literature review study research method and a qualitative descriptive approach, namely content analysis of papers from the Google Scholar database. The content of the analysis paper is used to get the mapping and main themes discussed in the Google Scholar database at a certain time for further analysis of the contents (content analysis). The paper selected in this review comes from a search on the Google Scholar database with the keywords “multi level marketing” MLM and Islam or Sharia and fiqh and fiqh from 2015 to 2022. The search process uses the help of the Publish or Perish application. In the first stage, the author conducted a search for papers in the Google Scholar database with the keyword "multi level marketing" found 211 papers that matched the search keywords. After going through the process of reading the titles, abstracts, and keywords of the papers that are still relevant, there are 26 papers. Furthermore, in the final stage, the authors obtained 26 papers as reviewed papers in this research.

This descriptive qualitative approach and content analysis is carried out by reading the title, abstract, keywords, and conclusions that are relevant to the purpose of writing this article. From the 26 selected articles, the author then also discussed the content of the analysis of the paper so that information was obtained on the topic of Sharia Multi-Level Marketing and related it to developments that occurred in practice. The results of the content analysis will be presented in the results and discussion to be able to compare and classify the contents of the paper that has been written by each article. Then the authors provide responses according to the previous theory and conclusions in the closing section.

D. RESULTS AND DISCUSSION

Analyzing research maps related to Islamic MLM in Indonesia in the last 7 years on the Google Scholar database. Paper search results by keyword "multi level marketing" MLM and Islam or Sharia and fiqh and fiqh from 2015 to 2022. The results of the content analysis of the selected journal articles according to the criteria are in Table 1.

Table 1. Journal Articles Results of Content Analysis According to Criteria

No.	Author and year	Title
1	Maksum (2015)	Economcs ethic in teh fatwa of Islamic economic
2	Hasmawati (2020)	Multi-Level Marketing (MLM) Islamic Economic Perspective
3	Rohman (2016)	Analysis of the Implementation of <i>Ju'âlah</i> Contracts in Multi Level Marketing (MLM) (Study of Marketing Plans) (www.Jamaher.Network)
4	Nuri et al. (2021)	Implementation of <i>Khiyar Ta'yin</i> in Amway Product Sale and Purchase Transactions in the Perspective of Islamic Law
5	Solihah, nd (2017)	Sharia Tiered Direct Selling (PLBS) compensation arrangements in Indonesia
6	Hanifah & Rofiah (2021)	Use of the BuzzBreak Application from an Islamic Law Perspective
7	Afif & Mulyawisdawati, (2018)	Analytical Review and Criticism: Concepts and Practices of Sharia Multi-Level Marketing (MLM) in Indonesia
8	Rahman, nd (2018)	Product Analysis of Multi-Level Marketing Hajj and Umrah
9	Asmuni et al. (2020)	Implementation of the principle of sale and purchase transactions through MLM in Brand Branch (BC) PT. Indonesian Alwahida Antidote Herba (HPAI) Tanjungbalai
10	Khoirurroji'in (2019)	MLM in the Perspective of Fiqh and Hadith Scholars
11	Mardalis & Hasanah (2016); Safitri et al. (2015)	Multi Level Marketing in Sharia Perspective
12	Masyhuri et al. (2021)	Multi Level Marketing (MLM) Perspective <i>'Urf</i> and <i>Istihsan</i> Abdul Wahab Khallaf
13	Hasmawati (2020); Nuri et	Multi Level Marketing (MLM) in the

No.	Author and year	Title
	al. (2021)	Perspective of Islamic Law
14	Husain (2016)	Application of the Multi Level Marketing (MLM) System at PT. Asuransi Allianz Life Indonesia Manado Branch Viewed from the Perspective of Islamic Law
15	Dasopang (2020)	Multi Level Marketing in Islamic View
16	Murti & Chudlori (2019)	The multi-level marketing program for the planned generation of Pasuruan with the perspective of <i>masalah mursalah</i>
17	Buana & ZA (2019)	<i>Tijarah</i> in the Perspective of Muamalah Fiqh on the International Halal Network
18	Haris & Miswari (2019)	Practice of buying and selling licenses at Paytren Partners in Banjarmasin
19	Qonitatillah (2022)	Analysis of Multi-Level Marketing Business Factors on Distributor's Financial Freedom at PT. K-Link Sharia Lumajang
20	Mujahidah (2021)	Identification of Halal MLM from Sharia Economic Law Perspective
21	Latifah et al. (2021)	Decision of the National Consultative Meeting of the Nahdatul Ulama Institute for 2019 concerning Multi-Level Marketing Business Law
22	Mangunsong (2021)	Riba Discourse on Sharia Tiered Direct Selling (PLBS) Paytren Among Lecturer Clerics and Entrepreneurial Scholars
23	Sari & Abdullah (2019)	Establishment of a Bank without a Permit to Do Banking Business (Shadow Banking) in the Perspective of Islamic Law
24	Porwani & Rochmawati (2021)	Marketing Strategy for Halal Network International Products in Increasing Sales Volume at PT. Herbal Penawar Alwahida Indonesia

No.	Author and year	Title
25	Ansar & Fajri (2021)	Overview of Islamic Law on Multi Level Marketing (MLM) Business Practices at PT. CNI
26	Akbar & Fitri (2021)	Tariff for Two Ticket Ownership Transaction Prices for Tiens Vision Seminar According to the Concept of the <i>Bi Al-Manfa'ah Ijarah</i> Agreement

Next is the sorting of journal articles by year of publication, then the description is shown in Table 2.

Table 2. Description of Journal Articles by Year of Publication

Year	Number of Journal Articles	%
2015	2	7.6%
2016	3	11.5%
2017	1	3.8%
2018	2	7.6%
2019	5	19.2%
2020	3	11.5%
2021	9	34.8%
2022	1	3.8%
Total	26	100%

Next is the sorting of journal articles based on the research methodology, then the description is shown in Table 3.

Table 3. Description of Journal Articles Based on Research Methodology

Research Design/Methodology	Number of Journal Articles	%
Study of literature	13	50%
Qualitative	12	46%
Quantitative	1	4%

Mixed	0	0%
Total	26	100%

From the selected journal articles in Table 1, there are 26 journal articles that use qualitative research methods, literature studies and quantitative research. In Table 2, the descriptions of journal articles by year of publication are from 2015 to 2022 with details in 2015 (7.6%), 2016 (11.5%), 2017 (3.8%), 2018 (7.6%). 6%), in 2019 (19.2%), in 2020 (11.5%), in 2021 (34.8%) and in 2022 (3.8%). And in Table 3 the description of journal articles based on research methodology only 1 article (4%) uses quantitative methods. The article that uses quantitative methods discusses the Analysis of Multi Level Marketing Business Factors on Distributor's Financial Freedom at PT. K-Link Syariah Lumajang and published in 2022, written by (Qonitatillah, 2022). There are 12 journal articles that use qualitative methods (46%) and 13 articles (50%) of journal articles that use literature study methods.

Furthermore, based on the topics in each journal article and linked to *fiqh muamalah* in the management of sharia Multi Level Marketing. The results of this classification are further analyzed to find out what are the findings that are the most widely discussed topics, as shown in Table 4.

Table 4. Findings on Discussion Topics Based on Journal Articles

No.	Discussion Topic	Findings in journal articles
1	Sharia MLM in Islamic View (Sharia)	Islamic standards are concerned with improving the business framework which must be freed from the components of dharar (risk), <i>jahalalah</i> (unlimited quality) and zhulm (harming them or going off track to one side). In this way, the reward framework should be fair, non-deviant and not just productive. Organizations must also be free from elements of <i>maysir</i> (betting), <i>gharar</i> (mistakes), haram, borrowing costs, and forgery. So to do MLM business, we must be free from these components. In this way, the labor and products offered as well as their sales strategy

No.	Discussion Topic	Findings in journal articles
		should be permissible, not suspicious and not against Islamic standards.
2	Sharia Tiered Direct Selling (PLBS) compensation arrangements in Indonesia	Regulations and guidelines in Indonesia and the DSN-MUI Fatwa on Sharia Layered Direct Selling are adapted to regulate the payment framework for layered direct offering businesses to avoid cash games, fraudulent business models and extortion components, but the two standards differ in deciding how much salary is.
3	Multi-Level Marketing Products for Hajj and Umrah	MLM Hajj and Umrah contain components of <i>gharar</i> (vulnerability of hajj flights), <i>maysir</i> (hypothesis of obtaining a non-share visa), and pay off (<i>risywah</i>) in the Hajj visa application. MLM Hajj may be detrimental to the local area, and contains unprofitable strategic policies and is not in accordance with Islamic Sharia. The Religious Affairs Office through the Head of the Hajj and Umrah Division must take firm action against MLM Hajj and Umrah that hinders the implementation of Umrah.
4	MLM in the perspective of Islamic scholars	The absence of information about this will make someone fall into a blunder and sin. As we have seen the rise of usury, consuming human property in vanity, harming market costs, etc. from various types of losses that harm society, even harm the state.

No.	Discussion Topic	Findings in journal articles
5	Concepts in the Practice of Multi-Level Marketing (MLM) Syari'ah	Fatwa MUI Bandung stipulates that MLM regulations are allowed because the MLM framework contains profit standards. The advantage in question is that for MLM there is a joint effort to help, collaboration, no framework of interests, no mutual harm between individuals. Relevant communities should consider pursuing their options so that no mistakes are made locally.
6	<i>Ju'alah</i> contract with a Sharia MLM agent	To become an expert, there is clarity or candor in terms of the organization's business procedures used, and the goods sold, awards, and sovereignty on the HNI-HPAI in relation to the <i>ju'alah</i> contract where the rewards and benefits provided to the specialist depend on ability. the work of each specialist.
7	Analytical Review and Criticism: Concepts and Practices of Sharia Multi-Level Marketing (MLM) in Indonesia	The election of the East Java Nahdlatul Ulama PW emphasized that MLM was taboo, also alluding to the consequences of the East Java MUI meeting on 23-24 December 2009. MLM is illegal considering that in the MLM business, the strategy used to find individuals is to use unprofitable organizations or frameworks. for the lower class. Also , the person who benefits is the upline. A downline should have the option of finding as many people as is expected in the situation so that they can get a reasonable profit according to the results of their work.

From Table. 4 above, it can be explained that the journal articles from 26 papers can be summarized into 7 main discussion topics with the findings described, including: MLM Syariah in the view of Islam (Shariah) there are 13 papers, Compensation arrangements for Sharia Tiered Direct Selling (PLBS) in Indonesia are 7 papers, 1 paper for Multi-Level Marketing Hajj and Umrah products, 1 paper in MLM from the Ulama'Fiqh Perspective, Concepts in Sharia Multi-Level Marketing (MLM) practice, 1 paper, *Ju'alah* contract at Sharia MLM agents, 2 papers and Analytical Review and Criticism: Concepts and Practices of Multi-Level Marketing (MLM) Syari'ah in Indonesia there is 1 paper.

In running a Sharia MLM business, supervision in the field is very important because several things are still being found, including:

1. In the MLM business, one section has two capacities at once. His main capacity is as a buyer of goods, because he buys goods directly from the organization. Meanwhile, his next capacity is as a dealer, because apart from buying goods, he has to recruit new people. Each registration will also get a prize (Setiawan, 2003).
2. It is taboo to conclude two different types of agreements in one agreement, as if carrying out an exchange of obligations and temporary trading contracts, and one agreement with another agreement being integrated. For example: someone shared with a friend, "I will offer you this house as long as you lend me one of your vehicles for one month". The reason for not allowing this exchange is the vulnerability of the cost of the product being sold and the dependence of the exchange on conditions that are not guaranteed to occur (Salim, 2015).
3. Utami in his meeting with Afifudin also added that from the overall reality described recently, this framework action (MLM) cannot be separated from four regulations, including:
 - a. The law of two exchanges in one exchange is limiting. The first is a sale and purchase contract (*bai'*), while the second is a *samsarah* (expert/representative) contract.
 - b. The law of speeding (*samsarah*). The upline acts as a *simsar* (representative), whether he is the direct owner or not, then, at that time, he acts as a dealer for the downlines under him, and then the downlines under him act as intermediaries for the downlines under him once again.

- c. Commission and award laws, both awards for direct purchases and direct purchases, are commonly known as organizational and administrative awards.
 - d. The actions of *Ghabn Fahisy* (sad misappropriation of fees), namely building a selling price which is generally a market cost.
4. There is a component of uncertainty (*gharar/speculative*), Within the MLM framework there are chain traders. Whereas, facilitation (*samsarah*) is permitted by Islam, especially exchanges where a major part is made for his efforts in advancing the goods and uniting them with the buyer. Meanwhile, for traders within the MLM framework who do not promote goods, but advance commissions, they are not allowed in the framework of thinking that in the agreement there are *gharar* and speculative ones (Ayu et al., 2015).
 5. MLM goes against the general principles of exchange, for example *Al-Ghunmu bi al-Ghurmi* which implies that the rate of profit corresponds to the work employed or the cost of the opportunity rate.
 6. MLM contains usury *fadh*l and *nasi'ah*. Some researchers argue that the MLM system contains *fadh*l usury, because people pay by using their limited amount of resources to get a variety of products/benefits that are greater than them, as if they were trading money for alternative sizes cash. It is very possible to remember for the usury *nasi'ah* group, considering that the individual gets replacement money not in the form of money (Salim, 2015).
 7. MLM businesses in general will focus on commissions, not goods where MLM business is haram if the goods (merchandise) are only used as a tool to get rewards, because commissions in the MLM framework often come from lower people's presentations (downlines). Regardless of whether the capacity of the agreement model is clearly expressed, other problems will also arise, more precisely the desire (*ridho*) of the individuals (downlines) who join. By coincidence, the planned part didn't actually mean buying an expensive and possibly useless item for him. However, because he has a goal to become a part, while his need is to buy the item first, the planned part is "limited" to get it. This kind of exchange is considered haram if the design is not an item but a transaction/registration gift (Utami et al., 2016).

8. MLM business in general will be constrained. A person when faced with two decisions (registration commission and profit deal), then, at that time, he will choose the commission. Tanjung (2013) interprets that from a moral/moral point of view, MLM is normatively less moral. In fact, proponents of the MLM framework are popular on impulse, not out of self-consciousness. That's because they are welcomed by friends, family members and are reluctant to refuse. Most MLM marketing models are looking for and continuing to welcome individuals who are expected to give up.
9. There are rewards made by MLM businesses so that they are fixated on making easy money. A large number of MLM people join as a reward as a bait with the desire to make easy money in a short period of time and not depend on the need for goods. Organizations with a framework like this can be ordered
10. There are still MLM businesses that use business schemes such as money game, pyramid schemes (pyramid schemes), pure pyramid schemes (naked pyramid schemes) and Ponji schemes. Kaswara (2005) explained that:
 - a. Money Game which is a scheme that allows rotation of its *members*, by getting bonuses or commissions which are considered as profits from this, whereas in general these profits are obtained from the registration fees of the next members. This scheme is closer to fraud.
 - b. Pyramid scheme which is a plan that promises big profits only from recruiting other people to join this program, not based on profits from product sales. The person who registers first is the one who is at the top of the pyramid who will reap huge profits without having to work.
 - c. Pure pyramid scheme this scheme does not involve the sale of products. Participants pay the cost of participating in the hope of profiting from recruiting others into the system.
 - d. Ponji Scheme is a money fraud scheme initiated by Charles Ponji (born 1882), a US citizen of Italian descent in 1919 he created the scheme under the pretext of an investment that promises large profits in just a short time.

MLM Syariah utilizes the *Ju'alah* contract in the paper above to its representatives, this must be seen in the HNI-HPAI organization. To become a specialist, there is clarity or candor with respect to the organization's business

procedures used, and the goods sold, awards, and sovereignty on the HNI-HPAI in relation to the *ju'alah* contract where the rewards and benefits provided to the specialist depend on ability the work of each specialist.

Andri Soemitra (2019) in his book *Islamic Monetary Regulation and Fiqh Muamalah* interprets that *Ju'alah* is a type of contract whose rules are jaiz (permitted) by certain researchers, but some do not. This difference in valuation can be recognized because the *Ju'alah* contract is not the same as the implementation of the *Ijarah* contract which is only a payment without an element of benefit. The differences between *Ju'alah* and *Ijarah* include: 1) *Ju'alah* is substantial for work that is unclear, difficult to distinguish and difficult to decide, such as returning lost items. 2) *Ju'alah* is valid for vague experts. 3) Workers are not entitled to compensation other than after completing their work. 4) In *Ju'alah*, it is not expected that there is a word *kaful* for workers. 5) *Ju'alah* is a non-restrictive exchange, not *ijarah* which is a restrictive exchange. The implications of the *Ju'alah* transaction law are 1) *Ju'alah* transactions become a binder after the work is completed because wages have been fixed and become the obligation of the messenger (*ja'il*). 2) The worker's control over the property of the dispatcher is a mandate, so he does not guarantee damage unless it is due to negligence. 3) The costs incurred by the worker on the assets transacted must be borne by the owner of the goods because the costs are permitted by the shari'a to protect life and property. *Ju'alah* becomes void and ends because one party dies or is seriously insane.

E. CONCLUSION

Maintaining a Shariah MLM business must comply with Islamic standards with respect to improving the business framework that must be freed from the components of *dharar* (risk), *jahalah* (vagueness) and *zhulm* (hurt them or make no sense to one party). Therefore, the reward framework must be fair, non-deviant and not just productive. Organizations must also be free from elements of *maysir* (betting), *gharar* (mistakes), *haram*, borrowing costs, and forgery. So if we have the desire to do MLM business, we must be free from these components. Therefore, the labor and products offered as well

as the sales strategy must be permissible, not suspicious and not against Islamic standards.

The MLM Syariah business framework, an organization in the field of labor and products currently in Indonesia greatly affects the economy which helps organizations that can save on allocation, promotion and advertising costs as well as productive traders work independently and without obstacles. However, there are also negative consequences which can be dependent on the need to make easy money, seen running cash games, ponji, and fraudulent business models that harm individuals. And can contain usury, *gharar*, and other deception.

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