

## The Effect of Halal Labels on The Welfare of MSMEs

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### Abstract

Halal labels at this time are so widely circulated. Especially in food which is the key for Muslims when they are going to eat a food product. Because the basic food we eat must be halal and tayyiban so that the food becomes our energy to carry out worship and carry out the activities we do daily. The purpose of this study is to find out thoroughly how the process so that food can become halal as a whole and know the nature of the halal. In this study, using the Literature Study approach is a way to solve problems by tracing sources of writings that have been made before. This technique is carried out with the aim of revealing various theories that are relevant to the problem being faced / researched as reference material in the discussion of research results. The results of this study are to get the conclusion that a food can be said to be halal or haram. Then the effect of slaughter on the halalness of a food sold. Because by knowing the differences, MSMEs can know the halal process thoroughly for their food products so that their sales are expected to experience an increase in sales and general criteria, and most importantly provide a sense of peace of mind for their customers.

**Keywords:** Halal label, MSME, food, Halal



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### INTRODUCTION

Islam as a religious teaching and philosophy of life also makes economics a study that cannot be separated from Islam itself. Economics is an aspect of muamalah that strongly emphasizes values and morality. So that when bringing Islam closer to the economy, a very high concept will be found in the economic system.

Islam has arranged ways to meet food needs, some food is halal and some food is forbidden. The food ingredients needed by the human body to meet daily needs are very diverse, one of which is protein that can be obtained from fish, animal meat, etc. Islam has a firm line stating that it is forbidden to eat some animals without being slaughtered syara" first. In this case, MSMEs (Micro, Small and Medium Enterprises are an activity that becomes a trade and industry which is generally the basis or stepping stone, where these MSMEs pioneer their trade from small to become a trade or become an industry.

Based on data from the Central Statistics Agency (BPS), the number of workers in February 2022 was 144.01 million people, an increase of 4.20 million people compared to February 2021. The February 2022 Open Unemployment Rate (TPT) was 5.83 percent, down by 0.43 percentage points compared to February 2021. There are 11.53 million people (5.53 percent) of the working-age population affected by COVID-19. It consists of unemployment due to COVID-19 (0.96 million people), Non-Labor Force (BAK) due to COVID-19 (0.55 million people), while out of work due to

### The Effect of Halal Labels on The Welfare of MSMEs

Rayhan Azis, Ardi Taufiqurrahman Juanda, Nunung Nurhayati

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COVID-19 (0.58 million people), and a working population that experienced reduced working hours due to COVID-19 (9.44 million people). These figures need to be considered because they have the potential to increase in line with the increasing population growth in Indonesia, which according to Bappenas projections will have as many as 305,652,400 million Indonesians by 2035. This requires significant policy breakthroughs and solutions to minimize the social impact of demographic rates and unemployment rates.

From the data above, it states that so many MSMEs are in Indonesia, this is related to the Halal Product Guarantee which is part of the state's obligation to provide legal protection to its citizens to feel safe, comfortable and avoid mistakes or mistakes in consuming and or using food, drinks, medicines, and cosmetics. In this case, halal certification is still far from expectations, and small and medium-sized enterprises (SMEs) still know little about halal as a whole. The purpose of this study is to change the perspective of MSMEs who know that halal is just ingredients without knowing what the complete halal provisions are. This is because business actors do not know enough about what halal is as a whole, how the halal process affects the business they trade and how halal is crucial to bring MSMEs into the international realm.

#### LITERATURE REVIEW

##### Definition of Label

According to Philip Kotler (2008: 276) in Hendri Hermawan Adinugraha, Wikan Isthika, Mila Sartika (2017: 186) a label is a simple display on a product or an intricately designed image that is an integral part of the packaging. One of the labels listed on the product is the "halal label". Halal labeling is the inclusion of halal writings or statements on product packaging to show that the product in question has the status of a halal product (Rangkuti, 2010: 8) in Hendri Hermawan Adinugraha, Wikan Isthika, Mila Sartika (2017: 186). A label is a part of a product that carries verbal information and is part of the packaging about the product in (Tjiptono, 2008:98 in Eka Dewi Setia Tarigan 2016:49).

##### Halal Label Foundation

Halal Food Terms and Criteria As explained that the scope of halal is very broad and haram narrow. And basically all food and drinks that come from growing vegetables, fruits and animals are kosher, except those that are toxic and endanger human life. 8 The drinks that Allah forbids are all forms of khamar (alcoholic beverages) Allah said:

﴿يَسْأَلُونَكَ عَنِ الْخَمْرِ وَالْمَيْسِرِ قُلْ فِيهِمَا إِثْمٌ كَبِيرٌ وَمَنَافِعُ لِلنَّاسِ وَإِثْمُهُمَا أَكْبَرُ مِن نَّفْعِهِمَا وَيَسْأَلُونَكَ مَاذَا يُنْفِقُونَ قُلْ الْعَفْوَ كَذَلِكَ يُبَيِّنُ اللَّهُ لَكُمُ الْآيَاتِ لَعَلَّكُمْ تَتَفَكَّرُونَ﴾

It means: "Indeed, Allah only forbids you (to eat) carcasses, blood, pork, and animals that when slaughtered) are called (names) other than Allah. However, whoever is in a state of compulsion (eating it) while he does not want it, does not (nor) go beyond the limits, then indeed Allah is Most Forgiving, Most Merciful" (QS: al-Baqarah 173)

In this verse it has been explained that the forbidden foods include: . Carrion, which belongs to the category of carcasses are animals that die by not being slaughtered, including animals that die suffocating, being hit, falling, horned and pounced on by wild animals, except for those that we have slaughtered, only fish carcasses and grasshoppers are allowed to eat. Blood, often termed flowing blood, means that the blood that comes out at the time of slaughter (flows) while the blood

**Ensure the Proper Wearing of Face Masks Using Machine Learning to Fight Covid-19 Virus**  
Loremelo J. Catindoy

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left after slaughter that is in the flesh after cleaning is allowed. Two kinds of blood are allowed, namely the heart and spleen. Pigs, whatever comes from pigs are illegitimate whether their blood, flesh, or bones. The beast that when slaughtered mentions anything other than the name of God. In terms of food, there are actually two definitions that we can categorize halalness, namely halal in getting it and halal dzat or substance of the goods. Halal in obtaining it means that it is right in seeking and obtaining it.

**Legal Foundation of Halal Products** The purpose of Islamic law is to achieve a happy and prosperous life. That is by taking advantage, preventing or rejecting the good for life. The essential purpose of Islamic law if formulated in general is the achievement of God's pleasure in human life in the world and in the hereafter. The legal basis for the enactment of halal certification is only sourced from the provisions of Shari'a. To ensure the implementation of this sharia provision related to halal haram law. The legal basis for halal products in accordance with Islamic law is among others contained in the Qur'an: QS. Al-Baqarah[2]:172

يَا أَيُّهَا الَّذِينَ آمَنُوا كُلُوا مِن طَيِّبَاتِ مَا رَزَقْنَاكُمْ وَاشْكُرُوا لِلَّهِ إِن كُنتُمْ إِيَّاهُ تَعْبُدُونَ

It means: "O people of faith, eat among the good sustenance We give you and give thanks to God, if truly to Him you worship". 14 Through his word Allah commands his faithful servants to eat the good food of the rizki that Allah Almighty has bestowed upon him, and that they may be ever grateful to him for the rizki, if they are truly his servants. Eating halal food is one of the reasons for the granting of prayer and the acceptance of worship as eating illegitimate food hinders the acceptance of prayer and worship. 15 QS. Yunus[10]:59

قُلْ أَرَأَيْتُمْ مَا أَنزَلَ اللَّهُ لَكُمْ مِّن رِّزْقٍ فَجَعَلْتُمْ مِنْهُ حَرَامًا وَحَلَالًا ۗ قُلْ اللَّهُ أَدْرَأَكُم مَّا عَلَى اللَّهِ تَقْتَرُونَ

It means: Say: "Explain to me the sustenance that God has handed down to you, and then you make some of it haram and (some of it) halal". Say: "Has God given you permission (about this) or have you just made it up to God?" .

**Procedures for Slaughtering Farm Animals**

Based on Q.S Al-Maidah's explanation verse 3 about which are halal and which are haram to consume, the verse also explains how the ordinances are in slaughter. In the description it can be concluded that the diet of this animal related to slaughter, it should be paid close attention to what kind of animal it should slaughter, who slaughtered it, how to slaughter it, as well as what was read at the time of slaughter.

Slaughter is called dzakah because ibahah syar'iyah (syar'i conversion) can make the slaughtered animal good. What is meant here is the slaughter of animals in syar'i, because in fact animals that are kosher eaten cannot be eaten in the slightest from them unless they are slaughtered first, except for fish and grasshoppers.

The purpose of slaughter is to distinguish whether the dead animal is kosher or illegitimate to eat. Animals that are slaughtered according to the provisions of syara" halal are eaten, while animals that die without being slaughtered or slaughtered but not in accordance with the provisions of syara", such as carrion, animals that are slaughtered by mentioning names other than Allah and so on, are illegitimately eaten.

And as for the sunahs in slaughtering namely: a. Sharpening the slaughterer b. Read basmallah (Bismillahirohmaanirrohiim) and shalawat over Prophet SAW c. Facing oneself and the slaughtered towards the qibla d. Break both veins on the left right of the neck following the law (throat) e. Slaughtering on the neck f. Rolled over to his left ribs

### The Effect of Halal Labels on The Welfare of MSMEs

Rayhan Azis, Ardi Taufiqurrahman Juanda, Nunung Nurhayati

Then what about the development of technology? In this day and age where technological developments are growing, there are some things that are different from ancient times where slaughter was carried out conventionally. In the example of a case experienced in the slaughter of animals is the mass slaughter carried out which is only carried out with one button.

In this case although it is not done by a person directly and only limited to the operator of the machine the law of slaughter using the machine is allowed. As a consequence, and the meat is kosher. As Sayyid Abi Bakar Syato Ad-Dimyati explained in his book entitled *I'alah at-Thalibin*:

وَشَرْطُ الدَّابِّحِ أَنْ يَكُونَ مُسْلِمًا (قَوْلُهُ: أَنْ يَكُونَ مُسْلِمًا) أَيْ أَوْ مُسْلِمَةً. وَشَرْطٌ أَيْضًا أَنْ يَكُونَ غَيْرَ أَعْمَى فِي غَيْرِ مَقْدُورٍ عَلَيْهِ مِنْ صَيْدٍ وَغَيْرِهِ، فَلَا يَحِلُّ مَذْبُوحُ الْأَعْمَى بِإِرْسَالِ آلَةِ الدَّبِّحِ، إِذْ لَيْسَ لَهُ فِي ذَلِكَ قَصْدٌ صَاحِحٌ.

*"The cutter is muslim. (Description: Muslim) also includes muslimah. It is also required that the cutter is not a person who is blind to an animal that is incapable of being mastered in terms of killing it, either from hunting or otherwise. Then it is not lawful to slaughter a blind man by releasing a cutting tool, because he does not have the right target."*

In addition to the conditions of the slaughterer, what is considered is the method of slaughter and the cutting machine as the tool. Sheikh Zakaria Al-Anshori explained in the book of *Fath Al-Wahhab*:

فَالدَّبِّحُ قَطْعٌ حُلْفُومٌ وَمَرِيءٌ... وَ شَرْطٌ فِي الْأَلَةِ كَوْنُهَا مُحَدَّدَةً بِفَتْحِ الدَّالِ الْمُسَدَّدَةِ أَيْ ذَاتِ حَدِّ تَجْرُحُ كَحَدِيدٍ أَيْ كَمُحَدَّدٍ حَدِيدٍ "وَقَصَبٍ وَحَجَرٍ وَرِصَاصٍ وَذَهَبٍ وَفِضَّةٍ إِلَّا عَظْمًا كَسِنَّةٍ وَظُفْرٍ لِخَبَرِ الشَّيْخَيْنِ: " مَا أَنْهَرَ الدَّمَ وَذُكِرَ اسْمُ اللَّهِ عَلَيْهِ فَكُلُّهُ لَيْسَ السِّنُّ وَالظُّفْرُ

*"Slaughtering is cutting the airway (throat) and food canal (esophagus)... And it is required that the cutting tool must be in a sharp state that can hurt, such as a knife of iron, bamboo, stone, live ammunition, gold, and silver. Except those made of teeth and nails, according to the historical hadith of Bukhari Muslim: Anything that can drain blood (slaughter animals) that is not made of teeth and nails and is mentioned when slaughtered the name of Allah Ta'ala, then eat."*

### RESEARCH METHODOLOGY

The writing of this article aims to get an overview of the development of micro and small businesses through an Halal framework using the research method of literature studies. Literature study is a series of activities related to methods of collecting library data, reading and recording, and managing research materials. According to Danial and Warsiah (2009:80), Literature Study is a research conducted by researchers by collecting a number of books, magazines related to the problem and research objectives.

This technique is carried out with the aim of revealing various theories that are relevant to the problem being faced / researched as reference material in the discussion of research results. Another definition of literature study is to look for references to theories that are relevant to the cases or problems found.

In general, literature studies are a way to solve problems by searching for sources of writings that have been made before. In other words, the term Literature Study is also very familiar with the term literature study. In a study to be carried out, of course, a researcher must have broad insight regarding the object to be studied.

### FINDINGS AND DISCUSSION

**Ensure the Proper Wearing of Face Masks Using Machine Learning to Fight Covid-19 Virus**  
Loremeo J. Catindoy

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According to alJurjānī, the word ḥalāl comes from the root word الحَلّ which means "open" (الفتح). (In terms of terms, it means anything that is not subject to punishment for its use or something that is released by Shari'a to be done. According to Abū Ja'far al-Ṭabārī (224-310 H), the word ḥalāl (حلال) means detached or freed (أُفْطِلَ). Then, the animal must be alive before slaughter, in the provisions of Islamic law the animal to be slaughtered is recommended to be alive. It should not be dead animals. Because when the slaughtered animal is dead, it is carrion, and it is illegitimate to eat. Except for the carcasses of grasshoppers and fish.

Taken from a scientific study conducted by 2 staff of animal husbandry experts from Hannover University a leading university in Germany. Namely: Prof. Dr. Schultz and his colleague, Dr. Hazim. In a case, which is better and least sick, pure Islamic Shari'a slaughter (without the process of silencing) or slaughtering in the Western way (by silencing)? From this study, it was found that cows that were cut in an Islamic way and used Islamic provisions found that cut meat produces healthy meat that is suitable for human consumption. This type of meat from this kind of slaughter is very much in accordance with the principles of Good Manufacturing Practice (GMP) which produces Healthy Food. As for western slaughter, it does not make the meat worthy of eating because the blood is not attracted and does not pump out of the body to the fullest, so the blood also clots in the veins of blood and flesh, resulting in unhealthy meat, which thus becomes unsuitable for human consumption. It is mentioned in the treasures of meat science and technology, that frozen blood deposits (which do not come out when livestock die/are slaughtered) are an excellent place or medium for the growth and development of putrefactive bacteria, which are the main agents of damaging the quality of meat.

## CONCLUSION

In various previous studies using the literature study method, it can be concluded that this halal label is a crucial thing, especially for MSMEs in order to provide peace of mind to consumers. And with this halal label, MSMEs can make their trade and industry go international. This makes MSMEs more advanced and is an economic spear to build the country to prosper and the trade cycle to be more advanced. This is a challenge for MSMEs because of their ignorance of this halal, especially in the process that is in accordance with the sunnah of the Prophet Muhammad SAW taught from the predecessor got to us. The important thing shown in this study, it is hoped that MSMEs will start to focus and make this halal label a priority and use hadith and postulates as a basis. In addition, it is hoped that the government or other institutions will provide socialization and direction on the benefits of halal labels on MSMEs to MSME owners. For subsequent researchers, it is hoped that they will be able to develop this research with more MSME information.

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**The Effect of Halal Labels on The Welfare of MSMEs**

Rayhan Azis, Ardi Taufiqurrahman Juanda, Nunung Nurhayati

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